SAVINGS BANKS GROUP'S

BOARD OF DIRECTORS' REPORT AND CONSOLIDATED IFRS FINANCIAL STATEMENTS

31.12.2024

Savings Bank

Translation of the Savings Banks Group's Board of Directors Report and Consolidated IFRS Financial Statements 2024

TABLE OF CONTENTS

SAVINGS BANKS GROUP'S BOARD OF DIRECTORS' REPORT

1.1.–31.12.2024

REVIEW BY THE CHIEF EXECUTIVE OFFICER OF THE SAVINGS BANKS' UNION COOP

Kai Koskela
Chief Executive Officer

The year 2024 was in many ways highly ambivalent. The high interest rates that persisted in the early part of the year took their toll on loan customers, affected the housing market and loan demand, and intensified the competition for deposits between banks. The easing of inflation during the year and the rapid fall in interest rates that started in the summer brought relief to many customers' finances. Loan demand started to pick up slightly in the second half of the year and the fierce price competition for customer deposits eased.

This ambivalence could also be seen in the equity market. In the United States, stock prices rose strongly, while in Europe and especially in Finland, price development was modest. In Finland, the trend of saving and investing continued. In autumn 2024, the Bank of Finland reported that at the end of September, households' investments in domestic investment funds were at their all-time highest level. Holdings of quoted equities were also almost one fifth higher than in the previous year.

A strong year in all areas

The year 2024 was very good for the Savings Banks Group. In terms of loans and deposits, we outperformed the market in both private and corporate customers. In asset management, we were particularly pleased with the strong growth in consistent saving, insurance saving and private banking customers. In February 2024, the customer service of Savings Banks won first place in the Customer Service of the Year 2023 competition. Reasons for the win include the short wait times of our customer calls – 90 seconds for private customers and 45 seconds for corporate customers – and our high first-contact resolution rate of well over 80%. The Net Promoter Score (NPS) of our customer negotiations 84.2, was again on an excellent level, reflecting the expertise of our employees and the quality of our customer interactions. Our mobile app ratings were some of the highest among Finnish banks.

A changing threat environment

The Savings Banks Group was also affected by the unstable global political situation and the rise in cybercrime. Reliability and security are the cornerstones of banking. That is why preparedness and ensuring security in many different ways took on an even more important role than before. It is vital for us to ensure a secure customer experience by developing the security of our services and IT systems in the long term, increasing employee competence and providing our customers with guidance and support in the use of digital services.

New Group strategy resulting from strong cooperation

All 14 Savings Banks and the Savings Bank Centre were closely involved in the preparation of our new Group strategy in spring 2024. The new Group strategy was adopted in summer 2024 and it paves the way for the future of the Savings Banks Group towards the year 2030. Its key goals are sustainable growth, the best service in banking and the most desirable workplace for top talent in the industry. Our success in 2024 provides a good foundation for growth and for providing the best service in the future, although our goals in both areas are significantly higher than the current levels. Success is built on people and their expertise. That is why the Group strategy highlights our attractiveness as an employer, good leadership, opportunities for development and an excellent "Savings Banks spirit". At the end of 2024, our Employee Net Promoter Score (eNPS) was 32, well above the average for expert organisations. However, we aim even higher in this area as well.

Proudly responsible for over 200 years

Responsibility has been part of the operations of Savings Banks for over 200 years and will continue to be an essential part of everything we do. Based on the Group strategy, our new sustainability strategy was adopted in December 2024. It is built around the five sustainability themes identified in the materiality analysis: the financial wellbeing of customers and local communities, a safe and secure service experience, wellbeing & equality of the work community, the environment & climate, and good governance.

Every year, the Savings Banks Group, Savings Banks and Savings Bank Foundations grant donations and scholarships for sports, culture and studying. In 2024, we donated a total of EUR 2.4 million to more than 900 causes across Finland. The donation campaign focused particularly on actions supporting the wellbeing of children and youth.

Strengthening Finns' financial skills is an important part of our work. Savings Banks cooperate with educational institutions and visit schools in their respective regions. In 2024, Savings Banks reached almost 6,000 students. We also raise awareness of good financial management through topical content on financial topics in the form of webinars, articles and newsletters, for example. In autumn 2024, we were the main partner of the "Raharemontti" TV show, where we helped Finns struggling with financial difficulties, while promoting money talk and how to overcome money shame.

In the first part of the year, Savings Banks continued to encourage households to make the green transition by offering energy loans with a tangible benefit to customers.

An even better bank for customers

Customers' expectations of banks are changing and, in line with our Group strategy, we aim to be an even faster, smoother and more personalised bank for our customers in the future, caring for them in both good and bad times. We want to maintain good in-person services, but at the same time we will continue to strongly develop our digital services.

The development of our mobile service continued apace in 2024 and will continue in 2025, with the aim of providing an even smoother and more secure experience for our customers and the best tools in the industry for managing and planning their finances. Work on extensive digitalisation projects launched in 2023 intensified in 2024. The first launch of our new tools for customer relationship management and marketing took place in November 2024. Over the next two years, we will not only renew our customer relationship management, but also our financing processes and systems. All these developments have one ultimate goal: to offer our customers the best service in banking.

Kai Koskela
Chief Executive Officer

THE SAVINGS BANKS GROUP AND THE 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, as well as the subsidiaries and associated companies owned jointly by the banks.

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 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, Savings Bank Services Ltd as well as Sp-Fund Management Company Ltd. The scope of the Savings Banks Group differs from that of the Savings Banks Amalgamation in that the Savings Banks Group also includes entities other than credit and financial institutions or service companies. The most notable of these are Sb Life Insurance Ltd and Sp-Koti Ltd.

Further information about the structure of the Savings Banks Group can be found at www.saastopankki.fi/en/savingsbanksgroup.

DESCRIPTION OF THE OPERATIONAL ENVIRONMENT

THE GLOBAL ENVIRONMENT

The global economy was relatively stable in 2024 and global economic growth is expected to settle at around 3%, although it will take some time before official GDP figures are known. This implies growth slightly below the long-term average and roughly in line with the previous year.

Given the turbulence in the world around us, the development of global economy can be considered surprisingly stable. The war in Ukraine continues, the situation in the Middle East is explosive, a new president was elected in the United States, the threat of a trade war is looming and major governments fell in Europe.

Globally, inflation continued to ease and many countries are already close to central bank inflation targets. This allowed central banks to cut interest rates, which was seen on several occasions in Europe, the United States and China.

Things were naturally bubbling beneath the big surface of economy, and development was quite different in different regions. The US economy once again surprised on the upside and growth there continued to be strong. Annual growth is expected to settle at just under 3%. Economic growth in Europe, on the other hand, was very sluggish and growth is expected to remain below 1%. The German economy in particular, and the industrial sector overall, performed poorly. Contrary to what we are accustomed to, the strongest drivers of the euro area economy were to be found in service-driven southern Europe.

In terms of economic development, China also underperformed, and in autumn 2024, the country introduced various stimulus measures, which slightly boosted growth prospects towards the end of the year. Overall, growth is expected to settle at just under 5%, which is still a rather enviable figure from a Western point of view.

THE INTEREST RATE ENVIRONMENT

In the first half of 2024, short-term interest rates in the euro area fluctuated within a relatively narrow range compared to the previous year. For example, the 12-month Euribor rate, which is used as the general reference rate for mortgages, had a range of movement of approximately 0.25 percentage points. Long-term interest rates trended slightly upward since the turn of the year, as the expectations of rapid interest rate cuts evaporated.

In the second half of the year, the situation changed substantially with the ECB interest rate cuts and, in particular, strong market expectations of rate cuts. The 12-month Euribor fell by more than one percentage point in the second half of the year and the 5-year swap rate by almost one percentage point.

The overall interest rate environment in 2024 has been relatively favourable for banking activities, although the decline in reference rates in the second half of the year will continue to have a negative impact on interest margins.

The future development of interest rates is not straightforward or clear. In principle, the weakening economic development and the fact that the ECB is likely to reach its 2% inflation target earlier than expected will allow room for further interest rate cuts, but at the same time, geopolitical tensions, trade policy factors and service sector inflation could change the situation.

INVESTMENT MARKETS

From the perspective of the investment markets, the year 2024 was positive as a whole. Corporate earnings growth was good, especially in the United States. Share prices in the technology sector rose strongly during the year and the stock market as a whole outperformed the other main markets. European equity returns were also above long-term average returns. Finnish equity returns remained low and well below other markets. Falling interest rates supported fixed income returns and in the corporate bond market credit risk margins remained low despite rising defaults. Geopolitical tensions and concerns about a slowdown in global trade due to rising tariffs made headlines, especially in the last quarter following the US presidential election. This had an impact on emerging market investments, whose returns fell in the last quarter. Overall, investor confidence remained strong throughout the year, with good investment returns in both fixed income and equity markets.

THE FINNISH ECONOMY

The Finnish economy entered a recession towards the end of 2023. In 2024, however, the economy recovered and, at least in the first three quarters of the year, the economy grew quarter by quarter. 2024 can therefore be called a year of budding recovery. However, growth was still rather modest.

After some challenging years, the economic situation of Finnish consumers has started to improve: purchasing power has picked up, price rises have eased and falling interest rates are benefiting indebted households. This was also reflected in the Savings Banks' Savings Barometer, which showed that the financial distress experienced by households decreased from the previous year. However, the situation on the labour market was disappointing, with development weaker than expected, especially towards the end of the year. This contributed to keeping consumer confidence below average.

Finnish business confidence also started to improve in 2024, albeit rather cautiously. There are significant differences between industries. The year remained difficult for the construction industry, although a budding recovery was also seen in business confidence in the construction sector. The service sector fared better. The manufacturing industry suffered from the weakness of the overall global industrial cycle.

The number of bankruptcies continued to rise in 2024, with the highest numbers in the construction industry and trade.

THE HOUSING MARKET IN FINLAND

The housing market slump has continued since October 2022. However, trading has been busier this year than last. Transaction volumes have risen by around 4%. This has been driven in particular by pent-up consumer demand and lower interest rates. Demand has been particularly strong for detached houses and family-sized dwellings. Demand for small dwellings has remained low, mainly due to the low demand for investment housing.

While the total housing transaction volume has increased by around 4%, the trend in transaction volumes has been different for old and new dwellings. The transaction volume for old dwellings rose by around 5%, while the transaction volume for new dwellings fell by around 14%. There are several reasons for this. The price gap between new and old dwellings has widened as the prices for old dwellings have fallen. In addition, as interest rates have risen from zero, the financial costs of housing company loans have increased significantly. Living expenses in new homes are often significantly higher than in old homes.

There has also been a regional disparity in the development of transaction volumes. In the growth centres where transaction volumes fell most in 2022 and 2023, the housing market has also been the first to recover. For example, Espoo and Jyväskylä have already seen a 9.7% and a 7% growth respectively.

We expect the housing market to recover over the next year by 8–10% in old units in housing companies and the price of these dwellings to increase by 3% on average. This recovery will be driven in particular by increased consumer purchasing power, falling interest rates, pent-up demand and higher consumer confidence. A risk to the recovery of the housing market is the mismatch between supply and demand, partly due to the low level of new housing production.

THE SAVINGS BANKS GROUP'S PROFIT AND BALANCE SHEET

FINANCIAL HIGHLIGHTS OF THE SAVINGS BANKS GROUP

(EUR 1,000)	1–12/2024	1–12/2023	1–12/2022*	1–12/2021*/**	1–12/2020*/**
Net interest income	274,844	263,761	169,610	152,324	160,697
Total operating revenue	414,623	376,236	305,154	298,715	306,588
Total operating expenses	-236,726	-230,733	-218,385	-220,021	-220,157
Cost to income ratio	-57.1%	-61.3%	-71.6%	-73.7%	-71.8%
Impairment losses on loans and other receivables	-25,385	-9,988	-15,882	-941	-19,760
Profit/loss for the financial year	125,694	105,487	56,168	72,762	52,092
Total assets	13,892,891	13,206,415	13,780,287	13,079,096	13,097,063
Total equity	1,283,902	1,137,950	1,178,847	1,190,293	1,155,709
Return on equity %	10.4%	9.1%	4.7%	6.2%	4.6%
Return on assets %	0.9%	0.8%	0.4%	0.6%	0.4%
Equity/assets ratio %	9.2%	8.6%	8.6%	9.1%	8.8%
Solvency ratio %	20.9%	19.5%	18.7%	19.5%	19.1%

* Comparative period information has not been adjusted to reflect the presentation change made for presenting investment contracts in accordance with the IFRS 9 Financial Instrument standard.

** Comparative period information has not been adjusted to reflect the distribution of continuing operations and exit from the Savings Bank Group.

PROFIT TRENDS (COMPARISON FIGURES 1–12/2023)

The Savings Banks Group's performance remained good in 2024. The Savings Banks Group's profit before tax was EUR 152.5 (135.5) million. Profit for the period increased by EUR 17.0 million year-on-year. Lieto Savings Bank relinquished its membership of the Savings Banks Group during the comparison period, on 28 February 2023. The profit for the comparison period does not include Lieto Savings Bank.

The Savings Banks Group's net interest income was further increased by the high level of market interest rates. Net interest income grew by 4.2% and amounted to EUR 274.8 (263.8) million. Interest income increased to EUR 615,1 (478.7) million. Interest income from loans and advances to customers amounted to EUR 476,3 (376.8) million. Interest income from loans and advances to credit institutions amounted to EUR 66.9 (48.2) million. Interest expenses increased to EUR 340.3 (214.9) million. Interest expenses associated with derivatives used in the management of the interest rate risk increased to EUR 141.9 (99.6) million. Interest expenses from debt securities issued came to EUR 82.5 (52.4) million. Interest expenses from liabilities to customers were EUR 97.8 (51.5) million.

Net fee and commission income amounted to EUR 114.7 (107.1) million. Fee and commission income amounted to EUR 130.9 (121.9) million. Fee and commission income from investment contracts in insurance activities amounted to EUR 3.1 (2.9) million. Payment transaction fees came to EUR 50.4 (49.2) million. Fees received for funds amounted to EUR 41.5 (37.7) million and lending commissions totalled EUR 19.0 (18.3) million. Fee expenses increased to EUR 16.3 (14.8) million.

Net investment income amounted to EUR 40.4 (13.4) million. Net income from financial assets recognised at fair value through profit or loss amounted to EUR 4.8 (-15.9) million, including both fair value gains and losses of shares and participations amounting to EUR 5.2 (5.7) million and net income from hedge accounting, EUR 0.8 (-21.4) million. The net return on unit-linked assets was EUR 72.4 (63.0) million. Net income from other financial assets and liabilities in investment activities in insurance operations, recognised at fair value through profit or loss, amounted to EUR -34.3 (-24.7) million. Of the net investment income, net income from financial assets recognised at fair value through other comprehensive income amounted to EUR -0.7 (-6.2) million.

During the period, insurance finance income and expenses amounted to EUR -34.5 (-32.8) million.

The insurance service result was EUR 4.3 (3.8) million. The insurance service result includes operating expenses of EUR 14.1 (13.9) million. Insurance premium revenue increased to EUR 20.9 (18.8) million. Insurance service expenses decreased to EUR 15.5 (14.2) million. The significant increase in average savings during the period improved the profitability of insurance contracts.

Loss-making contracts increased insurance service expenses by 0.5 million euros during the financial year, while the rehearsal of provisions for loss-making contracts during the comparison period reduced insurance service expenses by 1.8 million euros.

Other operating revenue came to EUR 14.9 (21.1) million. During the comparison period, other operating income was increased by the proceeds related to the exit of Lieto Savings Bank.

The Savings Banks Group's total operating income increased by 10.2%, amounting to EUR 414,6 (376.2) million. Operating income increased due to the growth of net interest income, the increase in net fee and commission income and the positive development of net investment income.

The Savings Banks Group's operating expenses increased by 2.6% to EUR 236.7 (230.7) million.

Personnel expenses increased by 8.3% and amounted to EUR 106.5 (98.3) million. The number of personnel on 31 December 2024 was 1,442 (1,350).

Other operating expenses came to EUR 131.4 (134.9) million. Other administrative expenses totalled EUR 103.1 (96.5) million. ICT expenses were EUR 58.0 (60.4) million.

Depreciation, amortisation and impairment of property, plant and equipment and intangible assets amounted to EUR 13.0 (11.5) million.

The Group's cost to income ratio was 57.1% (61.3%).

A total of EUR 25.4 (10.0) million was recognised in impairment of financial assets. These impairments had a negative effect on the Savings Banks Group's result, and they include the change in expected credit losses on loans granted to customers and off-balance sheet commitments and other financial assets, final credit losses and credit loss recoveries. New LGD models were adopted during the period. The adoption of the models increased expected credit losses by EUR 6.8 million. The change in expected credit losses recognised in the period increased impairment by EUR 13.5 million. Expected credit losses allocated to loans and advances to customers increased by EUR 14.4 million, while expected credit losses allocated to other financial assets decreased by EUR 0.9 million. Net credit losses realised during the period totalled EUR 11.8 (6.9) million, and they concerned loans and advances.

The Savings Banks Group's effective income tax rate was 17.6% (22.2%).

BALANCE SHEET AND FUNDING (COMPARISON FIGURES 31 DECEMBER 2023)

The Savings Banks Group's balance sheet total was EUR 13.9 (13.2) billion at the end of the period.

Loans and advances to customers amounted to EUR 10.1 (9.5) billion, with an increase of 6.0%. Loans and advances to credit institutions amounted to EUR 163.6 (179.1) million. The Savings Banks Group's investment assets amounted to EUR 854.8 (895.2) million. Cash and cash equivalents totalled EUR 1.5 (1.4) billion. Assets backing unit-linked contracts related to insurance activities amounted to EUR 1,024.7 (908.4) million.

The Savings Banks Group's liabilities to customers remained stable at EUR 6.9 (7.0) billion. Liabilities to credit institutions came to EUR 530.3 (620.9) million. Debt securities issued amounted to EUR 3.7 (2.9) billion. Insurance-related liabilities amounted to EUR 580.5 (571.4) million. Liabilities for investment contracts came to EUR 515.3 (420.4) million.

The Savings Banks Group's equity amounted to EUR 1.3 (1.1) billion. The share of non-controlling interests of the Group's equity was EUR 1.2 (1.2) million. The change in fair value recognised in other comprehensive income was EUR 13.3 (24.5) million in the period.

The Savings Banks Group's return on equity was 10.4% (9.1%).

The quality of the Savings Banks Group's credit portfolio is good and most credit is secured. The expected credit loss allowance on loans and advances on the balance sheet at the end of the period amounted to EUR 64.9 (50.4) million, or 0.60% (0.49%) of loans and advances. The Savings Banks Group's non-performing receivables remained at a moderate level at 2.7% (2.3%) of loans and advances.

The Savings Banks Group's financial position and liquidity are strong. The Savings Banks Group's LCR was 196% and NSFR was 125% at the end of the period.

CAPITAL ADEQUACY AND RISK POSITION

Capital adequacy (comparison figures 31 December 2023)

At the end of December 2024, the Savings Banks Amalgamation had a strong capital structure, consisting almost entirely of CET1 capital. Total own funds were EUR 1,148.5 (1,034.4) million, of which CET1 capital accounted for EUR 1,146.1 (1,031.4) million. The Savings Banks Amalgamation does not have additional Tier 1 capital. Tier 2 (T2) capital amounted to EUR 2.4 (3.0) million, consisting of debentures during the period. During the reference period, capital adequacy was improved primarily by the profit for the period. Risk-weighted assets amounted to EUR 5,494.8 (5,302.2) million, i.e. 3.6% higher than at the end of last year. The categories of exposures with the largest increase in risk-weighted assets were exposures secured by mortgages on immovable property and defaulted exposures. The capital ratio of the Savings Banks Amalgamation was 20.9% (19.5%), and the CET1 capital ratio was 20.9% (19.5%).

The capital requirement of the Savings Banks Amalgamation was EUR 716.8 (638.8) million. The composition of the capital requirement is shown in the table below. The capital requirement of the Savings Banks Amalgamation consists of the 8% minimum capital requirement laid down in the Capital Requirements Regulation, a discretionary additional Pillar II capital requirement imposed by the Finnish Financial Supervisory Authority, a fixed additional capital requirement pursuant to the Act on Credit Institutions, a systemic risk buffer requirement set by the Financial Supervisory Authority, and the country-specific countercyclical capital requirements of foreign exposures.

COMBINED CAPITAL REQUIREMENT, %

31.12.2024	Minimum requirement	Pillar 2 (SREP)-requirement	Capital conservation buffer	Systemic risk buffer	Countercyclical capital buffer	Combined capital requirement
CET1	4.50	0.84	2.50	1.00	0.05	8.89
AT1	1.50	0.28				1.78
T2	2.00	0.38				2.38
Total	8.00	1.50	2.50	1.00	0.05	13.05

The discretionary Pillar II capital requirement imposed by the Financial Supervisory Authority on the Savings Banks Amalgamation is currently 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.

The Financial Supervisory Authority's decision to set a systemic risk buffer requirement of 1.0% for the Savings Banks Amalgamation entered into effect on 1 April 2024.

In 2024, the Financial Supervisory Authority has not imposed a countercyclical capital buffer requirement, which may range from 0 to 2.5% of the total risk-weighted exposure amounts. 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 a 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 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 Part 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 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 position if the total net foreign exchange position is over 2% of total 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), implementing the Basel III finalisation in the EU, are not expected to have a material impact on the capital adequacy of the Savings Banks Amalgamation. The amendments are scheduled to enter into force on 1 January 2025.

CAPITAL ADEQUACY'S MAIN ITEMS

Own Funds (EUR 1,000)	**31.12.2024**	**31.12.2023**
Common Equity Tier 1 (CET1) capital before regulatory adjustments	1,213,425	1,087,314
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-67,299	-55,909
Common Equity Tier 1 (CET1) capital	1,146,126	1,031,404
Tier 1 (T1) additional capital before regulatory adjustments		
Regulatory adjustments to Tier 1 (T1) additional capital		
Tier 1 (AT 1) additional capital		
Tier 1 capital (T1 = CET1 + AT1)	1,146,126	1,031,404
Tier 2 (T2) capital before regulatory adjustments	2,379	3,015
Regulatory adjustments to Tier 2 (T2) capital		
Tier 2 (T2) capital	2,379	3,015
Total capital (TC = T1 + T2)	1,148,505	1,034,419
Risk weighted assets	5,494,792	5,302,169
of which: credit and counterparty risk	4,782,921	4,642,885
of which: credit valuation adjustment (CVA)	31,231	37,250
of which: market risk		
of which: operational risk	680,640	622,034
Common Equity Tier 1 (as a percentage of total risk exposure amount)	20.9%	19.5%
Tier 1 (as a percentage of total risk exposure amount)	20.9%	19.5%
Total capital (as a percentage of total risk exposure amount)	20.9%	19.5%
Capital requirement		
Total capital	1,148,505	1,034,419
Capital requirement total*	716,840	638,827
of which: Pillar 2 additional capital requirement	82,422	79,533
Capital buffer	431,665	395,592

* The capital requirement is formed by the statutory minimum capital adequacy requirement of 8%, the capital conservation buffer of 2.5% according to the Act on Credit Institutions, the 1.5% Pillar 2 requirement set by the Financial Supervisory Authority and the country-specific countercyclical capital requirements of foreign exposures.

