

CENTRAL BANK OF SAVINGS BANKS FINLAND PLC'S

# BOARD OF DIRECTORS' REPORT AND IFRS FINANCIAL STATEMENTS

31.12.2025



Central Bank  
of Savings Banks

*Translation of Central Bank of Savings Banks Finland Plc's financial statement 2025*

# TABLE OF CONTENTS

## **BOARD OF DIRECTORS' REPORT 1 JANUARY – 31 DECEMBER 2025 ..... 3**

The Savings Banks Group and the Savings Banks Amalgamation .....	4
Description of the operational environment.....	4
SB Central Bank's business activities .....	6
SB Central Bank's profit and balance sheet .....	7
Capital adequacy and risk position .....	8
Credit rating.....	12
Corporate governance .....	13
SB Central Bank's management and personnel .....	13
Remuneration .....	13
Main outsourced functions .....	14
Social responsibility .....	14
Material events after the closing date .....	14
Outlook for the year 2025 .....	15
The board of directors' proposal on the disposal of distributable funds.....	15
Formulas used in calculating the financial highlights .....	16

## **CENTRAL BANK OF SAVINGS BANKS FINLAND PLC: IFRS FINANCIAL STATEMENTS..... 17**

Income statement .....	18
Statement of comprehensive income .....	18
Statement of financial position .....	19
Statement of cash flows .....	20
Statement of changes in equity .....	21

## **BASIS OF PREPARATION ..... 22**

Note 1: Information of the reporting company and description of the savings banks group .....	23
Note 2: Accounting policies .....	24
Note 3: Critical accounting estimates and judgements.....	29

## **RISK MANAGEMENT AND PRINCIPLES OF CAPITAL ADEQUACY MANAGEMENT..... 30**

Note 4: Risk management and governance .....	31
Note 5: Capital adequacy management .....	37

## **NOTES RELATED TO PROFIT AND LOSS AND BALANCE SHEET ITEMS..... 40**

Note 6: Net interest income .....	41
Note 7: Net fee commission income .....	42
Note 8: Net trading income.....	42

Note 9: Other income and expenses .....	43
9.1 Other operating revenue .....	43
9.2 Other operating expenses .....	43
Note 10: Personnel expenses .....	44
Note 11: Loans and advances .....	45
11.1 Loans and advances to credit institutions and customers .....	45
11.2 Investment assets.....	46
11.3 Impairment loss on financial assets .....	47
Note 12: Funding.....	52
12.1 Liabilities to credit institutions and customers.....	52
12.2 Debt securities issued .....	52
Note 13: Classification of financial assets and financial liabilities .....	53
13.1 Offsetting of financial assets and financial liabilities .....	56
Note 14: Derivates and hedge accounting.....	58
Note 15: Fair value by valuation technique .....	59
Note 16: Fixed assets.....	62
16.1 Intangible assets.....	62
16.2 Property, plant and equipment.....	64
16.3 Leases .....	65
Note 17: Capital and reserves.....	66
Note 18: Taxes .....	67
18.1 Income taxes .....	67
18.2 Deferred taxes .....	68
Note 19: Other assets, liabilities and provisions .....	70
19.1 Other assets .....	70
19.2 Provisions and other liabilities.....	70
Note 20: Cash and cash equivalents .....	71

## **OTHER NOTES ..... 72**

Note 21: Collaterals .....	73
Note 22: Off balance-sheet commitments .....	73
Note 23: Related parties .....	74
Note 24: Material events after the closing date .....	75

## **PILLAR III DISCLOSURES ..... 76**

## **SIGNATURES OF THE FINANCIAL STATEMENTS AND THE BOARD OF DIRECTORS' REPORT ..... 77**

## **AUDITOR'S NOTE ..... 78**





# **BOARD OF DIRECTORS' REPORT**

**1 JANUARY – 31 DECEMBER 2025**

# BOARD OF DIRECTORS' REPORT

## 1 JANUARY – 31 DECEMBER 2025

Central Bank of Savings Banks Finland Plc (hereinafter "SB Central Bank") is a bank owned by Finnish savings banks. Its main purpose is to provide the Savings Banks Group with various central credit institution services. The central credit institution services focus payment services and account operator services, payment card issuing for the customers of the member Savings Banks (hereinafter also "Savings Banks") of the Amalgamation, and services related to liquidity management, funding and asset and liability management. SB Central Bank is part of the Savings Banks Amalgamation.

During the year 2025, the focus of SB Central Bank business was offering high-quality services and continuous service development.

Kai Brander, CEO of the Central Bank of Savings Banks, retired on 1 June 2025. The Board of the Central Bank of the Savings Banks appointed Mervi Luurila as the new CEO starting from 1 April 2025. She had previously served as Deputy to CEO.

SB Central Bank's operating profit for the period was EUR -2,7 million, and the balance sheet total amounted to EUR 4,0 billion.

### THE SAVINGS BANK GROUP AND SAVINGS BANKS AMALGAMATION

The Savings Banks Group is the most long-standing banking group in Finland. It comprises the Savings Banks that form the Savings Banks Amalgamation, the Savings Banks' Union Coop that acts as the Central Institution, and the subsidiaries and associated companies owned jointly by the banks.

The member organisations of the Savings Banks Amalgamation form a financial institution as defined in the Act on the Amalgamation of Deposit Banks, in which Savings Banks' Union coop

and its member credit institutions are ultimately jointly and severally liable for each other's liabilities and commitments. The Amalgamation comprises the Savings Banks' Union Coop which acts as the central institution of the Amalgamation, 14 Savings Banks, Central Bank of Savings Banks Finland Plc, Sp Mortgage Bank Plc and the companies within the consolidation groups of the above-mentioned entities, as well as Sp-Fund Management Company Ltd. The structure of the Savings Banks Group differs from that of the Savings Banks Amalgamation in that the Savings Banks Group also includes institutions other than credit and financial institutions or service companies. The most notable of them is Sp-Koti Ltd.

At the turn of August–September 2025, the Savings Banks Group started a distribution cooperation on insurance saving and loan protection with Fennia. In connection with this, the Savings Banks Group sold the entire share capital of Sb Life Insurance Ltd to Fennia Life on 29 August 2025. The sale of SB Life Insurance Ltd's share capital to Fennia Life did not affect the result or financial position of the SB Central Bank.

Further information about the structure of the Savings Banks Group can be found at [saastopankki.fi/saastopankkiryhma](https://saastopankki.fi/saastopankkiryhma).

### DESCRIPTION OF THE OPERATIONAL ENVIRONMENT

#### The global economy

According to current estimates, the global economy grew by just over 3% in 2025. This represents growth at roughly the previous year's level and slightly below the long-term average. Although the development of the global economy appears stable on the surface, there were many economically disruptive events in 2025.

US President Trump began working towards his goals as his term began. From the perspective of the global economy, one of the most significant measures was the imposition of very high tariffs on almost all of the United States' trade partners. This caused a great deal of uncertainty, especially in the first half of the year. However, the countermeasures of other countries remained measured and a broad spiral of retaliation was avoided. Consequently, the impacts of the tariffs on the economy have been less severe than feared, at least for the time being.

The development of the US economy remained surprisingly good in spite of the increases in tariffs. Underlying economic weakness may be partially masked by massive AI investment. The use of AI increased significantly in 2025 globally, and this was also reflected in investments in the real economy, especially in the US. However, the significant productivity growth expected from AI has yet to be realised.

In the eurozone, economic growth picked up as the year went on. According to current estimates, the rate of growth was just over 1%. While this figure is modest when compared to many other countries, it represents fair performance for the eurozone. Germany, the largest economy in the eurozone, is shifting its overarching economic policy and increasing its investments. While this did not stimulate the economy to a significant extent in 2025, it is expected that the German economy – and with it, the entire eurozone economy – will pick up in 2026. The lower interest rate level is also expected to benefit the euro economy in 2026.

### **The interest rate environment**

In the first half of 2025, short-term interest rates in the eurozone remained on a downward trajectory as the European Central Bank continued its rate cuts. For example, the 12-month Euribor rate, which is used as the general reference rate for mortgages, had a range of movement of approximately 0.5 percentage points.

The situation gradually changed in the second half of the year. The bottom of the interest rate cycle was found and interest rates turned to an increase as the end of the year approached. The 12-month Euribor was close to 2% at its lowest, but rose by nearly 30 basis points by the end of the year.

In the early part of the year, the development of long-term interest rates was affected by US tariff policy, geopolitical concerns and weakened economic growth expectations. Although development in the first half of the year was more volatile in this environment, the period ended with long-term interest rates close to the levels seen at the beginning of the year.

As the autumn went on, the focus shifted to the end of central banks' rate cut cycles, the

increase in sovereign debt and inflation in Europe persisting above 2%. Long-term interest rates rose by more than 30 basis points during the final months of the year.

For banking operations, the interest rate environment was challenging as a whole in 2025, as the falling reference rates and the normalisation of the interest rate curve had a negative impact on net interest income. The effect on net interest income caused by the rise in interest rates at the end of the year remained moderate due to its late timing.

The European Central Bank's key interest rate has remained at 2% since June 2025. The markets are pricing in the European Central Bank's next key interest rate hike only for 2027. Consequently, the development of short-term interest rates can be expected to be stable next year. Geopolitical factors, rising government debt (due to increased defence spending, among other things) and questions about the state of the economy (including inflation) affect the development of the longer end of the interest rate curve.

### **Investment markets**

From an investment market perspective, the most significant event in 2025 was the policy directives adopted by the Trump administration in April concerning US trade policy and foreign trade tariffs. Share prices fell sharply as a result of the announcement, but investor confidence returned fairly quickly and the recovery of share prices began as early as the second quarter. The key theme in the equity markets was AI and investor confidence in the technology sector's profit performance following significant investments.

In the second half of the year, share prices also rose in Europe and especially in emerging markets, where share prices rose sharply. The strong investor sentiment and risk appetite were also reflected in the corporate bond market. Credit risk margins continued to narrow in the second half of the year, and the demand for corporate bonds remained strong. In the sovereign bond market, interest rates rose in the fourth quarter, which contributed to a decrease in returns from fixed income investments. In the currency markets, the US dollar remained stable against the euro.

### **The Finnish economy**

The start of 2025 saw a recovery in the Finnish economy. However, economic growth stalled as the year went on, and GDP again contracted year-on-year in the latter part of the year. The year 2025 was characterised by subdued consumer sentiment. This was also reflected in the Savings Banks' Savings Barometer, which showed that financial distress experienced by households again turned to an increase.

The subdued consumer sentiment meant that the development of private consumption was rather muted. The household saving rate was high, indicating that an increasing share of growing income was directed to savings rather than consumption. Many households bolstered their financial buffers following several challenging years.

In spite of the subdued sentiment, the financial position of households improved in terms of many indicators in 2025. Wage earners' purchasing power continued to grow, inflation subsided and interest rates stabilised at a lower level than before. At the same time, uncertainty was maintained by higher-than-expected unemployment and uncertainties in the global economy.

Finnish business confidence developed more favourably than the confidence of households. Business confidence in the economic outlook improved as the year went on, although the level was still rather moderate. There was a slight pick-up in investment, but a more distinct recovery has yet to materialise. Difficult times persisted for the construction sector. The number of bankruptcies continued to rise in 2025.

## **SB CENTRAL BANK'S BUSINESS ACTIVITIES**

SB Central Bank is responsible for providing various centralised services to Savings Banks. Its most significant operations include refinancing and liquidity management of the member credit institutions of the Savings Banks Amalgamation, asset and liability management services, account management, payment card issuing services and granting unsecured consumer credit to Savings Banks' customers, and payment intermediation.

### **Treasury**

In Treasury operations in 2025, the Savings Banks Group continued to optimise its liquidity position and expand the Group's debt investor relations. To protect net interest income, investments in debt securities of good credit quality were increased in liquidity management.

### **Asset and liability management services**

During the year under review, a major system renewal in asset and liability management was fully deployed in production use. This involved a renewal of the entire system environment and reporting on asset and liability management. Support and consulting for the credit institutions belonging to the Amalgamation continued in relation to interest rate risk and liquidity risk management, and operating models were developed.

### **Payment cards and unsecured consumer credit**

The Central Bank of Savings Banks' card and unsecured consumer credit business volumes developed positively in 2025. In 2025, we continued the development of features related to corporate credit cards in particular. For example, we made the use of mobile services easier and enabled mobile payments.

### **Payment intermediation**

Changes required by regulations, such as the Instant Payments Regulation, were implemented in 2025, and the development of processes and functionalities continued.

### **Securities services / account management operations**

In securities services in 2025, there were several developments that support the improvement of the customer experience and the growth of the business. We also continued to enhance processes and strengthened cooperation with the wealth management services business.



# SB CENTRAL BANK'S PROFIT AND BALANCE SHEET

## KEY PERFORMANCE INDICATORS

(EUR 1,000)	12/2025	12/2024	12/2023
Net interest income	14,517	20,298	31,234
Operating profit	-2,663	3,095	18,333
Total operating revenue	32,909	33,417	43,560
Total operating expenses	-32,929	-27,873	-23,889
Profit	-2,258	2,523	14,396
Cost to income ratio	100,1%	83,4%	54,8%
Total assets	3,989,562	3,595,452	3,387,747
Total equity	132,967	133,874	130,223
Return on equity %	-1,7%	1,9%	11,7%
Return on assets %	-0,1%	0,1%	0,4%
Equity/assets ratio %	3,3%	3,7%	3,8%
Solvency ratio %	35,8%	46,3%	43,9%
Impairment losses on loans and other receivables	-2,644	-2,449	-1,338
Number of employees converted to FTEs	57	50	46
Average number of FTEs during the financial year	58	52	48

## FINANCIAL PERFORMANCE (COMPARISON FIGURES 1-12/2024)

SB Central Bank's operating profit was EUR -2.7 (3.1) million and net profit for the year was EUR -2.3 (2.5) million.

### PROFITS

Total operating revenue came to EUR 32.9 (33.4) million.

Due to the decline in market interest rates, net interest income decreased to EUR 14.5 (20.3) million, with interest income amounting to EUR 128.5 (162.2) million, while interest expenses decreased to EUR -114.0 (-141.9) million. The decrease in interest income was due to lower yields from both lending and liquid assets. The decline in interest expenses resulted from reduced funding costs. Hedging through interest rate derivatives reduced net interest income by EUR -5.3 (-7.7) million.

Net fee and commission income amounted to EUR 11.8 (6.9) million. The level of fee and commission income was EUR 32.4 (28.5) million, while fee and commission expenses amounted to EUR -20.6 (-21.6) million.

Net trading income was EUR -0.8 (0.8) million, of which the net result of hedge accounting accounted for EUR -0.5 (0.5) million.

Other operating revenue was EUR 7.4 (5.4) million and consisted mainly of service fees from the Central Institution of the Amalgamation and Savings Banks, as well as contractual revenues from the credit card association and partners.



## COSTS

Our total operating expenses before impairment losses increased by EUR 5.1 million amounting to EUR -32.9 (-27.9) million.

Personnel expenses amounted to EUR -6.0 (-5.5) million. Other operating expenses increased by EUR 4.2 million and amounted to EUR -24.1 (-19.9) million. The increase in other operating expenses was due to the increased costs of development activities and continuous services.

Depreciations increased by EUR 0.3 million amounting to EUR -2.8 (-2.5) million.

Net impairment loss on financial assets increased by EUR 0.2 million and amounted to EUR -2.6 (-2.4) million. The change in expected credit losses impacted on the result by EUR -1.5 (-1.9) million. The update to the ECL model implemented in May had a nonrecurring effect of EUR -1.6 million in the change in expected credit losses. The impact of changes in macroeconomic forecasts on expected credit losses was positive. Realised credit losses during the review period amounted to EUR -1.2 (-0.6) million.

## BALANCE SHEET AND FINANCING (COMPARISON FIGURES 31 DECEMBER 2024)

The balance sheet of SB Central Bank totalled EUR 3,990 (3,595) million.

### Funding and deposits

The total nominal value of bonds issued by SB Central Bank was EUR 1,292 million. New long-term senior preferred bonds under the EMTN programme with a nominal value of EUR 300 million were issued based on the refinancing needs of the Amalgamation to replace the bonds that matured during the period.

Liabilities to credit institutions totalled EUR 2,295 (1,885) million at the end of the period. The line item includes short-term deposits from the Savings Banks in the Amalgamation to LCR and payment transaction accounts, minimum reserve deposits intermediated by the Central Bank of the Savings Banks Group to the Bank of Finland, and collateralized wholesale funding intermediated from Sp Mortgage Bank Plc. The line item also includes short-term deposits and money market deposits from entities other than the Savings Banks in the Amalgamation.

Liabilities to customers totalled EUR 171 (324) million and consisted mainly of money market deposits from foreign corporations and public entities.

## Lending

Loans and advances to credit institutions totalled EUR 2,043 (1,781) million at the end of the period. This line item consists mainly of the balance sheet loans granted to other Savings Banks in the Amalgamation and to Sp Mortgage Bank Plc (1,902 million in total). The line item also contains the minimum reserve deposit of the Amalgamation and cash guarantees provided as collateral to other banking groups.

Loans and advances to customers totalled EUR 170 (163) million and consisted mainly of credit card and unsecured consumer credit product balances. At the end of the period, the interest-bearing card portfolio totalled EUR 99 (94) million and the unsecured consumer credit loan balance was EUR 49 (45) million. Non-performing credit receivables in retail customer lending represented 3.07% (2.96%) of the total balances at year-end.

### Investment assets

SB Central Bank's investment assets totalled EUR 443 (131) million. ECB eligible debt securities in the investment portfolio had a total book value of EUR 407 million, while other debt securities amounted to EUR 31 million. SB Central Bank had also invested in non-listed funds with a total value of EUR 4 million and non-listed equities with a total value of EUR 1 million.

### Shareholdings and equity

SB Central Bank is fully owned by the Savings Banks of the Amalgamation. SB Central Bank's share capital amounted to EUR 95 million at the end of the accounting period. SB Central Bank does not hold its own shares.

Equity capital on 31 December 2025 was EUR 133 (134) million, consisting wholly of CET1 capital.

## CAPITAL ADEQUACY AND RISK POSITION

### Capital adequacy (comparison figures 31 December 2024)

SB Central Bank has defined a capital adequacy management process aimed at ensuring the adequacy of the bank's risk-bearing capacity in relation to all material risks of its business operations. In order to achieve this objective, SB Central Bank identifies and assesses the risks associated with its operations in a comprehensive manner and ensures that its risk-bearing capacity is proportionate to the sum of the risks to which SB Central Bank is exposed. The internal capital requirements determined through the capital adequacy management process are based on Pillar I capital requirements



and non-Pillar I risks, such as interest rate risk in the banking book, market risk of the investment portfolio and business risk. In the internal assessment process, SB Central Bank estimates the amount of capital that is also sufficient to cover unexpected losses arising from non-Pillar I risks.

In line with its strategy, SB Central Bank provides various central credit institution services: payment transaction services and for the Savings banks it provides also account management services, payment card issuing services and unsecured consumer loans, liquidity management, refinancing and asset and liability management services. The bank focuses on operating only in these business areas to keep its risks inherent in its operations manageable.

The Board of Directors of the bank has the overall responsibility for capital adequacy management. The Board of Directors approves the basis, objectives and principles of capital adequacy management. Moreover, it confirms the general requirements for the measurement and assessment of capital adequacy and the general principles for the organisation of the capital adequacy management process. In practice, this means that the Board of Directors approves the risk strategies and defines target levels for the capital needed to cover all material risks caused by the business operations and changes in the operating environment. The capital adequacy, liquidity and customer risks of the entities belonging to the Savings Bank Amalgamation are monitored on a consolidated basis at the Amalgamation level. The Board of Directors of the Central Institution has set target levels for the capital adequacy of the Amalgamation and banks, which are monitored quarterly.

### **Stress test**

As part of the capital adequacy management process, SB Central Bank uses stress tests to assess its own risk position and the adequacy of its capital. Stress tests are used to assess how various exceptionally severe but possible scenarios can affect performance, capital adequacy and capital headroom. Stress tests are designed to identify the key risks to SB Central Bank and assess how vulnerable the structure of the Bank is in relation to the occurrence of those risks. The objective of the capital adequacy management process is also to maintain and develop a high-quality risk management framework.

### **Capital contingency plan**

The capital contingency plan of SB Central Bank is made in order to be prepared for unforeseeable events that could jeopardise the bank's capital adequacy. The capital contingency plan includes target levels and monitoring thresholds set by the Board of Directors for the quantity and quality of capital, which are monitored quarterly. The capital contingency plan describes the actions to be taken by the operative management and the Board of Directors in the event that the capital adequacy ratio falls below the monitoring threshold.

### **Pillar I capital requirements**

The largest credit risk capital requirements of the SB Central Bank arise from retail exposures, which include credit card loans and unsecured consumer loans, as well as from the investment portfolio's exposures to institutions and corporates. The capital requirement for the operational risk is calculated by the basic method. The capital requirement relating to market risk is calculated by the basic method for the foreign exchange exposure if the total net foreign exchange position is over 2% of the aggregate amount of own funds. SB Central Bank has no foreign exchange position.

## **OWN FUNDS AND CAPITAL ADEQUACY**

SB Central Bank's own funds totalled EUR 125.9 (124.4) million, while the aggregate capital requirement was EUR 37.1 (28.2) million. Tier 1 capital consisted fully of Common Equity Tier 1 capital (CET1), amounting to EUR 125.9 (124.4) million.

SB Central Bank's capital adequacy ratio was high, standing at 35.8% (46.3%) at year-end. The ratio changed by 10.5 percentage points. This development was mainly driven by the amendment to the Capital Requirements Regulation (CRR3), which entered into force at the beginning of 2025 and resulted in higher risk weighted assets for operational risk. In addition, changes in the allocation of the investment portfolio contributed to an increase in risk weighted assets for credit risk.

The high capital adequacy ratio is in part due to the exemption granted to the Amalgamation by the Financial Supervisory Authority, according to which the risk weight applied to the Amalgamation's internal financing items in capital adequacy calculation is 0%. There were no changes in the company's risk position during the reporting period.

The capital requirement of SB Central Bank is formed by:

- minimum requirement for the capital adequacy ratio (8%) under the Capital Requirements Regulation (CRR)
- 2.5% CET1 capital add-on according to the Act on Credit Institutions
- the country-specific variable CET1 capital add-ons of foreign exposures.

The Pillar II capital requirement imposed by the Financial Supervisory Authority on the Savings Banks Amalgamation is 1.5%. At least three quarters of the Pillar II capital requirement must be Tier 1 capital, of which at least three quarters must be CET1 capital.

On 26 June 2025, the Financial Supervisory Authority decided to keep the Savings Banks Amal-

gamation's systemic risk buffer requirement (1%) unchanged. The decision will enter into effect on 1 July 2026.

The Financial Supervisory Authority did not impose a countercyclical capital buffer requirement in 2025. The Financial Supervisory Authority has not set additional capital requirements, so called O-SII buffers, for the Savings Banks Amalgamation.

The Financial Supervisory Authority has granted permission not to deduct internal holdings of credit institutions included in the Amalgamation from own funds instruments when calculating own funds at the individual bank level and sub-consolidation group level. In addition, the Financial Supervisory Authority has granted permission to apply a 0% risk weight to internal credit institution liabilities included within the scope of the Amalgamation's joint and several liability. These permissions are based on the European Union Capital Requirements Regulation (EU 575/2013) and the Act on the Amalgamation of Deposit Banks (599/2010).

The Finnish Financial Supervisory Authority has granted Savings Banks' Union Coop, which acts as the Central Institution of the Savings Banks Amalgamation, permission pursuant to the Act on the Amalgamation of Deposit Banks to decide that its member credit institutions will not be subject to the requirements stipulated by Section 6 of the EU Capital Requirements Regulation (EU 575/2013) and other EU statutes issued on the basis of the Regulation regarding the liquidity of credit institutions. The authorisation granted to the Central Institution also covers the NSFR claim.

The standard method is used to calculate the capital requirement for the credit risk of the Savings Banks Amalgamation. The capital requirement for operational risk is calculated by the basic method. The capital requirement relating to market risk is calculated by the basic method for the foreign exchange exposure if the total net foreign exchange position is over 2% of the aggregate amount of own funds. The Savings Banks Amalgamation does not have a trading book and the Amalgamation's business does not involve taking commodity risk.

The amendments to the EU's Capital Requirements Regulation (CRR3) that entered into force at the beginning of 2025 increased the capital ratio of the Savings Banks Amalgamation slightly.

Sp Mortgage Bank publishes the relevant information with regard to the calculation of capital adequacy annually as part of its Board of Directors' report and notes to the financial statements. Key capital adequacy data have been published in the half-year report.

Sp Mortgage Bank's capital adequacy data are included in the capital adequacy data of the Savings Banks Amalgamation, disclosed in the consolidated financial statements and half-year report of the Savings Banks Group. The Savings Banks Group presents the so-called Pillar III capital adequacy disclosures separately in connection with its financial statements.

A copy of the Savings Banks Group's financial statements and Pillar III disclosures are available at [www.saastopankki.fi](http://www.saastopankki.fi)

## CAPITAL ADEQUACY

<b>Own funds (EUR 1,000)</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
Common Equity Tier (CET1) capital before regulatory adjustments	132,967	133,874
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-7,078	-9,505
<b>Common Equity Tier (CET1) capital</b>	<b>125,889</b>	<b>124,370</b>
<b>Tier 1 capital (T1 = CET1 + AT1) total</b>	<b>125,889</b>	<b>124,370</b>
<b>Total Capital (TC = T1 + T2)</b>	<b>125,889</b>	<b>124,370</b>
<b>Risk weighted assets</b>	<b>351,541</b>	<b>268,426</b>
of which: credit and counterparty risk	265,825	193,843
of which: credit valuation adjustments (CVA)	2,692	8,595
of which: market risk		
of which: operational risk	83,024	65,988
Minimum total capital requirement	28,123	21,474
Excess total capital	97,766	102,895
Common Equity Tier 1 (as percentage of total risk exposure amount)	35.8%	46.3%
Tier 1 (as a percentage of total risk exposure amount)	35.8%	46.3%
Total capital (as a percentage of total risk exposure amount)	35.8%	46.3%
<b>Capital requirement</b>		
<b>Total capital</b>	<b>125,889</b>	<b>124,370</b>
Capital requirement total*	37,080	28,193
Capital buffer	88,810	96,177

\* The capital requirement is formed by the statutory minimum capital adequacy requirement of 8%, the capital add-on of 2.5% according to the Act on Credit Institutions, and the country-specific variable capital add-ons of foreign exposures.

## LEVERAGE RATIO

The leverage ratio of SB Central Bank was 6.0% (6.4%), exceeding the binding 3% minimum requirement. The leverage ratio describes the level of indebtedness of a credit institution and is calculated by dividing its Tier 1 capital by its total exposure measure. The most significant part of SB Central Bank's assets consists of group internal loans with 0% risk weight that are not included to the total leverage exposure amount when calculating the leverage ratio. The bank monitors excessive indebtedness as part of the ICAAP process.

## LEVERAGE RATIO

(EUR 1,000)	31.12.2025	31.12.2024
Tier 1 capital	125,889	124,370
Total exposure measure (TEM)	2,086,596	1,938,966
Leverage ratio	6.00%	6.40%

## RESOLUTION PLAN

Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms was implemented nationally from 1 January 2015 (Act on the Resolution of Credit Institutions and Investment Firms). To implement the Resolution Act, the Financial Stability Authority was established in Finland (Act on the Financial Stability Authority, 1995/2014). In March 2025, the Financial Stability Authority set a minimum requirement for own funds and eligible liabilities (MREL requirement) for the Savings Banks Amalgamation and Sp Mortgage Bank Plc. The requirement entered into effect from the date of the decision. The requirement does not apply to the member credit institutions or to the Central Bank of Savings Banks.

The MREL requirement is by nature a Pillar 2 type minimum requirement that must be met continuously. According to the Financial Stability Authority's decision, the MREL requirement applied to the Savings Banks Amalgamation is 20.87% of the total risk exposure amount or 7.80% of the total exposures, whichever is higher.

In addition to the requirement calculated on the basis of total risk exposure, the institution-specific capital buffer requirement must be met on an ongoing basis.

## RISK POSITION

SB Central Bank's risk position has remained at a good level and capital adequacy has remained strong.

SB Central Bank's credit risk position has remained stable with a moderate risk level. Despite the fact that both realised credit losses and expected credit losses increased during 2025, the quality of the loan portfolio has remained at a good level.

### Objective of risk management

The objective of risk management is to secure the bank's risk-bearing capacity and ensure the continuity of its operations. The risk-bearing capacity comprises adequate and effective risk management based on the scale and complexity of operations, as well as a sufficient degree of liquidity and capitalisation based on profitable business operations.

### Principles and organisation of risk management

Risk management is defined as the identification, assessment, quantification, limitation and monitoring of risks arising from and inherent to the business operations. The purpose of risk management is to minimise the likelihood of unforeseen losses or threats to the reputation of the controlled entity and thereby ensure the implementation of the group's strategy. Risk and capital adequacy management are part of internal control. SB Central Bank has a risk control function that is independent of business operations.

In line with its strategy, SB Central Bank provides various central credit institution services: payment transaction services and for the Savings banks it provides also account management services, payment card issuing services and unsecured consumer loans, liquidity management, refinancing and asset and liability management services. SB Central Bank does not have any customer or investment portfolio risk concentrations that are excessive in relation to its financial capacity, nor does SB Central Bank take such risks in accordance with its strategy. SB Central Bank maintains its capital adequacy at an adequate level.

In its operations, SB Central Bank is exposed to credit, market, compliance and operational risks, as well as business and liquidity risks.

## **Credit and counterparty risks**

Credit and counterparty risk is the possibility that a counterparty may not meet its contractual obligations. The main source of credit risk is lending, but counterparty risk can also arise from other types of receivables, such as bonds, short-term debt securities and derivative contracts, as well as off-balance sheet commitments such as unused credit facilities and limits and guarantees.

Concentration risk means that the total amount of credit granted by SB Central Bank to a single customer and/or a group of customers may not exceed the maximum amounts set out in the Act on Credit Institutions, other legislation or the regulations and guidelines issued by the Financial Supervisory Authority or other supervisory authorities. The concentration risks posed by a single counterparty are regulated by limits and guidelines on maximum customer exposure both at the Amalgamation level and at the member credit institution level.

The business and risk management strategies approved by the Board of Directors of SB Central Bank set limits on risk concentrations and guide investment and lending policies.

## **Liquidity risk**

Liquidity risk is the risk that the bank will not be able to meet its present or future expected and unexpected cash flows at all or without materially damaging the bank's financial position. Liquidity risk may be further divided into short-term liquidity risk and long-term funding risk.

Short-term liquidity risk is managed e.g. by maintaining sufficient liquid assets to ensure liquidity. SB Central Bank's liquidity remained good throughout the financial year.

## **Market risk**

Market risk refers to the impact of changes in interest rates and market prices on the bank's performance and own funds. SB Central Bank was exposed to market risk in the form of interest rate and currency risk in the reporting period 2025, as described below.

## **Interest rate risk**

Interest rate risk is the effect of interest rate changes on the market value of the bank's balance sheet and off balance-sheet items and on the net interest income. Interest rate risk arises from the differences in the interest rate basis of assets and liabilities and the differences in interest rate reset or maturity dates. SB Central Bank applies fair value hedging and uses interest rate swaps to adjust its interest rate risk position. SB Central Bank monitors interest rate risk both

with the net present value method and the income risk method.

## **Currency risk**

Currency risk refers to the impact of changes in foreign exchange rates on performance or equity. SB Central Bank is exposed to currency risk to a minor extent due to the equity investments included in its investment portfolio. Open foreign exchange position is not allowed in the deposit or liquidity portfolios of the member credit institutions of the Savings Banks Amalgamation. Foreign exchange position is monitored in accordance with the method used in capital adequacy calculation (the capital requirement is calculated if the total net foreign exchange position exceeds 2 percentage points of the total amount of own funds).

## **Operational risk**

Operational risk refers to the risk of loss arising from inadequate or failed internal processes, personnel, systems or external factors. Legal risks are also included in the operational risks.

SB Central Bank identifies and documents operational risks associated with products, services, operations, processes, and systems. Identifying operational risks helps determine their monitoring and controls. Part of the losses caused by operational risks are covered by insurance. In addition, continuity plans help prepare for major disruptions to operations. Operational risks and actual losses and near misses are regularly reported to the operational management of SB Central Bank.

## **Business risk**

Business risk describes the impact of uncertainties caused by the operating environment on the business. Business risks arise from competition, changes in markets and customer behaviour, and unexpected fluctuations in income. Business risks may also be caused by choosing a wrong strategy, ineffective management, or slow response to changes in the operating environment. Business risk is managed and minimised through the strategic and business plans of the Board of Directors of SB Central Bank. An assessment of business risks is included in the Internal Capital Adequacy Assessment Process (ICAAP) approved by the Board.

## **CREDIT RATING**

On 24 February 2025, S&P Global Ratings reviewed the rating of SB Central Bank. The ratings and outlook remained the same: long-term A-, short-term A-2 and stable outlook.



## CORPORATE GOVERNANCE

The Annual General Meeting of SB Central Bank considers the previous year's financial statements, distribution of the profits, discharge from liability, and election of Board members. Decisions on SB Central Bank's business operations and strategic matters are made by the Board of Directors of SB Central Bank. In addition, the Board of Directors is responsible for taking decisions on the most important matters relating to SB Central Bank's business operations and for appointing the Managing Director of SB Central Bank. The Board is also responsible for ensuring that SB Central Bank has comprehensive and appropriately organised accounting, accounting policies and financial reporting for all its operations. In addition, the Board is responsible for ensuring that SB Central Bank has adequate and appropriately organised internal control, internal audit and auditing. The work of the Board of Directors is based on established guidelines and the rules of procedure for the Board of Directors. The Managing Director of SB Central Bank manages the day-to-day administration of SB Central Bank in accordance with guidelines from the Board of Directors.

The independence and integrity of the Board members and Managing Director are verified in accordance with the directions issued by the Financial Supervisory Authority. Upon appointment and on an annual basis, the Board members and Managing Director are obliged to declare the entities with which they are involved. In addition, on accepting their position, each Board member and the Managing Director must submit a fitness and propriety report, as stipulated by the Financial Supervisory Authority.

## SB CENTRAL BANK'S MANAGEMENT AND PERSONNEL

The Annual General Meeting of SB Central Bank was held on 13 March 2025. The Board's proposal on the distribution of profits was approved. The Meeting also granted discharge to the Board members and the Managing Director and elected a new Board of Directors.

The SB Central Bank Board of Directors comprises the following members:

Name	Position
Rouhe Samu	member, Chairman
Öhman Ossi	member, Deputy Chariman
Alarautalahti Toivo	member
Westerholm Fredrik	member
Kai Koskela	member from 13 march 2025

The members of the Board of Directors are executives in the financial sector. During the financial year, the Board convened eighteen (18) times. At the Board's organizational meeting held after the Annual General Meeting, Samu Rouhe, CEO of Länsi-Uusimaa Savings Bank Ltd, was re-elected as Chair of the Board of the Central Bank of the Savings Banks, and Ossi Öhman, CEO of Savings Bank Kalanti-Pyhäranta, continued as Deputy Chariman. At the Annual General Meeting, Kai Koskela, CEO of the Savings Banks' Union Cooperative, was elected as a new member of the Board, after which the Board of the Central Bank of the Savings Banks consists of five (5) members.

During the financial year, Kai Brander served as CEO of the Central Bank of the Savings Banks until 31 March 2025, and from 1 April the CEO was Mervi Luurila. Taru Kruus has acted as Deputy CEO as of 1 April 2025, following Mervi Luurila's appointment as CEO. The Annual General Meeting elected KPMG Oy Ab as the auditor of the Central Bank of the Savings Banks, with Authorized Public Accountant (KHT) Mikko Kylliäinen serving as the auditor with principal responsibility.

The number of personnel at SB Central Bank developed in line with service production and development projects. Converted into total resources, the number of personnel at the end of the period on 31 December 2025 was 59.

## REMUNERATION

SB Central Bank's remuneration policy for personnel and management is based on current legislation, the regulations and recommendations governing the financial sector and, where applicable, the Finnish Corporate Governance Code.

SB Central Bank's decisions on the remuneration policy for operative management and personnel are compliant with chapter 8 of the Act on Credit Institutions.

However, SB Central Bank does not apply the provisions of sections 9, 11 and 12 of chapter 8 of the Act on Credit Institutions to those recipients of remuneration whose variable remuneration for a one-year earning period does not exceed EUR 50,000 and whose variable remuneration for a one-year period does not exceed 100% of the recipient's total fixed remuneration.

Remuneration policy refers to the decisions, agreements, principles and procedures which are complied with in the remuneration of the management and personnel. The remuneration policy includes both the remuneration method and the processes related to its development and implementation. The remuneration policy is developed actively and on a long-term basis in

order to secure the Amalgamation's competitiveness, good financial development, incentives, commitment and the availability of new competent personnel. SB Central Bank sees the remuneration policy as a comprehensive package to support the motivation and job satisfaction of personnel. It is used to steer activities towards common goals. The remuneration policy includes financial remuneration components as well as other forms of remuneration, such as the maintenance and development of professional competence.

The remuneration policy is consistent with good and efficient risk management and is always implemented within the framework of SB Central Bank's current risk management principles. Remuneration does not encourage risk-taking in operations that would exceed the risk level that is determined on the basis of the risk-bearing capacity or that is otherwise sustainable.

The General Meeting held on 13 March 2025 decided on the remuneration of the Board of Directors as follows:

annual remuneration, Chairman, EUR 8,000  
annual remuneration, Deputy Chairman, EUR 3,500  
annual remuneration, member EUR 1,800  
attendance allowance, EUR 600\*

\* Attendance allowance is paid for each ordinary meeting of the Board (excluding decisions taken without a meeting).

The terms of employment and benefits of the Managing Director are approved by the Board of Directors of SB Central Bank. SB Central Bank has a remuneration policy in place under which personnel, including the Managing Director, may be paid a sum equivalent to up to four months' salary for reaching set targets. The Bank has no pension schemes or any other similar arrangements.

SB Central Bank has identified persons who may affect the Bank's risk profile or whose activities may expose SB Central Bank to significant financial risk. The personnel group affecting the risk profile of SB Central Bank includes the Managing Director and others involved in operational management and decision-making, as well as personnel in independent functions.

At least once a year, internal audit verifies SB Central Bank's compliance with the remuneration policies decided by the Supervisory Board of Savings Banks' Union Coop.

Pillar III remuneration disclosures are published in the Savings Banks Group's financial statements. The financial statements are available online on the Savings Banks Group's website at [www.saastopankki.fi](http://www.saastopankki.fi).

## MAIN OUTSOURCED FUNCTIONS

The banking system of SB Central Bank is outsourced to Samlink Ltd. SB Central Bank purchases support services related to issuing cards and granting card credit and unsecured consumer credit mainly from Nets Denmark A/S, Filial i Finland and services related to the manufacture and delivery of cards from EVRY Card Services Oy. SB Central Bank purchases accounting services from Figure Taloushallinto Oy, whose shares are held equally by Savings Banks' Union Coop and three other banking groups. SB Central Bank purchases its internal audit, risk control and compliance services from the corresponding functions of the Savings Banks' Union Coop.

## SOCIAL RESPONSIBILITY

Information on the social responsibility of SB Central Bank is included in the consolidated financial statements of the Savings Banks Group and the sustainability report published annually by the Savings Banks Group. We want to act in an ethically sustainable manner, observing the principles of good corporate governance, openness and the Savings Banks Group's Code of Conduct. Key management practices are described in the Savings Banks Group's principles for reliable management and internal control. The activities of the Savings Banks Group comply with the provisions of current legislation, the regulations issued by the authorities, the principles of good banking practice and trading guidelines approved by Finance Finland, as well as the Savings Banks Group's principles for reliable management and internal control and other internal guidelines. The key guidelines and management tools for sustainability are the Savings Banks Group's sustainability strategy, roadmap and policy. More information on the Savings Banks Group's responsibility and the Savings Banks Group's annual sustainability report can be found at [www.saastopankki.fi](http://www.saastopankki.fi).

## MATERIAL EVENTS AFTER THE CLOSING DATE

The Board of Directors of SB Central Bank is not aware of any factors that would materially influence the financial position of SB Central Bank for the period after the completion of the financial statements.

## OUTLOOK FOR THE YEAR 2026

### Outlook for the operational environment

The global economic outlook for 2026 is stable, yet still rather subdued. For example, the OECD expects global economic growth to slow to 2.9%. Growth in the United States and China is expected to ease slightly, while in Europe it is anticipated to pick up somewhat. Trade policy tensions remain elevated, and situations may change rapidly. One potential risk is a possible bubble that has formed around artificial intelligence, which, if it were to burst, could trigger volatility in the financial markets. In any case, the use of artificial intelligence will continue to increase and will gradually deliver benefits for companies.