LEVERAGE RATIO

The leverage ratio of the Savings Banks Amalgamation was 8.9% (8.3%), 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 leverage exposure. The Savings Banks Amalgamation monitors excessive indebtedness as part of the ICAAP process.

LEVERAGE RATIO

(EUR 1,000)	31.12.2024	31.12.2023
Tier 1 Capital	1,146,126	1,031,404
Total leverage ratio exposures	12,883,839	12,376,045
Leverage ratio	8.9%	8.3%

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 April 2024, 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 20.84% of the total risk exposure amount or 7.72% of the total exposures, whichever is higher.

The MREL requirement for Sp Mortgage Bank Plc is 15.76% of the total risk amount or 5.92% of the total exposures, whichever is higher.

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

RISK POSITION

The Savings Banks Group's risk position has remained at a good level. The solvency of the Savings Banks Amalgamation is strong, the quality of the credit portfolio has remained at a good level and most of the loans are secured. The war in Ukraine has an indirect effect on the Group's income and risks, mainly due to customers' changed circumstances and the general market situation.

The Savings Banks Group's risk management and internal control are part of the internal control of the Savings Banks Group and the Savings Banks Amalgamation and a key part of the Group's operative activities. It is the responsibility of the Central Institution to steer the operations of the Amalgamation. It provides guidelines for the securing of liquidity and solvency for enterprises belonging to it in terms of risk management, reliable administration, internal control and compliance with uniform financial statement principles in the preparation of the Amalgamation's financial statements.

The Central Institution approves the principles for the Group's internal control framework. Functions that are independent of the business operations have been established within the Central Institution to ensure effective and comprehensive internal control in all the member companies within the Amalgamation and the Group.

The Savings Banks Amalgamation's independent risk control function maintains and develops methods for managing risks within the Central Institution. This ensures that any new, material but previously unidentified risks are also brought within the scope of business risk management.

Significant or high-risk commitments are made in accordance with a collegial decision-making process and the use of authority is limited by limits. Internal operational policies are used to steer business operations and processes. The internal policies are monitored for compliance and timeliness. 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 approvals, verifications, confirmations, reconciliations and monitoring and exception reports.

The Savings Banks Amalgamation has prepared risk strategies and risk limits by risk area. The strategies specific to risk areas are complemented by operational guidelines and instructions issued by the Board of Directors of the Central Institution. The strategies specific to risk areas cover risk identification, measurement and assessment as well as the mitigation, monitoring and reporting of risks.

The Board of Directors of the Central Institution is regularly informed about the various risks and their levels. The Board of Directors also approves authorisations and frameworks for the desired risk-taking by specifying the permitted risk thresholds for different risk areas at the amalgamation level.

The most significant risks affecting the operations of the Savings Banks Group are credit risk, liquidity risk, interest rate risk, operational risk, and various business risks.

The Group's risks and risk management are described in more detail in the risk management notes to the financial statements, in Note 5.

CREDIT RATINGS

On 6 December 2024, S&P Global Ratings (S&P) confirmed the long-term credit rating of the Central Bank of Savings Banks Finland Plc, acting as the central credit institution of the Savings Banks Group, at A- and its short-term credit rating at A-2. The outlook is stable.

The Central Bank of Savings Banks Finland Plc is part of the Savings Banks Amalgamation. The role of the Central Bank of Savings Banks Finland is to ensure the liquidity and funding of the Savings Banks Group. The Central Bank acquires funds and operates in the money and capital markets on behalf of the Group, manages payment transactions and the internal balancing of the Group's liquidity.

SUPERVISORY BOARD, BOARD OF DIRECTORS AND AUDITORS AND AUDITORS

The Savings Banks' Union Coop General Meeting held on 14 March 2024 elected the members of the Supervisory Board and their personal deputies for a term extending until the next ordinary general meeting. The Supervisory Board consists of at least 9 and no more than 35 members. The Supervisory Board had 13 members, each with a personal deputy. The chairman of the Supervisory Board was Antero Savolainen (chairman of the Board of Directors of Säästöpankki Optia) until 14 March 2024. Starting from 14 March 2024, the chairman was Arto Seppänen (chairman of the Board of Directors of Someron Säästöpankki). The deputy chairmen were Arto Seppänen (chairman of the Board of Directors of Someron Säästöpankki) until 14 March 2024 and, from 14 March 2024, Timo Saraketo (chairman of the Board of Directors of Aito Savings Bank Ltd) and Björn West (chairman of the Board of Directors of Kvevlax Sparbank Ab). The members of the Supervisory Board are primarily chairmen of the Boards of Directors of Savings Banks and their deputies are deputy chairmen of the Boards of Directors of Savings Banks.

During the period 1 January – 31 December 2024, the following persons were members of the Board of Directors of Savings Banks' Union Coop:

Pirkko Ahonen (Aito Säästöpankki Oy), chairman until 14 March 2024 and member thereafter
Robin Lindahl (independent of Savings Banks), chairman and member from 14 March 2024
Jari Oivo (Myrskylän Säästöpankki), deputy chairman and member until 14 March 2024
Heikki Paasonen (Säästöpankki Optia Oy), deputy chairman from 14 March 2024
Ulf Sjöblom (Tammisaaren Säästöpankki Oy), member until 14 March 2024
Monika Mangs (Närpiön Säästöpankki Oy), member from 14 March 2024
Petri Siviranta (Someron Säästöpankki), member from 14 March 2024
Tuula Heikkinen (independent of Savings Banks), member
Eero Laesterä (independent of Savings Banks), member
Hannu Syvänen (Säästöpankki Sinetti), member
Simo Leisti (independent of Savings Banks), member
Veli-Pekka Mattila (Länsi-Uudenmaan Säästöpankki Oy), member

The members of the Board of Directors of the Savings Banks' Union Coop were elected at the Savings Banks' Union Coop General Meeting held on 14 March 2024 for a term extending until the next ordinary general meeting. The Board of Directors of Savings Banks' Union Coop has a quorum when more than half of the members are present.

Karri Alameri was the Chief Executive Officer of the Savings Banks Union Coop until 29 September 2024 and Kai Koskela served as the Acting CEO from 30 September 2024.

At the General Meeting of the Savings Banks' Union Coop held on 14 March 2024, KPMG Oy Ab, Authorised Public Accountants, was elected as the auditor of the Central Institution. The chief auditor designated by the firm is Mikko Kylliäinen, Authorised Public Accountant.

OPERATIONS AND PROFIT BY BUSINESS SEGMENT

BANKING SERVICES

The customer satisfaction and customer experience of the Savings Banks' private customers improved in 2024. The Net Promoter Score (NPS) for Savings Banks' customer meetings continued to increase during 2024. The high NPS of 84,3 speaks to the high quality of our customer interactions. According to the group strategy adopted in June 2024, we want to further focus on customer service by striving to provide the best service in the sector.

At the beginning of 2024, the Savings Banks' centralised customer service was selected as the best customer service of 2023. The winner was selected based on a well-functioning set of customer service channels, fast access to personal service and the ability to resolve issues at the first point of contact.

In February, Savings Banks continued to encourage households to make the green transition by offering energy loans to customers. During the campaign period (26 February – 31 August 2024), Savings Banks' mortgage customers received a concrete benefit by not being charged an origination fee for their energy loans. By offering this benefit, we want to bring sustainability – which is an important value for us – to the daily lives of our customers in a concrete manner by helping them purchase solar panels or switch to a new heating system, for example.

Work on the Savings Banks Group's digitalisation projects that began in 2023 continued intensively during 2024. The first launch of the new tools for customer relationship management and marketing took place in November 2024. Over the next two years, we will not only modernise our customer relationship management, but also our financial process and systems, with the aim of streamlining our customers' experience.

We developed the "My finances" features of our mobile service in 2024. Customers can use our mobile service to see a clear categorisation of their income and expenses, making it even easier to plan their finances. In June, we also added new features to the mobile service to allow users to view and manage their children's fund and equity investments.

Our key immaterial resources include the brand and reputation we have built over the years, our skilled and knowledgeable employees as well as our strategic partnerships with key suppliers. These resources enable us to maintain our competitive advantage and are essential to our long-term growth strategy. We aim to achieve 30% growth by 2030 and to be the most attractive workplace for the best experts in the industry. Young workers are our main target group, and sustainability is at the heart of our operations, guiding all our actions.

The number of private customers using Savings Banks' services extensively and concentrating their banking in Savings Banks increased by 4.4% during the year. In spite of the subdued housing market, the loan portfolio of the Savings Banks' private customers grew by 4.3% in 2024, well ahead of the overall market trend. New mortgage sales picked up clearly towards the end of the year. Assets in fixed-term investment accounts with private customers increased by 22.8% during 2024. Demand was twofold: while it was relatively strong in the early part of the year, the fall in interest rates dampened demand in the latter part of the year.

The Savings Banks Group continued to focus on the development of the corporate customer business, launching two new products for businesses during the year: a company credit card and a green loan for companies.

Implemented in collaboration with Visa, Business Credit is a credit card that serves the needs of small entrepreneurs in particular and complements the Savings Banks Group's range of cards for corporate customers, alongside the Business Debit card.

Our green loan product helps corporate customers of the Savings Banks Group to promote the use of renewable energy sources, energy efficiency and the transition to a circular or low-emission economy. The green corporate loan supports the Savings Banks Group's responsible lending and participation in sustainability action, wherein the aim is to use the pricing of financing, for example, to guide companies to invest in the green transition. Indeed, the green loan product, which features a discount of at least 0.25 percentage points on the interest rate margin, has to some extent provided incentives for Savings Banks' corporate customers to make green investments.

The Savings Banks Group's investments in the corporate customer business have been reflected in above-market growth and high customer satisfaction. Among corporate customers, the Net Promoter Score (NPS) for the Savings Banks' customer meetings was excellent: the average score for the year was 82.7. The number of corporate and forestry and agriculture customers using Savings Banks' services extensively grew by 6.1% during the year.

The real estate and construction sectors continued to face challenges in 2024. However, despite the challenging market conditions, the volume of non-performing loans in the Savings Banks' corporate customer business remained at a moderate level.

THE SAVINGS BANKS' MORTGAGE AND CENTRAL BANK OPERATIONS

The objective of the Savings Banks Group's Sp Mortgage Bank Plc is to strengthen the competitiveness of the Savings Banks Group through competitive funding and to promote the implementation of the strategy of the Savings Banks Group through its own operations. Sp Mortgage Bank is responsible for the Savings Banks Group's mortgage-secured funding by issuing covered bonds. The balance sheet total of Sp Mortgage Bank was EUR 3.3 (2.6) billion.

The Central Bank of Savings Banks Finland Plc is a bank owned by Savings Banks, which produces various central credit institution services for Savings Banks. On 6.12.2024, S&P Global Ratings (S&P) confirmed the long-term credit rating of the Central Bank of Savings Banks Finland Plc, acting as the central credit institution of the Savings Banks Group, at A- and its short-term credit rating at A-2. The outlook is stable.

PROFIT TRENDS (COMPARISON FIGURES 1–12/2023)

Profit before tax for Banking Operations was EUR 107.2 (88.4) million. Net interest income totalled EUR 274.2 (263.2) million. Net fee and commission income was EUR 72.1 (69.5) million. Net investment income amounted to EUR 2.8 (-29.9) million. Other operating revenue came to EUR 12.4 (12.8) million.

A total of EUR -25.4 (-10.0) million was recognised in impairment of financial assets that weakened the result. New LGD models were adopted during the period. The adoption of the models increased expected credit losses by EUR 6.8 million. Personnel expenses amounted to EUR 68.5 (63.5) million. The number of personnel in the Banking Operations segment was 979 (921) at the end of the reference period. Other operating expenses and depreciation amounted to EUR 160.6 (153.8) million.

The balance sheet total for Banking Operations came to EUR 12.6 (12.1) billion. Loans and advances to customers increased to EUR 10.1 (9.5) billion. Deposits received from customers amounted to EUR 6.9 (7.0) billion.

ASSET MANAGEMENT SERVICES

Savings Banks offer comprehensive and high-quality asset management services to both private and corporate customers. The Savings Banks' core mission is to promote thrift and we have taken a number of steps during 2024 to make it easier and lower the threshold for our customers to start saving.

An increasing number of Savings Banks' customers started saving in funds or insurance in 2024. The number of new continuous fund saving agreements increased by 17.6% year-on-year. 24.4% of continuous fund saving agreements were made on a self-service basis using digital channels, a clear increase from the comparison period. We will continue our determined efforts to promote thrift in 2025.

The extensive development of our services continued in 2024. The final deployments associated with the core banking system reform for Asset Management Services were successfully carried out in June, resulting in improved process efficiency for the Savings Banks Group and better services for customers.

During 2024, we also further developed the Savings Banks' private banking services. Our private banking service for our wealthiest asset management customers has grown significantly and our customers' satisfaction with the service has been excellent. The number of private banking customers increased by over 70% compared to the previous year.

Net subscriptions of Savings Banks' asset management services to funds managed by Sp-Fund Management Company and the insurance saving products of Sb Life Insurance were positive during the reference period, with an excellent performance especially near the end of the year. Net subscriptions for 2024 increased by 132.7% compared to the previous year.

Sp-Fund Management Company's market share among Finnish fund management companies was 2.9% (3.1%) at the end of the reference period. Fund capital managed by Sp-Fund Management Company increased by 12.8% and totalled EUR 5.3 billion at the end of the period. Net subscriptions to funds managed by Sp-Fund Management Company totalled EUR 313.7 million. The number of fund unit holders grew by 1.1% year-on-year. The funds had 289 102-unit holders at the end of the period. In terms of the number of unit holders, Sp-Fund Management Company is the fourth-largest fund management company in Finland. Sp-Fund Management Company managed 25 investment funds and 7 special investment funds.

Endowment insurance sales increased significantly year-on-year. Premium income from endowment insurance increased by 69.2% year-on-year. Premium income from risk insurance products increased by 3.1%. Unit-linked insurance savings increased, totalling EUR 1,097.7 million at the end of the period.

PROFIT TRENDS (COMPARISON FIGURES 1–12/2023)

Profit before tax for Asset Management Services came to EUR 50.5 (48.3) million. Net fee and commission income was EUR 42.1 (37.3) million. Net investment income was EUR 43.3 (43.5) million.

Net investment income and financial income and expenses from insurance contracts together indicate the profitability of the insurance investment activities. During the period under review, financial income and expenses from insurance contracts were EUR -34.5 (-32.8) million.

The insurance service result was EUR 4.3 (3.8) million. The insurance service result includes operating expenses of EUR 14.1 (13.9) million. Insurance premium revenue increased to EUR 20.9 (18.8) million. Insurance service expenses decreased to EUR 15.5 (14.2) million. Loss-making contracts increased insurance service expenses by 0.5 million euros during the financial year, while the reversal of provisions for loss-making contracts during the comparison period reduced insurance service expenses by 1.8 million euros.

Operating expenses were EUR 5.6 (4.4) million. Personnel expenses amounted to EUR 7.0 (6.4) million. Other operating expenses and depreciation totalled EUR 12.6 (11.9) million. The number of personnel in the Asset Management Services segment on 31 December 2024 was 64 (61).

The balance sheet of asset management services was EUR 1,169.4 (1,107.3) million.

OTHER FUNCTIONS

Other functions include Savings Banks' Union Coop, Sp-Koti Ltd, Savings Banks Services Ltd and other companies consolidated within the Savings Banks Group. Other functions do not form a reportable segment.

Sp-Koti is a genuinely local real estate agent franchise group that is part of the Savings Banks Group. It serves customers in more than 80 offices across Finland and in 2 locations in Spain.

MATERIAL EVENTS AFTER THE CLOSING DATE

The Board of Directors of the Savings Banks' Union Coop is not aware of any factors that would materially influence the financial position of the Savings Banks Group for the period after the closing date.

The Board of Saving Banks' Union Coop has appointed acting CEO Kai Koskela as CEO of the Savings Banks' Union Coop on 24th of February 2025

OUTLOOK FOR THE OPERATIONAL ENVIRONMENT IN 2025

The growth outlook for 2025 is stable, but still rather sluggish. The OECD, for example, expects the global economy to grow at the same pace as last year, by around 3%. In the United States, growth is expected to slow but remain at a good level. In Europe, the growth outlook is improving slightly as interest rates fall, but the level is still quite modest. In China, growth is slowing structurally. The threat of a trade war has increased with the election of Trump. Trump's actions are not yet certain, but in the long run, various global trade barriers will undermine growth prospects and increase uncertainty.

In Finland, economic growth is expected to pick up in 2025. We expect Finland's GDP to grow by 1.4%. Lower interest rates will benefit Finland's interest-sensitive economy. Private consumption is expected to pick up as purchasing power increases. However, the sluggish labour market will keep consumers cautious in the early part of the year, so private consumption growth will remain subdued. As the economy picks up, the labour market will gradually improve as the year progresses.

Business investment is also expected to recover gradually. While many uncertainties continue to keep businesses cautious, the downturn is expected to stimulate investment demand. The plight of the construction sector should also gradually start to ease.

Business outlook

In 2025, the focus of the Savings Bank Group's operations will be on implementing the Savings Bank Group's strategy. The main goals of the strategy are sustainable growth, the best service in the banking sector, and being the most desirable workplace for top professionals in the industry. As a financially stable bank, the Savings Bank Group can support its customers in both good and bad times.

Various uncertainties challenge the year 2025, but with decline in interest rates, the economy is expected to improve for both private and corporate customers. The Savings Bank Group's goal in 2025 is to attract more customers who centralize their banking with the Savings Bank.

FURTHER INFORMATION:

Kai Koskela, CEO, tel. +358 40 549 0430
Releases and other corporate information are available on the Savings Banks Group's website at www.saastopankki.fi/saastopankkiryhma

ALTERNATIVE PERFORMANCE MEASURES

The 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.

In it's financial reporting, the Savings Banks Group uses Alternative Performance Measures (APM) that describe the Group's financial performance and position. The APMs are not defined in IFRS regulation, Capital Adequacy regulation (CRD/CRR) or Solvency II regulation (SII). The APMs presented complement the main statements and notes prepared in accordance with IFRS.

FORMULAS USED IN CALCULATING THE FINANCIAL HIGHLIGHTS

Total operating revenue: Net interest income, net fee and commission income, net trading income, net investment income, net life insurance income, net finance income of the insurance contracts, other operating revenue

Total operating expenses: Personel expenses, other operating expenses, depreciation and impairment charges on tangible and intangible assets

Cost to income ratio:

$$\frac{\text{Total operating expenses}}{\text{Total operating revenue}}$$

Return on equity %:

$$\frac{\text{Profit}}{\text{Equity, incl. non-controlling interests (average)}} \times 100$$

Return on assets %:

$$\frac{\text{Profit}}{\text{Total assets (average)}} \times 100$$

Equity/assets ratio %:

$$\frac{\text{Equity (incl. non-controlling interests)}}{\text{Total assets}} \times 100$$

The calculation of the financial highlights uses the results of continuing operations.

THE SUSTAINABILITY STATEMENT OF THE SAVINGS BANKS GROUP

GENERAL INFORMATION

GENERAL INFORMATION

SUSTAINABILITY REPORTING PRINCIPLES

Savings Banks Group's sustainability statement has been prepared in accordance with the Accounting Act (1336/1997), the European Sustainability Reporting Standards (ESRS (EU) 2023/2772) and the EU Delegated Regulation on Taxonomy Reporting (EU/2021/2178).

Scope of reporting

The Savings Banks Group does not form a group 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 Savings Banks Group. According to the Act on the Amalgamation of Deposit Banks, Savings Banks' Union Coop, acting as the central institution of the Savings Banks Amalgamation, is obligated to prepare consolidated financial statements for the Savings Banks 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. The Board of Directors of the Savings Banks' Union Coop is responsible for preparing the financial statements.

The sustainability statement is published annually. The reporting period is the same as for financial reporting, i.e. the financial period from 1 January to 31 December 2024, unless otherwise stated.

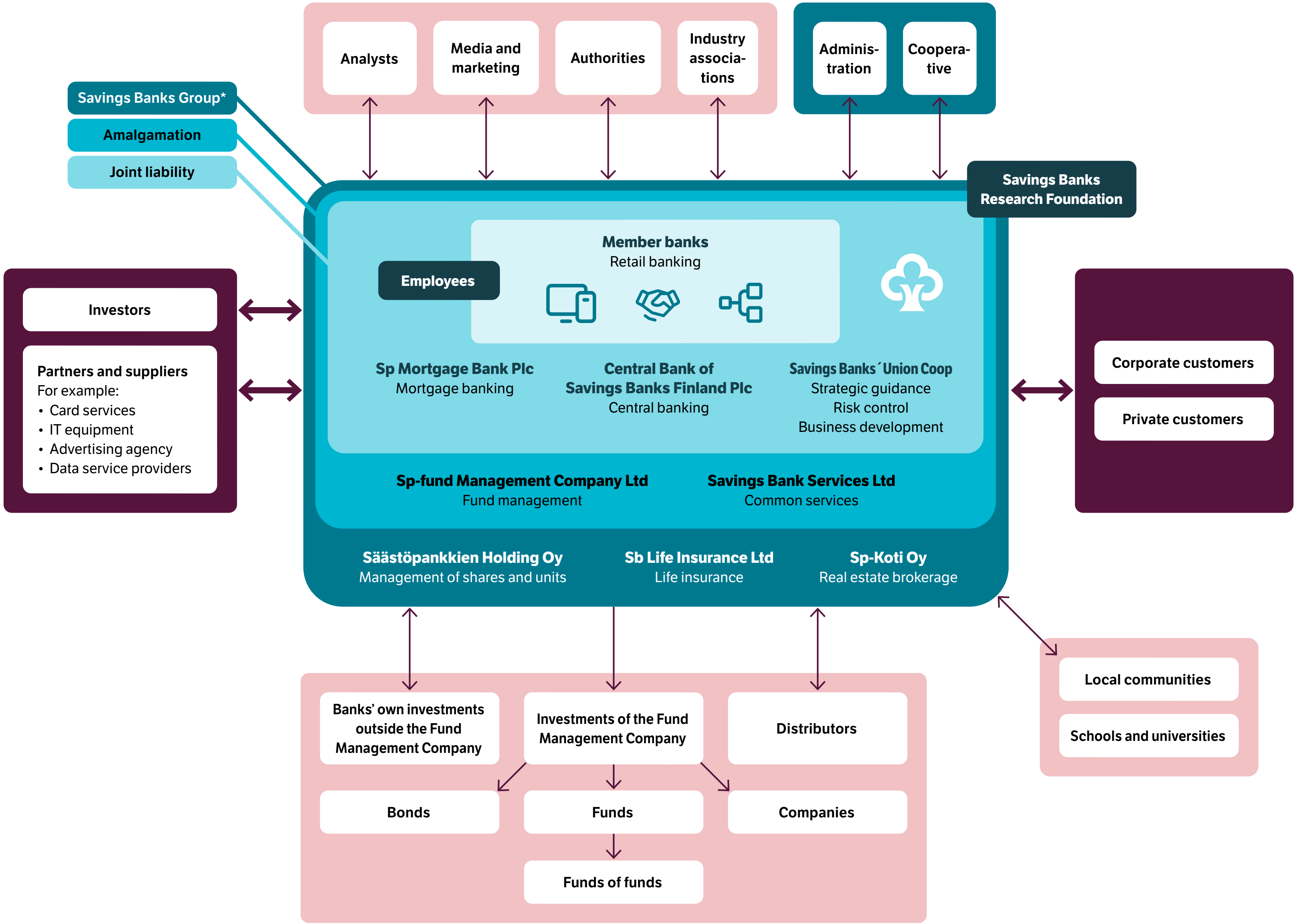
Our sustainability statement follows the same accounting boundaries as the Savings Banks Group's financial statements. Economic sustainability indicators cover all operations and are based on the Savings Banks Group's accounting and approved financial statements for 2024. In terms of Sp-Koti Oy, Urbaanit Kodit Oy and Sp-Isännöintipalvelut Oy, the report only covers data in euros.