In Finland, economic growth is expected to improve in 2026. Much will depend, however, on how cautious consumers remain, and in this respect the situation is fragile. High unemployment is likely to keep households cautious at least at the beginning of the year. On the other hand, purchasing power is increasing, inflation has stabilised, and interest rates have levelled off, all of which support household finances. In addition, households have accumulated savings for quite some time, meaning that once confidence improves, there will be potential for increased consumption and housing purchases. We expect Finland's GDP to grow by 0.8% in 2026.

Corporate investments are expected to gradually strengthen. The decline in interest rates supports investment decisions, but uncertainties in the global economy weaken the investment environment. The difficulties in the construction sector are expected to ease slowly, although no rapid recovery is in sight.

### Business outlook

The basic outlook for business operations is stable in all areas of the Bank's operations.

The main focus of operations is to support and secure the implementation of the Savings Banks Group's strategy.

The Central Bank of the Savings Banks is expected to record a positive result in 2026.

## THE BOARD OF DIRECTORS' PROPOSAL ON THE DISPOSAL OF DISTRIBUTABLE FUNDS

SB Central Bank's distributable funds amount to EUR 31,148,940.38.

The Board of Directors of SB Central Bank proposes to the Annual General Meeting that the profit for the financial year of EUR -2,257,956.29 be recognised in retained earnings and that no dividend be distributed.

## FURTHER INFORMATION

Releases and other corporate information are available on the SB Central Bank's website at [www.spkeskuspankki.fi](http://www.spkeskuspankki.fi)

The corresponding information for the Savings Banks Group is available online at [www.saastopankki.fi](http://www.saastopankki.fi)

## FORMULAS USED IN CALCULATING THE FINANCIAL HIGHLIGHTS

Total operating revenue:	Net interest income, net fee and commission income, net trading income, other operating revenue
Total operating expenses:	Personnel expenses, other operating expenses, depreciation and impairment losses on property, plant and equipment and intangible assets
Cost to income ratio:	$\frac{\text{Total operating expenses}}{\text{Total operating revenue}}$
Return on equity (ROE), %:	$\frac{\text{Profit}}{\text{Equity (average of beginning and end of year)}} \times 100$
Return on assets (ROA), %:	$\frac{\text{Profit}}{\text{Total assets (average of beginning and end of year)}} \times 100$
Equity/assets ratio, %:	$\frac{\text{Equity}}{\text{Total assets}} \times 100$
Solvency ratio, %:	$\frac{\text{Own funds total}}{\text{Risk-weighted assets total}} \times 100$

## FORMULAS USED IN CALCULATING THE FINANCIAL HIGHLIGHTS

European Securities and Markets Authority's Guidelines on Alternative Performance measures came into effect on 3 July 2016. An alternative performance measure is a financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the IFRS framework. Alternative Performance Measures are used to reflect financial development and enhance comparability between different reporting periods.

SB Central Bank uses alternative performance measures (APMs) in its financial reporting to describe the financial position of the entity. These measures are not defined in IFRS standards, capital adequacy regulations (CRD/CRR), or Solvency II regulations (SII). The presented alternative performance measures complement the main financial statements and accompanying notes prepared in accordance with IFRS standards.



A close-up photograph of a woman with dark hair, looking intently at a document she is holding. The document is white and partially obscures her face. The background is a warm, out-of-focus interior with wooden elements and a plant.

# **CENTRAL BANK OF SAVINGS BANKS FINLAND PLC: IFRS FINANCIAL STATEMENTS**

## INCOME STATEMENT

(EUR 1,000)	Note	1-12/2025	1-12/2024
Interest income		128,512	162,206
Interest expense		-113,995	-141,908
Net interest income	6	14,517	20,298
Net fee and commission income	7	11,783	6,864
Net trading income	8	-816	830
Other operating revenue	9	7,425	5,425
Total operating revenue		32,909	33,417
Personnel expenses	10	-6,007	-5,464
Other operating expenses	9	-24,072	-19,900
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	16	-2,849	-2,509
Total operating expenses		-32,929	-27,873
Net impairment loss on financial assets	11	-2,644	-2,449
Operating profit		-2,663	3,095
Income tax expense	18	405	-572
Profit		-2,258	2,523

## STATEMENT OF COMPREHENSIVE INCOME

(EUR 1,000)	1-12/2025	1-12/2024
Profit	-2,258	2,523
<b>Other comprehensive income</b>		
<b>Items that will never be reclassified to profit or loss</b>		
Capital gains from items booked to fair value and classified in other comprehensive income	1,365	
Total	1,365	
<b>Items that are or may be reclassified to profit or loss</b>		
Changes in fair value reserve		
Fair value measurements	-17	1,410
Deferred tax from fair value measurements	3	-282
Total	-14	1,128
Total comprehensive income	-907	3,651

## STATEMENT OF FINANCIAL POSITION

(EUR 1,000)	Note	31.12.2025	31.12.2024
<b>Assets</b>			
Cash and cash equivalents	20	1,274,489	1,463,658
Loans and advances to credit institutions	11	2,042,965	1,781,472
Loans and advances to customers	11	169,891	163,294
Derivatives	14	5,386	281
Investment assets	11	443,283	130,712
Property, plant and equipment	16	111	80
Intangible assets	16	6,852	9,241
Tax assets	18	4,976	4,457
Other assets	19	41,608	42,256
<b>Total assets</b>		<b>3,989,562</b>	<b>3,595,452</b>

(EUR 1,000)	Note	31.12.2025	31.12.2024
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Liabilities to credit institutions	12	2,295,441	1,885,048
Liabilities to customers	12	170,993	323,630
Derivatives	14	35,735	35,447
Debt securities issued	12	1,312,528	1,175,046
Tax liabilities	18	82	200
Other liabilities	19	41,815	42,207
<b>Total liabilities</b>		<b>3,856,595</b>	<b>3,461,578</b>
<b>Equity</b>			
Share capital		94,812	94,812
Reserves		19,155	19,169
Retained earnings		19,001	19,893
<b>Total equity</b>	<b>17</b>	<b>132,967</b>	<b>133,874</b>
<b>Total liabilities and equity</b>		<b>3,989,562</b>	<b>3,595,452</b>

# STATEMENT OF CASH FLOWS

(EUR 1,000)	1-12/2025	1-12/2024
<b>Cash flows from operating activities</b>		
Profit	-2,258	2,523
Adjustments for items without cash flow effect	5,001	4,428
Change in deferred tax	-424	-7
Cash flows from operating activities before changes in assets and liabilities	2,319	6,944
Increase (-) or decrease (+) in operating assets	-577,459	-159,796
Loans and advances to credit institutions	-258,075	-147,016
Loans and advances to customers	-8,145	-16,449
Investment assets, at fair value through other comprehensive income	-86,614	-5,746
Investment assets, at amortized cost	-224,079	-18,942
Investment assets, fair value through profit or loss	-1,202	429
Other assets	655	27,927
Increase (-) or decrease (+) in operating liabilities	390,120	209,807
Liabilities to credit institutions	410,099	382,879
Liabilities to customers	-152,637	179,469
Debt securities issued	139,325	-335,396
Other liabilities	-6,667	-17,144
Paid income taxes	-569	-7,735
Total cash flows from operating activities	-185,589	49,221

(EUR 1,000)	1-12/2025	1-12/2024
<b>Cash flows from investing activities</b>		
Decrease in investments in equity and shares	341	
Investments in property, plant and equipment and intangible assets	-491	-439
Disposals of investment property and property, plant and equipment and intangible assets	18	
Total cash flows from investing activities	-132	-439
<b>Cash flows from financing activities</b>		
Total cash flows from financing activities		
Change in cash and cash equivalents	-185,721	48,782
Cash and cash equivalents at the beginning of the period	1,481,624	1,432,843
Cash and cash equivalents at the end of the period	1,295,903	1,481,624
<b>Cash and cash equivalents comprise the following items:</b>		
Cash	1,274,489	1,463,658
Receivables from central banks repayable on demand	21,414	17,966
Total cash and cash equivalents	1,295,903	1,481,624
<b>Adjustments for items without cash flow effect</b>		
Impairment losses on financial assets	2,869	2,595
Changes in fair value	487	-512
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	2,849	2,509
Income taxes	-1,204	-165
Total Adjustments for items without cash flow effect	5,001	4,428
<b>Additional information regarding the cash flow statement</b>		
Interest received	129,286	160,910
Interest paid	116,185	143,766
Dividends received		415



## STATEMENT OF CHANGES IN EQUITY

(EUR 1,000)	Share capital	Share premium	Fair value reserve	Total reserves	Retained earnings	Total equity
<b>Equity 1 January 2024</b>	94,812	19,000	-959	18,041	17,370	130,223
<b>Comprehensive income</b>						
Profit					2,523	2,523
Other comprehensive income			1,128	1,128		1,128
Total comprehensive income			1,128	1,128	2,523	3,651
<b>Transactions with owners</b>						
Subscription issue						
Total equity 31 December 2024	94,812	19,000	169	19,169	19,893	133,874
<b>Equity 1 January 2025</b>	94,812	19,000	169	19,169	19,893	133,874
<b>Comprehensive income</b>						
Profit					-2,258	-2,258
Other comprehensive income			-14	-14	1,365	1,351
Total comprehensive income			-14	-14	-893	-907
<b>Transactions with owners</b>						
Total equity 31 December 2025	94,812	19,000	155	19,155	19,001	132,967

A person is holding a smartphone in their left hand, displaying a stock market chart. In the background, a laptop screen also shows a similar stock market chart with candlesticks and moving averages. The person is wearing a light-colored shirt. The overall scene suggests financial analysis or trading.

# BASIS OF PREPARATION

# NOTE 1. INFORMATION OF THE REPORTING COMPANY AND DESCRIPTION OF THE SAVINGS BANKS GROUP

Central Bank of Savings Banks Finland Plc (hereinafter “SB Central Bank”) is a bank owned by Finnish savings banks. Its main purpose is to provide savings banks and the Savings Banks Group with various central credit institution services. The central credit institution services focus on payment transaction services and for the member Savings Banks (hereinafter also “Savings Banks”) of the Amalgamation also on payment card issuing services, consumer lending to private customers, and services related to liquidity management, refinancing and asset and liability management. SB Central Bank belongs to the Savings Banks Amalgamation and its owners are the 14 Savings Banks of the Amalgamation.

SB Central Bank’s financial statements are consolidated with the Savings Banks Group’s consolidated financial statements.

The Savings Banks Group (hereinafter “the Group”) is the oldest banking group in Finland. It is comprised of Savings Banks that formed the Savings Banks Amalgamation, the Savings Banks’ Union Coop, which acts as the Central Institution and the subsidiaries and associated companies owned by Savings Banks. The Savings Banks are independent regional and local banks. Together the Savings Banks form a banking group that operates locally as well as nationally. The basic objective of the Savings Banks is to promote thrift, the financial well-being of their customers and to operate near their customers.

The Savings Banks operate in the retail banking business, especially in daily banking, saving and investment products and lending. The service and product range offered is complemented with the other financial services and products provided in cooperation with the service and product companies within the Savings Banks Group. The service and product companies within the Savings Banks Group support and promote the operations of the Group via producing centralised services or having responsibility for certain products. The most significant product companies of the Group are Central Bank of Savings Banks Finland Plc, Sp Mortgage Bank Plc, Sp-Fund Management Company Ltd, Savings Bank Services Ltd and Sp-Koti Oy.

The member organisations of the Savings Banks Amalgamation form a financial entity as defined in the Act on the Amalgamation of Deposit Banks, in which the Savings Banks’ Union Coop and its member credit institutions are jointly liable for each other’s liabilities and com-

mitments. The Savings Banks Amalgamation comprises the Savings Banks’ Union Coop which acts as the central institution of the Amalgamation, 14 Savings Banks, Central Bank of Savings Banks Finland Plc, Sp Mortgage Bank Plc and the companies within the consolidation groups of the above-mentioned entities, Savings Bank Services Ltd as well as Sp-Fund Management Company Ltd.

The structure of the Savings Banks Group differs from that of the Savings Banks Amalgamation in that the Savings Banks Group also includes institutions other than credit and financial institutions or service companies. The most notable of them is Sp-Koti Oy. The Savings Banks Group does not form a consolidated corporation or a consolidation group as defined in the Act on Credit Institutions because the Savings Banks’ Union Coop and its member Savings Banks do not have control over each other as referred to in the general consolidation accounting principles, and, therefore, it is not possible to define a parent company for the Group.

The Savings Banks’ Union Coop steers the operations of the Savings Banks Group and is the central institution responsible for the internal control framework. According to the Act on the Amalgamation of Deposit Banks, Savings Banks’ Union Coop acting as the central institution of the Amalgamation is obligated to prepare consolidated financial statements for the Group. SB Central Bank is also included in proportion to the Amalgamation banks’ shareholdings. The financial statements are prepared for the financial group formed by the Savings Banks Group, in which SB Central Bank is also included.

SB Central Bank’s registered office is in Helsinki, Finland, and its registered address is Teollisuuskatu 33, 00510 Helsinki. The financial statements of SB Central Bank are available from [www.spkeskuspankki.fi](http://www.spkeskuspankki.fi). Correspondingly, the financial statements of the Savings Banks Group are available from [www.saastopankki.fi/saastopankkiryhma](http://www.saastopankki.fi/saastopankkiryhma).

The SB Central Bank Board of Directors has approved the Bank’s financial statements for 1 January – 31 December 2025 on 10 February 2026, and the financial statement will be presented to the Annual General Meeting of 2026 for approval. The Annual General Meeting has the choice of approving or not approving the financial statements.

# NOTE 2. ACCOUNTING POLICIES

The “Accounting policies” note describes SB Central Bank’s general accounting policies and consolidation principles. The key principles concerning financial instruments, intangible assets, property, plant and equipment and operating revenue are presented in this note and more detailed information is provided in the notes focusing on each of these items. The accounting policies for other income and balance sheet items are presented in their respective notes (Notes 6–24).

At the end of the “Accounting policies” note, there is information about the new IFRS standards and interpretations that entered into force during the past financial year as well as the new standards and interpretations to be applied in future financial years.

## 2.1 GENERAL

SB Central Bank’s financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretations (IFRIC) as adopted by the European Union.

In accordance with the principles of the Act on the Amalgamation of Deposit Banks and the IAS 8 standard concerning accounting policies, adjustments and errors in accounting estimates, the Board of the Savings Banks’ Union Coop confirms any accounting policy for which no guidance is available in the IFRSs.

SB Central Bank’s financial statements are presented in euros, which is the Bank’s accounting and functional currency.

Transactions denominated in a foreign currency outside the eurozone are recognised at the exchange rate on the transaction date. Assets and liabilities denominated in a foreign currency outside the eurozone are converted into euros at the European Central Bank’s average rate on the balance sheet date. Exchange rate differences arising from valuation are recognised as net income from foreign exchange operations under net trading income in the income statement.

SB Central Bank’s financial statements are prepared under the historical cost convention, except for financial assets and liabilities measured at fair value through other comprehensive income or at fair value through profit or loss, and the hedged items of fair value hedges (hedged risk), which are measured at fair value.

Assets and liabilities are offset only in the event that SB Central Bank and the counterparty both have a legally enforceable right to offset amounts and intend either to settle the balance on a net basis or realise the asset and settle the liability simultaneously.

## 2.2 FINANCIAL INSTRUMENTS

### *Financial assets and liabilities*

SB Central Bank applies the IFRS 9 Financial Instruments standard on recognition and measurement of financial instruments. Classification in the balance sheet is independent of the IFRS 9 categories. Different valuation bases can therefore be applied to assets and liabilities recognised on the same line in the balance sheet. The classification of financial assets and liabilities recognised in the balance sheet into valuation categories is set out in Note 13.

### *Initial recognition*

A financial asset or liability is recognised on the balance sheet only when the entity becomes a party to the contractual provisions of the instrument. A regular way purchase or sale of a financial asset is recognised and derecognised using trade date accounting.

Financial assets and liabilities are initially measured at fair value, and in the case of a financial asset or a financial liability not measured at fair value through profit or loss, plus or minus the transaction costs that are directly attributable to the acquisition or issue of that financial asset or financial liability. On subsequent periods, transaction costs are recognised through profit or loss as an interest income or expense as a part of the effective interest rate of the financial asset or liability.



## ***Classification of financial assets and the determination of classification***

For the purposes of subsequent measurement, Central Bank classifies financial assets into the following measurement categories:

- Amortised cost
- Fair value through other comprehensive income (fair value reserve)
- Fair value through profit or loss.

Financial liabilities are, as a rule, measured at amortised cost. Derivative contracts and other investors' participations in consolidated funds are measured at fair value through profit or loss.

The classification principles and breakdown of financial assets and liabilities by measurement category are described in more detail in Note 13.

The change in the fair value of debt instruments measured at fair value through other comprehensive income is recognised adjusted for calculated tax in the fair value reserve included in other comprehensive income. The gain or loss on the transfer or sale of a financial asset is recognised through profit or loss.

Changes in the fair value of equity investments for which the Savings Banks Group has irrevocably designated that subsequent changes in their fair value will be measured through other comprehensive income are also recognised in other comprehensive income. Such a decision has been made in significant investments in partners or companies with a business relationship, for example. Dividends from equity instruments are recognised in profit or loss when the right to receive payment is established. Capital repayments from the share are recognised in the statement of comprehensive income. For equity instruments, gains or losses accrued in the fair value reserve are not transferred to be recognised through profit or loss at any stage.

If the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the gross carrying amount of the financial asset is recalculated and a modification gain or loss is recognised through profit or loss.

## ***Derecognition***

A financial asset is derecognised when the contractual rights to the cash flows from the finan-

cial asset expire or the financial asset is transferred and the transfer qualifies for derecognition. A financial asset is considered to be transferred if, and only if, the Savings Banks Group either:

- transfers the contractual rights to receive the cash flows of the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement that meets the conditions stipulated by IFRS 9. A contract can be considered to meet the conditions for such an arrangement if:
  - There is no obligation to pay amounts to the eventual recipients unless equivalent amounts are collected from the original asset
  - The selling or pledging of the original asset is prohibited by the terms of the transfer contract.

When transferring a financial asset, the transfer qualifies for derecognition only if:

- The significant risks and rewards of ownership are transferred; or
- The significant risks and rewards of ownership are not transferred, or they have been retained, but control has been transferred.

A financial liability is derecognised from the statement of financial position when, and only when, it is extinguished, i.e., when the obligation specified in the contract is discharged or cancelled or expires. An exchange between an existing borrower and lender of debt instruments with substantially different terms must be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount and the consideration paid is recognised through profit or loss.

## ***Impairment***

### ***Expected credit losses***

SB Central Bank determines impairments for financial assets based on an expected credit loss model. The loss allowance for expected credit loss is measured and recognised for financial assets measured at amortised cost, financial assets measured at fair value through other comprehensive income, guarantees and off-balance sheet loan commitments.

Further details on parameters and methods used in expected credit loss model are presented in Note 11.

The loss allowance for expected credit loss on a loan is recognised on the balance sheet in a separate account. For loan commitments and financial guarantee contracts, the loss allowance is recognised on the balance sheet as a provision. For debt securities recognised at fair value through other comprehensive income, expected credit loss is recognised as an adjustment to the fair value reserve. Changes in expected credit losses recognised on the balance sheet are presented in the income statement item Impairment losses on financial assets.

### ***Incurred credit losses***

Non-recoverable loans and receivables are recorded as a permanent credit loss when the normal collection process is completed and the final amount of the individual loan or receivable can be measured. Credit losses that are deemed permanent are derecognised as a counterpart to the income statement item Impairment losses on financial assets. Any payments received after derecognition are recognised as adjustments to the income statement item Impairment losses on financial assets.

### ***Hedging and derivatives***

SB Central Bank hedges its interest rate risk from changes in fair value and applies hedge accounting for the hedge relationships. For hedging relationships under general hedge accounting (fair value hedging), SB Central Bank has adopted the IFRS 9 standard.

Derivative contracts are measured at fair value. The fair value of derivatives that hedge fair value is recognised in the balance sheet as a derivative receivable or liability and the change in fair value is recognised in the income statement under "Net trading income". When hedging fair value, the hedged item is also measured at fair value during hedging even if it would otherwise be measured at amortised cost. A change in the hedged item's fair value is recognised as an adjustment to the balance sheet item in question and in the income statement under "Net trading income". Interest on hedging derivatives is presented as interest income and expense depending on their nature.