The data in the sustainability statement cover the data for the companies of the Savings Banks Group and upstream and downstream value chain data. Our value chain is shown in Figure Savings Banks Group value chain. The double materiality assessment covered the entire value chain of the Savings Banks Group: the upstream part of our value chain includes investors and the activities of our partners and suppliers (tier 1). The downstream part of the value chain includes both our corporate and private customers. Our sustainability statement covers the relevant parts of the value chain from upstream to downstream for all themes. The sustainability statement's theme "S1 – Own workforce" covers our employees and administration, theme "S4 – Consumers and end-users" covers our downstream value chain, i.e. our customers, while themes "E1 – Climate change" and "G1 – Business conduct" cover our entire value chain.

For reasons of competitive confidentiality, we do not report on any investments or divestments. The report also does not discuss intellectual property, business secrets or innovations.

Information on specific circumstances, such as the time period, estimation and any errors made in prior periods, are reported in the context of the data to which they refer.

Figure: Savings Banks Group value chain



*Scope of CSRD reporting, companies involved

SUSTAINABILITY GOVERNANCE AND STRATEGY

ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND THE INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THEM

The names of the members of the administrative, management and supervisory bodies are given in Annex 4.

The highest decision-making body of the Savings Banks' Union Coop, which is the central institution of the Savings Banks Amalgamation, is the general meeting of the Savings Banks' Union Coop, where the members exercise decision-making powers. The general meeting elects the members of the Supervisory Board and their personal deputies for a term extending until the next ordinary general meeting. The role of the Supervisory Board is to oversee the administration of the central institution, which is the responsibility of the Board of Directors and CEO, and to ensure that the operation of the central institution is conducted in a professional and diligent manner in accordance with the Cooperatives Act and in the interests of the central institution and the Savings Banks Group.

The general meeting also elects the members of the Board of Directors for the term extending until the next ordinary general meeting of the Savings Banks' Union Coop. The administrative, management and supervisory bodies of the Savings Banks' Union Coop comprise a total of 24 persons, of which the number of executive members is one and the number of non-executive members is 23. In 2024, 17% of the members were women and 83% were men. The percentage of independent board members was 40%.

Roles and responsibilities of supervisory bodies

The Board of Directors of the Savings Banks' Union Coop approves the sustainability strategy based on the results of the materiality analysis and monitors the implementation of its targets and metrics. The Board approves updates to the Savings Banks Group's sustainability strategy, the annual sustainability statement and, as appropriate, sustainability programmes, policies and guidelines. As part of the management of the sustainability strategy and ensuring the implementation of the sustainability roadmap, the Management Team of the Savings Banks Group monitors, manages and oversees the impacts, risks and opportunities and the progress of the related targets in the same cycle as the monitoring of the Group strategy, following preparations by the Head of Group Sustainability & ESG. Sustainability matters – such as economic, social and environmental responsibility and sustainability impacts, risks and opportunities – are discussed two to three times a year by the Management Team of the Savings Banks' Union Coop and at least twice a year by the Board of Directors of the Savings Banks' Union Coop. No specific controls or procedures are used to manage impacts, risks and opportunities in addition to the responsibilities outlined above.

Responsibilities for impacts, risks and opportunities identified as material in 2024 are not yet included in the company's terms of reference, board mandates or other related policies in 2024.

Sustainability-related expertise of top management

The Board of Directors of the Savings Banks' Union Coop has approved diversity principles aimed at ensuring that the Board has sufficient and versatile expertise and experience of the business and risks associated with the credit institution's operations in order to perform its duties. Seven of the ten members of the 2024 Board were also on the 2023 Board, bringing continuity to the Board's operations. The Board of Directors assesses the knowledge, skills and experience of Board members and the entire Board regularly, and at least annually, by means of self-assessment.

The Management Team of the Savings Banks' Union Coop, as well as the Board of Directors and the committees of the Savings Banks' Union Coop, have the opportunity to contact and leverage the expertise of the Head of Group Sustainability & ESG and the sustainability experts in the sustainability team or the sustainability steering group or working group. We address topical sustainability issues during the annual training days of the Savings Banks Group's management, thereby strengthening up-to-date knowledge of sustainability issues in top management. In 2024, the management training days addressed the sustainability strategy, which was renewed in the same year. In addition to this, we organised sustainability sessions with our different development functions, which were also attended by representatives of the Management Team, together with the function they represent. The importance of sustainability for the Savings Banks Group and for each function was discussed in these sessions.

The majority of the impacts, risks and opportunities identified as material are topics familiar to the industry and to the business, which are linked to the Savings Banks Group's business management and which the top management is used to addressing as part of its duties. Thus, the expertise is closely related to the material impacts, risks and opportunities of governance, customers, own workforce and own topic. The impacts, risks and opportunities associated with climate change are newer to the organisation, and there is room for improvement in the associated expertiser. The development of this expertise will be a focus of the transition plan that will be prepared in 2025.

Sustainability governance model

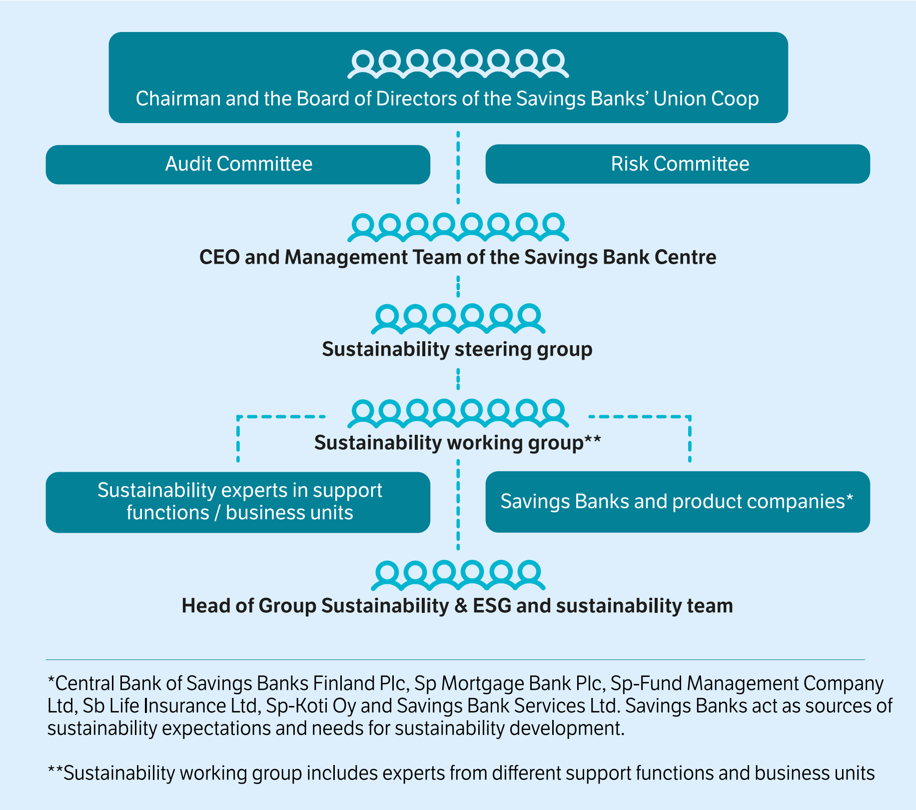


Figure: Savings Banks Group's sustainability governance model

The Board of Directors of the Savings Banks' Union Coop has approved the Savings Banks Group's sustainability governance model, which defines the structures and responsibilities for the effective management of the Group's sustainability work. The governance model is shown in Figure Savings Banks Group's sustainability governance model. Sustainability matters – such as economic, social and environmental responsibility and sustainability impacts, risks and opportunities – are discussed two to three times a year by the Management Team of the Savings Banks' Union Coop and at least twice a year by the Board of Directors of the Savings Banks' Union Coop.

The Savings Banks Group monitors and controls the management of sustainability impacts, risks and opportunities and compliance through a separate sustainability governance model. The Board of Directors monitors the work of the Audit Committee and the Risk Committee. The Audit Committee presents sustainability matters to the Board of Directors of the Savings Banks' Union Coop for approval. The sustainability matters presented include the sustainability statement, the sustainability strategy, including targets and metrics and, where necessary, sustainability programmes and sustainability-related policies and guidelines outlining principles. Additionally, the Risk Committee reviews and addresses ESG (environmental, social, governance) risks as part of its review of the operational risk self-assessment process. Representatives of the Compliance function are also involved in the assessment of the Amalgamation's sustainability risks. The Risk Committee approves mitigation strategies for operational ESG risks, to the extent that they become significant at Group level. No monitoring, management or control role has so far been specifically assigned to any individual

The Head of Group Sustainability & ESG is responsible for corporate responsibility performance. This includes managing and coordinating sustainability-related projects and communication as a whole and taking ownership of operational responsibility for these areas. The Head of Group Sustainability & ESG leads the Savings Bank Centre's sustainability working group and reports to the head of sustainability in the Management Team.

The sustainability steering group includes representatives of the Management Team of the Savings Banks' Union Coop and Savings Banks, while the sustainability working group includes sustainability experts from the Group's support functions and business units, representing a wide range of expertise in various functions. The sustainability steering group is chaired by the head of sustainability in the Management Team.

Savings Banks integrate sustainability into their operations and participate in the implementation of the sustainability strategy and roadmap at bank level, ensuring expertise, training, resources and compliance with the guidelines. Stakeholder panels on sustainability are also organised for Savings Banks.

Sustainability matters addressed by the Board of Directors of the Savings Bank's Union Coop in 2024 include double materiality assessment, sustainability reporting and the sustainability strategy. During the reporting period, the Savings Banks Group's administrative, management and supervisory bodies addressed the following material impacts, risks and opportunities: greenhouse gas (GHG) emissions, data protection and digital threats, and level of completion of Compliance trainings.

INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

We have also integrated environmental, social and governance (ESG) matters into our remuneration policies. In 2024, the sustainability metrics were applied to remuneration for the Savings Bank Centre's Management Team, as well as for the employees of the Savings Bank Centre and the portfolio managers at Sp-Fund Management Company.

Remuneration metrics

The sustainability-related performance of the Savings Bank Centre's management is measured using three metrics: readiness of the employees of Savings Bank Centre to recommend the company to others (eNPS), sustainability Index, and the key sustainability project. Sustainability-related targets in the performance remuneration scheme are weighted at 21%.

The eNPS (Employee Net Promoter Score) measures the readiness of the employees of Savings Bank Centre to recommend us and supports our goal of providing our employees with a workplace that they enjoy working in. The performance of the Savings Bank Centre's management is also assessed against sustainability Index and the key sustainability project, which addresses the inclusion of energy certification data into the residential mortgage loan portfolio. The sustainability index measures customer experiences of the Savings Banks Group's sustainability. These metrics support our target of operating sustainably for the environment and the climate and support the development of our customers' climate resilience. Alongside the remuneration metrics, the employees' readiness to recommend the Savings Bank Centre to others (eNPS) and the sustainability index are performance metrics of our Group strategy and our sustainability strategy. They are also part of the Savings Bank Centre's employee remuneration scheme.

Climate-related considerations are not factored into the remuneration of administrative, management and supervisory bodies.

The Remuneration Committee of the Board of Directors of the Savings Banks' Union Coop prepares and submits to the Board for approval the remuneration policy and the remuneration guidelines, which set out the latest terms and conditions of the incentive schemes.

In addition, banks have the option of adding their own remuneration metrics. For example, in one bank, sustainability is included in a special remuneration scheme that emphasises customer experience, cooperation, the development of policies and sustainability, risk management, networking and representing the bank at events.

SUSTAINABILITY STATEMENT ON DUE DILIGENCE

Core elements of due diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy and business model	Role of the administrative, management and supervisory bodies and the information provided to and sustainability matters addressed by them (GOV-2) Integration of sustainability-related performance in incentive schemes (GOV-3) Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)
b) Engaging with affected stakeholders in all key steps of the due diligence	Role of the administrative, management and supervisory bodies and the information provided to and sustainability matters addressed by them (GOV-2) Interests and views of stakeholders (SBM-2) Description of the process to identify and assess material impacts, risks and opportunities (IRO-1) Politics (MDR-P – E1, S1, S4, Entity-specific disclosure, G1) Processes for engaging with own workers and workers' representatives about impacts (S1) Processes for engaging with consumers and end-users about impacts (S4)
c) Identifying and assessing adverse impacts	Description of the process to identify and assess material impacts, risks and opportunities (IRO-1) Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)
d) Taking actions to address those adverse impacts	Actions (MDR-A – E1, S1, S4, Entity-specific disclosure, G1) Topical ESRS: Climate change (E1) & Own workforce (S1)
e) Tracking the effectiveness of these efforts and communicating	Metrics and targets (MDR-M, MDR-T – E1, S1, S4, Entity-specific disclosure, G1) Topical ESRS: Climate change (E1) & Own workforce (S1)

Table: The core elements of due diligence and their location in the sustainability statement

The Savings Banks Group applies a due diligence process with regard to material sustainability matters and the reporting thereof. The due diligence process includes considering sustainability impacts; identifying, assessing and monitoring incidents; addressing or managing adverse incidents through corrective action; and reporting. The purpose of the process is to identify, prevent and mitigate adverse impacts in our own operations as well as in our value chain.

The location of the core elements of due diligence in the sustainability statement is described in Table The core elements of due diligence and their location in the sustainability statement. The risk management process and internal controls are described in more detail in Annex 4.

RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY REPORTING

The sustainability report and the sustainability reporting processes are reviewed by the sustainability steering group, the Management Team of the Savings Banks' Union Coop, the Audit Committee of the Board of Directors and the Board of Directors.

The main risks in relation to sustainability reporting have been identified as interpretive knowledge of the ESRS, adequate resourcing of reporting, accuracy and availability of information to be reported in sufficient scope, and the verifiability of this information.

As a risk strategy, the content of the report is prepared using a three-part model for both data points and texts. The content is produced by a representative of the sustainability team and the business or support function, after which it is reviewed from two perspectives: for accuracy by the manager responsible for the topic concerned and for ESRS-compliance by the sustainability team or an external expert familiar with the standard. In order to improve data verifiability, efforts will be made to automate the collection of sustainability reporting data. The status of reporting is monitored monthly by the sustainability steering group, which identifies risks, monitors their development and allocates resources to mitigate them.

The risk assessment model takes into account both the probability and impact of risks using a five-point scoring system. Risks are regularly assessed by the core group of sustainability reporting. The resulting scores, together with regular risk reviews by the sustainability steering group, prioritise risks and ensure that adequate risk strategies are in place.

Each party's observations regarding risks in relation to sustainability reporting are addressed and resolved as part of the reporting process by representatives of the sustainability team and the business units and support functions participating in sustainability reporting before the subsequent processing and final approval of the report.

STRATEGY, BUSINESS MODEL AND VALUE CHAIN

General description of operations

The raison d'être of Savings Banks is to promote the financial wellbeing and prosperity of their customers in a responsible manner.

The Savings Banks Group's significant groups of products and services are daily banking services (accounts, cards, payments, mobile banking, online banking, authentication), financing (residential mortgage loans, corporate loans, unsecured consumer credit) and related insurance products (e.g. loan insurance), asset management (funds, insurance, shares), real estate brokerage and financial management services (OTT, My Finances in mobile banking).

In addition, new products have been introduced during the reporting period: My Finances features for private customers in mobile banking, a business credit card, a green loan for businesses and the development of asset management services to allow the management of funds for minors.

The Savings Banks Group operates in Finland and serves private and corporate customers. In terms of corporate customers, our focus is on small entrepreneurs and self-employed persons. In addition, we focus on agricultural and forestry companies and housing companies. There were no changes to the markets or customer groups served in the reporting period.

At the end of 2024, the Savings Banks Group had 1,442 employees. The Savings Banks Group's total operating revenue as of 31 December 2024 was 414,623 thousand euros. The operating revenue has not been validated by an external body.

Breakdown of total revenue in the financial statements

The Savings Banks Group provides segment reporting as required by IFRS 8. According to IFRS 8, the reporting to the chief operating decision maker forms the basis for segment reporting. The segment information presented in the half-year report is based on the same segment breakdown used for management reporting.

The reportable segments of the Savings Banks Group are Banking and Asset Management Services. Operations not included in the reportable segments are presented in reconciliations. In accordance with IFRS 8, Savings Banks Group is required to disclose if revenue from transactions with a single external customer exceeds 10% of the Group's revenue. The Group has no customers whose revenue exceeds 10% of the Group's revenue.

The Savings Banks Group has no activities that give rise to intercompany revenues, in which it develops significant activities, or in which it is or may be connected to material impacts.

The company is not active in the fossil fuel sector, chemicals production, controversial weapons or the cultivation and production of tobacco.

Sustainability-related goals

Sustainability is an integral part of all operations, management and decision-making within the Savings Banks Group. As a result of the materiality analysis, we have selected the following sustainability priorities in our sustainability strategy revised in autumn 2024: Financial wellbeing of customers and local communities; Safe and secure service experience; the wellbeing and equality of the work community; The environment & climate; and Good governance. These five main themes form the basis of our sustainability strategy, which complements our Group strategy, and of our set of sustainability-related goals.

We have set goals for all three dimensions of sustainability: environmental responsibility, social responsibility and governance. In the area of environmental responsibility, our goals are linked to the climate, and we will be setting greenhouse gas emission targets in 2025.

In the area of social responsibility, our goals are to promote the financial wellbeing and prosperity of our customers and the vitality and growth of our local communities, to provide secure and reliable (digital) services and to be the most desirable workplace for top talent.

In terms of governance, our goal is to operate in a transparent manner and in accordance with good governance and ethical principles.

Our sustainability-related goals cover all our customer segments and our entire service portfolio.

Our goals do not exclude product or service groups, customer categories or geographical areas. The Sustainability Index, the number of customers with savings and investments, and the safe and secure service experience apply to all our customer groups, regardless of the extent of the services they use. Employee NPS, the share of employees who have completed mandatory Code of Conduct training and the share of employees who have completed sustainability trainings apply to all our employees. The goal concerning the share of underrepresented gender in management concerns, at present, the Board of Directors and the CEO of the Savings Banks' Union Coop. The monitoring of GHG emissions will cover our own operations and the Scope 3 emissions of our entire value chain.

Table: Sustainability-related targets, baselines and 2024 progress

Goal	2030 goal	2024 progress	Base year
Environmental responsibility			
Sustainability index, average on a scale from 0 to 100	76	73.8	2024
GHG emissions, metric tonnes of CO_2eq*	To be determined in 2025	2,770,940	2024
Social responsibility			
Number of customers with savings and investments, pcs	130,500	97,856	2024
Employee Net Promoter Score (eNPS)	Improving at Group level	+35	2024
Safe and secure service experience*	To be determined in 2025	N/A	2025
Governance			
Share of underrepresented gender in management	40%	27%	2024
Share of employees who have completed mandatory compliance trainings	100%	91.0%	2024
Share of employees who have completed sustainability trainings*	100%	N/A	2025

*New goals entering into force in 2025

Sustainability themes as part of the strategy

Sustainability plays a key role in the Group strategy of the Savings Banks Group, updated in 2024, which guides our operations until 2030. Sustainability is reflected both in our raison d'être and as a cross-cutting element, ensuring that sustainability is embedded in all our operations, management and decision-making. In line with our raison d'être, we strive to differentiate ourselves in social responsibility – in particular in promoting the financial wellbeing of our customers and local communities. Indeed, all our strategic choices – Business growth, Best service in banking and Most desirable workplace for top talent – are linked to social sustainability matters.

The sustainability strategy, which complements the Group strategy of the Savings Banks Group, specifies our actions linked to sustainability. In terms of social responsibility, we focus not only on our customers and local communities, but also on increasing wellbeing and equality within our own working community. Diversity is also present in the deeper aspects of governance, where we seek to increase the diversity of our management and the sustainability-related expertise of the organisation. While the choices in the Group strategy focus in particular on social responsibility and good governance, the theme of the environment and climate has also been included through the sustainability strategy, where we aim to reduce emissions.

In preparing our strategy, we identified six changes that are shaping our operating environment, four of which are directly linked to sustainability matters. The first change has to do with customer needs, which are transforming as a result of accelerating urbanisation, multilingualism and digitalisation. Providing the best service in the future will require speed and convenience and making the service available to customers in multiple languages. Linked to social responsibility and our goal of providing the best service is the second change that we identified: technological development. The accelerating development and use of technology in our daily lives poses challenges for our organisation in terms of preparing for cyber, data security and privacy threats. The third change is the increasing demands for sustainability, stemming from our customers' expectations for sustainable actions and the rapidly evolving sustainability legislation. The fourth change is linked to our own employees and our goal to be the most desirable workplace for top talent. Competition for talent is intensifying, employment relationships are diversifying, and the nature of work is changing. This poses a challenge to continue to remain attractive in the eyes of talent.

The Savings Banks Group's ongoing business development project is renewing the operating models and information systems for customer relationship management and finance. The project will enable the seamless integration of in-person and digital services, which will be reflected in an even smoother and more convenient service experience for both customers and employees.