Derivative trades to be counterparty-cleared in accordance with the EMIR regulation (EU 648/2012) are cleared with London Clearing House. In this model, SEB as the clearing-broker becomes the counterparty of derivatives at the end of the daily clearing process. The clearing method used is the settled-to-market (STM) practice, in which the daily payments of derivatives are offset with the central counterparty and daily either paid or a variation margin is received. In

the STM practice, the daily payment is contractually defined as the final payment and part of the cash flows of the derivative contract. Thus, there is no other change in the fair value of the derivative contract on the balance sheet than the measurement difference between the Savings Banks Group and CCP. The difference is recognised in derivative assets or liabilities. Other derivatives are presented on the balance sheet using the gross principle, with positive changes in value presented as derivative assets and negative changes in value as derivative liabilities.

When hedge accounting begins, the hedging relationship between the hedged item and the hedging derivative is documented, along with the risk management objectives and the strategy for initiating hedging. The effectiveness of the hedging relationship is assessed on a regular basis and always on reporting dates.

## **2.3 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

SB Central Bank's property, plant and equipment includes for example machinery and equipment in own use.

An intangible asset is an identifiable asset that has no physical substance. SB Central Bank's intangible assets include for example development expenditures. An intangible asset is recognised only when it is probable that economic benefits from the asset are likely to flow to the SB Central Bank and the acquisition cost of the asset can be reliably measured.

Property, plant and equipment and intangible assets are measured at acquisition cost less depreciation and impairment. The basis of preparation of property, plant and equipment and intangible assets are presented in its entirety in Note 16.

## **2.4 NET OPERATING INCOME**

The most significant income items of the Savings Banks Group are net interest income and net fee and commission income and fee expenses. Interest on balance sheet items included in financial assets and liabilities is recognised in net interest income, regardless of the measurement category. Interest income and expenses are amortised using the effective interest method over the contractual period of the loan and receivable or the liability. The basis of preparation of net interest income is presented in more detail in Note 6.

Net fee and commission income consists of the income and expenses associated with services provided to customers, measured at the amount to which the Savings Banks Group considers itself

to be entitled against the services provided. Fees and commissions are, as a rule, recognised once the service has been provided and control has passed to the customer. The basis of preparation of the Net fee and commission income and fee expenses item is presented in its entirety in Note 7.

The basis of preparation of other operating income is presented in connection with the note for each item.

## 2.5 SEGMENT REPORTING

SB Central Bank is a bank owned by the Finnish Savings Banks, whose main purpose is to provide The Savings Banks Groups various central credit institution services. The central credit institution services focus on payment services, and account operator services, payment card issuing for the customers of the member Savings Banks of the Amalgamation, and services related to liquidity management, funding and asset and liability management. SB Central Bank is part of the Savings Banks Amalgamation. The operations of the Central Bank of Savings Bank are treated as a single segment for reporting to the bank's management. Information on the bank's products and services is presented in Appendices 6 Net Interest Income and 7 Fee and Commission Income and Expenses. The SB Central Bank has not allocated income or assets by geographic area, as the bank's financing activities are limited to Finland. The development of the loan portfolio by customer group and the share of interest paid by customers in the bank's total interest income are monitored regularly. The most significant loan portfolio volumes relate to refinancing the member banks of the Savings Banks Group and liquidity management. No single customer entity accounts for more than 10% of the bank's total interest income.

The highest decision-making body of the SB Central Bank is the Annual General Meeting, which elects the company's Board of Directors and the auditor.

## 2.6 NEW IFRS STANDARDS AND INTERPRETATIONS

SB Central bank has applied, from the beginning of 2025, the following new standards that have entered into effect, but they are not considered to have had a material impact on the financial statements of SB Central Bank.

### ***New and amended standards applicable in future financial periods***

SB Central Bank has not yet applied the following new or revised standards and interpretations

already published by the IASB. SB Central Bank will adopt them from the effective date of each standard and interpretation, or if the effective date is other than the first day of the financial year, from the beginning of the financial year following the effective date.

\* = not yet endorsed for use by the European Union as of 31 December 2025

Current status: Endorsement - EFRAG

### **Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates** (effective for financial years beginning on or after 1 January 2025)

The amendments require to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

### **Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures** (effective for financial years beginning on or after 1 January 2026, early application is permitted)

The amendments clarify that an entity is required to apply settlement date accounting when derecognising a financial asset or a financial liability; and permit an entity to deem a financial liability that is settled using an electronic payment system to be discharged before the settlement date if specified criteria are met. The amendments clarify the application guidance for assessing the contractual cash flow characteristics of financial assets, including financial assets with contractual terms that could change the timing or amount of contractual cash flows, for example, those with environmental, social and governance (ESG)-linked features, financial assets with non-recourse features and financial assets that are contractually linked instruments.

### **Annual Improvements to IFRS Accounting Standards – Volume 11** (effective for financial years beginning on or after 1 January 2026, early application is permitted)

The annual improvements process provides a mechanism for minor and non-urgent amendments to IFRS Accounting Standards to be grouped together and issued in one package annually. The amendments clarify the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Hedge Accounting by a First-time Adopter
- IFRS 7 Financial Instruments: Disclosures – Gain or loss on derecognition; Disclosure of differences between the fair value and the transaction price; Disclosures on credit risk

- IFRS 9 Financial Instruments –Derecognition of lease liabilities; Transaction price
- IFRS 10 Consolidated Financial Statements – Determination of a ‘de facto agent’
- IAS 7 Statement of Cash Flows – Cost Method

**Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures** (effective for financial years beginning on or after 1 January 2026, early application is permitted)

The amendments support the application of the own-use exemption to physical power purchase agreements (PPAs), provided the company has been, and is expected to remain, a net purchaser of electricity throughout the contract term. Subject to certain conditions, the amendments allow virtual PPAs and physical PPAs that do not qualify for the own-use exemption to be designated as hedging instruments within cash flow hedge accounting relationships. The amendments also introduce new disclosure requirements to help investors assess the impact of PPAs on a company’s financial performance and cash flows.

**Translation to a Hyperinflationary Presentation Currency\* – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates** (effective to financial years beginning on or after 1 January 2027)

These amendments clarify how companies should translate financial statements from non-hyperinflationary currency into a hyperinflationary one.

**IFRS 18 Presentation and Disclosure in Financial Statements\*** (effective for financial years beginning on or after 1 January 2027, early application is permitted)

IFRS 18 will replace IAS 1 Presentation of Financial Statements. The key new requirements are as follows:

- Income and expenses in the income statement to be classified into three new defined categories – operating, investing, and financing – and two new subtotals – “Operating profit or loss” and “Profit or loss before financing and income tax”.
- Disclosures about management-defined performance measures (MPMs) in the financial statements. MPMs are subtotals of income and expenses used in public communications to communicate management’s view of the company’s financial performance.

- Disclosure of information based on enhanced general requirements on aggregation and disaggregation. In addition, specific requirements to disaggregate certain expenses, in the notes, will be required for companies that present operating expenses by function in the income statement.

**IFRS 19 Subsidiaries without Public Accountability: Disclosures\* and Amendments to IFRS 19\*** (effective for financial years beginning on or after 1 January 2027, early application is permitted)

The new standard permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. It will enable subsidiaries to keep only one set of accounting records to meet the needs of both their parent company and the users for their financial statements and reduce disclosure requirements.

**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures\*** (available for optional adoption, effective date deferred indefinitely)

The amendments address the conflict between the existing guidance on consolidation and equity accounting and require full gain to be recognised when the assets transferred meet the definition of a ‘business’ under IFRS 3 Business Combinations.

# NOTE 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

IFRS-compliant financial statements require SB Central Bank's management to exercise judgement and make estimates and assumptions that affect the reported amounts of assets and liabilities and other information such as the amounts of income and expense. Although these estimates are based on the management's best knowledge at the time, it is possible that actual results differ from the estimates used in the financial statements.

The key estimates of SB Central Bank's concern the determination of impairment of financial assets and fair values.

## DETERMINATION OF EXPECTED CREDIT LOSS

SB Central Bank's expected credit loss calculation models contain several factors that require the management's judgement and making estimates and assumptions.

- Selection of the models used in the calculations so that they illustrate the expected credit losses of the contract portfolio as accurately as possible.
- Assumptions and expert assessments included in the models
- Defining the quantitative and qualitative criteria for a significant increase in credit risk
- Selection of the macroeconomic factors describing future economic development used in the calculations so that changes in the selected factors are correlated with the probability of contract default.
- Preparing economic forecasts and predicting the probability of their future realisation.

SB Central Bank uses modelling-based calculations for determining expected credit losses but, where necessary, the figures generated by the models are adjusted to reflect the management's judgement. Recognising an adjustment may be based on, for example, newly available information or a new factor that is not included in the parameters or inputs used in the calculation model.

## FAIR VALUE MEASUREMENTS

The management should consider whether an individual financial instrument is actively traded and whether the market price obtained is a reliable indication of the financial instrument's fair value. The assessments are based on a view of the functioning of the market and the trading activity for the financial instrument in question.


On the financial statements date, SB Central Bank's financial instruments measured at fair value consisted mainly of listed financial assets for which a public price quotation is available or financial assets for which fair value measurement is based on verifiable market information, such as interest rate data. In the view of the management of SB Central Bank, the conditions regarding the functioning of the market and the trading activity of the individual financial instruments are met and, consequently, the price information obtained from the market can be considered a reliable indication of the fair value of the instruments.

The management's judgement is required in circumstances where fair value price information is not available in the market and the fair value of a financial instrument needs to be determined using a valuation technique. In such circumstances, the valuation techniques and inputs used to measure fair values are based on the management's assessment of the market practices used to measure the value of the instruments in question.

## IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, SB Central Bank assesses whether there is evidence of impairment of incomplete assets. Impairment testing is also carried out whenever there is any indication of impairment. Assessment of impairment of incomplete intangible assets requires the management's judgement.





# **RISK MANAGEMENT AND PRINCIPLES OF CAPITAL ADEQUACY MANAGEMENT**

# NOTE 4. RISK MANAGEMENT AND GOVERNANCE

## OBJECTIVE OF RISK MANAGEMENT

The objective of risk management is to secure the bank's risk-bearing capacity and ensure the continuity of its business operations. The risk-bearing capacity comprises adequate and effective risk management based on the nature, scale, and complexity of SB Central Bank's business operations, as well as sufficient amount of liquidity and capitalization needed for profitable business operations.

## PRINCIPLES AND ORGANIZATION OF RISK MANAGEMENT

Risk management is defined as identification, assessment, quantification, limitation, and monitoring of risks arising from business activities and closely related risks. The purpose of risk management is to minimize the likelihood of unforeseeable losses or reputational risk to ensure the implementation of the Group's strategy.

Risk and capital adequacy management enables the identification, assessment, and measurement of risks, limiting them to a level of SB Central Bank's risk appetite. The capital needed for the various risk areas and business lines is determined in a reliable and independent manner and allocated systematically. This is done based on current and planned risk-taking and considering the requirements of appropriate liquidity management.

Risk management is part of SB Central Bank's internal control and an integral part of its operational activities. SB Central Bank has a risk control function that is independent of business operations. Internal control covers financial and other supervision. Internal control refers to the part of management and operations which aim to ensure:

- the achievement of set objectives and goals
- economical and efficient processes
- the management of the risks involved in operations, including ESG risks
- the fairness and accuracy of financial and other management information
- compliance with regulations and instructions

- the adequate protection of operations, data, as well as the entity's property and customers' assets and
- adequate and appropriately organized manual and IT systems for the support of operations.

The purpose of internal control at the Central Bank of Savings Banks is to ensure that the objectives and aims set for different levels at the bank are reached in compliance with the agreed and set internal control guidelines. Internal control is supervision by the organization itself, and it primarily concerns the state, quality, and results of operations. Internal control is carried out by the Board of Directors, Managing Director, risk control function, supervisors, and other employees. Employees are required to report deviations and misconduct if that occurs.

The risk management of the Central Bank of Savings Banks is based on the business plan, risk strategies, risk appetite, risk monitoring systems including reporting, principles, guidelines and training, as well as appropriate tools and systems.

SB Central Bank does not have excessively large customer or investment portfolio risk concentrations in relation to its financial capacity, and in accordance with its strategy, SB Central Bank will take no such risks.

SB Central Bank maintains its capital adequacy at adequate level. SB Central Bank takes the risk of losses relating to credit and other risks in its financial statements into account with adequate impairment entries and other loss entries.

The Board of Directors is regularly informed on the risk positions and their changes affecting SB Central Bank. The Board also approves the authorizations and guidelines of risk-taking by determining risk limits for accepted risk types. The implementation of the risk strategy is monitored through monitoring and reporting of risk limits and thresholds, carried out by risk control unit independent of business operations. The Board of Directors also approves the authorities and framework for risk-taking by specifying the permitted risk thresholds for different risk types. The responsibility for daily risk monitoring and control is with the management according to set authorizations. The systems and procedures regarding risk reporting and monitoring fulfil the criteria set for risk management, considering the nature, scale and complexity of SB Central Bank's business operations.

SB Central Bank has established the following functions, independent of business operations, to ensure effective and comprehensive internal control system:

- independent risk control
- compliance
- internal audit

The task of the independent Risk Control unit is to ensure and monitor that the risk management framework of the SB Central Bank is adequate in relation to the nature, scale, complexity, and risk level of the SB Central Bank's business operations. The Risk Control unit assists the Board of Directors and senior management of the SB Central Bank in their task to arrange adequate risk management framework and monitor the functionality and efficiency of the risk management framework.

The Compliance unit ensures that SB Central Bank complies with the legislation and authorities' regulation and guidelines. The Compliance unit is responsible for monitoring that SB Central Bank complies with the internal guidelines, ethical guidelines given to the personnel and other guidelines applied within the financial markets.

The Board of Directors of the Central Bank of Savings Banks has established internal audit for the bank and approved the internal audit plan and reporting principles.

The task of internal audit is to assess the scope and adequacy of the internal control of the bank's operating organization and monitor and assess the functioning of the risk management systems. Internal audit reports on its observations to the Managing Director and the Board of Directors.

The Board of Directors of SB Central Bank is responsible for organizing internal control in accordance with legislation, requirements of the authorities and guidelines issued by the Board of Directors of the Central Institution.

The Managing Director and other executives of SB Central Bank are responsible for organizing internal control in accordance with legislation, requirements of the authorities and more detailed internal guidelines issued by the Central Institution and the bank's Board of Directors. The Savings Banks Amalgamation's risk control function maintains and develops methods for managing risks within the Central Institution. This ensures that all, even new, fundamental but previously unidentified risks are covered by the risk management of business lines.

All significant loans or commitments including significant risk are made in accordance with collegial decision-making processes, and there is a lending authority limit structure in place.

Internal operational guidelines are used to steer business operations and processes. Compliance with the internal guidelines as well as the updating process of the guidelines is monitored. All decisions and significant business operations are documented and archived. An essential part of risk management is executed in daily supervision. The execution of decisions made is monitored through an approval and verification process, controls and reconciliations together with adequate follow-up reporting.

In its operations SB Central Bank is exposed to credit, market, compliance and operational risks, as well as business and liquidity risks.

### **Credit and counterparty risks**

The credit risk is the most significant risk of the Banking segment. The management and monitoring of the credit risk plays a major role when ensuring the adequacy of capital compared to business risks and losses caused by risk occurrence.

Credit risk is the possibility that a counterparty may not meet its contractual obligations causing a financial loss to the other counterparty. The main source of credit risk is lending, but credit risks (counterparty risk) may also arise from other types of assets, such as bank deposits, securities in investment portfolio and derivative contracts, as well as off balance-sheet liabilities, such as undrawn credit facilities and limits as well as granted guarantees.

The objective of credit risk management is to limit the impacts on profit and loss or capital adequacy of risks arising from customer liabilities at an acceptable level. The business and risk management strategies approved by the Board of Directors set the maximum exposures for concentration risks and control investment and lending activities.

During the review period, SB Central Bank granted loans to Amalgamation banks. The decisions on loans granted to Savings Banks are made at SB Central Bank in accordance with the policies approved by Savings Banks Union Coop and the Board of SB Central Bank.

The credit decisions regarding unsecured lending to Savings Banks Group's strategic partners are made by the Board of SB Central Bank. SB Central Bank serves as the issuer of payment and credit cards and consumer credit loans in the Savings Bank Group. The latter is based on credit guidelines that determine the principles of granting loans, as well as credit authority levels and responsibilities, among other aspects. The credit risk associated with the credit card portfolio is managed through credit management guidelines on matters such as the principles and responsibilities for the credit granting process. The credit risk strategy determines specific measures in the event of exceeded credit limits.

During the financial year, the Central Bank of the Savings Banks had investments in both debt securities eligible as collateral for central bank financing and other debt securities, in accordance with the guidelines approved by the Board of the Central Bank of the Savings Banks.

SB Central Bank has no non-credit institution client entities with liabilities exceeding the limit set by the Act on Credit Institutions of 10 per cent of the banks' equity (so-called large exposures). The risks included in the SB Central Bank's loan portfolio are low relative to the bank's risk-bearing capacity.

### Doubtful exposures

Doubtful exposures, delayed payments, forborne exposures and non-performing receivables are monitored regularly. Doubtful exposures refer to liabilities for which the customer is classified as being in default either due to significant receivables being more than 90 days past due

or due to it being deemed unlikely, for other reasons, that the customer will fulfil their obligations. Delayed payment refers to the customer's receivables being overdue for 30–89 days. A loan that meets at least one of the following criteria is classified as a non-performing exposure: the loan is classified as insolvent or the loan is in ECL stage.

In certain circumstances if the customer would otherwise face financial difficulties in the future the customer may be granted a change in the terms and conditions of the loan, for example interest-only period or restructuring the loan. The reason for these arrangements is to ensure the customers' ability to pay and avoid possible credit losses. The prerequisite for granting any forbearance measures to the loans is that the customers' financial difficulties are estimated to be short-termed and temporary.

Credit card and consumer credit exposures by risk-rating class:

Description	31.12.2025				Percentage of total	
	Phase 1	Phase 2	Phase 3	Total	31.12.2025	31.12.2024
1 - Excellent	38,448,466	233,886	0	38,682,352	22.8%	0.0%
2 - Good	35,131,558	401,212	0	35,532,770	20.9%	70.7%
3 - Good	51,404,743	1,613,074	2,640	53,020,458	31.2%	10.8%
4 - Average	16,956,635	3,186,638	0	20,143,274	11.8%	11.0%
5 - Average	2,580,222	5,981,071	0	8,561,293	5.0%	1.2%
6 - Weak	454,032	4,838,966	750	5,293,748	3.1%	0.7%
7 - Weak	38,117	2,471,988	0	2,510,105	1.5%	2.5%
D - Impaired	0	0	6,258,771	6,258,771	3.7%	3.1%
<b>Total</b>	<b>145,013,774</b>	<b>18,726,836</b>	<b>6,262,161</b>	<b>170,002,771</b>	<b>100.0%</b>	<b>100.0%</b>

\* The PD model for retail customers was renewed in 2025. Therefore, the relative shares of the risk classes are not fully comparable with the relative shares for 2024.

The most significant part of other exposures than credit card exposures are loans granted to Savings Banks in the Amalgamation, which are in risk-rating class and stage 1.

Impairment and expected credit losses are described in the accounting policies section of the financial statements.

## LIQUIDITY RISK

Liquidity risk refers to a risk that a bank would not be able to fulfil its current or future expected and unexpected cash outflows at all or without significantly damaging the bank's financial position. Liquidity risk may be further divided into short-term liquidity risk and long-term funding risk. Short-term liquidity risk refers to a situation where the amalgamation may be unable to meet its payment obligations when they are due without significant financial consequences. Structural funding risk describes the long-term risk arising from the bank's balance sheet structure, where the maturities, pricing basis or behavioural of the characteristics of the bank's

assets and liabilities are not aligned. Such imbalances may create challenges related to the availability and cost of funding or increase refinancing risk over the long term.

The key methods for measuring and monitoring liquidity risk are the cash position, the adequacy of the liquidity buffer as assessed through stress tests, the liquidity coverage requirement, and the net stable funding requirement. Daily liquidity is monitored at SB Central Bank and a daily liquidity position report of Amalgamation member banks is also provided to the Savings Banks Union Coop risk control unit.

Maturity distribution of financial assets and liabilities:

<b>Financial assets 2025 (EUR 1,000)</b>	<b>Total</b>	<b>under 3 months</b>	<b>3 – 12 months</b>	<b>1 – 5 years</b>	<b>over 5 years</b>
Cash and cash equivalents	1,206,469	1,206,469	0	0	0
Loans and advances to credit institutions	2,072,559	186,406	603,000	1,203,156	79,997
Loans and advances to customers	188,383	27,116	57,668	79,855	23,744
Investment assets	448,369	43,213	38,454	362,268	4,435
<b>Total</b>	<b>3,915,781</b>	<b>1,463,203</b>	<b>699,123</b>	<b>1,645,278</b>	<b>108,176</b>

<b>Financial liabilities 2025 (EUR 1,000)</b>	<b>Total</b>	<b>under 3 months</b>	<b>3 – 12 months</b>	<b>1 – 5 years</b>	<b>over 5 years</b>
Debt securities issued	1,433,544	354,927	199,046	641,944	237,628
Liabilities to customers	158,216	6,032	152,185	0	0
Liabilities to credit institutions	2,531,358	146,061	741,334	1,135,266	508,697
<b>Total</b>	<b>4,123,119</b>	<b>507,019</b>	<b>1,092,565</b>	<b>1,777,210</b>	<b>746,324</b>
Off balance-sheet commitments	0	-126,300	-138,500	264,800	0

<b>Financial assets 2024 (EUR 1,000)</b>	<b>Total</b>	<b>under 3 months</b>	<b>3 – 12 months</b>	<b>1 – 5 years</b>	<b>over 5 years</b>
Cash and cash equivalents	1,463,658	1,463,658	0	0	0
Loans and advances to credit institutions	1,807,513	347,363	595,300	751,227	113,622
Loans and advances to customers	181,068	173,861	0	6,653	554
Investment assets	132,673	13,149	55,631	60,384	3,509
<b>Total</b>	<b>3,584,912</b>	<b>1,998,031</b>	<b>650,931</b>	<b>818,264</b>	<b>117,686</b>

<b>Financial liabilities 2024 (EUR 1,000)</b>	<b>Total</b>	<b>under 3 months</b>	<b>3 – 12 months</b>	<b>1 – 5 years</b>	<b>over 5 years</b>
Debt securities issued	1,320,362	103,759	132,702	808,229	275,672
Liabilities to customers	329,631	27,462	302,169	0	0
Liabilities to credit institutions	2,079,188	1,100,727	82,708	344,618	551,134
<b>Total</b>	<b>3,729,181</b>	<b>1,231,948</b>	<b>517,580</b>	<b>1,152,846</b>	<b>826,806</b>
Off balance-sheet commitments	0	-104,800	-190,200	295,000	0

\*The comparative period's figures have been adjusted to correspond to the 2025 presentation format. The adjustments take interest cash flows into account by maturity category.



## Market risk

Market risk refers to the impact of interest rates and market prices on the bank's income statement and own funds. Market risks arise from the banking book, comprised of lending, wholesale funding and the investment portfolio. Of the market risks, SB Central Bank was exposed to interest rate and currency risk in the reporting period 2025, as described below.

## Interest rate risk

Interest rate risk is the effect of interest rate changes on the market value of the bank's balance sheet and off balance-sheet items and on the net interest income. SB Central Bank monitors interest rate risk both with present value and income risk method. Furthermore, interest rate risk can divide into the following risk types:

- gap risk refers to the risk resulting from the term structure of interest rate sensitive instruments that arises from differences in the timing of their rate changes, covering changes to the term structure of interest rates occurring consistently across the yield curve (parallel risk) or differentially by period (non-parallel risk).
- a basis risk is a risk arising from the impact of relative changes in interest rates on interest rate sensitive instruments that have similar tenors but are priced using different interest rate indices. Basis risk arises from the imperfect correlation in the adjustment of the rates earned and paid on different interest rate sensitive instruments with otherwise similar rate change characteristics.
- an option risk is a risk arising from options (embedded and explicit), where the institution or its customer can alter the level and timing of their cash flows, namely the risk arising from interest rate sensitive instruments where the holder will almost certainly exercise the option if it is in their financial interest to do so (embedded or explicit automatic options) and the risk arising from flexibility embedded implicitly or within the terms of interest rate sensitive instruments, such that changes in interest rates may affect a change in the behaviour of the client (embedded behavioural option risk).

The purpose of the management of interest rate risks is to stabilize the net interest income and present value at a level where bank's business is profitable and to limit their fluctuations without threatening the capital adequacy even by severe changes in the interest rate environment. The Bank's appetite for interest rate risk has described by the interest rate limits set by the Board of Directors. Interest rate risk is possible to manage by modifying the product and balance sheet structure, designing the interest rate fixation and maturities of different balance sheet items,

and by using hedging interest rate derivatives. The SB Central Bank applies hedge accounting and uses interest rate swaps for hedging purposes.

The interest rate risks of SB Central bank are measured on a daily basis through the change in net interest income and in the present value of the balance sheet. Present value method measures the change of the present value of assets and liabilities when the market interest rates change. In the income risk model, the future net interest income is forecast with a horizon of one year when the market interest rates change.

The table below presents the net interest income sensitivity to a 1-percentage-point parallel shift in the interest rate curve. A 0% floor is applied to loan reference interest rates based on loan contract provisions. Balance sheet structure is kept static by rolling over maturing items with corresponding interest rates or corresponding maturities for fixed rate items.

## CHANGE IN NET INTEREST INCOME

(EUR 1,000)	31.12.2025		31.12.2024	
Period	Down	Up	Down	Up
Change in the upcoming 12 months	17	87	-1,907	1,892
Change, next 12 months	-2,344	1,863	-296	386

Bank's interest rate risk is reported regularly to the Board of Directors, which has given the maximum amount to SB Central Bank's interest rate risk in its guidelines.

## CURRENCY RISK

Currency risk refers to the effect of changes in foreign exchange rates on income statement or equity. SB Central Bank is exposed to currency risk to a minor extent due to shares in the investment portfolio, which are essential to the payment card issuance business. Open foreign exchange exposure is not allowed in the lending or liquidity portfolios of the member credit institutions of the Savings Banks Amalgamation. Foreign exchange exposure is monitored in accordance with the method used in capital adequacy calculation (the capital requirement is calculated if the total net foreign exchange exposure is over 2% of the total amount of own funds).

## OPERATIONAL RISK

Operational risks refer to the risk of loss arising from inadequate or failed internal processes, personnel, systems, or external factors. Legal risks are also included in operational risks. The various stages of lending and trading processes also involve operational risks as well credit, liquidity and market risks, which have assessed in the evaluation of operational risks. Strategic risks have here excluded from operational risks.

SB Central Bank's operations comply with the current legislation, government regulations, the rules of good banking practices as confirmed by the Federation of Finnish Financial Services and the principles of the management of operational risks, along with other internal guidelines of the Amalgamation.

SB Central Bank identifies and documents operational risks associated with products, services, operations, processes, and systems. The monitoring and control measures are determined through the identification of operational risks. Some of the losses caused by operational risks are covered by insurance. In addition, preparedness for significant operational disruptions is ensured through continuity plans. Regular reports are submitted to SB Central Bank's management on operational risks and actual losses, as well as near-miss situations.

During the financial year 2025, no such operational risks materialised that would cause financial loss. Disruption reports were prepared for the operational risks that realised during the year. The disruptions resulted mainly from malfunctions in information systems and process errors and typically required manual investigations at SB Central Bank.

## LEGAL RISKS

Legal risks refer to risk of loss due to an invalid contract or incomplete documentation and the risk of sanctions, liability to compensate customers and loss of goodwill due to non-compliance with laws or official regulations. SB Central Bank comply with standard terms worked out jointly by the banking and insurance industry. When finalising non-standard agreements, legal services are used and external experts are consulted when needed.

Compliance function has been established to ensure that SB Central Bank comply with regulations and internal guidelines. Compliance function's responsibility is to ensure that SB Central Bank comply with laws, regulations and guidelines. Compliance function also ensures that the SB Central Bank comply with its own internal guidelines, ethical principles for personnel and other instructions.

## BUSINESS RISK

Business risk describes the impact of uncertainties caused by the operating environment on Group's business. Business risks arise from competition, from changes in markets and customer behavior as well as from unexpected income fluctuations. Business risks can also arise by choosing a wrong strategy, ineffective management or slow response to changes in the operating environment.

The strategic and business planning are the tools to manage and minimize the business risks.

# NOTE 5. CAPITAL ADEQUACY MANAGEMENT

Central Bank of Savings Banks has adopted an internal capital adequacy assessment process, the objective of which is to ensure the bank's risk-bearing capacity is sufficient in relation to all the major risks resulting from its business operations. Central Bank of Savings Banks identifies and comprehensively assesses the risks associated with its business operations and ensures that its risk-bearing capacity is adequate when compared to the sum of all risks. The internal capital requirements specified through the capital adequacy management are based on the capital requirements under Pillar I and risks outside Pillar I, such as interest rate risk in the banking book, market risk of the investment portfolio and business risk. In the internal assessment process, Central Bank of Savings Banks estimates the amount of capital that will also be sufficient to cover unexpected losses arising from risks outside Pillar I.

In line with its strategy, Central Bank of Savings Banks provides Savings Banks with various central credit institution services, such as payment transaction and account operator services for all Savings Banks and payment card and consumer credit loan issuing for customers of Savings Banks' clients, as well as services related to liquidity management, funding and asset and liability management.

The bank focuses on operating in these business areas only to keep its risks manageable. The Board of Directors of the bank has overall responsibility for capital adequacy management. The Bank's Board of Directors decides on the starting points, objectives and principles of capital adequacy management. Moreover, the Board of Directors confirms the general requirements for capital adequacy measurement and assessment methods and the general principles of organising the capital adequacy management process. In practice, this means that the Board of Directors approves the risk strategies and defines target levels for the capital needed to cover all material risks caused by the business operations and changes in the operating environment. The capital adequacy, liquidity and customer risks of the entities belonging to the Savings Bank Amalgamation are controlled in a consolidated way at the Amalgamation level. The Board of Directors of the Central Institution has set target levels for the capital adequacy of the Amalgamation and banks, which are monitored quarterly.

## Stress tests

As part of the capital adequacy management process, the Central Bank of Savings Banks estimates its own risk position and capital adequacy with stress tests. Stress tests are used when assessing how various exceptionally severe but possible scenarios may affect profitability, capital adequacy and adequacy of own funds. Stress tests seek to identify the key risks from the point of view of the Central Bank of Savings Banks and estimate how vulnerable the structure of the Bank is in relation to the realisation of these risks. The objective of the capital adequacy management is also to maintain and develop the quality of the risk management framework.

## Capital contingency plan

The capital contingency plan of Central Bank of Savings Banks is made in order to be prepared for unforeseeable events that may threaten the bank's capital adequacy. The capital contingency plan includes target levels and control limits set by the Board of Directors for the quantity and quality of the capital, which are monitored quarterly. The capital contingency plan describes the actions to be taken by the management and the Board of Directors in the event that the capital adequacy ratio falls below the monitoring threshold.

## PILLAR I CAPITAL REQUIREMENTS

SB Central Bank's own funds totalled EUR 125.9 (124.4) million, while the aggregate capital requirement was EUR 37.1 (28.2) million. Common Equity Tier 1 capital (CET1) consisted fully of Tier 1 capital, amounting to EUR 125.9 (124.4) million.

SB Central Bank's capital adequacy ratio was high, standing at 35.8% (46.3%) at year-end. The ratio changed by 10.5 percentage points. This development was mainly driven by the amendment to the Capital Requirements Regulation (CRR3), which entered into force at the beginning of 2025 and resulted in higher risk weighted assets for operational risk. In addition, changes in the allocation of the investment portfolio contributed to an increase in risk weighted assets for credit risk.

The high capital adequacy ratio is in part due to the exemption granted to the Amalgamation by the Financial Supervisory Authority, according to which the risk weight applied to the Amalgamation's internal financing items in capital adequacy calculation is 0%. There were no changes in the company's risk position during the reporting period.

The capital requirement of SB Central Bank is formed by:

- minimum requirement for the capital adequacy ratio (8%) under the Capital Requirements Regulation (CRR)
- 2.5% CET1 capital add-on according to the Act on Credit Institutions
- the country-specific variable CET1 capital add-ons of foreign exposures

The Pillar II capital requirement imposed by the Financial Supervisory Authority on the Savings Banks Amalgamation is 1.5%. At least three quarters of the Pillar II capital requirement must be Tier 1 capital, of which at least three quarters must be CET1 capital.

On 26 June 2025, the Financial Supervisory Authority decided to keep the Savings Banks Amal-

gamation's systemic risk buffer requirement (1%) unchanged. The decision will enter into effect on 1 July 2026.

The Financial Supervisory Authority did not impose a countercyclical capital buffer requirement in 2025. The Financial Supervisory Authority has not set additional capital requirements, so called O-SII buffers, for the Savings Banks Amalgamation.

The Financial Supervisory Authority has granted permission not to deduct internal holdings of credit institutions included in the Amalgamation from own funds instruments when calculating own funds at the individual bank level and sub-consolidation group level. In addition, the Financial Supervisory Authority has granted permission to apply a 0% risk weight to internal credit institution liabilities included within the scope of the Amalgamation's joint and several liability. These permissions are based on the European Union Capital Requirements Regulation (EU 575/2013) and the Act on the Amalgamation of Deposit Banks (599/2010).

The Finnish Financial Supervisory Authority has granted Savings Banks' Union Coop, which acts as the Central Institution of the Savings Banks Amalgamation, permission pursuant to the Act on the Amalgamation of Deposit Banks to decide that its member credit institutions will not be subject to the requirements stipulated by Section 6 of the EU Capital Requirements Regulation (EU 575/2013) and other EU statutes issued on the basis of the Regulation regarding the liquidity of credit institutions. The authorisation granted to the Central Institution also covers the NSFR claim.

The standard method is used to calculate the capital requirement for the credit risk of the Savings Banks Amalgamation. The capital requirement for operational risk is calculated by the basic method. The capital requirement relating to market risk is calculated by the basic method for the foreign exchange exposure if the total net foreign exchange position is over 2% of the aggregate amount of own funds. The Savings Banks Amalgamation does not have a trading book and the Amalgamation's business does not involve taking commodity risk.

The amendments to the EU's Capital Requirements Regulation (CRR3) that entered into force at the beginning of 2025 increased the capital ratio of the Savings Banks Amalgamation slightly.

SB Central Banks publishes the relevant information with regard to the calculation of capital adequacy annually as part of its Board of Directors' report and notes to the financial statements. Key capital adequacy data have been published in the half-year report.

The Savings Banks Group presents the so-called Pillar III capital adequacy disclosures separately in connection with its financial statements. A copy of the Savings Banks Group's financial statements and Pillar III disclosures are available at [www.saastopankki.fi](http://www.saastopankki.fi)

## CAPITAL ADEQUACY

<b>Own funds (EUR 1,000)</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
Common Equity Tier (CET1) capital before regulatory adjustments	132,967	133,874
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-7,078	-9,505
<b>Common Equity Tier (CET1) capital</b>	<b>125,889</b>	<b>124,370</b>
<b>Tier 1 capital (T1 = CET1 + AT1) total</b>	<b>125,889</b>	<b>124,370</b>
<b>Total Capital (TC = T1 + T2)</b>	<b>125,889</b>	<b>124,370</b>
<b>Risk weighted assets</b>	<b>351,541</b>	<b>268,426</b>
of which: credit and counterparty risk	265,825	193,843
of which: credit valuation adjustments (CVA)	2,692	8,595
of which: market risk		
of which: operational risk	83,024	65,988
<b>Minimum total capital requirement</b>	<b>28,123</b>	<b>21,474</b>
<b>Excess total capital</b>	<b>97,766</b>	<b>102,895</b>
<b>Common Equity Tier 1 (as percentage of total risk exposure amount)</b>	<b>35,8</b>	<b>46,3</b>
<b>Tier 1 (as a percentage of total risk exposure amount)</b>	<b>35,8</b>	<b>46,3</b>
<b>Total capital (as a percentage of total risk exposure amount)</b>	<b>35,8</b>	<b>46,3</b>
<b>Capital requirement</b>		
Total capital	125,889	124,370
Capital requirement total*	37,080	28,193
Capital buffer	88,810	96,177

\* The capital requirement consists of the statutory minimum capital adequacy requirement of 8%, the capital conservation buffer of 2.5% according to the Act on Credit Institutions and the country-specific countercyclical capital requirements of foreign exposures.

## LEVERAGE RATIO

The leverage ratio of Central Bank of Savings Banks was 6.0 (6.4) %, exceeding the 3% minimum requirement. The leverage ratio describes the level of indebtedness of a credit institution and is calculated by dividing its Tier 1 capital by its total exposure measure. The most significant part of Central Bank of Savings Banks' assets consist of group internal loans with 0% risk weight that are not included to the total leverage exposure amount when calculating the leverage ratio. The bank monitors the level of indebtedness as part of the ICAAP process.

## LEVERAGE RATIO

(EUR 1,000)	31.12.2025	31.12.2024
Tier 1 capital	125,889	124,370
Leverage ratio exposure	2,086,596	1,938,966
Leverage ratio	6.00%	6.40%

## RESOLUTION PLAN

The European Parliament and Council Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms was transposed into national legislation as of 1 January 2015 (Act on the Resolution of Credit Institutions and Investment Firms). To implement the Resolution Act, the Finnish Financial Stability Authority (Act on the Financial Stability Authority, 1995/2014) was established. In March 2025, the Financial Stability Authority decided to set a minimum requirement for own funds and eligible liabilities (MREL requirement) for the Savings Banks Amalgamation and Sp Mortgage Bank Plc. The requirement entered into force upon the date of the decision. The requirement does not apply to the member credit institutions or to the Central Banks of Savings Banks.

The MREL requirement is by nature a Pillar 2 type minimum requirement that must be met continuously. According to the Financial Stability Authority's decision, the MREL requirement applied to the Savings Banks Amalgamation is 20.87% of the total risk exposure amount or 7.80% of the total exposures, whichever is higher.

In addition to the requirement calculated on the basis of total risk exposure, the institution-specific capital buffer requirement must be met on an ongoing basis.





# NOTES RELATED TO PROFIT AND LOSS AND BALANCE SHEET ITEMS

## NOTE 6. NET INTEREST INCOME

Interest income and expenses are amortised using the effective interest rate method over the contractual period of the loan and receivable or the liability. With this method, the income and expenses of the instrument are amortised in proportion to the remaining carrying amount of the loan and receivable or the liability in the balance sheet.

(EUR 1,000)	1-12/2025	1-12/2024
<b>Interest income</b>		
<b>From financial assets at amortised cost</b>		
Debt securities eligible for refinancing with Central Bank	5,252	1,516
Loans and advances to credit institutions	89,096	130,569
Loans and advances to customers*	16,634	17,462
Debt securities from corporates	634	447
Other**	223	356
<b>Total</b>	<b>111,838</b>	<b>150,350</b>
<b>From financial assets at fair value through other comprehensive income</b>		
Debt securities eligible for refinancing with Central Bank	2,177	2,630
Debt securities	1,161	4
<b>Total</b>	<b>3,338</b>	<b>2,634</b>
<b>From financial assets at fair value through profit or loss</b>		
Derivative contracts		
Hedging derivatives	5 121	7 098
Other than hedging	8,215	2,123
<b>Total</b>	<b>13,336</b>	<b>9,221</b>
<b>Total interest income</b>	<b>128,512</b>	<b>162,206</b>

When a financial asset is impaired, the original effective interest rate is used to calculate the interest income to the carrying amount of the receivable reduced by impairment loss.

(EUR 1,000)	1-12/2025	1-12/2024
<b>Interest expense</b>		
<b>Financial liabilities at amortised cost</b>		
Liabilities/deposits to credit institutions	-46,477	-62,297
Liabilities to customers	-7,669	-19,125
Debt securities issued	-41,190	-43,588
Other interest expenses	-1	1
<b>Total</b>	<b>-95,338</b>	<b>-125,010</b>
<b>From financial assets at fair value through profit or loss</b>		
Derivative contracts		
Hedging derivatives	-10,442	-14,775
Other than hedging	-8,215	-2,123
<b>Total</b>	<b>-18,657</b>	<b>-16,898</b>
<b>Total interest expenses</b>	<b>-113,995</b>	<b>-141,908</b>
<b>Net interest income</b>	<b>14,517</b>	<b>20,298</b>
<b>* of which interest income from loans in stage 3</b>	<b>137</b>	<b>110</b>

\*\* is made up of interest charges and limit commission based on account agreements.