Value creation

Our value chain is shown in Figure Savings Banks Group value chain. Our main resources are our financial resources, intellectual capital (e.g. brand and knowledge capital), social capital (e.g. expertise and happy and healthy employees), and systems, services and internal capabilities. We pursue our raison d'être and strategy in collaboration with suppliers, partners, consultants, external workforce, investors, analysts and other financial institutions. The result is satisfied customers, happy and healthy employees, economic vitality for customers and local communities, and profitable business performance.

Interests and views of stakeholders

We engage with our stakeholders and develop our operations based on their feedback. The administrative, management and supervisory bodies of the Savings Banks Group are informed of the views and interests of affected stakeholders in relation to sustainability impacts. Stakeholder views are used to inform the double materiality assessment, which helps us to confirm the sustainability themes that are relevant to our operations. The results of the stakeholder survey and interviews are presented and discussed by the Management Team of Savings Banks' Union Coop in line with the sustainability governance model. The results of the double materiality assessment are discussed in light of the sustainability governance model, and the themes that emerge from the assessment form the priorities for our sustainability efforts. More information about the double materiality assessment can be found in section Description of the process to identify and assess material impacts, risks and opportunities. Management is also presented with, among other things, our customers' views on our sustainability based on the results of the customer surveys and the views and wellbeing of our employees based on the results of the employee survey. Table Our main stakeholders, sustainability themes important to them and engagement efforts displays a summary our key stakeholders and how their interests and views inform our sustainability strategy and business model.

Table: Our main stakeholders, sustainability themes important to them and engagement efforts

Stakeholder	Stakeholder engagement	Important themes for stakeholders	Impact on operations, business model and strategy
Customers	• Customer meeting: Oman talouden tuokio, Yritysten talouden tuokio (Personal finance and Corporate finance sessions) NPS of customer meetings • Online channels: Mobile banking, online banking, website • Customer service: chat and phone service, bank branches • Customer communication: social media, newsletters • Webinars, financial safety skills training • Stakeholder interviews and survey Customer surveys: • Customer relationship survey • EPSI Rating • Own survey corresponding to EPSI Rating • Customer Index	• Prevention of financial crime and digital fraud • Customer data protection • Development of digital services • Product development: Products supporting climate targets • Raising awareness of sustainability among corporate customers • Customer service with a focus on equality and different customer groups	• Ensuring the secure service experience, data protection and banking secrecy of customers. • Independent data protection officer and data protection organisation for the entire Savings Banks Group. • New competitive digital services to facilitate the customer experience (mobile app, online meetings, e-signature, new data warehouse, data analytics, short response times and high response rate). • Product development based on customer needs and new sustainable products such as the green business loan • Guiding customers in the use of services
Employees	• Employee survey • Performance reviews • Training	• Work-life balance and wellbeing, remote work option • Adequate pay and equal pay for work of equal value (gender equality) • Good team spirit • Training and competence development	• One of the goals of our Group strategy is to be the most desirable workplace for top talent. • Workplace wellbeing and equality as a main theme in our sustainability strategy • Updated HR policy in 2024, which defines the approaches related to themes that are important to employees • Policy for reporting and addressing discrimination and harassment • Development of employee competence and management and development measures agreed with employees, e.g. job rotation and new employee induction programme
Suppliers and partners	• Stakeholder survey • Stakeholder interviews	• Prevention of money laundering and corruption • Transparent and good governance • Mitigation of climate change • Equal treatment and equal rights of employees	• Good governance is one of the main themes of our sustainability strategy. • Our sustainability strategy includes responsibility for sustainable growth and good governance, including transparent operations and the prevention of money laundering and corruption. • Open dialogue with suppliers and partners to improve cooperation • Transparent and fair contracts with partners
Authorities and industry associations	• Stakeholder survey • Stakeholder interviews • Active participation in the bodies and working groups of Finance Finland • Active and regular dialogue with the Financial Supervisory Authority	• Sustainability communication and educating customers on the role of the industry in the green transition • Compliance with regulatory obligations for sustainability, including transparency in communication • Data protection and privacy • Products related to climate change mitigation	• Good governance, including compliance with laws, regulations, our internal guidelines and ethical principles in all operations and decision-making at all levels of the organisation • Ensuring expertise in meeting regulatory obligations • We offer sustainability-linked products, e.g. over 90% of the managed funds are light green funds, i.e. compliant with Article 8 of the EU Disclosure Regulation, and the green business loan launched in 2024

Stakeholder	Stakeholder engagement	Important themes for stakeholders	Impact on operations, business model and strategy
Media and marketing	• Stakeholder survey • Meetings	• Reliable and truthful communication and data on sustainability	• Truthful and transparent external communication • We actively and systematically communicate the financial situation to customers • Savings Barometer survey
Local communities	• Voting on the Good Deeds campaign	• Wellbeing of children and youth, recreational activities that promote wellbeing and mental health work with young people	• Donations from banks and foundations to local communities • Participation in local community events
Investors and analysts	• Personal meetings • Seminars • Roadshow events • Stakeholder survey • Stakeholder interviews	• Combating financial crime and digital fraud • Customer data protection • Adoption of regulation into practice • Financed GHG emissions and science-based emission reduction targets • Distribution of energy certificates in the residential mortgage loan portfolio • ESG rating of the Savings Banks Group • Transparency of sustainability reporting and high-quality data	• Independent data protection officer and data protection organisation for the entire Savings Banks Group • Timely, transparent and fact-based communication and information sharing • Transparent and high-quality sustainability reporting on ESG themes that are important to investors, allowing for improved levels in external ESG assessments, e.g. the Moody's and Sustainalytics analyses • Consideration of balance sheet risks
Administration	• Stakeholder interviews • Workshops • Sustainability flagship project • Training on current issues	• Promoting the financial wellbeing of customers, e.g. various products for saving • Local and personal service • Good Deeds campaigns • Sustainability-linked products • Sustainability-related publications • Sustainability as part of core business goals and ensuring employee competence	• The financial wellbeing of customers and local communities and a safe and secure service experience are main themes in our sustainability strategy • The Group strategy identifies “good deeds” and the related communication as a special area of cooperation, where we want to focus on the financial support of the entire Savings Banks community to local communities. • We offer sustainability-linked products, e.g. 90% of the managed funds are light green funds, i.e. compliant with Article 8 of the EU Disclosure Regulation, and the green business loan launched in 2024 • Employee training on sustainability for different business functions • Management training and participation in the preparation of the Group strategy
Universities and schools	• Activities of the Savings Banks Research Foundation • Collaboration with educational institutions	• Increasing financial knowledge and skills through financial education	• In order to understand the state of financial wellbeing in Finland, we collect data annually with our extensive Savings Barometer, which we use to target actions to areas where there is most room for improvement in promoting financial skills and knowledge • Financial skills and knowledge are promoted through various development projects, for example with educational institutions • Grants of the Savings Banks Research Foundation

MATERIAL SUSTAINABILITY IMPACTS, RISKS AND OPPORTUNITIES

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Table: Material impacts, risks and opportunities

Description	Concentration	Time horizon (short-term corresponds to the reporting period, medium-term to 3–5 years)
E1 Climate change		
Negative impact: The Savings Banks Group's own organisation and value chain generate greenhouse gas emissions that have a negative impact on climate change. Debtors operate in sectors with significant environmental impacts. Investment operations involve investments around the world, and the investments produce greenhouse gas emissions.	Entire value chain	Short-term (reporting period)
Negative impact: Savings Bank's own organisation and value chain consume energy, which can potentially have a negative impact on climate change. For example, Savings Bank provides lending to real estate (e.g. residential mortgage loans), which are significant energy consumers.	Entire value chain	Short-term (reporting period)
Positive impact: We offer our customers opportunities for sustainable finance and investment. We provide funding to support our customers' sustainability efforts. Through investment products, we offer our customers the opportunity to improve the sustainability of investments.	Own operations	Medium-term (3–5 years)
Risk: The value of the collateralised mortgage, commercial and residential real estate loan portfolio will decrease due to tighter energy efficiency regulations. For example, properties may be in need of renovation, or their market value may not remain the same due to their energy class. (Credit risk, political transition risk caused by climate change)	Own operations	Medium-term (3–5 years)
Opportunity: Supporting the Savings Banks Group's growth targets by offering products and services that take account of opportunities related to climate change and energy efficiency, for example, and support customers in their transition to lower-carbon activities.	Downstream value chain	Medium-term (3–5 years)
S1 Own workforce		
Negative impact: If gender equality issues are not in order, they can reduce the wellbeing of some employees.	Own operations	Short-term (reporting period)
Positive impact: The Savings Banks Group complies with the provisions in collective agreements and the law regarding work-life balance. These have a positive impact on the comfort and wellbeing of the work community and its ability to produce services.	Own operations	Short-term (reporting period)
Positive impact: In terms of safety, regulation is complied with and occupational health services are available to employees. People value a safe workplace and occupational health services, which has a positive impact on the wellbeing and comfort of the workplace and its ability to produce services.	Own operations	Short-term (reporting period)
Risk: If the employees do not have the knowledge, skills or understanding of key regulatory requirements and guidance required for their duties, this will lead to non-compliant operations.	Own operations	Medium-term (3–5 years)

Description	Concentration	Time horizon (short-term corresponds to the reporting period, medium-term to 3–5 years)
S4 Consumers and end-users		
Positive impact: By taking care of the principles and guidelines of data protection requirements, banking confidentiality obligations, personal data processing matters and digital security, we enable our customers to use services in a privacy-conscious and secure manner.	Downstream value chain	Short-term (reporting period)
Positive impact: We communicate our products openly, enabling our customers to form an understanding that serves as a basis for their financial decisions.	Downstream value chain	Short-term (reporting period)
Positive impact: By offering services both in our branches and digitally, we enable access to services for different target groups.	Downstream value chain	Short-term (reporting period)
Risk: Digital fraud can potentially cause significant financial losses to our customers and damage the reputation of Savings Bank.	Downstream value chain	Medium-term (3–5 years)
G1 Business conduct		
Positive impact: By incorporating the Code of Conduct into our corporate culture, we promote sustainable, ethical business conduct that complies with laws, regulations and guidelines.	Entire value chain	Short-term (reporting period)
Positive impact: By adopting whistle-blower protection policies, we enable a safe environment for our employees.	Own operations	Short-term (reporting period)
Positive impact: The Savings Banks Group's anti-corruption and anti-bribery actions and control mechanisms enable stakeholders to work with an ethical and trustworthy player.	Entire value chain	Short-term (reporting period)
Entity-specific topics		
Positive impact: Helping private and corporate customers manage their finances contributes to their financial wellbeing. We provide our customers with lending in line with good lending practices that supports their financial wellbeing.	Downstream value chain	Short-term (reporting period)
Positive impact: Financing businesses improves their ability to employ and pay taxes. Financing regional projects contributes to the development and maintenance of regional infrastructure and services. Financial support for local associations and leisure activities, such as sport and culture, to support the wellbeing of the local population.	Downstream value chain	Medium-term (3–5 years)
Positive impact: Strengthening financial skills increases the financial wellbeing of society as a whole and the potential for prosperity of our customers.	Entire value chain	Medium-term (3–5 years)

The impacts, risks and opportunities identified as material are not expected to have significant effects on the Savings Banks Group's business model or value chain. The material impacts, risks and opportunities have been taken into account in the sustainability strategy, which was updated near the end of 2024, and have been used as the basis for defining the metrics that will be monitored in accordance with the governance model from 2025 onwards.

The Savings Banks Group is involved in material impacts through its operations, such as its own real estate, financing and lending, employee management and digital channels.

During the reporting period, material risks or opportunities have not had a significant financial impact and it is assumed that no material adjustments to the carrying amounts of assets and liabilities disclosed in the financial statements will be made in the next financial year.

Material opportunities and risks are not expected to have a significant effect on the Savings Banks Group's financial position, financial performance or cash flows over the short-, medium- or long-term. Taking into account the risk and opportunity management strategy, the Savings Banks Group's financial position is expected to remain unchanged in light of risks and opportunities. The source of funding to implement the strategy is the core business of the company.

The Savings Banks Group has a good capacity to manage material impacts and risks and to take advantage of material opportunities. The sustainability steering group and the Management Team discuss the information from the resilience analysis of climate and environmental themes and the impacts, risks and opportunities identified in the double materiality assessment. In line with the governance model, the Board of Directors is also involved in the discussion of this information. In spring 2024, we conducted an ESG risk identification process within the Savings Banks Group, identifying climate and environmental risks and opportunities and drafting an action plan. We also incorporated the results of this work into our double materiality assessment. The ESG risk analysis was conducted from a short- to a long-term time horizon by extending the analysis from the current situation all the way to 2030. The results of the materiality analysis and the underlying resilience analysis of climate and environment themes have been taken into account in our updated sustainability strategy.

There have been no changes in the material impacts, risks and opportunities compared to the previous reporting period.

DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

When identifying sustainability-related impacts, risks and opportunities and assessing their materiality, we use the double materiality assessment model in accordance with the ESRS and the company's operational risk assessment and management process. Risk management is part of our day-to-day operations, and each unit is responsible for it on their part.

Assessment of double materiality

We conducted the 2024 double materiality assessment in three parts: mapping the operating environment, stakeholder engagement, and assessing the impacts of sustainability matters and economic impacts. We conducted the first double materiality assessment in 2023 to prepare for CSRD requirements. We improved our process for the 2024 double materiality assessment by increasing our engagement with stakeholders by conducting stakeholder interviews in addition to stakeholder surveys.

We mapped our operating environment and our relevant sustainability themes in a meeting of Savings Banks' CEOs and a workshop for the management of the Saving Bank Centre and on the basis of scientific articles. After mapping our operating environment, we gathered views from internal and external stakeholders on the Savings Banks Group's actual and potential positive and negative impacts, risks and opportunities. We conducted stakeholder surveys with various stakeholders, including the Savings Banks Group's own employees, Management Team, Board of Directors, customers, investors and partners. In addition, we interviewed representatives of our affected stakeholders. The interviewed stakeholders represented the Savings Banks Group's Management Team, Board of Directors, partners, customers, industry associations and NGOs representing vulnerable groups. The consultations covered sustainability issues in general and were not categorized by sustainability theme. We did not carry out a separate consultation with external experts.

On the basis of the views expressed in the mapping of the operating environment, the interviews and surveys, we prioritised the material sustainability matters in our management workshops. This prioritisation was based on the principle of double materiality, i.e. the impact of the Savings Banks Group on the environment, society and stakeholders, and an assessment of the financial opportunities and risks associated with sustainability matters. The positive and negative impacts of the Savings Banks Group were assessed on the basis of likelihood, scale, scope and irreversibility. Descriptions of the impacts are presented in section Material impacts, risks and opportunities and their interaction with strategy and business model. We assessed impacts, risks and opportunities as a whole: having identified impacts, we also identified and assessed the risks and opportunities that may arise from them.

In our double materiality analysis, we have covered all aspects of sustainability and also assessed impacts, risks and opportunities linked to biodiversity. We have not separately identified or assessed dependencies on biodiversity and ecosystems or their services at the locations of our sites and at different stages of the value chain. We have also not conducted a separate assessment of the transition risks and physical risks and opportunities related to ecosystems, or a review of systemic risks. Borrowers operate in sectors with significant environmental impacts and our investment activities focus on investments around the world. We have not conducted consultations with affected communities on sustainability assessments of shared biological resources and ecosystems. According to our current understanding, the Savings Banks Group does not have any sites located in or near biodiversity-sensitive areas, as our branches are located in the built environment. Therefore, we have not found it necessary to implement biodiversity mitigation measures. Based on the double materiality assessment, we have so far identified only climate change as an environmental theme that is material to us.

Together with the Management Team of the Savings Banks' Union Coop, we assessed sustainability risks and opportunities and their materiality to our business, the scale and likelihood of the risks and opportunities, and the time horizon for the materialisation of the risk impacts. The scale and likelihood of risks and opportunities were both assessed quantitatively on a scale of 1 to 5. The time horizons were classified according to the ECB guidelines as follows: short-term (<3 years), medium-term (3–5 years) and long-term (>5 years). The time horizon has not been separately assessed for identified impacts. The material risks and opportunities are described in more detail in section Material impacts, risks and opportunities and their interaction with strategy and business model.

Assessment of material impacts, risks and opportunities related to climate change

The Savings Banks' own organisation and value chain generate climate emissions that have a negative impact on climate change. We have carried out emissions accounting in accordance with the GHG Protocol and carefully reviewed the results in the context of our business and identified the material emissions impacts.

As part of the double materiality assessment, we organised a separate risk assessment survey and workshop focusing on climate risks. Risks were extensively identified based on our 2023 double materiality assessment and sustainability risk survey, the sustainability risks included in the Savings Banks Group's operational risk assessment, the material sustainability themes for the financial sector of the Sustainability Accounting Standards Board and their classification according to the ECB's Guide on climate-related and environmental risks1. We considered both physical risks, including extreme and chronic weather events, and transition risks related to policy and regulation, technological development and market confidence. In classifying risks, we identified operational risks, credit risks, market risks, liquidity risks, business risks, reputational risks and opportunities.

In our 2024 climate work, we have not used, for example, high-emissions climate scenarios based on IPCC SSP5-8.5, relevant regional climate projections based on these emissions scenarios, or the NGFS climate scenarios in the identification of climate-related hazards and the assessment of exposure and sensitivity. The identification of impacts, risks and opportunities has been carried out without the preparation of climate scenarios at the level of the Savings Banks Group.

As background for the assessment of material impacts, risks and opportunities , we conducted the following analyses, which describe the exposure and resilience of our business to climate change in the short, medium and long term:

- Collateral risks: housing and real estate
- Risks in terms of collateral portfolio: forests and fields
- Counterparty risks: high environmental impact industries, climate change sensitive industries, politically sensitive industries
- Distribution of energy certificates for housing financed by the Savings Banks Group
- Distribution of energy certificates for real estate financed by the Savings Banks Group
- Exposure to fossil fuel industries of corporate loans financed by the Savings Banks Group, including housing companies (excluding corporate real estate loans)
- Exposure of Savings Banks Group's investments to fossil fuel industries
- Exposure of funds managed by Sp-Fund Management Company Ltd – climate-relevant sectors
- Coal power generation scenarios of funds managed by Sp-Fund Management Company Ltd
- Manageability of the green transition of funds managed by Sp-Fund Management Company Ltd
- Exposure of insurance baskets managed by Sp-Fund Management Company Ltd – climate-relevant sectors
- Coal power generation scenarios of insurance baskets managed by Sp-Fund Management Company Ltd
- Manageability of the green transition of insurance baskets managed by Sp-Fund Management Company

In the background analyses, we conducted expert assessments of the financial, compliance, process and reputational impacts.

The risks and opportunities identified as material in the climate risk assessment were fed as input into the materiality analysis process to be further assessed. At the same time, we defined risk management methods and actions to take advantage of the opportunities.

Material sustainability topics

After the workshops, the impacts, risks and opportunities identified as material were validated with internal experts. The materiality threshold was set at 7.95 (on a scale of 0–10). Five key themes emerged from the double materiality assessment: climate change and, from its perspective, the responsibility for sustainable finance and investment, workplace wellbeing and equality, safe and secure service experience, financial wellbeing of customers and local communities, and good governance. The themes that emerged were adopted in summer 2024 according to the sustainability governance model.

A list of the material disclosure requirements adhered to in the preparation of the sustainability statement can be found in section Content index and list of datapoints that derive from other EU legislation.

Management of sustainability risks

The Savings Banks Group's risk management is part of day-to-day operations, and each unit is responsible for it on their part. Sustainability risks are incorporated in the annual operational risk self-assessment and are assessed in the same way as other risks. In line with our principles for reliable management and internal control, sustainability risks are also regularly discussed at least annually by the Risk Committee. Internal controls are in place to ensure the management of operational risks, including sustainability risks. For more information on internal control, see annex 4. We have also considered sustainability impacts, risks and opportunities as part of the Group strategy update, which we describe in more detail in section Strategy, business model and value chain.

E1 – CLIMATE CHANGE

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

Table: E1 Climate change – material impacts, risks and opportunities and their management

Material sub-topic	Impacts	Risks and opportunities for the Savings Banks Group	Management
Climate change mitigation (incl. the sub-topic "Responsibility for sustainable finance and investment")			
	Negative: The Savings Banks' own organisation and value chain generate climate emissions that have a negative impact on climate change. Debtors operate in sectors with significant environmental impacts. Investment operations involve investments around the world, and the investments produce greenhouse gases. Positive: We offer our customers opportunities for sustainable finance and investment. We provide financing to support our customers' sustainability efforts. Through investment products, we offer our customers the opportunity to improve the sustainability of investments.	Risk: The value of the collateralised mortgage, commercial and residential real estate loan portfolio will decrease due to tighter energy efficiency regulations. For example, properties may be in need of renovation, or their market value may not remain the same due to their energy class. (Credit risk, political transition risk caused by climate change) Opportunity: Supporting the Savings Banks Group's growth targets by offering products and services that take account of opportunities related to climate change and energy efficiency, for example, and support customers in their transition to lower-carbon activities.	• Compliance with exclusion and restriction criteria in accordance with the principles of responsible and sustainable lending and investment, as set out in the guidelines. • Developing emissions accounting and a transition plan. • Developing the sustainability of existing and new products and services.
Energy			
	Negative: Savings Bank's own organisation and value chain consume energy, which has a negative impact on climate change. For example, Savings Bank provides lending for real estate (e.g. mortgages), which is a significant energy consumer.	Risk: The value of the collateralised mortgage, commercial and residential real estate loan portfolio will decrease due to tighter energy efficiency regulations. For example, properties may be in need of renovation, or their market value may not remain the same due to their energy class. (Credit risk, political transition risk caused by climate change) Opportunity: Supporting the Savings Banks Group's growth targets by offering products and services that take account of opportunities related to climate change and energy efficiency, for example, and support customers in their transition to lower-carbon activities.	• Monitoring energy efficiency regulation. • Monitoring the energy efficiency of the housing stock and improving it through ESG-criteria loans and green products. • Developing the sustainability of existing and new products and services, e.g. demand-driven products such as energy loans. • Focused sustainability communications on energy efficiency.

We assessed the climate and environmental resilience of the Savings Banks Group's business operations in an ESG risk identification process for the entire Savings Banks Group, which was last carried out in spring 2024. For this process, we conducted an analysis of our business exposure and resilience to climate change. The analysis covered our entire value chain and did not exclude any material physical or transition risks.

Sp-Fund Management Company regularly carries out a forward-looking climate scenario analysis and stress tests for its fixed income and equity funds as part of its climate risk analysis. These are done using the PACTA analysis tool of the Rocky Mountain Institute, launched by 2 Degrees Investing Initiative in 2018. The PACTA tool analyses greenhouse gas emitters in certain industries and assesses how their outlooks compare to the IEA's Sustainable Development Scenario in terms of the adverse impacts of emissions. Based on the PACTA tool, Sp-Fund Management Company assesses how well the funds we manage are aligned with the below 2°C scenario for global warming.