## NOTE 7. NET FEE AND COMMISSION INCOME

Fees and commissions income and expense are generally recognized on an accrual basis. Fees and commissions for performing a service are recognized when the related services are performed. Fees relating to services performed over several years are amortised over the service period. Fees that are directly attributable to a financial instrument are treated as part of an effective interest and accounted for as an adjustment to the effective interest of that financial instrument. Fees, relating to financial instruments classified at fair value through profit or loss are expensed in the income statement on initial recognition.

(EUR 1,000)	1-12/2025	1-12/2024
<b>Fee and commission income</b>		
Lending*	20,917	18,632
Payment transfers	9,252	7,862
Securities	1,769	1,601
Other	438	357
<b>Total</b>	<b>32,377</b>	<b>28,452</b>
<b>Fee and commission expense</b>		
Payment transfers	-4,061	-3,696
Securities	-683	-571
Other**	-15,849	-17,321
<b>Total</b>	<b>-20,594</b>	<b>-21,588</b>
<b>Net fee and commission income</b>	<b>11,783</b>	<b>6,864</b>

\*of which the most significant incomes are incomes related to granting loans.

\*\*of which the most significant expenses are expenses related to granting loans.

## NOTE 8. NET TRADING INCOME

Net income and expenses from fair value hedging and capital gains from securities are recognized in net trading income.

(EUR 1,000)	1-12/2025	1-12/2024
<b>Net income from financial asset at fair value through profit or loss</b>		
Valuation loss of capital loan		-200
Capital refund of fund		415
Net income from foreign exchange operation	1	-1
<b>Net income from hedge accounting</b>		
Change in hedging instruments' fair value	-1,442	5,314
Change in hedged items' fair value	956	-4,803
<b>Capital gains, securities</b>	<b>-332</b>	<b>104</b>
<b>Total</b>	<b>-817</b>	<b>830</b>

Detailed information on derivative contracts defined for hedge accounting are presented in note 14.



# NOTE 9. OTHER INCOME AND EXPENSES

## 9.1 OTHER OPERATING REVENUE

(EUR 1,000)	1-12/2025	1-12/2024
Other income from Banking*	7,425	5,425
Other operating revenue	7,425	5,425

\*Other operating income consisted of service fees from the amalgamation's central institution and member bank, as well as contract income from the card organization and cooperation partners.



## 9.2 OTHER OPERATING EXPENSES

(EUR 1,000)	1-12/2025	1-12/2024
<b>Other administrative expenses</b>		
Other personnel expenses	-292	-398
Office expenses	-14,138	-12,915
ICT expenses	-6,870	-3,847
Telecommunications	-740	-669
Representation expenses		
Marketing	-112	-15
Other operating expenses		-3
<b>Total</b>	<b>-22,152</b>	<b>-17,848</b>
<b>Other operating expenses</b>		
Rental expenses	-389	-361
Expenses arising from owner-occupied property	-13	-13
Other operating expenses	-1,517	-1,679
<b>Total</b>	<b>-1,920</b>	<b>-2,053</b>
<b>Other operating expenses</b>	<b>-24,072</b>	<b>-19,900</b>
<b>Audit fees</b>		
Statutory audit	-38	-34
Audit related services	-16	-19
Other services	-30	-12
<b>Total</b>	<b>-84</b>	<b>-65</b>

# NOTE 10. PERSONNEL EXPENSES

Employee benefits include short-term employee benefits, termination benefits, post-employment benefits and other long-term employee benefits. IAS 19 Employee Benefits determines the accounting treatment of employee benefits. Short-term employee benefits include e.g. wages, salaries and benefits, annual leave, bonuses, extra insurances and loans granted with an interest rate lower than the market rate. Short-term employee benefits are expected to be paid in full within 12 months after the end of the financial year during which employees perform the work concerned. Termination benefits are based on the termination of employment, not on the work performed. These benefits consist of redundancy benefits.

Personnel expenses include wages and salaries, pension expenses for defined contribution and defined benefit pension plans and other personnel-related costs.

(EUR 1,000)	1-12/2025	1-12/2024
Wages and salaries	-4,937	-4,519
Pension expenses		
Defined contribution plans	-858	-798
Other personnel related costs	-213	-147
<b>Personnel expenses</b>	<b>-6,007</b>	<b>-5,464</b>
Full-time	56	51
Permanent, part-time	1	1
Temporary, part-time	2	4
<b>Total</b>	<b>59</b>	<b>56</b>
Number of employees converted to FTEs	57	50
Average number of FTEs during the financial year	58	52

Post-employment benefits are paid after the termination of employment. They consist of pensions or other benefits payable after the termination of employment, such as life insurance or health care. Pension plans relating to post-employment benefits are classified as defined benefit plans or defined contribution plans.

For defined contribution plans, the Central Bank of Savings Banks pays fixed pension contributions to pension insurance companies. The Central Bank of Savings Banks has no legal or actual obligation to make additional payments in case the pension insurance company is not able to make the benefit payments. The most significant contribution-based plan is the basic employee insurance (TyEL) subject to the Pensions Act. Independent pension insurance companies are responsible for this pension scheme within the Central Bank of Savings Banks.

Other long-term employee benefits are based on long-term employment. Such benefits include e.g. paid vacation and bonuses or gifts, which are granted on the basis of accumulated years of service.

# NOTE 11. LOANS AND ADVANCES

## 11.1 LOANS AND ADVANCES TO CREDIT INSTITUTIONS AND CUSTOMERS

Loans and advances to credit institutions and customers are primarily classified as measured at amortised cost and are consequently subject to calculation of expected credit losses. The table below presents the gross values, allowances for expected credit losses and balance values for loans and advances by product type.

### LOANS AND ADVANCES

31.12.2025 (EUR 1,000)	Not impaired (gross)	Expected credit losses (ECL)	Balance sheet value
<b>Loans and advances to credit institutions</b>			
Deposits	141,128		141,128
Loans and other receivables	1,902,100	-263	1,901,837
<b>Total</b>	<b>2,043,228</b>	<b>-263</b>	<b>2,042,965</b>
<b>Loans and advances to customers</b>			
<b>By product</b>			
Used overdrafts	49,486	-891	48,595
Loans	500		500
Credit cards	120,343	-5,546	114,797
Other receivables	6,000	-1	5,999
<b>Total</b>	<b>176,329</b>	<b>-6,438</b>	<b>169,891</b>
<b>Loans and advances total</b>	<b>2,219,557</b>	<b>-6,701</b>	<b>2,212,856</b>

### LOANS AND ADVANCES

31.12.2024 (EUR 1,000)	Not impaired (gross)	Expected credit losses (ECL)	Balance sheet value
<b>Loans and advances to credit institutions</b>			
Deposits	129,106	-3	129,103
Loans and other receivables	1,652,603	-231	1,652,369
<b>Total</b>	<b>1,781,706</b>	<b>-234</b>	<b>1,781,472</b>
<b>Loans and advances to customers</b>			
<b>By product</b>			
Used overdrafts	45,673	-970	44,703
Loans	500		500
Credit cards	116,219	-4,126	112,092
Other receivables	6,000	-1	5,999
<b>Total</b>	<b>168,392</b>	<b>-5,098</b>	<b>163,294</b>
<b>Loans and advances total</b>	<b>1,950,098</b>	<b>-5,332</b>	<b>1,944,766</b>



## 11.2 INVESTMENT ASSETS

(EUR 1,000)	31.12.2025	31.12.2024
<b>At fair value through other comprehensive income</b>		
Debt securities	150,361	59,044
Shares and participations	203	1,038
<b>Total</b>	<b>150,564</b>	<b>60,082</b>
<b>Fair value through profit or loss</b>		
Shares and participations	4,772	3,571
<b>Total</b>	<b>4,772</b>	<b>3,571</b>
<b>Amortized cost investments</b>		
Debt securities	288,065	67,080
Expected Credit Losses	-119	-22
<b>Total</b>	<b>287,946</b>	<b>67,059</b>
<b>Investment assets</b>	<b>443,283</b>	<b>130,712</b>

### BREAKDOWN BY ISSUER OF QUOTATION

2025 (EUR 1,000)	Measured at fair value through other comprehensive income	Fair value through profit or loss	Measured at amortized cost	Total
<b>Quoted</b>	150,361		262,970	413,332
Other	203	4,772	24,976	29,951
<b>Total</b>	<b>150,564</b>	<b>4,772</b>	<b>287,946</b>	<b>443,283</b>

2024 (EUR 1,000)	Measured at fair value through other comprehensive income	Fair value through profit or loss	Measured at amortized cost	Total
<b>Quoted</b>	59,044		49,196	108,241
Other	1,038	3,571	17,862	22,471
<b>Total</b>	<b>60,082</b>	<b>3,571</b>	<b>67,059</b>	<b>130,712</b>

## 11.3 IMPAIRMENT LOSS ON FINANCIAL ASSETS

SB Central Bank determines impairments on financial assets based on an expected credit loss model. The loss allowance for expected credit loss is measured and recognized for financial assets that are subsequently measured at amortized cost or at fair value through other comprehensive income as well as for financial guarantees and loan commitments.

For the purpose of measuring expected credit losses, SB Central Bank applies a three-stage model in which the stage to be applied in the measurement is determined based on the change in the credit risk of the financial asset between the date of initial recognition and the reporting date.

- Stage 1 includes financial assets for which the credit risk has not increased significantly between the date of initial recognition and the reporting date. The measurement of the expected credit loss for stage 1 financial assets is based on the probability of a default event occurring within 12 months of the reporting date.
- Stage 2 includes financial assets for which the credit risk has increased significantly after the date of initial recognition. The measurement of the expected credit loss for stage 2 financial assets is based on the probability of a default event occurring within the remaining life of the financial asset.
- Stage 3 includes financial assets that are impaired. The measurement of the expected credit loss for stage 3 financial assets is based on the probability that a credit loss event occurs within the remaining life of the financial asset.

### FINANCIAL ASSETS WITHIN THE SCOPE OF MEASUREMENT OF EXPECTED CREDIT LOSSES BY IMPAIRMENT STAGE

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
<b>Financial assets 31 Dec 2025</b>				
Investment assets	211,706			211,706
Loans and advances to credit institutions	2,156,554			2,156,554
Loans and advances to customers	145,014	18,727	6,262	170,003
Off-balance sheet items	599,757	6,750	628	607,135
<b>Total</b>	<b>3,113,031</b>	<b>25,477</b>	<b>6,890</b>	<b>3,145,398</b>

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
<b>Financial assets 31 Dec 2024</b>				
Investment assets	77,168			77,168
Loans and advances to credit institutions	1,726,716			1,726,716
Loans and advances to customers	147,523	10,223	5,094	162,840
Off-balance sheet items	270,275	14,787	72	285,134
<b>Total</b>	<b>2,221,681</b>	<b>25,010</b>	<b>5,166</b>	<b>2,251,857</b>

In assessing the significance of change in credit risk, SB Central Bank takes into account the following qualitative and quantitative information, amongst others.

- Payment delay: the credit risk of a financial asset is deemed to have increased significantly and the contract is migrated from stage 1 to stage 2 when a payment delay exceeds 30 days. When a payment delay for a financial asset exceeds the relative and absolute threshold values over 90 consecutive days, it is deemed to be impaired and is migrated to stage 3.
- PD% increase: the risk of a financial asset is deemed to have increased significantly and the contract is migrated from stage 1 to stage 2 when the defined relative or absolute thresholds for the PD% increase are exceeded.
- Forbearance: the credit risk of a performing financial asset subject to forbearance is deemed to have increased significantly and the contract is migrated from stage 1 to stage 2. If the contract is forborne and non-performing or if a forbearance concession is made for a contract at the time of application, the contract is deemed to be impaired and is migrated to stage 3.
- Default: If the counterparty of a financial asset is in default, the contract is deemed to be impaired and is migrated to stage 3.

The financial asset can revert from stage 2 or stage 3 if its credit risk has improved significantly and it has consistently met the criteria for the previous stage during the length of the defined probation period. The length of the probation period for transitions from stages 3 to 2 and 2 to 1 is three months.

The tables below present the development of the expected credit losses from the beginning of the financial period.

## EXPECTED CREDIT LOSSES (ECL), LOANS AND ADVANCES TO CUSTOMERS AND RELATED OFF-BALANCE SHEET ITEMS

	Stage 1	Stage 2	Stage 3	Total
(EUR 1,000)	12 month ECL	Lifetime ECL	Lifetime ECL	
Expected Credit Losses 1 January 2025	366	593	4,204	5,163
Transfers to Stage 1	92	-177		-85
Transfers to Stage 2	-221	993	-157	615
Transfers to Stage 3	-62	-1,146	2,972	1,764
New assets originated or purchased	184	1	1	185
Assets derecognised or repaid	-133	-263	-1,097	-1,493
Amounts written off			-1,451	-1,451
Amounts recovered			265	265
Change in credit risk without change in Stage	-239	9	143	-88
Change in model for calculation of ECL	329	1,269	37	1,636
Net change in ECL	-49	684	713	1,348
Expected Credit Losses 31 December 2025	317	1,277	4,917	6,511

## EXPECTED CREDIT LOSSES (ECL), LOANS AND ADVANCES TO CREDIT INSTITUTIONS AND RELATED OFF-BALANCE SHEET ITEMS

	Stage 1	Stage 2	Stage 3	Total
(EUR 1,000)	12 month ECL	Lifetime ECL	Lifetime ECL	
Expected Credit Losses 1 January 2025	347			347
New assets originated or purchased	267			267
Assets derecognised or repaid	-180			-180
Change in credit risk without change in Stage	-5			-5
Net change in ECL	83			83
Expected Credit Losses 31 December 2025	430			430

## EXPECTED CREDIT LOSSES (ECL), INVESTMENT ASSETS

	Stage 1	Stage 2	Stage 3	Total
(EUR 1,000)	12 month ECL	Lifetime ECL	Lifetime ECL	
Expected Credit Losses 1 January 2025	98			98
New assets originated or purchased	93			93
Assets derecognised or repaid	-22			-22
Change in credit risk without change in Stage	-45			-45
Net change in ECL	26			26
Expected Credit Losses 31 December 2025	125			125
Total expected credit losses 31 December 2025				7,065
Total net change in ECL 1 January - 31 December 2025				1,457

## EXPECTED CREDIT LOSSES (ECL), LOANS AND ADVANCES TO CUSTOMERS AND RELATED OFF-BALANCE SHEET ITEMS

	Stage 1	Stage 2	Stage 3	Total
(EUR 1,000)	12 month ECL	Lifetime ECL	Lifetime ECL	
Expected Credit Losses 1 January 2024	403	472	2,431	3,306
Transfers to Stage 1	68	-126		-58
Transfers to Stage 2	-172	807	-23	613
Transfers to Stage 3	-1	-452	2,656	2,204
New assets originated or purchased	118	3	515	636
Assets derecognised or repaid	-33	-49	-805	-887
Amounts written off			-731	-731
Amounts recovered			163	163
Change in credit risk without change in Stage	62	25	10	97
Changes in ECL model	-80	-88	-12	-179
Net change in ECL	-37	120	1,774	1,856
Expected Credit Losses 31 December 2024	366	593	4,204	5,163

## EXPECTED CREDIT LOSSES (ECL), LOANS AND ADVANCES TO CREDIT INSTITUTIONS AND OFF-BALANCE SHEET

	Stage 1	Stage 2	Stage 3	Total
(EUR 1,000)	12 month ECL	Lifetime ECL	Lifetime ECL	
Expected Credit Losses 1 January 2024	313			313
New assets originated or purchased	82			82
Assets derecognised or repaid	-48			-48
Net change in ECL	34			34
Expected Credit Losses 31 December 2024	347			347

## EXPECTED CREDIT LOSSES (ECL), INVESTMENT ASSETS

	Stage 1	Stage 2	Stage 3	Total
(EUR 1,000)	12 month ECL	Lifetime ECL	Lifetime ECL	
Expected Credit Losses 1 January 2024	108			108
New assets originated or purchased	1			1
Change in credit risk without change in Stage	-11			-11
Net change in ECL	-9			-9
Expected Credit Losses 31 December 2024	98			98
Expected Credit Losses 31 December 2024 total				5,608
Total net change in ECL 1 January - 31 December 2024				1,880

## METHODS AND PARAMETERS USED IN CALCULATION OF EXPECTED CREDIT LOSSES

SB Central Bank's calculation of expected credit loss for loans to customers and related off balance sheet items is based on the Probability of Default / Loss Given Default (PD\*EAD\*LGD) model. The calculations are carried out separately for each contract and based on the following parameters:

- PD%: probability of default
- LGD %: estimated loss at the time of default, takes into consideration customer and contract related riskfactors.
- EAD: exposure at default, corresponds the amount of the used credit for the card credits, takes into consideration instalments that are modelled for consumer credits based on the payment schedule. The undrawn commitment component is included in the calculation by using a cash conversion rate factor that is determined based on product type.

The calculation takes the time value of money into consideration by discounting the expected credit loss calculated for the contract. The contractual interest rate is used as the effective interest rate and it is calculated on the gross carrying amount in stages 1 and 2 and on the adjusted carrying amount in stage 3.

Expected credit losses of debt securities and loans and advances to credit institutions belonging to investment assets are assessed by purchasing lot by using the probability of default / loss given default (PD/LGD) model. The probability of default (PD) is based on credit ratings provided by Bloomberg and, if they are not available, external credit rating information, which is converted into PD values. The LGD values used in the calculation correspond to analysed historical actuals by investment type and are not assessed separately by issuer or investment.

The calculation of expected credit loss for the credit portfolio (loans and advances to customers and off-balance sheet items) includes forward-looking information by incorporating three different economic scenarios based on macroeconomic forecasts prepared by the Savings Banks Groups' Chief Economist. The effect of the changes in macroeconomic forecasts is modelled in the PD parameter which is used in calculation of ECL. The scenarios used in the calculation and their weights are the following: optimistic 20%, base 60% and pessimistic 20%.

The forecast horizon of the economic scenarios used in ECL calculation is three years and in the years after that, the values of the macroeconomic factors are assumed to remain stable and be equivalent to the third-year values of the forecast period. The key macroeconomic factors and their forecasted values for the next three years are presented below (the value variation range between different scenarios).

	2025	2026	2027
- Change in EuropeStoxx%	6.0%	-10.0% / 7.0%	-4.0% / 8.0%
- Change in GDP	0.0% / 1.4%	0.8% / 2.0%	1.4%
- Investments	-2.0% / 4.0%	1.0% / 5.0%	3.5%

## EFFECT OF CHANGES IN THE ECL MODEL

### Changes in the PD models

The PD models applied in the calculation of ECL for loan contracts have been updated in May 2025. The aforementioned models have been modelled separately for corporate and retail exposures. Implementation of the new PD models increased the ECL amount by EUR 1.6 million.

The effect of the changes is presented on the row "Change in model for calculation of ECL".



# NOTE 12. FUNDING

## 12.1 LIABILITIES TO CREDIT INSTITUTIONS AND CUSTOMERS

(EUR 1,000)	31.12.2025	31.12.2024
<b>Liabilities to credit institutions</b>		
Liabilities to credit institutions	2,295,441	1,885,048
<b>Total</b>	<b>2,295,441</b>	<b>1,885,048</b>
<b>Liabilities to customers</b>		
Deposits	6,074	6,092
Other financial liabilities*	164,919	317,538
<b>Total</b>	<b>170,993</b>	<b>323,630</b>
<b>Liabilities to credit institutions and customers</b>	<b>2,466,434</b>	<b>2,208,678</b>

\* Other financial liabilities are deposits from governments, multinational organisations and foreign funds.

## 12.2 DEBT SECURITIES ISSUED

(EUR 1,000)	31.12.2025	
Measured at amortized cost	Nominal value	Book value
Bonds	1,292,400	1,258,199
Other		
Certificates of deposit	55,000	54,329
<b>Debt securities issued</b>	<b>1,347,400</b>	<b>1,312,528</b>
<b>Of which</b>		
Variable interest rate	955,000	922,208
Fixed interest rate	392,400	390,230
<b>Total</b>	<b>1,347,400</b>	<b>1,312,528</b>

(EUR 1,000)	31.12.2024	
Measured at amortized cost	Nominal value	Book value
Bonds	1,150,900	1,117,911
Other		
Certificates of deposit	58,000	57,135
<b>Debt securities issued</b>	<b>1,208,900</b>	<b>1,175,046</b>
<b>Of which</b>		
Variable interest rate	735,000	703,732
Fixed interest rate	473,900	471,314
<b>Total</b>	<b>1,208,900</b>	<b>1,175,046</b>

# NOTE 13. CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and liabilities are classified into measurement categories on initial recognition. The measurement category defines subsequent measurement of a financial asset or liability.

## CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

Financial assets are classified on initial recognition based on the business model used for managing the group of financial assets in which the financial assets is held and characteristics of the cash flows of the instrument, specifically, whether the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Business model assessment

The business model refers to how the Central Bank of Savings Banks manages its financial assets in order to generate cash flows. That is, the business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. If cash flows are realised in a way that is different from the entity's expectations on the date that the entity assessed the business model, that does not give rise to a prior period error in the entity's financial statements nor does it change the classification of the remaining financial assets held in that business model.

### Assessment of cash flow characteristics

Cash flow characteristics means the characteristics of the contractual cash flows of the financial asset. When assessing cash flow characteristics, it is determined whether the contractual cash flows are solely payments of principal and interest on the principal amount outstanding, for example, interest only consists of consideration for the time value of money, credit risk and other basic lending risks. The cash flow criteria is assessed separately for each instrument and if the terms of the contract include factors that cannot be considered typical terms for lending, the financial asset is classified as measured at fair value through profit or loss.

## FINANCIAL ASSETS – MEASUREMENT CATEGORIES AND PRINCIPLES FOR CLASSIFICATION

### Amortised cost

A financial asset is measured at amortised cost when both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Measured at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of interest and payments of principal.

On initial recognition the Central Bank of Savings Banks may make an irrevocable choice to present the subsequent fair value changes of an equity instrument in other comprehensive income. This election is made on instrument basis. These financial assets are measured at fair value and the change in value is recognised, less deferred taxes, in the statement of other comprehensive income. Capital repayments from the share are recognized in the statement of other comprehensive income. For equity instruments, unrealized gains or losses accrued in the fair value reserve are not transferred to be recognized through profit or loss at any stage. Instead, the recognition is made through retained earnings within equity.

### **Financial assets measured at fair value through profit or loss**

All items that are not measured at amortised cost or recognised at fair value through other comprehensive income are recognised at fair value through profit or loss. However, a financial asset may, at initial recognition, be irrevocably designated as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Also classified as measured at fair value through profit or loss are debt instruments for which the cash flow criteria cannot be considered to be met. SB Central Bank assesses the cash flow criteria separately for each instrument to determine whether the contractual terms of the item give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that are investments in debt instruments are reclassified only when the Savings Banks Group changes the business models applied in the management of financial assets. The

Savings Banks Group expects such changes to be highly infrequent and it has not reclassified any financial assets during the review period.

### **Classification and measurement of financial liabilities**

Financial liabilities are classified into following measurement categories for the purposes of subsequent measurement:

- amortised cost
- fair value through profit or loss.

Financial liabilities are principally measured at amortised cost. Derivative contracts and other investors' participation in consolidated funds are measured at fair value through profit or loss.

The table below presents financial assets and liabilities by balance items broken down into measurement categories for continuing operations.

<b>31.12.2025</b>				
<b>(EUR 1,000)</b>	<b>Amortized costs</b>	<b>Fair value through other comprehensive income</b>	<b>Fair value through profit or loss</b>	<b>Total</b>
Cash and cash equivalents			1,274,489	1,274,489
Loans and advances to credit institutions	2,042,965			2,042,965
Loans and advances to customers	169,891		500	170,391
Derivatives				
fair value			5,386	5,386
Investment assets	287,946	150,564	4,772	443,283
<b>Total assets</b>	<b>2,500,803</b>	<b>150,564</b>	<b>1,285,148</b>	<b>3,936,514</b>
Liabilities to credit institutions	2,295,441			2,295,441
Liabilities to customers	170,993			170,993
Derivatives				
fair value			35,735	35,735
Debt securities issued	1,312,528			1,312,528
<b>Total liabilities</b>	<b>3,778,962</b>		<b>35,735</b>	<b>3,814,697</b>

<b>31.12.2024</b>				
<b>(EUR 1,000)</b>	<b>Amortized costs</b>	<b>Fair value through other comprehensive income</b>	<b>Fair value through profit or loss</b>	<b>Total</b>
Cash and cash equivalents			1,463,658	1,463,658
Loans and advances to credit institutions	1,781,472			1,781,472
Loans and advances to customers	162,794		500	163,294
Derivatives				
fair value			281	281
Investment assets	67,059	60,082	3,571	130,712
<b>Total assets</b>	<b>2,011,325</b>	<b>60,082</b>	<b>1,468,010</b>	<b>3,539,417</b>
Liabilities to credit institutions	1,885,048			1,885,048
Liabilities to customers	323,630			323,630
Derivatives				
fair value			35,447	35,447
Debt securities issued	1,175,046			1,175,046
<b>Total liabilities</b>	<b>3,383,724</b>		<b>35,447</b>	<b>3,419,171</b>

### 13.1 OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The derivative contracts of Central Bank of Savings Banks are subject to ISDA (International Swaps and Derivatives Association) Master Agreement. Under these agreements, derivative payments may be offset by payment transaction on each payment date as well as in the event

of counterparty default or bankruptcy. In addition, it is possible to agree on collateral on a counterparty-specific basis in the terms and conditions of the agreement. These derivatives are presented in the statement of financial position on a gross basis.

31.12.2025 (EUR 1,000)	Recognised financial assets, gross	Recognised financial liabilities offset in balance sheet, gross	Carrying amount in balance sheet, net	Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements			Net amount
				Financial instruments	Cash received as collateral	Cash received as collateral*	
<b>Assets</b>							
Derivative contracts	12,608	-5,691	6,918	-3,032		-3,395	491
Variation Margin	6,770	-6,770					
Reverse repurchase agreements							
Contracts for securities borrowed							
<b>Total</b>	<b>19,378</b>	<b>-12,460</b>	<b>6,918</b>	<b>-3,032</b>		<b>-3,395</b>	<b>491</b>

31.12.2025 (EUR 1,000)	Recognised financial liabilities, gross	Recognised financial assets offset in balance sheet, gross	Carrying amount in balance sheet, net	Financial instruments	Cash held as collateral	Cash held as collateral*	Net amount
<b>Liabilities</b>							
Derivative contracts	50,428	-10,387	40,041	-3,032		-36,851	158
Variation Margin	2,073	-2,073					
Repurchase agreements							
Contracts for securities lent							
<b>Total</b>	<b>52,501</b>	<b>-12,460</b>	<b>40,041</b>	<b>-3,032</b>		<b>-36,851</b>	<b>158</b>

\*Cash received as collateral in the balance sheet was 3,860 thousands euros, and cash given as collateral in the balance sheet was 45,277 thousands euros. Over-collateralization has not been taken into account in the table.

31.12.2024 (EUR 1,000)	Recognised financial assets, gross	Recognised financial liabilities offset in balance sheet, gross	Carrying amount in balance sheet, net	Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements			Net amount
				Financial instruments	Cash received as collateral	Cash received as collateral*	
<b>Assets</b>							
Derivative contracts	6,431	-1,795	4,635	-4,431		-189	16
Reverse repurchase agreements	291	-291					
<b>Total</b>	<b>6,721</b>	<b>-2,086</b>	<b>4,635</b>	<b>-4,431</b>		<b>-189</b>	<b>16</b>

31.12.2024 (EUR 1,000)	Recognised financial liabilities, gross	Recognised financial assets offset in balance sheet, gross	Carrying amount in balance sheet, net	Financial instruments	Cash held as collateral	Cash held as collateral*	Net amount
<b>Liability</b>							
Derivative contracts	39,590	-881	38,709	-4,431		-33,997	281
Variation Margin	1,204	-1,204					
<b>Total</b>	<b>40,794</b>	<b>-2,086</b>	<b>38,709</b>	<b>-4,431</b>		<b>-33,997</b>	<b>281</b>

\*Cash received as collateral in the balance sheet was 260 thousand euros, and cash given as collateral in the balance sheet was 41,221 thousands euros. Over-collateralization has not been taken into account in the table.



# NOTE 14. DERIVATIVES AND HEDGE ACCOUNTING

SB Central Bank hedges its interest rate risk against exposure to changes in fair value and applies hedge accounting on hedging relationships. Fair value hedging is applied at fixed interest rate lending, a fixed-rate bond classified as investment assets, and a fixed rate debt issuance.

Changes in the fair value of derivatives hedging fair value are recognised in the income statement under Net trading income. When hedging fair value, also the hedged item is measured at

fair value during the hedging period even if the item is otherwise measured at amortised cost. Changes in the fair value of the hedged item are recognized in the balance sheet as an adjustment to the corresponding balance sheet item and in the income statement under Net trading income. Interest arising from hedging derivatives are presented as an adjustment to interest expense.

31.12.2025 (EUR 1,000)	Nominal value / remaining maturity			Total	Fair value	
	less than 1 year	1 – 5 years	over 5 years		Assets	Liabilities
<b>Other than hedging derivatives</b>						
Interest rate derivatives	10,000	564,000	515,000	1,089,000	5,367	215
<b>Total</b>	<b>10,000</b>	<b>564,000</b>	<b>515,000</b>	<b>1,089,000</b>	<b>5,367</b>	<b>215</b>
<b>Hedging derivative contracts</b>						
<b>Fair value hedging*</b>						
Interest rate derivatives	130,000	218,000	146,400	494,400	19	35,521
<b>Total</b>	<b>130,000</b>	<b>218,000</b>	<b>146,400</b>	<b>494,400</b>	<b>19</b>	<b>35,521</b>

31.12.2024 (EUR 1,000)	Nominal value / remaining maturity			Total	Fair value	
	less than 1 year	1 – 5 years	over 5 years		Assets	Liabilities
<b>Other than hedging derivatives</b>						
Interest rate derivatives	10,000	80,000	240,000	330,000	267	959
<b>Total</b>	<b>10,000</b>	<b>80,000</b>	<b>240,000</b>	<b>330,000</b>	<b>267</b>	<b>959</b>
<b>Hedging derivative contracts</b>						
<b>Fair value hedging*</b>						
Interest rate derivatives	100,000	30,000	181,400	311,400	14	34,488
<b>Total</b>	<b>100,000</b>	<b>30,000</b>	<b>181,400</b>	<b>311,400</b>	<b>14</b>	<b>34,488</b>

\* Fixed rate deposits (Loans and advances to credit institutions) in fair value hedging groups have total nominal value of 100,000 thousand EUR and total fair value of 100,330 thousand EUR. The fair value adjustment resulting from hedge calculation for the balance sheet item subject to hedging was 330 thousand decreasing the book value.

Fixed-rate bonds classified as investment assets and designated as exposures in fair value hedging have a total nominal value of EUR 183,000 thousand and a total carrying amount of EUR 183,374 thousand. The fair value adjustment resulting from the hedge calculation for the

balance sheet item subject to hedging was EUR 592 thousand, decreasing the carrying amount.

Fixed rate issued bonds designated as exposures in fair value hedging groups have total nominal value of EUR 211,400 thousand and total fair value of EUR 242,626 thousand. The fair value adjustment resulting from hedge calculation for the balance sheet item subject to hedging was 32,176 thousand decreasing the book value.

Nominal values of hedging instruments equal to the nominal values of hedged items.

# NOTE 15. FAIR VALUES BY VALUATION TECHNIQUE

## FAIR VALUE MEASUREMENT

The SB Central Bank measures assets and liabilities at amortised cost or at fair value. Financial assets and liabilities that are classified as to be measured at fair value are measured at fair value. The break down of financial assets and liabilities into measurement categories is presented in note 13.

Fair value is the price that would be attained if the asset was sold or would be paid to transfer the liability from one market party to another in a standard business transaction taking place on a valuation day. The fair values of financial instruments are primarily determined using quotations on a publicly traded market or, if active markets do not exist, on the company's own valuation methods. A market is considered active if price quotations are readily and regularly available and if they reflect real and regularly occurring arm's-length market transactions. Current bid price is used as the quoted market price of a financial asset.

If the market has a well-established valuation technique for a financial instrument for which there is no direct market price available, the fair value is based on the commonly used valuation model and on the market quotations of the input data used in the model. If there is no well-established valuation technique in the market, the fair value is determined based on a specific valuation model created for the product in question. The valuation models are based on widely used measuring techniques, incorporating all the factors that market participants would consider when setting a price. The valuation prices used include market transaction prices, the discounted cash flow method, as well as the fair value of another substantially similar instrument at the reporting date. The valuation methods take into account an estimate of credit risk, applicable discount rates, early repayment option, and other such factors that may impact reliable determination of the fair value of the financial instrument. In respect of cash and deposits payable on demand, the nominal value is considered as an approximation of the fair value.

SB Central Bank does not have assets measured at fair value on a non-recurring basis.

## FAIR VALUE HIERARCHY

The fair values are divided into three hierarchical levels, depending on how the fair value is defined. The fair value hierarchy level into which an item measured at fair value is fully classified is determined by the input data which is at the lowest level and is significant in respect of the whole item. The significance of input data is evaluated considering the whole item which is valued at fair value.

Level 1 consists of financial assets, for which the value is determined based on quotes on a liquid market. Market is considered liquid if the prices are available easily and regularly enough. Level 1 includes quoted bonds as well as other securities which are quoted on public.

Level 2 includes financial assets for which there is no quotation directly available on an active market and whose fair value is estimated using valuation techniques or models. These are based on assumptions which are supported by verifiable market information such as the listed interest rates or prices of similar instruments. This group includes e.g. interest rate derivatives as well as commercial papers and certificates of deposit.

Level 3 includes financial assets whose fair value cannot be derived from public market quotations or through valuation techniques or models which are based on observable market data. Level 3 comprises unquoted equity instruments, structured investments and other securities for which there is currently no binding market quotation available. The fair value at level 3 is often based on price information received from a third party.

## TRANSFERS BETWEEN LEVELS

Transfers between the levels of the fair value hierarchy are considered to take place on the date when an event causes such a transfer or when circumstances change.

The table presents carrying amounts and fair values of financial assets and liabilities as well as investment properties and break down of fair values into the levels of fair value hierarchy for continuing operations. The fair values presented exclude accrued interest and possible effects arising from hedging derivative instruments.

31.12.2025	Carrying amount	Fair value by hierarchy level			
Financial assets (EUR 1,000)		Level 1	Level 2	Level 3	Total
<b>Measured at fair value</b>					
At fair value through profit or loss	1,279,762	1,274,493	524	4,772	1,279,790
Derivative contracts	5,386		5,386		5,386
Fair value through other comprehensive income	150,564		150,361	4,316	154,677
<b>Measured at amortized cost</b>	2,500,303	141,286	2,182,741	191,597	2,515,624
<b>Total financial assets</b>	<b>3,936,014</b>	<b>1,415,779</b>	<b>2,339,013</b>	<b>200,685</b>	<b>3,955,478</b>

31.12.2025	Carrying amount	Fair value by hierarchy level			
Financial liabilities (EUR 1,000)		Level 1	Level 2	Level 3	Total
<b>Measured at fair value</b>					
Derivative contracts	35,735		35,735		35,735
<b>Measured at amortized cost</b>	3,778,962	1,002,514	2,789,835		3,792,350
<b>Total financial liabilities</b>	<b>3,814,697</b>	<b>1,002,514</b>	<b>2,825,571</b>		<b>3,828,085</b>

31.12.2024	Carrying amount	Fair value by hierarchy level			
Financial assets (EUR 1,000)		Level 1	Level 2	Level 3	Total
<b>Measured at fair value</b>					
At fair value through profit or loss	1,467,729	1,463,663	524	3,571	1,467,758
Derivative contracts	281		281		281
Fair value through other comprehensive income	60,082		63,053	1,038	64,091
<b>Measured at amortized cost</b>	2,011,325	129,368	1,735,476	218,744	2,083,588
<b>Total financial assets</b>	<b>3,539,417</b>	<b>1,593,032</b>	<b>1,799,334</b>	<b>223,353</b>	<b>3,615,718</b>

31.12.2024	Carrying amount	Fair value by hierarchy level			
Financial liabilities (1 000 euroa)		Level 1	Level 2	Level 3	Total
<b>Measured at fair value</b>					
At fair value through profit or loss					
Derivative contracts	35,447		35,447		35,447
<b>Measured at amortized cost</b>	3,383,724	829,235	2,569,497		3,398,732
<b>Total financial liabilities</b>	<b>3,419,171</b>	<b>829,235</b>	<b>2,604,944</b>		<b>3,434,179</b>

### Changes at level 3

Reconciliation of changes in financial instruments at level 3

<b>Financial assets at fair value through profit or loss</b>	
Carrying amount 1 January 2025	4,071
Return of capital	533
Capital calls	1,000
Changes in value recognised in income statement, unrealised	-332
Carrying amount 31 December 2025	5,272
<b>Fair value through other comprehensive income</b>	
Carrying amount 1 January 2025	1,038
Changes in value recognised in comprehensive income statement	-836
Carrying amount 31 December 2025	203

<b>Financial assets at fair value through profit or loss</b>	
Carrying amount 1 January 2024	4,000
Capital calls	500
Return of capital	-429
Carrying amount 31 December 2024	4,071
<b>Fair value through other comprehensive income</b>	
Carrying amount 1 January 2024	809
Changes in value recognised in comprehensive income statement	230
Carrying amount 31 December 2024	1,038

### SENSITIVITY ANALYSIS OF FINANCIAL INSTRUMENTS AT LEVEL 3

<b>31.12.2025</b> <b>(EUR 1,000)</b>	<b>Carrying amount</b>	<b>Effect of hypothetical changes</b>	
		<b>Positive</b>	<b>Negative</b>
At fair value through profit or loss	5,272	5,488	4,057
Fair value through other comprehensive income	203	233	172

The sensitivity of the fair value of instruments belonging to level 3 to assumed changes is presented in the table above.

The fair value has been tested using a 15% change in value.

# NOTE 16. FIXED ASSETS

## 16.1 INTANGIBLE ASSETS

An intangible asset is an identifiable asset that has no physical substance. In SB Central Bank, intangible assets include information systems purchased from external companies and software licences.

An intangible asset is recognized only when it is probable that economic benefits from the asset are likely to flow to the company and the acquisition cost of the asset can be reliably measured. Future economic benefits may include services or goods, sales revenue, cost savings or other benefits resulting from SB Central Bank exercising the asset.

Intangible assets are initially measured at cost. The cost comprises the purchase price, including all costs that are directly attributable to the asset from acquisition to preparing it to its intended use. The acquisition cost does not include costs attributable to the asset's use, staff training expenses incurred and administrative expenses and other general overheads. " After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortized on a straight-line basis over their known or estimated useful lives. The useful life of intangible assets is reviewed annually.

An asset is amortized from the date when it is ready for use. An intangible asset that is not yet ready for use is tested annually for impairment." The estimated useful lives are mainly as follows:

Information systems purchased from external companies ..... 3–5 years

Other intangible assets ..... 5 years

Intangible assets are recognized in the "Intangible Assets " line item within the balance sheet. Amortisation and impairment losses are recognized in the income statement under "Depreciation, amortisation and impairment losses on tangible and intangible assets".

### Software as a Service (SaaS) projects

Cloud-based SaaS arrangements are arrangements in which SB Central Bank does not own the

software it uses, and the software is not installed in the SB Central Bank's system environment or on its servers. Instead, its use is based on need, and it is accessed via the Internet or other specified data connection.

Direct costs of deployment, such as the configuration and customisation of the software or system that is the subject of the SaaS arrangement, are recognised on the balance sheet only when the SaaS arrangement generates an intangible asset that is recognised on the balance sheet. Typically, a SaaS arrangement does not meet the criteria for intangible assets because the contract does not constitute control for the buyer, as required by IAS 38.13–16.

The accounting treatment of deployment costs arising from SaaS arrangements is determined by the conclusion as to whether the services are separable from access to the software that is the subject of the arrangement and whether the direct deployment costs create an intangible asset.

The deployment costs are recorded as an expense for the period during which SB Central Bank has access to the software that is the subject of the arrangement, if the services are separable from access to the software that is the subject of the arrangement and the recognition criteria for intangible assets are not met.

The services are considered to be separable from access to the software if SB Central Bank produces the services with its internal resources or if SB Central Bank purchases the services from a third party that is independent of the SaaS provider. When the service is provided by the SaaS provider or when the SaaS provider subcontracts the services to a third party, the service is considered to be separable if it could be provided by another service provider without at the same time giving access to the software that is the subject of the arrangement.

If the service can only be provided by the SaaS provider, the service is not separable from access to the system. In this case, the deployment costs paid for the service are recorded as an expense for the period during which SB Central Bank has access to the software that is the subject of the arrangement.

Expenses arising from the construction of interfaces between software that is recorded as intangible assets on the balance sheet and used through a cloud-based service that is controlled by SB Central Bank may meet the criteria of an intangible asset when a third party that is independent of the SaaS provider writes a new software code that gives control to SB Central Bank.