Sb Life Insurance has assessed the climate risks to its operations and their probability and the extent of their impact. The climate risks assessed included risks related to the life insurance business, business activities and investment activities. Climate-related transition risks in investment activities can have a significant impact on the valuation of the company's assets. Of the climate risks related to the life insurance business, the increased incidence of infectious diseases, in particular, could affect the morbidity rate and, consequently, the company's customers and the size of the insurance portfolio. Climate change and its prevention also cause changes in customer behaviour. This will be a significant factor affecting the company's business operations and will require the monitoring of changes in customer preferences and taking such changes into account in the company's operations and product portfolio.

In our resilience analysis, we have assumed that the transition to a lower-carbon and resilient economy will mean tighter regulation on energy efficiency, more difficult access to finance and a diversion of financial flows away from sectors with a high environmental impact. There were no critical technology deployment assumptions.

The analysis applied a time horizon covering the short (less than 3 years), medium (3 to 5 years) and long term (more than 5 years), thus extending the analysis from the situation in 2024 all the way to 2030. The time horizons applied are in line with the determination of physical and transition risks.

We have estimated the financial effects of the identified physical and transition risks on a scale of 1 to 5, where 1 means that the financial effects are very small and 5 that they are very large. A more detailed numerical assessment of the financial effects of the risks, associated mitigation actions and resources is planned for 2025.

The areas of uncertainties of the resilience analysis are the adequate involvement of the company and the limited scope for considering longer-term alternative scenarios. The Savings Banks Group's assets and business activities at risk are focused on the Savings Banks Group's main business areas, namely financing and investment activities. These activities are governed by the Group strategy revised in 2024 and will be subject to mitigation actions in the future. The main risks in financing are related to loan collateral and the assets to be financed, and in the investment business to funds and their investments.

Based on the analysis of sustainability impacts, risks and opportunities, the Savings Banks Group's strategy and business plan currently appear resilient. Our Group strategy, which was updated in 2024, considers the results of the analysis and within the framework of the current Group strategy and business model, the Savings Banks Group has the capability to manage business in a way that considers the material impacts, risks, and opportunities related to climate change . We also intend to complement the climate risk analysis in 2025, for example with an assessment of the physical climate risks of collateral. This, together with the transition plan and its targets, such as the sector-specific emission reduction targets of corporate customers, will allow us to assess the climate resilience of our Group strategy and business model even more accurately.

POLICIES

TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

A transition plan for climate change mitigation is under preparation and will be approved and implemented in 2025. As part of the transition plan, emission reduction targets will be set.

POLICIES RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTION

Table: Policies related to climate change mitigation and adaption, their content and scope

Policy	Content	Scope	Senior level accountable for implementation	Area that the policy addresses
Principles of responsible and sustainable lending	The purpose of the principles of responsible lending is to serve as a guideline for responsible lending in the Savings Banks Group together with the Savings Banks Group's sustainability strategy, sustainability policy and other lending-related guidelines. The objective of the principles is to define how ESG factors and risks, exclusion criteria and the ESG criteria for sustainable lending are taken into account in the Savings Banks Group's lending activities, and what kind of sustainable lending is supported.	Entities belonging to the Savings Banks Group	Management Team of the Savings Banks' Union Coop	Climate change mitigation, Energy efficiency, Renewable energy deployment
Credit risk strategy	The document describes the definition of credit risk, the risk appetite, and the principles of credit risk management, monitoring, control and reporting. The aim is to ensure that no member credit institution takes on excessive risk in its lending. Compliance is ensured by Risk Control and the Private and Corporate Customer operations.	Member credit institutions of the Savings Banks Amalgamation and, where applicable, other credit institutions of the Amalgamation.	Board of Directors of the Savings Banks' Union Coop	Climate change mitigation
Responsible Investment Policy	The document describes the approach and practices of Sp-Fund Management Company in relation to responsible investment. The purpose of the policy is to define how sustainability is integrated into the company's investment process. Portfolio managers are responsible for ensuring that the Responsible Investment Policy is followed and applied in practice. Responsible investment specialists develop and coordinate responsible investment, implement strategies in their part, train employees and report on the implementation of responsibility in investment operations.	Sp-Fund Management Company	Board of Directors of Sp-Fund Management Company	Climate change mitigation
Ownership steering policy	The document describes the ownership steering of the investment funds managed by Sp-Fund Management Company in the companies in which they have invested. With regard to investment funds, active ownership steering is based on supervising the interests of the unit-holders of the funds. The implementation of the ownership steering policy and attendance at general meetings is reported annually to the Board of Directors of the fund management company	Sp-Fund Management Company	Board of Directors of Sp-Fund Management Company	Climate change mitigation

The likelihood of negative impacts of climate change was considered elevated and material. The Savings Banks Group's own organisation and value chain generate greenhouse gas emissions that have a negative impact on climate change. We carry out annual emissions accounting to ensure a comprehensive and up-to-date understanding of our climate impact in terms of our own operations and our value chain.

Lending

The Savings Banks Group observes principles of responsible and sustainable lending, which are applied to lending activities together with the Group's sustainability strategy and other lending-related guidelines. The principles of responsible and sustainable lending are part of the Amalgamation's credit guidelines, credit management guidelines and the justification for credit decisions for private customers. In addition to the ESG criteria, sectors that are sensitive to climate change have been identified and are monitored in line with the sustainability policy. The share of the credit portfolio in climate change sensitive sectors is monitored on a monthly basis at the Amalgamation level.

In terms of financing to reduce emissions, the principles of responsible and sustainable lending identify climate-friendly ESG criteria for the credit object and the reduction of carbon exposure in customer selection through exclusion criteria. The Savings Banks Group's principles of responsible and sustainable lending specify in the sectoral delineation that we will exercise careful case-by-case judgement when making financing decisions, in particular for energy companies that use significant amounts of fossil fuels and peat in their energy production, and for entities with high environmental impact, such as significant greenhouse gas (GHG) emissions to air, water consumption, biodiversity impacts and waste volumes. The likelihood and consequences of the risk must be assessed when considering financing in such cases. For such entities, the Savings Banks Group requires a statement on the sustainability of their business operations.

A material credit risk that emerges is the political transition risk due to climate change, i.e. the fall in property values due to regulatory change. The combined share of unknown (N/A) and lower energy-efficiency classes (G-D), 73%[1] of the total collateral pool, is quite high. It is also estimated to be material in the medium term in terms of risk severity and likelihood. In line with the credit risk strategy, the ESG criteria of the loan portfolio and the energy ratings of the real estate collateral portfolio are monitored on a regular basis.

[1] Estimate in spring 2024 from the ESG risk analysis carried out to support the double materiality assessment

Investing

When investing our customers' assets in Sp-Fund Management Company, we follow the Responsible Investment Policy of Sp-Fund Management Company. In our investment operations, we consider the climate impact of the target companies of our funds. We have excluded certain industries and, for example, coal users and producers. We also use various indicators that help us increase the transparency of the environmental impact and carbon risk of our funds.

In addition, we carry out influencing activities in line with the ownership steering policy of Sp-Fund Management Company. We expect companies to take into account the impact of climate change and sustainability in their business operations. We encourage companies to report on these and any principal adverse impacts in a transparent manner.

For example, the Säästöpankki Ympäristö special investment fund favours renewable energy in its investments. In the case of the Säästöpankki Kiinteistö special investment fund, investments are selected, in principle, so that they promote sustainable and responsible development, such as renewable energy, energy efficiency, sustainable water use and waste management.

For several years, we have reported on our financial management using the TCFD (Task-Force on Climate-related Financial Disclosures) framework.

Own operations

The emissions and energy efficiency development of the Savings Banks Group's own operations are governed by the sustainability strategy and its targets. The senior level accountable for the sustainability strategy is the Board of Directors of the Savings Banks' Union Coop, and it steers the operations of Savings Banks Group as a whole. The sustainability strategy will be updated during 2025 with a climate change mitigation plan, which will also set separate targets for Scope 1 and 2 emissions in addition to Scope 3 emissions.

Commitments

We are involved in Climate Action 100+ investor-led initiative and the climate change, water security and deforestation initiatives of CDP (formerly the Carbon Disclosure Project). We also encourage companies to report more transparently on their environmental activities through the CDP's Non-Disclosure Campaign regarding the above CDP initiatives.

ACTIONS

Table: Actions in relation to Climate Change Mitigation and Energy, their scope, time horizons and outcomes in 2024. Actions are described and their impacts on material impacts, risks and opportunities are further assessed in the text.

Theme	Action	Scope	Time horizon	Outcomes
Mitigation	Development of GHG emission accounting	Loans and investments of our own operations	Action taken in 2024 and ongoing	Improvement of emissions accounting coverage
	Reducing the carbon footprint through ESG analysis of funds, investment selection, thematic investment exclusion criteria and influencing activities. Producing sustainability reports.	Action taken by Sp-Fund Management Company as part of its investment operations, with a particular impact on the development of emissions of the investments and thereby investor customers and the Savings Banks Group.	Ongoing action	Actions taken in 2024
Mitigation and Energy	Monitoring the energy efficiency and climate risk data of the housing stock	Action taken as part of lending, impact on climate risk mitigation for both customers and the Savings Banks Group	Ongoing action	Monitoring implemented for energy efficiency in 2024, climate risk assessment extended to cover multiple risk categories
	Development and offering of green loan products and climate-friendly investment products that take account of opportunities related to climate change and energy efficiency and support customers in their transition to lower-carbon activities	Action taken as part of lending and investment operations, with an impact on reducing emissions for both loan and investor customers and the Savings Banks Group	Ongoing action	Products used by customers, incl. green loan, energy efficiency loan and funds in accordance with Article 8 and a thematic fund focusing on climate solutions
	Offices with the WWF Green Office label	The action is taken by selected branches of the Savings Banks Group, with an impact on the emissions and energy consumption of the Savings Banks Group's own operations	Ongoing action	Offices with the WWF Green Office label and their reported data

The transition plan to be set in 2025 and, in particular, the identification and operationalisation of emission reduction measures as part of the plan in the coming years, is expected to reduce emissions from both own operations and the value chain by 2030. Similarly, improvements in emissions accounting are expected to allow for future verification of emission trends and the emission reduction impacts of actions. The actions taken in 2024 do not involve significant financial capital or operational expenditure. The actions did not achieve measurable and verifiable emission reductions in 2024.

In 2024, we continued to develop the GHG emission accounting of our own operations, loan portfolios and investments, in particular to improve coverage, together with our partners. The development measure carried out in 2024 supports the setting of a transition plan and its target. In addition, the development of emissions accounting supports the targeting of planned actions, in particular, on emission sources that are relevant for the promotion of climate change mitigation. The development of emission accounting is an ongoing action and will continue in 2025.

LENDING

Lending measures implement the principles of responsible and sustainable lending and the principles of the credit risk strategy. They aim to mitigate the risk associated with climate change mitigation and energy, i.e. the decline in the value of collateral. The aim is also to mitigate negative impacts by reducing GHG emissions and energy consumption. Furthermore, the aim is to seize an identified business opportunity, namely, to produce sustainable financial and investment products that are attractive to customers and support growth.

Risk management measures to address the political transition risk related to the energy efficiency of collateral will continue to include regulatory monitoring, monitoring and improving the energy efficiency of the housing stock and the development and supply of green financial products. In terms of monitoring the energy efficiency of the housing stock, we launched a project at the end of 2023 to integrate the energy certification and climate risk data for residential and real estate loan collateral into our loan portfolio. We continued this work during 2024.

An opportunity identified as material is supporting the Savings Banks Group's growth targets by offering products and services that take account of climate change and energy efficiency opportunities and support customers in their transition to lower-carbon activities. This opportunity has been assessed as significant in the short term, both in terms of the magnitude of impact and likelihood. In particular, actions have been identified to develop the sustainability of existing and new products and services, such as demand-driven products, e.g. an energy loan.

In spring 2024, the Savings Banks Group launched a new green loan product to promote investments that support sustainable development in companies. The green corporate loan was the most desired new product among customers in our spring sustainability stakeholder survey. The green corporate loan allows our corporate customers to obtain financing at a lower interest margin than normal, if the investment to be financed is in areas such as renewable energy or improving energy efficiency. Guarantee coverage from Finnvera is available for the loan or it can be carried out as a joint project with Finnvera's Climate and Environment Loan. With the green corporate loan, we aim to reduce the emissions of our corporate customers and thus reduce the emissions of the Savings Banks Group in the future.

We also want to support our private customers in reducing their carbon footprint, which in turn supports the Savings Banks Group's efforts to reduce emissions. In spring 2024, we launched an energy loan campaign, offering our customers energy loans without an origination fee to support investments in energy efficiency and renewable energy in our private customers' homes and summer houses.

INVESTING

The actions of the customer asset investment operations at Sp-Fund Management Company comply with the responsible investment policy and the ownership steering policy. These actions aim to mitigate negative impacts, such as GHG emissions and energy consumption, particularly in the value chain, and to seize an identified business opportunity, namely, to provide sustainable investment products that are attractive to customers and support growth.

In terms of the investment activities of Sp-Fund Management Company, the key actions to reduce emissions that have been identified and implemented to reduce the carbon footprint are the ESG analysis of funds, investment selection, thematic investment exclusion criteria and influencing activities. In addition, sustainability reports support our customers' awareness of sustainable investment products.

We measure sustainability with various metrics and aim to develop this in the future. Carbon intensity is one way of evaluating the climate impacts and transparency of investments. Carbon intensity reflects the carbon emissions of the fund relative to the turnover of the companies held. In 2024, we pursued and will continue to pursue an increase in the share of companies committed to the Paris Agreement in our investments. These actions are aimed at reducing emissions from our investments.

In addition to seeking returns, thematic investing aims to achieve a positive, measurable impact on climate change mitigation. Säästöpankki Ympäristö is a special investment fund whose investments focus on the climate change mitigation and environmental innovation. At the end of 2024, the value of the fund was EUR 32.0 million, which corresponds to 0.6% of the total capital of Savings Banks' Asset Management funds. We have excluded coal users and producers from our direct investments. The exclusion concerns mining companies with more than 25% of revenue generated by coal used for energy production or with high production volumes of energy coal (over 30%). With regard to electricity companies, the exclusion applies to those that use significant amounts of coal as fuel (over 30% of total production). An exception can be made for such a company if it can present a credible plan or a plan that is aligned with the Paris Agreement for reducing its coal use and climate impact (e.g. Science Based Target). We take a cautious approach to companies that produce peat for energy use. Furthermore, the exclusion from the Säästöpankki Ympäristö special investment fund concerns mining companies with more than 5 per cent of revenue generated by coal used for energy production or with high production volumes of energy coal (over 30 per cent of total production). However, in the case of companies relevant to the green transition, we assess investment opportunities on a case-by-case basis.

We publish the sustainability review of Savings Banks' Asset Management every six months. The review describes our actions in the field of sustainable investment and discloses information about the sustainability metrics of our funds. The fund-specific details include our ESG scores and ratings as well as carbon footprints. We also disclose which of our funds have received the Morningstar® Low Carbon Designation™ and disclose the positive environmental impacts and carbon risks of our funds' investments. In June 2024, as many as five of the funds we manage had the Morningstar® Low Carbon Designation™.

OWN OPERATIONS

As a measure to reduce carbon emissions from our own operations and mitigate climate change, we have built a WWF Green Office environmental system in eight of our branches, which are now WWF Green Office certified. We will extend the measures to our other branches during 2025. With these measures, our aim is to increase energy efficiency and reduce emissions from our own operations.

METRICS AND TARGETS

TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTION

We will integrate climate change mitigation targets related to green house gas emissions into our transition plan in 2025.

Table: Targets related to climate change mitigation and adaption

Target	2030 target	2024 progress	Base year
GHG emissions, metric tonnes of CO_2eq	to be set in 2025	2,770,940	2024
EPSI Sustainability Index, average on a scale from 0 to 100	76	73.8	2024

We will set a 2030 carbon dioxide emission target for climate change mitigation as part of our transition plan in 2025. However, we monitor the development of our emissions and the effectiveness of our mitigation measures through annual emissions accounting. The calculation of the Savings Bank's GHG emissions is based on the standards and guidance of the Greenhouse Gas Protocol. Details of the calculation methodology and the significant assumptions are described in Table Accounting methodology and significant assumptions. The indicators in the E1 Climate Change section have not been validated by an external body.

Description of the relationship of the target set to the policy objectives:

Through our policies, we aim to ensure that we offer our customers sustainable financial and investment products that support the development of our customers' resilience and our customers' experience of Savings Banks Group's support for sustainable growth.

Methodology and assumptions:

The Sustainability Index is measured biannually as part of the customer index survey and, additionally, once a year using the Sustainability Index. The Sustainability Index measures and maps customer perceptions and views on the sustainability and responsibility of companies. The index is widely used in our industry and is designed to capture the three key dimensions of sustainability: social, environmental and economic.

Stakeholder involvement in setting targets:

The Sustainability Index target has been set together with the Management Team of the Savings Bank's Union Coop, the sustainability steering group and the Board of Directors of the Savings Banks' Union Coop. The Savings Banks have been involved in the target setting through the work of the steering group.

Possible changes in targets and metrics:

No changes.

Progress towards the target:

The 2024 figures are used as a baseline (base year) for the sustainability targets. Progress towards the 2030 targets can therefore be tracked over the coming years.

ENERGY CONSUMPTION AND MIX

The indicators in the E1 Climate Change section have not been validated by an external body.

Table Energy consumption and energy mix below shows the data on the Savings Bank Group's energy consumption and energy mix in 2024.

Table: Energy consumption and energy mix

Energy consumption and mix	Year (2024)
1) Fuel consumption from coal and coal products (MWh)	0
2) Fuel consumption from crude oil and petroleum products (MWh)	630
3) Fuel consumption from natural gas (MWh)	0
4) Fuel consumption from other fossil sources (MWh)	0
5) Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources (MWh)	10,430
6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	11,060
Share of fossil sources in total energy consumption (%)	79%
7) Consumption from nuclear sources (MWh)	820
Share of consumption from nuclear sources in total energy consumption (%)	6%
8) Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	2,060
10) The consumption of self-generated non-fuel renewable energy (MWh)	50
11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	2,110
Share of renewable sources in total energy consumption (%)	15%
Total energy consumption (MWh) (calculated as the sum of lines 6 and 11)	13,990

ACCOUNTING METHODOLOGIES AND SIGNIFICANT ASSUMPTIONS

Our energy consumption data was compiled using primary and secondary data to ensure comprehensive reporting.

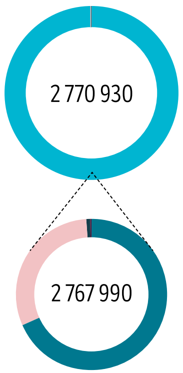
Primary data collection involved collecting energy consumption data for the reporting year directly from our premises and other properties that we own and classifying them by energy source (fossil, renewable or nuclear energy). The energy consumption data were combined to calculate our energy consumption for each energy source and our total energy consumption.

Secondary data collection was used for premises and other properties for which energy consumption data were not available. For these, we used an estimation method based on data from Motiva's energy audit database for the service sector. Estimated energy consumption was calculated on the basis of floor area (in square metres), assuming that the room height is three metres, and using the specific electricity and heat consumption of office buildings according to the Motiva database.

If the energy sources of consumption were not known, the energy mix calculation principle of the GHG Protocol Scope 2 market-based method was applied as a secondary data collection method for the energy consumption classification. This calculation principle assumes that unclassified energy consumption is entirely fossil-based energy consumption.

By combining primary data collection on the energy consumption of our premises with secondary assessment methods and by following the GHG Protocol, we were able to produce a summary of our energy consumption that is as accurate as possible, as shown in Table Energy consumption and energy mix.

GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS



The carbon footprint of the Savings Banks Group, tCO_2e

- Scope 1. Direct emissions: 0.01%
- Scope 2. Indirect emissions from purchased energy: 0.10%
- Scope 3. Other indirect emissions: 99.89%

The share of Scope 3 in the carbon footprint of the Savings Banks Group, tCO_2e

- Investments: 68.45%
- Purchased goods and services: 0.65%
- Lending: 30.67%
- Others: 0.23%

The carbon footprint of the Savings Banks Group consists primarily of indirect emissions from our investment and lending activities (Scope 3, category 15), as is typical for a financial sector operator. In 2024, investments accounted for 68% of our total carbon footprint, while loans accounted for 31%. The majority (95%) of investment emissions consist of funds managed by Sp-Fund Management Company and asset management, in addition to investments managed by the banks and the external asset managers of Sb Life Insurance. The majority (83%) of the carbon footprint of loans comes from corporate loans.

When investment and lending activities are excluded, purchased goods and services account for the majority of emissions (66%). These include IT purchases, ICT service purchases and office expenses. The second largest share was purchased energy (10%). For the Savings Banks Group, minor categories of emissions include, for example, own direct emissions and indirect emissions such as transport and distribution, waste, business travel and employee commuting.

In order to target our emission reduction efforts and monitor their effectiveness as accurately as possible, we will continue to develop our emissions accounting. In particular, we want to develop the emissions accounting for our largest emission categories by specifying the quality of the emissions accounting data for our loan portfolios and investments together with our partners.

We will continue to focus our emission reduction measures on investment and lending activities, as they account for up to 99% of our total emissions. The transition plan to be prepared in 2025 will specify the Savings Banks Group's emission reduction measures in more detail.

The indicators in the E1 Climate Change section have not been validated by an external body.

Changes in the emissions accounting:

We developed our emissions accounting from 2023. We made the following changes to our accounting: We added Category 2, Capital goods; Category 5, Waste generated in operations; and Category 13, Downstream leased assets, to the Scope 3 accounting. In addition, we expanded the accounting of Scope 3 Category 15, Investments, by including the asset class of sovereign debt.

Table Total GHG emissions below shows the Savings Banks Group's total GHG emissions in 2024 broken down into Scope 1, Scope 2 and significant Scope 3 emissions. The Savings Banks Group's GHG emissions accounting is based on the standards and guidance of the Greenhouse Gas Protocol (www.ghgprotocol.org). The accounting methodology and the significant assumptions are described in Table Accounting methodology and significant assumptions.

Table: Total GHG emissions

		Base year 2024
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions (tCO_2eq)		180
	Stationary GHG emissions	0
	Mobile sources	130
	Fugitive GHG emissions	50
	Industrial processes	N/A
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)		0%
Gross location-based Scope 2 GHG emissions (tCO_2eq)		1,530
Gross market-based Scope 2 GHG emissions (tCO_2eq)		2,770
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)		2,767,990
1	Purchased goods and services	18,000
2	Capital goods	1,650
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	690
4	Upstream transportation and distribution	90
5	Waste generated in operations	50
6	Business travelling	320
7	Employee commuting	610
8	Upstream leased assets	N/A
9	Downstream transportation	770
10	Processing of sold products	N/A
11	Use of sold products	N/A
12	End-of-life treatment of sold products	N/A
13	Downstream leased assets	2,040
14	Franchises	N/A
15	Investments	2,743,760
Total GHG emissions (location-based) (tCO_2eq)		2,769,700
Total GHG emissions (market-based) (tCO_2eq)		2,770,940

The table below shows the Savings Banks Group's biogenic emissions in 2024.

Table: Biogenic emissions

	Reporting year (2024)
Scope 1 biogenic emissions (tCO_2eq)	10
Scope 2 biogenic emissions (tCO_2eq)	2,260
Scope 3 biogenic emissions (tCO_2eq)	680

Table: Share of contractual instruments, purchased energy

	Reporting year (2024), %
Share of contractual instruments, Scope 2	15%

The contractual instruments reported by the Savings Banks Group are Guarantees of Origin for energy, certified by the electricity seller, that are related to the marketing of purchased electricity as electricity from renewable or nuclear sources. In Finland, under the Act on Guarantees of Origin for Energy (1050/2021), Guarantees of Origin are granted for electricity produced from renewable energy sources and nuclear power and high-efficiency cogeneration, renewable gas, hydrogen produced from renewable energy sources, heating and cooling produced from renewable energy sources and waste heat and cold. Electricity sellers must always verify the origin of electricity if it is marketed as being produced from renewable energy sources or nuclear power. The Guarantees of Origin system is the only method of verification.

The table below shows the GHG intensity based on the Savings Banks Group's total operating income.

Table: Share of primary data used in Scope 3 emissions accounting, %

	Reporting year (2024)
Share of primary data used in Scope 3 emissions accounting, %	3.4%

Table: Savings Banks Group's GHG intensity per total operating income

GHG intensity per total operating income	Reporting year (2024)
Total GHG emissions (location-based) per total operating income (tCO_2eq/€)	0.007
Total GHG emissions (market-based) per total operating income (tCO_2eq/€)	0.007

Total operating income used to calculate GHG intensity (EUR 1,000)	414,623
Total operating income (other, EUR 1,000)	0
Total operating income (in financial statements, EUR 1,000)	414,623

Table: Accounting methodology and significant assumptions

		Accounting methodology and significant assumptions
Gross Scope 1 GHG emissions (tCO_2eq)		The calculation includes all vehicles owned and leased by the Savings Banks Group. The calculation is based on kilometres driven and fuel and electricity consumption. GHG emissions from refrigerants have been calculated on the basis of fillings for those branches for which data were available. Fuel/electricity consumption or kilometres driven data were not available for some of the Savings Bank Centre's vehicles, in which case averages of available data have been used.
Gross location-based Scope 2 GHG emissions (tCO_2eq)		The results are calculated both on a market basis and on a location basis.
Gross market-based Scope 2 GHG emissions (tCO_2eq)		Acquired electricity: For the calculation, the total energy consumption and the specific emissions factor of the acquired energy product have been primarily determined for each facility, and, secondarily, the surface area of the premises, on the basis of which consumption has been estimated. If the specific emissions factor of the energy product is not known, the residual distribution of electricity in Finland has been used for the calculation. If the area of the premises is not known, the average of the areas of the known premises has been used. Acquired district heating: For the calculation, the total energy consumption and the specific emissions factor of the acquired energy product have been primarily determined for each facility, and, secondarily, the surface area of the premises, on the basis of which consumption has been estimated. If the specific emissions factor of the energy product is not known, the location-based specific emissions factor for district heating in Finland has been used for the calculation. If it is not known whether the facility is heated by district heating, the heating mode is assumed to be district heating in accordance with the precautionary principle. The results are calculated both on a market basis and on a location basis.
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)		
1	Purchased goods and services	Domestic hot water consumption on company premises: Calculated on the basis of consumption data for the premises for which data were available. Cars purchased or leased new: The calculation takes into account the number of new cars purchased or leased during the reporting period. For the Savings Bank Centre, whether the vehicle is a combustion engine car or an electric car has been taken into account. IT equipment purchased or leased new: The calculation takes into account the number of new IT equipment, including computers, printers and smartphones, purchased or leased during the reporting period. IT and server services: The calculation has been carried out on a cost basis. Other acquisitions (based on the account scheme): The calculation is based on the Group's account scheme, in which the accounts relevant for the calculation have been identified. Emissions have been calculated on a cost basis by account.
2	Capital goods	Development costs: The calculation is based on the Group's account scheme, in which the capital asset categories and accounts relevant for the calculation have been identified. Emissions have been calculated on a cost basis by account, based on additions made during the reporting period. Buildings and structures: The calculation is based on the Group's account scheme, in which the capital asset categories and accounts relevant for the calculation have been identified. Emissions have been calculated on a cost basis by account, based on additions made during the reporting period. Machinery and equipment: The calculation is based on the Group's account scheme, in which the capital asset categories and accounts relevant for the calculation have been identified. Emissions have been calculated on a cost basis by account, based on additions made during the reporting period.

		Accounting methodology and significant assumptions
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Fuel WTT: The calculation is based on Scope 1 fuel consumption data. Electricity WTT & TD: For the purchased electricity reported in Scope 2, upstream emissions from production have been calculated, as well as the emissions from electricity production to cover transmission losses in the network. District heat WTT & TD: For district heat reported in Scope 2, upstream emissions from production have been calculated, as well as the emissions from district heat production to cover transmission losses in the network. Charging of hybrid and electric vehicles WTT & TD: The calculation is based on electricity consumption data for vehicles owned or leased by the company.
4	Upstream transportation and distribution	The calculation is based on emission reports obtained from service providers.
5	Waste generated in operations	Waste emissions have been extrapolated for the Savings Banks Group as a whole in relation to total FTEs, based on data from the branches that have reported their waste emissions to WWF Green Office.
6	Business travelling	Emissions from flights and other modes of transport have been extrapolated for the Savings Banks Group as a whole in relation to total FTEs, based on data from the branches that have reported their business travel emissions to WWF Green Office. Emissions from kilometre allowances have been extrapolated for the Savings Banks Group as a whole in relation to total FTEs, based on data from the branches that have reported their business travel emissions to WWF Green Office.
7	Employee commuting	Commuting emissions have been extrapolated for the Savings Banks Group as a whole in relation to total FTEs, based on the responses to a separate commuting survey.
8	Upstream leased assets	Excluded from accounting as an irrelevant emissions category for Savings Bank.
9	Downstream transportation	The calculation includes scheduled customer appointments, as well as estimates of other weekly appointments by regional bank. The distances travelled and modes of transport used by customers are estimated on the basis of the Finnish National Travel Survey of Traficom.
10	Processing of sold products	Excluded from accounting as an irrelevant emissions category for Savings Bank.
11	Use of sold products	Excluded from accounting as an irrelevant emissions category for Savings Bank.
12	End-of-life treatment of sold products	Excluded from accounting as an irrelevant emissions category for Savings Bank.
13	Downstream leased assets	Total electricity consumption in premises rented out by the company: Emissions are calculated by estimating the energy consumption based on the area of the premises that are rented out. If the area is not known, the average of the known areas has been used for these sites. Total district heat consumption in premises rented out by the company: Emissions are calculated by estimating the energy consumption based on the area of the premises that are rented out. If the area is not known, the average of the known areas has been used for these sites.
14	Franchises	Excluded from accounting as an irrelevant emissions category for Savings Bank.

		Accounting methodology and significant assumptions
15	Investments	**Investments:** GHG emissions from GHG Protocol Scope 3 Category 15 Investments have been calculated primarily using the Partnership for Carbon Accounting Financials (PCAF) methodology. The purpose of using the PCAF methodology is to harmonise and facilitate the estimation of GHG emissions from lending and investment activities in the financial sector. PCAF is based on the emissions accounting model of the GHG Protocol, which divides emissions into direct and indirect emissions. The PCAF uses data quality scores to describe the accuracy of the calculation methods based on the available data. A data quality score of 1 indicates verified emissions data and high accuracy, while a score of 5 is based on limited data and provides a rough estimate of the emissions. Emissions from investments include emissions from Savings Banks' funds, Sb Life Insurance baskets and proprietary investments and the asset management provided to banks by Sp-Fund Management Company, and partly from investments managed by the banks and the external asset managers of Sb Life Insurance. Emissions accounting aims to cover all asset classes. The emissions from Savings Banks' funds, Sb Life Insurance baskets and own investments, and the asset management provided to banks by Sp-Fund Management Company have been calculated mainly using Bloomberg Terminal. The Bloomberg Terminal calculation does not include unlisted investments. We have filled the most significant fund-level gaps in coverage by retrieving emissions data for unlisted investments directly from the investment. Emissions data for unlisted investments have been added where data have been available, and emissions are based on the latest available emissions data for the investment. We will improve the coverage of emissions accounting in the future and aim to increase the share of unlisted investments in emissions accounting. We have developed the coverage of emissions accounting for our investments since last year and have included government bonds and available emissions data from investments managed by external asset managers in the emissions accounting for investments. Emissions from government bonds have been calculated according to the PCAF methodology for this asset class. The combined emissions include funded Scope 1, 2 and 3 emissions. The Bloomberg Terminal primarily uses data disclosed by investments. In the absence of data, the Terminal uses a sector-specific estimate. The weighted data quality score according to PCAF for calculated emissions from investments is 1 for sovereign debt and 4.96 for corporate loans, listed and unlisted investments. **Lending:** Accounting is based on the PCAF standard. The calculation includes corporate loans, vehicle loans, residential mortgage loans, and commercial real estate (CRE) loans. Residential mortgage loans: A large proportion of calculated emissions for mortgage loans is based on energy certificate data from the Energy Performance Certificate Register and a machine learning model that has been used to produce estimates of energy consumption, energy classes and emissions. In addition to energy certificates, the modelling is based on data describing the physical and geometrical properties of the buildings. Extrapolated mortgage loan emissions account for 16%, representing a relatively small share of total mortgage loan emissions. Mortgage loans also include loans issued for construction and renovation. In the calculation of mortgage loan emissions, a 100% loan-to-value ratio has been assumed, which provides the most conservative estimate of mortgage loan emissions. The loan-to-value ratio is assumed to be the highest possible, as it has not been possible at present to obtain aggregated data on the value of dwellings for the emissions calculation at the time of issuing the loan. The weighted data quality score according to PCAF for calculated emissions from residential mortgage loans is 3.25. Corporate loans: Emissions from corporate loans were calculated primarily based on data on the balance sheet total of the company, revenue and using the EXIOBASE emissions factor. The remaining emissions were calculated based on the sectoral emissions factor, which was formed from sectoral balance sheets and emissions. The weighted data quality score according to PCAF for the asset category of corporate loans is 4.5. Commercial real estate loans: Most of the emissions from commercial real estate (CRE) loans are based on energy certificate data from the Energy Performance Certificate Register and a machine learning model that has been used to produce estimates of energy consumption, energy classes and emissions. In addition to energy certificates, the modelling is based on data describing the physical and geometrical properties of the buildings. Extrapolated emissions account for 60% of the emissions from CRE loans. Emissions from CRE loans also include loans issued for construction and renovation. In the calculation of CRE loan emissions, a 100% loan-to-value ratio has been assumed, which provides the most conservative estimate of loan emissions. The loan-to-value ratio is assumed to be the highest possible, as it has not been possible at present to obtain aggregated data on the value of real estate for the emissions calculation at the time of issuing the loan. The weighted data quality score according to PCAF for calculated emissions from CRE loans is 4.2. Vehicle loans: Due to a lack of data, emissions accounting for vehicle loans is based on the estimated vehicle type, the number of kilometres driven and an emissions factor based on the annual statistics on the first registration of vehicle types. In the calculation of vehicle loan emissions, a 100% loan-to-value ratio has been assumed, which provides the most conservative estimate of loan emissions. The loan-to-value ratio is assumed to be the highest possible, as it has not been possible at present to obtain data on the value of vehicles for the emissions calculation at the time of issuing the loan. The weighted data quality score according to PCAF for calculated emissions from vehicle loans is 5.

Table Accounting methodology and significant assumptions used when calculating biogenic emissions shows the accounting methodology and significant assumptions used when calculating the Savings Banks Group's biogenic emissions.

Table: Accounting methodology and significant assumptions used when calculating biogenic emissions

Biogenic emissions	Accounting methodology and significant assumptions
Scope 1 biogenic emissions	Fuel consumption data: Data on the use of biogenic fuels such as biogas, biomass or wood-based fuels. Biogenic fraction of fuels: If precise data on bio-fraction are not available, national or regional averages may be used. For example, in Finland, the average bio-fraction of biogas or biomass can be applied based on bio-guidelines.
Scope 2 biogenic emissions	The calculation is based on the Finnish national average of emissions factors for purchased electricity and district heat production. Purchased electricity and district heat: Electricity and district heating consumption data. Consumption extrapolation: Calculated on the basis of area data and using national statistical averages to estimate typical energy consumption per square metre. Biogenic content assumption: Based on the average production mix in Finland, in particular the share of biomass in district heat and electricity production.
Scope 3 biogenic emissions	Categories 3 and 13: The same methodology and data type is used as for Scope 2 emissions. Transport Categories (4, 6, 7, 9): The average share of biofuel in different transport modes is used in accounting.

The Scope 3 GHG emissions categories included and excluded from the Savings Banks Group's GHG inventory are specified in Table Scope 3 GHG emissions categories of the Savings Bank's GHG inventory. In the accounting for the Savings Banks Group's Scope 3 GHG emissions (excl. emissions category 15), one per cent (%) of the emissions have been calculated using primary data obtained from suppliers or other value chain partners.

Table: Scope 3 GHG emissions categories of the Savings Banks Group's GHG inventory

Scope 3 GHG emissions category		
1	Purchased goods and services	Included in the inventory
2	Capital goods	Included in the inventory
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Included in the inventory
4	Upstream transportation and distribution	Included in the inventory
5	Waste generated in operations	Included in the inventory
6	Business travelling	Included in the inventory
7	Employee commuting	Included in the inventory
8	Upstream leased assets	Excluded from the inventory as an irrelevant emissions category for Savings Bank.
9	Downstream transportation	Included in the inventory
10	Processing of sold products	Excluded from the inventory as an irrelevant emissions category for Savings Bank.
11	Use of sold products	Excluded from the inventory as an irrelevant emissions category for Savings Bank.
12	End-of-life treatment of sold products	Excluded from the inventory as an irrelevant emissions category for Savings Bank.
13	Downstream leased assets	Included in the inventory
14	Franchises	Excluded from the inventory as an irrelevant emissions category for Savings Bank
15	Investments	Included in the inventory

The sources of the emissions factors used in the Savings Banks Group's GHG emissions accounting are described in Tables Sources of emissions factors used in GHG emissions accounting and Sources of emissions factors used in biogenic GHG emissions accounting below.

Table: Sources of emissions factors used in GHG emissions accounting.

		Sources of emissions factors
Gross Scope 1 GHG emissions (tCO_2eq)		Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024
Gross location-based Scope 2 GHG emissions (tCO_2eq)		Energy Authority. Residual distribution 2023. 2024: https://energiavirasto.fi/documents/11120570/112530553/J%C3%A4%C3%A4nn%C3%B6sjakauma+2023+julkaisu+FI_allekirjoitettu.pdf/90e37393-aee4-6026-5819-71441cad2978/J%C3%A4%C3%A4nn%C3%B6sjakauma+2023+julkaisu+FI_allekirjoitettu.pdf?t=1719304842276 Statistics Finland. Energy year 2023. 2024: https://pxhopea2.stat.fi/sahkoiset_julkaisut/energia2023/html/suom0011.htm Motiva. Specific consuption in service sector. 2025: https://www.motiva.fi/ratkaisut/energiakatselmustoiminta/tuetut_energiakatselmukset/tilastotietoa_katselmuksista/ominaiskulutukset_palvelusektorilla Fingrid. Real-time CO_2 emissions estimate. 2025: https://www.fingrid.fi/sahkomarkkinainformaatio/co2/
Gross market-based Scope 2 GHG emissions (tCO_2eq)		
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)		
1	Purchased goods and services	EXIOBASE3. Emission factor database. 2025: https://www.exiobase.eu/index.php/9-blog/31-now-available-exiobase2 HSY. Helsinki Region Environmental Services Authority's (HSY) energy and material balances and greenhouse gas emissions. 2024: https://www.hsy.fi/ymparistotieto/avoindata/avoin-data---sivut/helsingin-seudun-ymparistopalvelujen-hsy-energia-ja-materiaalitaseet-seka-kasvihuonekaasupaastot/ Finnish Information Centre of Automobile Sector. Vehicle life cycle. 2024: https://www.aut.fi/ymparisto/auton_elinkaaren_aikaiset_paastot IVL. Product databases: the environmental benefits of reuse. 2020: https://www.ivl.se/download/18.4c0101451756082fbad193d/1603899258637/B2372E.pdf Ministry of Transport and Communications. Material, energy and climate issues related to ICT devices in Finland 2020: https://api.hankeikkuna.fi/asiakirjat/11923966-e31b-450a-9688-87a827f8e6ba/a6f646f4-8746-4747-8cd3-7067dfa2c05d/LIITE_20201005103508.pdf
2	Capital goods	EXIOBASE3. Emission factor database. 2025: https://www.exiobase.eu/index.php/9-blog/31-now-available-exiobase2
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024 IEA. Life cycle Upstream Emission Factors 2023 (Pilot Edition). 2024: https://iea.blob.core.windows.net/assets/1927a640-a80a-4426-b3a4-478a7326605e/IEALifeCycleUpstreamEmissionFactors2023-PilotEdition.XLS Statistics Finland. Energy. 2024: https://www.stat.fi/tup/suoluk/suoluk_energia.html Energy. District heating statistics. 2025: https://energia.fi/tilastot/kaukolampotilasto/
4	Upstream transportation and distribution	Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024

		Sources of emissions factors
5	Waste generated in operations	HSY. Helsinki Region Environmental Services Authority's (HSY) energy and material balances and greenhouse gas. 2024: https://www.hsy.fi/ymparistotieto/avoindata/avoin-data---sivut/helsingin-seudun-ymparistopalvelujen-hsy-energia-ja-materiaalitaseet-seka-kasvihuonekaasupaastot/
6	Business travelling	Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024 VR. Train travel sustainability. 2025: https://www.vr.fi/vinkkeja-junamatkailuun/uusilla-raiteilla/ymparisto#co2-laskuri Helsinki Region Transport (HSL). Environment in figures. 2025: https://www.hsl.fi/hsl/sahkobussit/ymparisto-lukuina Kerli Maiste. Bachelor's thesis. Carbon footprint of an electric scooter. 2020: https://lutpub.lut.fi/bitstream/handle/10024/161679/Kandidaatintyo_Maiste_Kerli.pdf?sequence=1&isAllowed=y
7	Employee commuting	Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024 VR. Train travel sustainability 2025: https://www.vr.fi/vinkkeja-junamatkailuun/uusilla-raiteilla/ymparisto#co2-laskuri Helsinki Region Transport (HSL). Environment in figures. 2025: https://www.hsl.fi/hsl/sahkobussit/ymparisto-lukuina Kerli Maiste. Bachelor's thesis. Carbon footprint of an electric scooter. 2020: https://lutpub.lut.fi/bitstream/handle/10024/161679/Kandidaatintyo_Maiste_Kerli.pdf?sequence=1&isAllowed=y
8	Upstream leased assets	Excluded from the calculation as an irrelevant emissions category for Savings Bank.
9	Downstream transportation	Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024 VR. Train travel sustainability. 2025: https://www.vr.fi/vinkkeja-junamatkailuun/uusilla-raiteilla/ymparisto#co2-laskuri Helsinki Region Transport (HSL). Environment in figures. 2025: https://www.hsl.fi/hsl/sahkobussit/ymparisto-lukuina Kerli Maiste. Bachelor's thesis. Carbon footprint of an electric scooter. 2020: https://lutpub.lut.fi/bitstream/handle/10024/161679/Kandidaatintyo_Maiste_Kerli.pdf?sequence=1&isAllowed=y
10	Processing of sold products	Excluded from the calculation as an irrelevant emissions category for Savings Bank.
11	Use of sold products	Excluded from the calculation as an irrelevant emissions category for Savings Bank.
12	End-of-life treatment of sold products	Excluded from the calculation as an irrelevant emissions category for Savings Bank.
13	Downstream leased assets	Energy Authority. Residual distribution 2023. 2024: https://energiavirasto.fi/documents/11120570/112530553/J%C3%A4%C3%A4nn%C3%B6sjakauma+2023+julkaisu+FI_allekirjoitettu.pdf/90e37393-aee4-6026-5819-71441cad2978/J%C3%A4%C3%A4nn%C3%B6sjakauma+2023+julkaisu+FI_allekirjoitettu.pdf?t=1719304842276 Statistics Finland. Energy year 2023. 2024: https://pxhopea2.stat.fi/sahkoiset_julkaisut/energia2023/html/suom0011.htm Motiva. Specific consuption in service sector. 2025: https://www.motiva.fi/ratkaisut/energiakatselmustoiminta/tuetut_energiakatselmukset/tilastotietoa_katselmuksista/ominaiskulutukset_palvelusektorilla Fingrid. Real-time CO_2 emissions estimate. 2025: https://www.fingrid.fi/sahkomarkkinainformaatio/co2/

		Sources of emissions factors
14	Franchises	Excluded from the calculation as an irrelevant emissions category for Savings Bank.
15	Investments	EXIOBASE3. Emission factor database. 2025: https://www.exiobase.eu/index.php/9-blog/31-now-available-exiobase2 Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024 Official Statistics of Finland (OSF): Emissions into air by industry. Statistics Finland. Access method: https://stat.fi/tilasto/tilma

The table below shows the emissions factors used in the biogenic emissions accounting of Savings Bank.

Table: Sources of emissions factors used in biogenic GHG emissions accounting.

Biogenic emissions	Sources of emissions factors
Scope 1 biogenic emissions (tCO_2eq)	Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024
Scope 2 biogenic emissions (tCO_2eq)	Statistics Finland. Energy year 2023. 2024: https://pxhopea2.stat.fi/sahkoiset_julkaisut/energia2023/html/suom0011.htm Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024 Motiva. Specific consuption in service sector 2025: https://www.motiva.fi/ratkaisut/energiakatselmustoiminta/tuetut_energiakatselmukset/tilastotietoa_katselmuksista/ominaiskulutukset_palvelusektorilla
Scope 3 biogenic emissions (tCO_2eq)	Statistics Finland, Energy year 2023. 2024: https://pxhopea2.stat.fi/sahkoiset_julkaisut/energia2023/html/suom0011.htm Defra. Greenhouse gas reporting: conversion factors 2024. 2024: https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024

EU TAXONOMY DISCLOSURES

The EU taxonomy is a classification system that aims to define environmentally sustainable economic activities. Its aim is to provide companies, investors and political decision-makers with uniform definitions of environmentally sustainable business activities to help them plan and direct financing to targets made possible by the green transition. Taxonomy-aligned activities must contribute to at least one of the six EU environmental objectives, namely:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

In addition, the activity must not cause any significant harm to any of these environmental objectives in line with the DNSH (Do No Significant Harm) principle. Furthermore, the activity must meet the minimum social safeguards and comply with the key UN, ILO and OECD corporate social responsibility guidelines and principles.