## INTANGIBLE ASSETS

(EUR 1,000)	31.12.2025	31.12.2024
Intangible rights	6,364	6,272
Intangible assets under development	488	2,968
Intangible assets	6,852	9,241

Intangible rights and intangible assets under development formed a significant part of information systems acquired from external operators.

31.12.2025 (EUR 1,000)			
Changes in intangible assets	Intangible rights	Intangible assets under development	Total
Acquisition cost 1 January	17,559	2,968	20,527
Increases	436		436
Transfers between items	2,480	-2,480	
Acquisition cost 31 December	20,475	488	20,963
Accumulated depreciation and impairments 1 January	-11,286		-11,286
Depreciation for the financial year	-2,825		-2,825
Accumulated depreciation and impairments 31 December	-14,112		-14,112
Carrying amount 31 December	6,364	488	6,852

31.12.2024 (EUR 1,000)			
Changes in intangible assets	Intangible rights	Intangible assets under development	Total
Acquisition cost 1 January	12,894	7,194	20,088
Increases	4,665		4,665
Transfers between items		-4,226	-4,226
Acquisition cost 31 December	17,559	2,968	20,527
Accumulated depreciation and impairments 1 January	-8,804		-8,804
Depreciation for the financial year	-2,482		-2,482
Accumulated depreciation and impairments 31 December	-11,286		-11,286
Carrying amount 31 December	6,272	2,968	9,241



## 16.2 PROPERTY, PLANT AND EQUIPMENT

SB Central Bank's tangible fixed assets comprise machinery and equipment. Depreciation and impairment losses are recognized in the income statement under "Depreciation, amortisation and impairment losses on tangible and intangible assets".

Property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. The acquisition cost includes all costs that are directly attributable to the acquisition of the asset. Assets are depreciated on a straight-line basis over their estimated useful lives. Costs generated after the original acquisition are capitalised in the carrying amount only when it is probable that the asset will generate greater economic benefits than was initially estimated.

The estimated useful lives are mainly as follows:

Machinery and equipment ..... 3–5 years

(EUR 1,000)	31.12.2025	31.12.2024
Machinery and equipment	111	80
Other tangible assets		
Property, plant and equipment	111	80

The residual value and the useful life of an asset is reviewed at each balance sheet date and adjusted to reflect the expected changes in economic benefit.

Gains and losses on retirement and disposal of tangible fixed assets are recognized in income statement and are presented under other operating income and expenses. The capital gain or loss is determined by the difference between the selling price and the remaining acquisition cost.

31.12.2025 (EUR 1,000)	Machinery and equipment	Other tangible assets	Total
<b>Changes in property, plant and equipment</b>			
Acquisition cost 1 January	292	72	364
Increases	55		55
Decreases	-125		-125
Acquisition cost 31 December	222	72	294
Accumulated depreciation and impairments 1 January	-212	-72	-284
Accumulated depreciation related to reductions and transfers	125		125
Depreciation for the financial year	-24		-24
Accumulated depreciation and impairments 31 December	-111	-72	-183
Carrying amount 31 December	111	0	111

31.12.2024 (EUR 1,000)	Machinery and equipment	Other tangible assets	Total
<b>Changes in property, plant and equipment</b>			
Acquisition cost 1 January	292	72	364
Increases			
Decreases			
Acquisition cost 31 December	292	72	364
Accumulated depreciation and impairments 1 January	-185	-72	-257
Depreciation for the financial year	-27		-27
Accumulated depreciation and impairments 31 December	-212	-72	-284
Carrying amount 31 December	80	0	80

## 16.3 LEASES

### SB Central Bank as the lessee

At the inception of a contract and when the terms and conditions of a contract are changed, SB central Bank assesses whether the contract contains a lease. This assessment is carried out for each lease component within the contract. A contract is a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A contract conveys the right to control if:

- The contract pertains to an identified and separate asset.
- The contract conveys the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use.
- The contract conveys the right to direct the use and purpose of the identified asset.

At the commencement date of a lease, the lease liability is equal to the present value of the lease payments payable during the lease term. The leases consist of fixed payments and variable lease payments, which depend on an index. Lease liabilities are subsequently measured at amortized cost using the effective interest method. Lease liabilities are reassessed if the future considerations change as a result of a contractual change in an index or price, if the lease term or amount of residual value guarantee changes, or if a purchase option is exercised. If the amount of the lease liability is adjusted due to the reassessment, a corresponding adjustment is made to the right-of-use asset.

The lease term begins at the commencement date specified in the lease. The end of the lease term is determined by the lease. The lease term is reassessed if an option to extend the lease is exercised differently than initially assessed. If the lease term is indefinite, the end of the lease term is considered to be the earliest possible date of termination specified in the lease. The discount rate used is the interest rate at which the Central Bank of Savings Banks provides financing to Savings Banks Group banks.

The value of a right-of-use asset at the commencement date is the lease liability plus payments made to the lessor at or before the commencement date, estimated restoration costs at the end of the lease term and initial direct costs. A right-of-use asset is subsequently measured at cost and amortized according to the lease term. SB Savings Bank recognizes leases as a right-of-use asset under "Right-of-use assets" and a liability under "Provisions and other liabilities".

### Short-term leases and assets of low value

IFRS 16 contains two exemptions concerning recognition and measurement. SB Central Bank has decided that leases with a term of 12 months or less and assets whose value does not exceed EUR 5,000 are not recognized as right-of-use assets and no lease liabilities are recognized for them. SB Central Bank expenses such short-term leases and assets of low value during the lease term.

### SB Central Bank as the lessor

SB Central Bank does not act as a lessor.

### Leases

#### SB Central Bank as lessee

SB Central Bank acts as a lessee of printers and laptop computers. SB Central Bank's contracts are classified as short term contracts and right-of-use asset or lease liability is not recognised for them.

Income statement items (EUR 1,000)	2025	2024
Expense relating to short-term leases	23	36
Total	23	36

# NOTE 17. CAPITAL AND RESERVES

(EUR 1,000)	31.12.2025	31.12.2024
Share capital	94,812	94,812
Reserves		
Reserve for invested non-restricted equity	19,000	19,000
Fair value reserve	155	169
Retained earnings		
Profit (loss) for previous financial years	21,259	17,370
Profit (loss) for the financial year	-2,258	2,523
<b>Total equity</b>	<b>132,967</b>	<b>133,874</b>

Specification of changes in fair value reserve	2025	2024
Fair value reserve 1 January	169	-959
Profit/loss from fair value measurements, shares	-628	230
Profit/loss from fair value measurements, debt securities	628	1,174
Deferred tax from fair value measurements	3	-282
Expected credit losses from debt securities, fair value through other comprehensive income	-18	6
<b>Fair value reserve 31 December</b>	<b>155</b>	<b>169</b>

## Share capital

Includes the paid share capital. If share capital is wholly or partly not entered in trade register, the unregistered amount must be presented in the balance sheet separately as a sub-item of this item.

SB Central Bank has in total 35,735 shares without nominal value.

## Reserve for invested non-restricted equity

Reserve for invested non-restricted equity includes the portion of subscription price which is not recognised in share capital and, according to the Accounting Act, is not recognised in liabilities, as well as other equity investments which are not recognised in other reserves. Furthermore, the reserve includes the amount by which share capital is reduced and which is not used to cover confirmed loss nor is distributed to shareholders.

## Fair value reserve

Fair value reserve includes items arising from fair value measurements.

## Retained earnings

This item includes the profit for the period as indicated by the income statement, as well as profit for prior periods to the extent that it has not been transferred to other equity items or distributed to shareholders.

# NOTE 18. TAXES

## 18.1 INCOME TAXES

Income taxes comprises tax based on the profit for the financial year, previous financial years' tax adjustments and changes in deferred taxes. Taxes are recognised in the income statement except if they relate directly to items recognised directly in equity or in other comprehensive

income. In these circumstances the tax is also recognised directly in equity or in other comprehensive income, respectively.

(EUR 1,000)	1-12/2025	1-12/2024
Current tax		-548
Tax for prior years	-19	-31
Changes in deferred income tax liabilities	341	
Change in deferred tax assets	83	7
Income taxes	405	-572

### RECONCILIATION BETWEEN TAX EXPENSE IN THE INCOME STATEMENT AND TAX EXPENSE CALCULATED BY THE APPLICABLE TAX RATE

Reconciliation of effective tax rate (EUR 1,000)	1-12/2025	1-12/2024
Accounting profit before taxes	-2,663	3,095
Differences between accounting and taxable profit	2,053	357
Taxable profit	-611	2,738
Tax using the domestic corporation tax rate	533	-619
Tax-exempt income	14	79
Non-deductible expenses		
Unrecognised taxable income		
A loss for which no deferred tax asset has been recognized	-122	
Tax for prior years	-19	-31
Tax expense	405	-572
Corporate income tax rate	20%	20%

## 18.2 DEFERRED TAXES

(EUR 1,000)	31.12.2025	31.12.2024
Deferred tax assets	887	918
Tax assets	887	918
Deferred tax liabilities	-82	200
Tax liability	-82	200

(EUR 1,000)	31.12.2025	31.12.2024
<b>Deferred tax assets</b>		
Impairment	840	752
Financial assets	43	157
Intangible assets	4	9
Total	887	918

(EUR 1,000)	31.12.2025	31.12.2024
<b>Deferred tax liabilities</b>		
Financial assets	-82	200
Total	-82	200

Deferred taxes are calculated on the basis of temporary taxable differences between accounting and taxation. Deferred tax is determined on the basis of the IAS 12 standard using tax rates that have been enacted at the balance sheet date and that apply when the related deferred tax is expected to be realised. A change in deferred tax resulting from changing tax rates is recognised in the income statement or other comprehensive income if the tax was recorded there during earlier financial years.

Deferred tax assets based on unused tax losses confirmed in taxation are recognized when the accumulation of taxable income is probable and the asset can be utilized.

<b>(EUR 1,000)</b>	<b>1.1.2025</b>	<b>Change recognised in profit or loss</b>	<b>Financial assets</b>	<b>31.12.2025</b>
<b>Deferred tax assets</b>				
Impairment	752	88		840
Financial assets	157		-114	43
Intangible assets	9	4		9
<b>Total</b>	<b>918</b>	<b>88</b>	<b>-114</b>	<b>887</b>

<b>(EUR 1,000)</b>	<b>1.1.2025</b>	<b>Change recognised in profit or loss</b>	<b>Financial assets</b>	<b>31.12.2025</b>
<b>Deferred tax liabilities</b>				
Financial assets	200		-282	-82
<b>Total</b>	<b>200</b>		<b>-282</b>	<b>-82</b>

<b>(EUR 1,000)</b>	<b>1.1.2024</b>	<b>Change recognised in profit or loss</b>	<b>Financial assets</b>	<b>31.12.2024</b>
<b>Deferred tax assets</b>				
Impairment	746	7		752
Financial assets	375		-218	157
Intangible assets	9			9
<b>Total</b>	<b>1,129</b>	<b>7</b>	<b>-218</b>	<b>918</b>

<b>(EUR 1,000)</b>	<b>1.1.2024</b>	<b>Change recognised in profit or loss</b>	<b>Financial assets</b>	<b>31.12.2024</b>
<b>Deferred tax liabilities</b>				
Financial assets	135		65	200
<b>Total</b>	<b>135</b>		<b>65</b>	<b>200</b>



# NOTE 19. OTHER ASSETS, LIABILITIES AND PROVISIONS

## 19.1 OTHER ASSETS

(EUR 1,000)	31.12.2025	31.12.2024
Accrued income and prepaid expenses	31,104	30,725
Interest	23,488	23,693
Other accrued income and prepaid expenses	7,616	7,032
Other*	10,504	11,532
Other assets	41,608	42,256

\* The line item Other includes other assets, trade receivables and clearing accounts.

## 19.2 PROVISIONS AND OTHER LIABILITIES

Provisions are recognised when the SB Central Bank has a legal or constructive obligation as a result of a past event and it is probable that the obligation will be settled, and the management can reliably estimate the amount of the obligation. Where part of the obligation is expected to be reimbursed by another party, the reimbursement shall be recognised as a separate asset when it is virtually certain that reimbursement will be received.

If the above obligation exists but the requirements for recognition are not fulfilled, the obligation is a contingent liability. Contingent liabilities are not recognised in the balance sheet; instead, it is presented in the notes to the financial statements. A contingent liability shall also be assessed separately at each reporting date.

(EUR 1,000)	31.12.2025	31.12.2024
Other liabilities	10,401	9,890
Accrued expenses	31,288	32,198
Interest payable	24,456	26,121
Interest advances received		
Other accrued expenses*	6,832	6,076
ECL calculated for off-balance sheet commitments	127	119
Other liabilities	41,815	42,207

\* The largest line items within other accrued expenses are advance payments received, accrued IT expenses, and other accrued expenses.

## NOTE 20. CASH AND CASH EQUIVALENTS

(EUR 1,000)	31.12.2025	31.12.2024
Receivables from central banks repayable on demand	1,274,489	1,463,658
Cash and cash equivalents	1,274,489	1,463,658



# OTHER NOTES

## NOTE 21. COLLATERALS

(EUR 1,000)	31.12.2025	31.12.2024
<b>Collateral given</b>		
Given on behalf of Group's own liabilities and commitments		
Securities		
Other	45,227	41,221
Collateral given	45,227	41,221
<b>Collateral received</b>		
Securities		
Other	3,860	260
Collateral received	3,860	260

Collateral given and held are margin deposits related to derivatives.

## NOTE 22. OFF BALANCE-SHEET COMMITMENTS

(EUR 1,000)	31.12.2025	31.12.2024
Guarantees		
Loan commitments	311,408	285,712
Other*	295,800	330,000
Off balance-sheet commitments	607,208	615,712

\* Other off balance-sheet commitments are agreements with member credit institutions of the Savings Banks Amalgamation in which the trade date will only take place after the end of the period under review.

## NOTE 23. RELATED PARTIES

Related parties at the SB Central Bank refer to key management personnel in leadership positions and their family members. The Board of the SB Central Bank has defined the parties considered to be related to the SB Central Bank. The related parties of the SB Central Bank include key management personnel and their close family members. In addition, related parties include entities over which key management personnel and/or their close family members have control or joint control. Key management personnel of the SB Central Bank include the

members of the Board, the Chief Executive Officer, and the members of the Management Team.

Related parties also include entities over which key management personnel and/or their close family members have control or joint control. With the exception of unsecured card or consumer credit loans, the SB Central Bank has not granted related party loans or investments and has no related party business transactions. Card credit granted to related parties has been issued under the same general terms and conditions as those applied to corresponding customer credit. At the end of the financial period, the amount of card credit granted to related parties totalled EUR 102 thousand.

Key management personnel compensation (EUR 1,000)	2025	2024
Short-term employee benefits	393	280
<b>Total</b>	<b>393</b>	<b>280</b>

2025	Salary and remuneration	Statutory pension expenses
Brander Kai, CEO, 1 January - 31 March 2025	163	8
Luurila Mervi, CEO, 1 April - 31 December 2025	179	31
Alarautalahti Toivo, member of the Board of Directors	10	
Koskela Kai, member of the Board of Directors, from 13.3.2025	7	
Rouhe Samu, Chairman of the board	14	
Westerholm Fredrik, member of the Board of Directors	9	
Öhman Ossi, Vice-Chairman of the Board of Directors	11	
<b>Total</b>	<b>393</b>	<b>39</b>

2024	Salary and remuneration	Statutory pension expenses
Brander Kai, CEO	240	42
Mangs Monika, Chairman of the Board of Directors until 14.3.2024	3	
Alarautalahti Toivo, member of the Board of Directors, from 14.3.2024	5	
Alameri Karri, member of the Board of Directors, Chairman of the Board of Directors from 14.3.2024 until 1.10.2024	8	
Siviranta Petri, member of the Board of Directors until 14.3.2024	3	
Rouhe Samu, member of the Board of Directors, Vice-Chairman of the Board of Directors from 14.3.2024 and Chairman of the board from 29.10.2024	12	
Westerholm Fredrik, member of the Board of Directors from 14.3.2024.	7	
Öhman Ossi, Vice-Chairman of the Board of Directors until 14.3.2024 and from 29.10.2024	10	
<b>Total</b>	<b>280</b>	<b>42</b>

## NOTE 24. MATERIAL EVENTS AFTER THE CLOSING DATE

The Board of Directors of SB Central Bank is not aware of any other factors that would materially influence the financial position of the Savings Banks Group after the completion of the financial statements.



# PILLAR III DISCLOSURES

SB Central Bank is part of the Savings Banks Amalgamation and the Savings Banks Group. SB Central Bank's capital adequacy information is included in the information concerning the capital adequacy of the Savings Banks Amalgamation, presented in the consolidated financial statements of the Savings Banks Group. The Financial Supervisory Authority has granted a permission not to deduct internal holdings of credit institutions included in the Amalgamation from own funds instruments when calculating own funds at the individual institution level and sub-consolidation group level. In addition, the Financial Supervisory Authority has granted a permission to apply a 0 per cent risk weight to internal credit institution liabilities included within the scope of the Amalgamation's joint and several liability. These permissions are based on the European Union Capital Requirements Regulation (EU 575/2013) and the Act on the Amalgamation of Deposit Banks (599/2010).

Financial statement of the Savings Banks Group and Pillar III capital adequacy information of the Savings Banks Amalgamation are available online at [www.saastopankki.fi](http://www.saastopankki.fi)

# SIGNATURES OF THE FINANCIAL STATEMENTS AND THE BOARD OF DIRECTORS' REPORT

## CONFIRMATION OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

We confirm that

- the financial statements prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and in accordance with the laws and regulations governing the preparation of financial statements in Finland give a true and fair view of the assets, liabilities, financial position and profit or loss of the company; and
- the management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.

In Helsinki, February 10, 2026.

---

Samu Rouhe, Chairman

---

Ossi Öhman, Deputy Chairman

---

Kai Koskela, member of the Board

---

Toivo Alarautalahti, member of the Board

---

Fredrik Westerholm, member of the Board

---

Mervi Luurila, Managing Director

# AUDITOR'S NOTE

The report on the completed audit has been issued today.

In Helsinki, February 10, 2026.

KPMG Oy Ab  
Audit firm

---

Mikko Kylliäinen

Authorised Public Accountant



*This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.*

# Auditor's Report

To the Annual General Meeting of Central Bank of Savings Banks Finland Plc

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of Central Bank of Savings Banks Finland Plc (business identity code 2238752-5) for the year ended 31 December, 2025. The financial statements comprise the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information.

In our opinion the financial statements give a true and fair view of the company's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with the additional report submitted to the Board of Directors.

### **Basis for Opinion**

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the company are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 9 to the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Materiality**

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

## THE KEY AUDIT MATTER

## HOW THE MATTER WAS ADDRESSED IN THE AUDIT

### Valuation of receivables (loans and receivables from customers); Notes to financial statements 2, 3, 4 and 11

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>— Calculation of expected credit losses in accordance with IFRS 9 Financial Instruments is based on the valuation models used by the bank. The calculation of expected credit losses involves assumptions, estimates and management judgements for example in respect to the probability and amount of the expected credit losses as well as determining significant increases in credit risk.</li> <li>— The components of the calculation of expected credit losses are continuously updated and specified based on realized development of credit losses, validation and development of the calculation process as well as regulatory changes and requirements.</li> <li>— Due to the significance of the carrying amount involved, complexity of the accounting methods and management judgement involved, receivables from customers are addressed as a key audit matter.</li> </ul> | <ul style="list-style-type: none"> <li>— We assessed the appropriateness of the accounting and valuation principles applied to loan receivables. Our audit procedures included testing of controls regarding determination, recording and monitoring of expected credit losses on loans.</li> <li>— We have obtained an understanding of the control environment of the calculation of expected credit losses using centralized audit procedures.</li> <li>— Furthermore, we assessed the appropriateness of the note disclosures made in relation to receivables and impairment losses.</li> </ul> |
|--|---|

### Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and that financial statements comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## **Other Reporting Requirements**

### **Information on our audit engagement**

We were first appointed as auditors by the Annual General Meeting on 19 March 2015, and our appointment represents a total period of uninterrupted engagement of 11 years.

### **Other Information**

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 10 February 2026

KPMG OY AB

Audit Firm

MIKKO KYLLIÄINEN

*Authorised Public Accountant, KHT*



Central Bank  
of Savings Banks

Postal/visiting address: Central Bank of Savings Banks, Teollisuuskatu 33, 00510 Helsinki | Registered office: Helsinki | Home state: Finland

[saastopankki.fi](https://saastopankki.fi)