DISCLOSURE POLICY

The Savings Banks Group discloses information related to EU taxonomy reporting (EU 2020/852) at Group level. The disclosed information is consolidated in accordance with the instructions in Section 1.1.1. of Annex V to the European Commission Delegated Regulation (EU) 2021/2178. The Taxonomy Regulation (EU 2020/852) is complemented by Regulations (EU) 2021/2139 (Climate Regulation) and (EU) 2023/2486 (Environmental Regulation), which set out the technical assessment criteria. The Savings Banks Group makes taxonomy disclosures in accordance with the provisions on credit institutions in Commission Delegated Regulation (EU) 2021/2178.

Key Performance Indicators

The purpose of the Savings Banks Group's taxonomy disclosures is to explain how and to what extent our activities are linked to environmentally sustainable economic activities in accordance with the EU taxonomy definition.

The most important performance indicator for credit institutions is the green asset ratio (GAR), which indicates the extent to which the credit institution's assets are linked to sustainable economic activities. This KPI is calculated by dividing taxonomy-aligned exposures (numerator) by the total assets (denominator) defined in the KPI calculation.

The exposures to central governments, central banks and supranational issuers are excluded from the total assets in the calculation of the ratio. The numerator of the GAR is further reduced by exposures to undertakings not subject to the disclosure requirements of the Corporate Social Responsibility Directive (CSRD), as well as on-demand interbank loans, derivatives, cash and other assets.

Taxonomy-eligible and taxonomy-aligned exposures of the Savings Banks Group

The classification of business activities into taxonomy-eligible exposures is based on the Savings Banks Group's assessment of the counterparty's EU Taxonomy-aligned activity, NACE industry classification codes and the sector codes based on the Classification of Sectors by Statistics Finland.

Residential mortgage loans granted to households represent a significant part of the taxonomy-eligible items in the Savings Banks Group's balance sheet. With regard to residential mortgage loans, the Savings Banks Group has identified activities 7.7. Acquisition and ownership of buildings and 7.2. Renovation of existing buildings as taxonomy-eligible activities. The taxonomy-eligibility of car financing is based on activity 6.5. Transport by motorbikes, passenger cars and light commercial vehicles.

The taxonomy-alignment of residential mortgage loans is determined on the basis of the object of financing. A residential mortgage loan contributes significantly to climate change mitigation if the energy efficiency of the property is equivalent to energy class A or if the property is within the top 15 per cent of the building stock expressed as operational Primary Energy Demand (PED). The interpretation applies to financed housing units that have been built before 31 December 2020. In addition, the object of the residential mortgage loan must meet the criteria of the DNSH principle concerning climate change adaptation. For this purpose, the Savings Banks Group had conducted a climate risk analysis to determine the taxonomy-alignment of residential mortgage loans. If no significant climate risks are identified on the basis of the analysis, the loan can be classified as taxonomy-aligned. If significant climate risks are identified, taxonomy-alignment requires a climate change adaptation plan for the property. In the reference period, the Savings Banks Group has not reported taxonomy-aligned residential mortgage loans, because not all the data on climate risks required for taxonomy has been available.

The determination of the proportion of assets related to companies is based on data retrieved from the Savings Banks Group's systems regarding granted loans and investments. The assessment of the corporate finance and investment taxonomy takes into account companies subject to the disclosure requirements of the CSRD. Taxonomy disclosures are based on taxonomy reports published by companies for the year 2023, and data is thus based on the customer's own assessment. Currently, the Savings Banks Group does not collect taxonomy disclosures directly from the target companies in terms of corporate loans and investment assets.

Taxonomy disclosures 2024

The taxonomy disclosures for loans and investments are reported for the first time for the financial year 2024 for the six environmental objectives based on turnover and capital expenditure (CapEx). In the reference period, taxonomy disclosures were published only for climate-related environmental objectives based on the turnover performance indicator.

The Savings Banks Group publishes taxonomy disclosures for the items on assets under management for the first time for the financial year 2024 (Taxonomy Table 5). Assets under management include the investments of Sp-Fund Management Company's customer assets in the Savings Banks' funds. In addition, the Savings Banks Group publishes taxonomy disclosures on loan flows for the first time. For these, disclosures for the reference period 2023 are not presented due to issues with data availability.

Financial sector entities are required to report taxonomy disclosures as stipulated by Commission Delegated Regulation (EU) 2022/1214. The Regulation includes, among others, economic activities related to nuclear power and natural gas. In 2024, the Savings Banks Group financed and invested in companies that have reported key performance indicators for nuclear and natural gas related activities in 2023. The Savings Banks Group discloses the natural gas and nuclear tables of Delegated Regulation (EU) 2022/1214 for these items.

The Savings Banks Group does not have any off-balance sheet commitments to entities subject to the CSRD and therefore no taxonomy disclosures are presented for these items.

Taxonomy disclosures are also required for the trading book. The Savings Banks Group's banking operations do not include trading on own account or trading on behalf of customers. The Savings Banks Group does not have a small trading book.

Data sources

Taxonomy disclosures use data collected by the Savings Banks Group itself as well as data obtained from an external service provider. The Savings Banks Group's internal data sources include loan and investment accounting data and balance sheet data concerning the consolidation system.

When assessing the taxonomy-alignment of residential mortgage loans, data on the energy efficiency, the year of construction and climate risk review of the financed buildings, provided by an external service provider, are used.

The taxonomy disclosures for corporate finance and investments are based on an analysis of taxonomy-eligibility and taxonomy-alignment prepared by an external service provider based on the taxonomy indicators reported by the companies in question, calculated based on turnover and CapEx performance indicators.

CONSTRAINTS ON TAXONOMY DISCLOSURES AND OUTLOOK FOR THE FUTURE

Currently, only a limited number of all economic activities are covered by the taxonomy and the disclosure obligation concerning taxonomy is currently limited to companies subject to the disclosure requirements of the CSRD. The majority of the Savings Banks Group's corporate customers are small and medium-sized companies, which are not subject to the disclosure obligation. In addition, the available data on residential mortgage loans secured by real estate do not meet all the technical assessment criteria for taxonomy-alignment. Consequently, the KPIs concerning taxonomy-alignment in the Savings Banks Group's taxonomy disclosures remain low. In the future, we expect taxonomy KPIs to increase as the number of companies subject to the taxonomy disclosures obligation increases and taxonomy covers more economic activities. The availability of data on the taxonomy criteria for real estate has improved in the financial year compared to the reference period in terms of data concerning the climate risk of real estate. In the future, the availability and quality of data on real estate is expected to continue to improve.

The Savings Banks Group has not currently set strategic targets for EU taxonomy due to the poor availability of data on taxonomy criteria, among other reasons. In the coming years, we will actively monitor the development of EU taxonomy and assess its impact on our business and product portfolio. We will also strive to improve our data collection and data availability in cooperation with our customers and various market participants.

0. SUMMARY OF KPIS TO BE DISCLOSED BY CREDIT INSTITUTIONS UNDER ARTICLE 8 TAXONOMY REGULATION

2024 (million EUR)		Total environmentally sustainable assets	KPI (****)	KPI (*****)	% coverage (over total assets) (***)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	480	4.0%	4.0%	3.5%	37.2%	25.8%
		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	53	2,7%	2,7%	-	-	-
	Trading book (*)	-	-	-			
	Financial guarantees	-	-	-			
	Assets under management	132	2.5%	3,3%			
	Fees and commissions income (**)	-	-	-			

2023 (million EUR)		Total environmentally sustainable assets	KPI (****)	KPI (*****)	% coverage (over total assets) (***)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Main KPI	Green asset ratio (GAR) stock	13	0.1%	-	0.1%	36.0%	13.2%
		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7(2) and (3) and Section 1.1.2 of Annex V)	% of assets excluded from the denominator of the GAR (Article 7(1) and Section 1.2.4 of Annex V)
Additional KPIs	GAR (flow)	-	-	-	-	-	-
	Trading book (*)	-	-	-			
	Financial guarantees	-	-	-			
	Assets under management	-	-	-			
	Fees and commissions income (**)	-	-	-			

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

** Fees and commissions income from services other than lending and AuM. Institutions shall disclose forward-looking information for these KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

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

**** Based on the Turnover KPI of the counterparty

***** Based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used.

1. ASSETS FOR THE CALCULATION OF GAR

Based on turnover

	2024 (million EUR)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
			Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Total (gross) carrying amount			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	6,927	6,028	475	-	1	3	12	2	0	2	0	0	0	0	16	2	0	0	2	1	0	0	0	0	0	0	6,058	480	0	1	4
2	**Financial undertakings**	28	6	1	-	-	0	7	1	-	1	0	0	-	0	4	0	-	0	0	0	-	0	0	0	-	0	16	1	-	-	1
3	Credit institutions	21	6	1	-	-	-	2	0	-	0	0	0	-	0	4	0	-	0	0	0	-	0	0	0	-	0	12	1	-	-	0
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including the use of proceeds	21	5	1	-	-	-	2	0	-	0	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	11	1	-	-	0
6	Equity instruments	1	0	0		-	-	0	0		0	0	0		0	0	0		0	0	0		0	0	0		0	0	0		-	0
7	Other financial corporations	7	0	0	-	-	0	5	1	-	1	-	-	-	-	0	0	-	-	-	-	-	-	-	-	-	-	5	1	-	-	1
8	of which investment firms	7	0	0	-	-	0	5	1	-	1	-	-	-	-	0	0	-	-	-	-	-	-	-	-	-	-	5	1	-	-	1
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including the use of proceeds	7	0	0	-	-	0	5	1	-	1	-	-	-	-	0	0	-	-	-	-	-	-	-	-	-	-	5	1	-	-	1
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	125	31	8	-	1	2	5	1	0	1	0	0	0	0	13	2	0	0	2	1	0	0	0	0	0	0	51	13	0	1	4
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including the use of proceeds	122	30	8	-	1	2	5	1	0	1	0	0	0	0	12	2	0	0	2	1	0	0	0	0	0	0	50	13	0	1	4
23	Equity instruments	4	0	0		0	0	0	0		0	0	0		0	0	0		-	0	0		-	0	-		-	1	0		0	0
24	**Households**	6,765	5,991	466	-	-	-	-	-	-	-					-	-	-	-									5,991	466	-	-	-
25	of which loans collateralised by residential immovable property	5,815	5,815	466	-	-	-	-	-	-	-					-	-	-	-									5,815	466	-	-	-
26	of which building renovation loans	176	176	-	-	-	-	-	-	-	-					-	-	-	-									176	-	-	-	-
27	of which motor vehicle loans	15	-	-	-	-	-																					-	-	-	-	-
28	**Local governments financing**	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	5,176	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	3,713																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	3,713																														
35	Loans and advances	3,440																														
36	of which loans collateralised by commercial immovable property	447																														
37	of which building renovation loans	104																														
38	Debt securities, including the use of proceeds	264																														
39	Equity instruments	10																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-																														
41	Loans and advances	-																														
42	Debt securities, including the use of proceeds	-																														
43	Equity instruments	-																														
44	**Derivatives**	60																														
45	**On demand interbank loans**	23																														
46	**Cash and cash-related assets**	7																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	1,373																														
48	**Total GAR assets**	12,102	6,028	475	-	1	3	12	2	0	2	0	0	0	0	16	2	0	0	2	1	0	0	0	0	0	0	6,058	480	0	1	4
49	**Assets not covered for GAR calculation**	1,796																														
50	**Central governments and Supranational issuers**	261																														
51	**Central banks exposures**	1,534																														
52	**Trading book**	-																														
53	**Total assets**	13,898	6,028	475	-	1	3	12	2	0	2	0	0	0	0	16	2	0	0	2	1	0	0	0	0	0	0	6,058	480	0	1	4
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	5,316	297	124		3	54	42	6		5	1	1		0	136	1		0	33	0			0	0		0	509	132		3	59
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	2023 (million EUR)		Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
		Total (gross) carrying amount			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	6,740	6,011	8	-	1	3	6	1	-	1	1	1	-	-	28	2	-	-	7	1	-	-	4	0	-	-	6,057	13	-	1	3
2	**Financial undertakings**	28	9	0	-	0	0	4	1	-	0	-	0	-	-	4	0	-	-	-	-	-	-	-	-	-	-	17	1	-	0	1
3	Credit institutions	12	3	0	-	0	0	1	0	-	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	0	-	0	0
4	Loans and advances	0	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including the use of proceeds	10	3	0	-	0	0	1	0	-	0	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	0	-	0	0
6	Equity instruments	2	0	-		-	-	0	-		-	-	0		-	-	-		-	-	-		-	-	-		-	0	-		-	-
7	Other financial corporations	17	6	0	-	0	0	3	0	-	0	-	0	-	-	4	0	-	-	-	-	-	-	-	-	-	-	12	1	-	0	1
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	178	43	8	-	1	3	2	0	-	0	1	1	-	-	25	2	-	-	7	1	-	-	4	0	-	-	81	12	-	1	3
21	Loans and advances	1	-	-	-	-	-	-	0	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including the use of proceeds	160	41	7	-	1	2	2	0	-	0	1	1	-	-	23	1	-	-	6	1	-	-	3	0	-	-	76	11	-	1	3
23	Equity instruments	17	2	1		0	0	0	0		0	0	0		-	2	0		-	1	0		-	0	0		-	4	1		0	0
24	**Households**	6,524	5,963	-	-	-	-	-	-	-	-					-	-	-	-									5,963	-	-	-	-
25	of which loans collateralised by residential immovable property	5,791	5,791	-	-	-	-	-	-	-	-					-	-	-	-									5,791	-	-	-	-
26	of which building renovation loans	171	171	-	-	-	-	-	-	-	-					-	-	-	-									171	-	-	-	-
27	of which motor vehicle loans	2	-	-	-	-	-																					-	-	-	-	-
28	**Local governments financing**	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	4,768	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	**Financial and Non-financial undertakings**	3,422																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	3,421																														
35	Loans and advances	3,144																														
36	of which loans collateralised by commercial immovable property	521																														
37	of which building renovation loans	-																														
38	Debt securities, including the use of proceeds	269																														
39	Equity instruments	8																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	1																														
41	Loans and advances	0																														
42	Debt securities, including the use of proceeds	-																														
43	Equity instruments	1																														
44	**Derivatives**	32																														
45	**On demand interbank loans**	22																														
46	**Cash and cash-related assets**	7																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	1,284																														
48	**Total GAR assets**	11,508	6,011	8	-	1	3	6	1	-	1	1	1	-	-	28	2	-	-	7	1	-	-	4	0	-	-	6,057	13	-	1	3
49	**Assets not covered for GAR calculation**	1,743																														
50	**Central governments and Supranational issuers**	247																														
51	**Central banks exposures**	1,496																														
52	**Trading book**	-																														
53	**Total assets**	13,251	6,011	8	-	1	3	6	1	-	1	1	1	-	-	28	2	-	-	7	1	-	-	4	0	-	-	6,057	13	-	1	3
	Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. ASSETS FOR THE CALCULATION OF GAR

Based on CapEx

2024 (million EUR)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
	Total (gross) carrying amount			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator																															
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	6,927	6,017	477	-	-	-	3	0	-	-	-	-	-	-	2	0	-	-	0	-	-	-	-	-	-	-	6,022	478	-	-	-
2 **Financial undertakings**	28	5	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	3	-	-	-
3 Credit institutions	21	5	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	3	-	-	-
4 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Debt securities, including the use of proceeds	21	5	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	3	-	-	-
6 Equity instruments	1	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7 Other financial corporations	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 of which investment firms	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including the use of proceeds	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20 **Non-financial undertakings**	125	20	8	-	-	-	3	0	-	-	-	-	-	-	2	0	-	-	0	-	-	-	-	-	-	-	25	9	-	-	-
21 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22 Debt securities, including the use of proceeds	122	20	8	-	-	-	3	0	-	-	-	-	-	-	2	0	-	-	0	-	-	-	-	-	-	-	25	9	-	-	-
23 Equity instruments	4	0	0		-	-	0	-		-	-	-			0	-		-	0	-		-	-	-		-	-	-		-	-
24 **Households**	6,765	5,991	466	-	-	-	-	-	-	-					-	-	-	-									5,991	466	-	-	-
25 of which loans collateralised by residential immovable property	5,815	5,815	466	-	-	-	-	-	-	-					-	-	-	-									5,815	466	-	-	-
26 of which building renovation loans	176	176	-	-	-	-	-	-	-	-					-	-	-	-									176	-	-	-	-
27 of which motor vehicle loans	15	-	-	-	-	-												-									-	-	-	-	-
28 **Local governments financing**	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Housing financing	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 **Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32 **Assets excluded from the numerator for GAR calculation (covered in the denominator)**	5,176	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33 **Financial and Non-financial undertakings**	3,713																														
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	3,713																														
35 Loans and advances	3,440																														
36 of which loans collateralised by commercial immovable property	447																														
37 of which building renovation loans	104																														
38 Debt securities, including the use of proceeds	264																														
39 Equity instruments	10																														
40 Non-EU country counterparties not subject to NFRD disclosure obligations	-																														
41 Loans and advances	-																														
42 Debt securities, including the use of proceeds	-																														
43 Equity instruments	-																														
44 **Derivatives**	60																														
45 **On demand interbank loans**	23																														
46 **Cash and cash-related assets**	7																														
47 **Other categories of assets (e.g. Goodwill, commodities etc.)**	1,373																														
48 **Total GAR assets**	12,102	6,017	477	-	-	-	3	0	-	-	-	-	-	-	2	0	-	-	0	-	-	-	-	-	-	-	6,022	478	-	-	-
49 **Assets not covered for GAR calculation**	1,796																														
50 **Central governments and Supranational issuers**	261																														
51 **Central banks exposures**	1,534																														
52 **Trading book**	-																														
53 **Total assets**	13,898	6,017	477	-	-	-	3	0	-	-	-	-	-	-	2	0	-	-	0	-	-	-	-	-	-	-	6,022	478	-	-	-
Off-balance sheet exposures – Undertakings subject to NFRD disclosure obligations																															
54 Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55 Assets under management	5,316	411	170	-	39	58	73	3	-	1	2	1	-	0	65	1	-	0	21	0	-	-	0	0	-	0	572	175	-	39	59
56 Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57 Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2. GAR SECTOR INFORMATION

Based on turnover

	2024 (million EUR)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE four-digit level (code and label)	**Climate Change Mitigation (CMM)**				**Climate Change Adaptation (CCA)**				**Water and Marine Resources (WTR)**				**Circular Economy (CE)**				**Pollution Prevention and Control (PPC)**				**Biodiversity and Ecosystems (BIO)**				**TOTAL (CCM + CCA + WTR + CE + PPC + BIO)**			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	10.13 Production of meat and poultry meat products	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
2	11.05 Manufacture of beer	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
3	14.13 Manufacture of other outerwear	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
4	17.12 Manufacture of paper and paper products	6	-			6	-			6	-			6	-			6	-			6	-			6	-		
5	17.22 Manufacture of household and sanitary goods and of toilet requisites	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
6	18.12 Other printing	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
7	19.20 Manufacture of refined petroleum products	5	1			5	-			5	-			5	0			5	-			5	-			5	2		
8	20.13 Manufacture of other inorganic basic chemicals	4	-			4	-			4	-			4	0			4	-			4	-			4	0		
9	21.20 Manufacture of pharmaceutical preparations	2	-			2	-			2	-			2	-			2	1			2	-			2	1		
10	22.11 Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	0	0			0	-			0	-			0	0			0	-			0	-			0	0		
11	22.22 Manufacture of plastic packing goods	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
12	23.51 Manufacture of cement	3	0			3	-			3	-			3	-			3	-			3	-			3	0		
13	24.10 Manufacture of basic iron and steel and of ferro-alloys	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
14	26.11 Manufacture of electronic components	0	0			0	0			0	0			0	0			0	0			0	-			0	0		
15	26.30 Manufacture of communication equipment	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
16	27.32 Manufacture of other electronic and electric wires and cables	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
17	27.51 Manufacture of electric domestic appliances	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
18	28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	1	-			1	-			1	-			1	1			1	-			1	-			1	1		
19	28.15 Manufacture of bearings, gears, gearing and driving elements	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
20	28.22 Manufacture of lifting and handling equipment	2	0			2	0			2	-			2	0			2	-			2	-			2	0		
21	28.92 Manufacture of machinery for mining, quarrying and construction	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
22	28.95 Manufacture of machinery for paper and paperboard production	0	0			0	0			0	-			0	0			0	0			0	-			0	0		
23	29.10 Manufacture of motor vehicles	8	1			8	0			8	0			8	0			8	0			8	0			8	1		
24	29.31 Manufacture of electrical and electronic equipment for motor vehicles	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
25	35.11 Production of electricity	7	0			7	-			7	-			7	0			7	-			7	-			7	0		
26	35.12 Distribution of electricity	5	2			5	-			5	-			5	0			5	-			5	-			5	2		
27	35.20 Steam and air conditioning supply	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
28	38.11 Collection of non-hazardous waste	0	0			0	0			0	-			0	0			0	0			0	-			0	0		
29	41.20 Construction of residential and non-residential buildings	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
30	42.22 Construction of utility projects for electricity and telecommunications	0	-			0	0			0	-			0	-			0	-			0	-			0	0		
31	46.90 Non-specialised wholesale trade	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
32	47.19 Other retail sale in non-specialised stores	4	-			4	-			4	-			4	-			4	-			4	-			4	-		
33	47.59 Retail sale of furniture, lighting equipment and other household articles in specialised stores	3	0			3	0			3	-			3	-			3	-			3	-			3	0		
34	47.75 Retail sale of cosmetic and toilet articles in specialised stores	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
35	47.91 Retail sale via mail order houses or via Internet	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
36	49.41 Freight transport by road	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
37	50.20 Inland passenger water transport	4	0			4	-			4	-			4	-			4	-			4	-			4	0		
38	51.10 Passenger air transport	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
39	53.10 Postal activities under universal service obligation	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
40	56.29 Other food service activities	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
41	58.29 Other software publishing	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
42	61.20 Wired telecommunications activities	11	0			11	1			11	-			11	-			11	-			11	-			11	1		
43	62.01 Computer programming activities	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
44	62.03 Computer facilities management activities	5	-			5	-			5	-			5	-			5	-			5	-			5	-		
45	62.09 Other information technology and computer service activities	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
46	68.20 Renting and operating of own or leased real estate	12	2			12	0			12	-			12	0			12	-			12	0			12	2		
47	71.12 Engineering activities and related technical consultancy	3	0			3	0			3	0			3	0			3	0			3	-			3	1		
48	80.10 Private security activities	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
49	81.21 General cleaning of buildings	2	-			2	-			2	-			2	0			2	-			2	0			2	0		
50	86.90 Other human health activities	3	-			3	-			3	-			3	-			3	0			3	-			3	0		
51	99.00 Activities of extraterritorial organisations and bodies	5	-			5	-			5	-			5	-			5	-			5	-			5	-		

	2023 (million EUR)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE four-digit level (code and label)	Climate Change Mitigation (CMM)				Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	07.10 Mining of iron ores	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
2	10.13 Production of meat and poultry meat products	3	-			3	-			3	-			3	0			3	-			3	-			3	0		
3	11.05 Manufacture of beer	3	-			3	-			3	-			3	0			3	-			3	-			3	0		
4	14.13 Manufacture of other outerwear	1	-			1	-			1	-			1	0			1	0			1	-			1	0		
5	14.19 Manufacture of other wearing apparel and accessories	0	-			0	-			0	-			0	0			0	-			0	-			0	0		
6	17.12 Manufacture of paper and paperboard	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
7	17.22 Manufacture of household and sanitary goods and of toilet requisites	5	-			5	-			5	-			5	-			5	-			5	-			5	-		
8	18.12 Other printing	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
9	19.20 Manufacture of refined petroleum products	1	0			1	-			1	0			1	0			1	0			1	0			1	0		
10	20.13 Manufacture of other inorganic basic chemicals	7	0			7	-			7	1			7	0			7	1			7	-			7	2		
11	20.30 Manufacture of paints, varnishes and similar coatings, printing ink and mastics	0	-			0	-			0	-			0	-			0	0			0	-			0	0		
12	20.42 Manufacture of perfumes and toilet preparations	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
13	20.59 Manufacture of other chemical products n.e.c.	0	0			0	-			0	0			0	0			0	0			0	-			0	0		
14	21.20 Manufacture of pharmaceutical preparations	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
15	22.11 Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	1	0			1	-			1	-			1	-			1	0			1	-			1	0		
16	22.22 Manufacture of plastic packing goods	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
17	23.51 Manufacture of cement	3	0			3	-			3	-			3	-			3	-			3	-			3	0		
18	24.10 Manufacture of basic iron and steel and of ferro-alloys	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
19	26.11 Manufacture of electronic components	1	0			1	-			1	0			1	0			1	0			1	-			1	0		
20	26.20 Manufacture of computers and peripheral equipment	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
21	26.30 Manufacture of communication equipment	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
22	27.32 Manufacture of other electronic and electric wires and cables	3	1			3	-			3	-			3	0			3	-			3	-			3	1		
23	27.51 Manufacture of electric domestic appliances	3	-			3	-			3	0			3	0			3	-			3	-			3	0		
24	28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	1	-			1	-			1	0			1	0			1	0			1	0			1	0		
25	28.22 Manufacture of lifting and handling equipment	2	0			2	-			2	-			2	-			2	-			2	-			2	0		
26	28.92 Manufacture of machinery for paper and paperboard production	0	0			0	-			0	0			0	0			0	0			0	-			0	0		
27	28.95 Manufacture of machinery for paper and paperboard production	0	0			0	-			0	-			0	0			0	-			0	-			0	0		
28	29.10 Manufacture of motor vehicles	12	1			12	0			12	-			12	0			12	0			12	-			12	1		
29	29.31 Manufacture of electrical and electronic equipment for motor vehicles	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
30	35.11 Production of electricity	6	2			6	-			6	-			6	0			6	0			6	-			6	2		
31	35.13 Distribution of electricity	5	2			5	-			5	-			5	0			5	-			5	-			5	2		
32	35.30 Steam and air conditioning supply	3	-			3	-			3	-			3	0			3	0			3	-			3	0		
33	41.20 Construction of residential and non-residential buildings	2	1			2	-			2	0			2	-			2	-			2	-			2	1		
34	42.22 Construction of utility projects for electricity and telecommunications	1	-			1	0			1	-			1	-			1	-			1	-			1	0		
35	43.11 Demolition	1	0			1	-			1	0			1	0			1	0			1	0			1	0		
36	46.90 Non-specialised wholesale trade	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
37	47.19 Other retail sale in non-specialised stores	3	0			3	-			3	-			3	0			3	-			3	-			3	0		
38	47.59 Retail sale of furniture, lighting equipment and other household articles in specialised stores	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
39	47.75 Retail sale of cosmetic and toilet articles in specialised stores	2	-			2	-			2	-			2	0			2	-			2	-			2	0		
40	47.91 Retail sale via mail order houses or via Internet	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
41	49.41 Freight transport by road	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
42	50.20 Sea and coastal freight water transport	4	0			4	-			4	-			4	-			4	-			4	-			4	0		
43	51.10 Passenger air transport	5	-			5	-			5	-			5	-			5	-			5	-			5	-		
44	53.10 Postal activities under universal service obligation	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
45	56.29 Other food service activities	1	0			1	-			1	-			1	0			1	-			1	-			1	0		
46	58.13 Publishing of newspapers	4	-			4	-			4	-			4	-			4	-			4	-			4	-		
47	58.29 Other software publishing	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
48	61.20 Wireless telecommunications activities	6	0			6	0			6	-			6	-			6	-			6	-			6	0		
49	61.90 Other telecommunications activities	1	-			1	-			1	-			1	0			1	-			1	-			1	0		
50	62.01 Computer programming activities	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
51	62.03 Computer facilities management activities	5	-			5	-			5	-			5	-			5	-			5	-			5	-		
52	62.09 Other information technology and computer service activities	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
53	68.20 Renting and operating of own or leased real estate	11	1			11	-			11	-			11	-			11	-			11	0			11	1		
54	70.22 Business and other management consultancy activities	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
55	71.12 Engineering activities and related technical consultancy	2	0			2	0			2	0			2	0			2	0			2	-			2	1		
56	80.10 Private security activities	6	-			6	-			6	-			6	-			6	-			6	-			6	-		
57	81.21 General cleaning of buildings	3	-			3	-			3	-			3	1			3	-			3	0			3	1		
58	86.90 Other human health activities	3	-			3	-			3	-			3	-			3	-			3	-			3	-		

2. GAR SECTOR INFORMATION

Based on CapEx

	2024 (million EUR)	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE four-digit level (code and label)	Climate Change Mitigation (CMM)				Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)			
		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-financial corporates (subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	10.13 Production of meat and poultry meat products	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
2	11.05 Manufacture of beer	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
3	14.13 Manufacture of other outerwear	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
4	17.12 Manufacture of paper and paper products	6	-			6	-			6	-			6	-			6	-			6	-			6	-		
5	17.22 Manufacture of household and sanitary goods and of toilet requisites	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
6	18.12 Other printing	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
7	19.20 Manufacture of refined petroleum products	5	-			5	-			5	-			5	-			5	-			5	-			5	-		
8	20.13 Manufacture of other inorganic basic chemicals	4	-			4	-			4	-			4	-			4	-			4	-			4	-		
9	21.20 Manufacture of pharmaceutical preparations	2	0			2	-			2	-			2	0			2	-			2	-			2	0		
10	22.11 Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
11	22.22 Manufacture of plastic packing goods	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
12	23.51 Manufacture of cement	3	0			3	-			3	-			3	-			3	-			3	-			3	0		
13	24.10 Manufacture of basic iron and steel and of ferro-alloys	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
14	26.11 Manufacture of electronic components	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
15	26.30 Manufacture of communication equipment	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
16	27.32 Manufacture of other electronic and electric wires and cables	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
17	27.51 Manufacture of electric domestic appliances	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
18	28.11 Manufacture of engines and turbines, except aircraft, vehicle and cycle engines	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
19	28.15 Manufacture of bearings, gears, gearing and driving elements	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
20	28.22 Manufacture of lifting and handling equipment	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
21	28.92 Manufacture of machinery for mining, quarrying and construction	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
22	28.95 Manufacture of machinery for paper and paperboard production	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
23	29.10 Manufacture of motor vehicles	8	1			8	-			8	-			8	-			8	-			8	-			8	1		
24	29.31 Manufacture of electrical and electronic equipment for motor vehicles	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
25	35.11 Production of electricity	7	5			7	-			7	-			7	-			7	-			7	-			7	5		
26	35.12 Distribution of electricity	5	-			5	-			5	-			5	-			5	-			5	-			5	-		
27	35.20 Steam and air conditioning supply	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
28	38.11 Collection of non-hazardous waste	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
29	41.20 Construction of residential and non-residential buildings	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
30	42.22 Construction of utility projects for electricity and telecommunications	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
31	46.90 Non-specialised wholesale trade	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
32	47.19 Other retail sale in non-specialised stores	4	0			4	-			4	-			4	-			4	-			4	-			4	0		
33	47.59 Retail sale of furniture, lighting equipment and other household articles in specialised stores	3	0			3	0			3	-			3	-			3	-			3	-			3	0		
34	47.75 Retail sale of cosmetic and toilet articles in specialised stores	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
35	47.91 Retail sale via mail order houses or via Internet	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
36	49.41 Freight transport by road	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
37	50.20 Inland passenger water transport	4	1			4	-			4	-			4	-			4	-			4	-			4	1		
38	51.10 Passenger air transport	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
39	53.10 Postal activities under universal service obligation	0	0			0	-			0	-			0	-			0	-			0	-			0	0		
40	56.29 Other food service activities	1	-			1	-			1	-			1	-			1	-			1	-			1	-		
41	58.29 Other software publishing	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
42	61.20 Wired telecommunications activities	11	-			11	-			11	-			11	-			11	-			11	-			11	-		
43	62.01 Computer programming activities	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
44	62.03 Computer facilities management activities	5	-			5	-			5	-			5	-			5	-			5	-			5	-		
45	62.09 Other information technology and computer service activities	0	-			0	-			0	-			0	-			0	-			0	-			0	-		
46	68.20 Renting and operating of own or leased real estate	12	2			12	-			12	-			12	-			12	-			12	-			12	2		
47	71.12 Engineering activities and related technical consultancy	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
48	80.10 Private security activities	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
49	81.21 General cleaning of buildings	2	-			2	-			2	-			2	-			2	-			2	-			2	-		
50	86.90 Other human health activities	3	-			3	-			3	-			3	-			3	-			3	-			3	-		
51	99.00 Activities of extraterritorial organisations and bodies	5	-			5	-			5	-			5	-			5	-			5	-			5	-		

3. GAR KPI STOCK

Based on turnover

2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (of all assets covered in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator																														
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	87.0%	6.9%	-	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	87.5%	6.9%	0.0%	0.0%	0.1%
2 **Financial undertakings**	20.4%	2.8%	-	-	0.3%	24.3%	2.2%	-	2.2%	0.0%	0.0%	-	0.0%	13.7%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	58.3%	4.9%	-	-	2.5%
3 Credit institutions	25.7%	3.2%	-	-	-	10.3%	0.4%	-	0.4%	0.0%	0.0%	-	0.0%	17.6%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	53.6%	3.7%	-	-	0.4%
4 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Debt securities, including the use of proceeds	26.7%	3.3%	-	-	-	10.4%	0.4%	-	0.4%	-	-	-	-	18.2%	-	-	-	-	-	-	-	-	-	-	-	55.3%	3.7%	-	-	0.4%
6 Equity instruments	1.9%	0.2%		-	-	9.8%	-		1.2%	0.1%	0.1%		0.0%	1.9%	0.1%		0.0%	0.1%	0.1%		0.0%	0.8%	0.1%		0.0%	14.6%	1.8%		-	1.3%
7 Other financial corporations	2.9%	1.3%	-	-	1.3%	70.3%	7.9%	-	7.9%	-	-	-	-	0.7%	0.0%	-	-	-	-	-	-	-	-	-	-	73.9%	9.2%	-	-	9.2%
8 of which investment firms	2.9%	1.3%	-	-	1.3%	70.3%	7.9%	-	7.9%	-	-	-	-	0.7%	0.0%	-	-	-	-	-	-	-	-	-	-	73.9%	9.2%	-	-	9.2%
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including the use of proceeds	2.9%	1.3%	-	-	1.3%	70.3%	7.9%	-	7.9%	-	-	-	0.0%	0.7%	0.0%	-	-	-	-	-	-	-	-	-	-	73.9%	9.2%	-	-	9.2%
11 Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20 **Non-financial undertakings**	24.6%	6.1%	-	0.6%	2.0%	4.2%	1.1%	0.1%	0.9%	0.2%	0.0%	0.0%	0.0%	10.0%	1.9%	0.0%	0.0%	1.4%	1.0%	0.0%	0.0%	0.3%	0.1%	0.0%	0.0%	40.6%	10.3%	0.1%	0.6%	3.0%
21 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22 Debt securities, including the use of proceeds	24.9%	6.2%	-	0.6%	1.9%	4.2%	1.0%	0.1%	0.9%	0.2%	0.0%	0.0%	0.0%	10.1%	1.9%	0.0%	0.0%	1.3%	1.1%	0.0%	0.0%	0.3%	0.1%	0.0%	0.0%	40.9%	10.3%	0.1%	0.6%	2.9%
23 Equity instruments	14.2%	4.5%		1.0%	3.1%	4.8%	-		1.2%	0.2%	0.2%		0.0%	6.8%	2.7%		-	2.7%	0.1%		-	0.0%	-		-	28.7%	9.0%		1.0%	4.2%
24 **Households**	88.6%	6.9%	-	-	-	-	-	-	-					-	-	-	-									88.6%	6.9%	-	-	-
25 of which loans collateralised by residential immovable property	100.0%	8.0%	-	-	-	-	-	-	-					-	-	-	-									100.0%	8.0%	-	-	-
26 of which building renovation loans	100.0%	-	-	-	-	-	-	-	-					-	-	-	-									100.0%	-	-	-	-
27 of which motor vehicle loans	-	-	-	-	-																					-	-	-	-	-
28 **Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 **Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32 **Total GAR assets**	49.8%	3.92%	-	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.1%	4.0%	0.0%	0.0%	0.0%

2023	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (of all assets covered in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
GAR - Covered assets in both numerator and denominator																														
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	89.2%	0.1%	-	0.0%	0.0%	0.1%	0.0%	-	0.0%	0.0%	0.0%	-	-	0.4%	0.0%	-	-	0.1%	0.0%	-	-	0.1%	0.0%	-	-	89.9%	0.2%	-	0.0%	0.1%
2 **Financial undertakings**	31.2%	1.2%	-	0.4%	0.4%	14.8%	2.0%	-	1.8%	-	-	-	-	13.4%	0.1%	-	-	-	-	-	-	-	-	-	-	59.4%	3.2%	-	0.4%	2.2%
3 Credit institutions	27.4%	1.3%	-	1.0%	0.5%	12.1%	0.8%	-	0.3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39.6%	2.1%	-	1.0%	0.7%
4 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-
5 Debt securities, including the use of proceeds	32.1%	1.6%	-	1.1%	0.6%	13.9%	0.9%	-	0.3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46.1%	2.5%	-	1.1%	0.9%
6 Equity instruments	2.8%	-		-	-	2.8%	-		-	-	-		-	-	-		-	-	-		-	-	-		-	5.7%	-		-	-
7 Other financial corporations	33.8%	1.0%	-	0.0%	0.4%	16.7%	2.8%	-	2.8%	-	-	-	-	22.5%	0.2%	-	-	-	-	-	-	-	-	-	-	73.1%	4.0%	-	0.0%	3.2%
8 of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12 of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14 Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16 of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19 Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20 **Non-financial undertakings**	24.1%	4.5%	-	0.7%	1.4%	0.9%	0.2%	-	0.2%	0.7%	0.5%	-	-	13.8%	0.9%	-	-	3.8%	0.4%	-	-	2.0%	0.1%	-	-	45.3%	6.7%	-	0.7%	1.6%
21 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22 Debt securities, including the use of proceeds	25.7%	4.6%	-	0.7%	1.4%	1.0%	0.2%	-	0.2%	0.8%	0.6%	-	-	14.4%	0.9%	-	-	3.8%	0.4%	-	-	2.2%	0.1%	-	-	47.9%	6.9%	-	0.7%	1.6%
23 Equity instruments	10.3%	3.7%		0.6%	1.6%	0.3%	-		0.1%	0.3%	0.2%		-	8.9%	0.9%		-	3.4%	0.4%		-	0.9%	0.0%		-	24.2%	5.3%		0.6%	1.7%
24 **Households**	91.4%	-	-	-	-	-	-	-	-					-	-	-	-									91.4%	-	-	-	-
25 of which loans collateralised by residential immovable property	100.0%	-	-	-	-	-	-	-	-					-	-	-	-									100.0%	-	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-	-																	-		-	-	-
27 of which motor vehicle loans	-	-	-	-	-																					-	-	-	-	-
28 **Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31 **Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32 **Total GAR assets**	52.2%	0.1%	-	0.0%	0.0%	0.1%	0.0%	-	0.0%	0.0%	0.0%	-	0.0%	0.2%	0.0%	-	-	0.1%	0.0%	-	-	0.0%	0.0%	0.0%	-	52.6%	0.1%	-	0.0%	0.0%

3. GAR KPI STOCK

Based on CapEx

#	2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	% (of all assets covered in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	86.9%	6.9%	-	-	-	0.0%	0.0%	-	-	-	-	-	-	0.0%	0.0%	-	-	0.0%	-	-	-	-	-	-	-	86.9%	6.9%	-	-	-
2	**Financial undertakings**	18.7%	9.3%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.7%	9.3%	-	-	-
3	Credit institutions	24.3%	12.1%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.3%	12.1%	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including the use of proceeds	25.4%	12.7%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.4%	12.7%	-	-	-
6	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-	-
14	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-	-
15	Equity instruments	-	-		-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-	-
18	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-		-	-	-		-	-
19	Equity instruments	-	-		-	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	16.2%	6.8%	-	-	-	2.4%	0.0%	-	-	-	-	-	-	1.4%	0.2%	-	-	0.2%	-	-	-	-	-	-	-	20.3%	7.0%	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including the use of proceeds	16.5%	6.9%	-	-	-	2.4%	0.0%	-	-	-	-	-	-	1.5%	0.2%	-	-	0.2%	-	-	-	-	-	-	-	20.6%	7.2%	-	-	-
23	Equity instruments	6.6%	1.9%		-	-	1.2%			-	-	-		-	0.1%	-		-	0.4%	-		-	-	-		-	8.3%	1.9%		-	-
24	**Households**	88.6%	6.9%	-	-	-	-	-	-	-					-	-	-	-									88.6%	6.9%	-	-	-
25	of which loans collateralised by residential immovable property	100.0%	8.0%	-	-	-	-	-	-	-					-	-	-	-									100.0%	8.0%	-	-	-
26	of which building renovation loans	100.0%	-	-	-	-	-	-	-	-					-	-	-	-									100.0%	-	-	-	-
27	of which motor vehicle loans	-	-	-																							-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	49.7%	3.9%	-	-	-	0.0%	0.0%	-	-	-	-	-	-	0.0%	0.0%	-	-	0.0%	-	-	-	-	-	-	-	49.8%	3.9%	-	-	-

4. GAR KPI FLOW

Based on turnover

2024		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	% (of all assets covered in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	87.7%	4.9%	-	0.0%	0.0%	0.0%	0.0%	-	0.0%	-	-	-	-	0.0%	0.0%	-	-	-	-	-	-	-	-	-	-	87.7%	4.9%	-	0.0%	0.0%
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	4.8%	1.0%	-	0.0%	0.9%	4.9%	1.2%	-	1.2%	-	-	-	-	1.4%	1.1%	-	-	-	-	-	-	-	-	-	-	11.1%	3.3%	-	0.0%	2.1%
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including the use of proceeds	4.7%	1.0%	-	0.0%	0.9%	4.9%	1.2%	-	1.2%	-	-	-	-	1.4%	1.1%	-	-	-	-	-	-	-	-	-	-	11.0%	3.3%	-	0.0%	2.1%
23	Equity instruments	29.0%	23.3%		-	3.8%	-	-		-	-	-		-	9.5%	9.5%		-	-	-		-	-	-		-	38.5%	32.8%		0.0%	3.8%
24	**Households**	88.5%	4.9%	-	-	-	-	-	-	-					-	-	-	-									88.5%	4.9%	-	-	-
25	of which loans collateralised by residential immovable property	100.0%	5.7%	-	-	-	-	-	-	-					-	-	-	-									100.0%	5.7%	-	-	-
26	of which building renovation loans	100.0%	-	-	-	-	-	-	-	-					-	-	-	-									100.0%	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-																					-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	49.0%	2.7%	-	0.0%	0.0%	0.0%	0.0%	-	0.0%	-	-	-	-	0.0%	0.0%	-	-	-	-	-	-	-	-	-	-	49.0%	2.7%	-	0.0%	0.0%

4. GAR KPI FLOW

Based on CapEx

2024		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
		Climate Change Mitigation (CMM)					Climate Change Adaptation (CCA)				Water and Marine Resources (WTR)				Circular Economy (CE)				Pollution Prevention and Control (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Tax-onomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
	% (of all assets covered in the denominator)			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	87.7%	4.9%	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	87.7%	4.9%	-	-	-
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including the use of proceeds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
20	**Non-financial undertakings**	5.0%	4.8%	-	-	-	-	-	-	-	-	-	-	-	0.3%	-	-	-	0.5%	-	-	-	-	-	-	-	5.3%	4.8%	-	-	-
21	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Debt securities, including the use of proceeds	5.0%	4.8%	-	-	-	-	-	-	-	-	-	-	-	0.3%	-	-	-	0.5%	-	-	-	-	-	-	-	5.3%	4.8%	-	-	-
23	Equity instruments	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-
24	**Households**	88.5%	4.9%	-	-	-	-	-	-	-					-	-	-	-									88.5%	4.9%	-	-	-
25	of which loans collateralised by residential immovable property	100.0%	5.7%	-	-	-	-	-	-	-					-	-	-	-									100.0%	5.7%	-	-	-
26	of which building renovation loans	100.0%	-	-	-	-	-	-	-	-					-	-	-	-									100.0%	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-																					-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	49.0%	2.7%	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%	-	-	-	-	-	-	-	49.0%	2.7%	-	-	-

5. KPI OFF-BALANCE SHEET EXPOSURES

Based on turnover

2024		a	b	c	d	e
		Climate Change Mitigation (CMM)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (of covered off-balance sheet items)				Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-	-
2	Assets under management (KPI on assets under management)	5.6%	2.3%	-	0.1%	1.0%

2024		f	g	h	i
		Climate Change Adaptation (CCA)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (of covered off-balance sheet items)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	0.8%	0.1%	-	0.1%

2024		j	k	l	m
		Water and Marine Resources (WTR)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (of covered off-balance sheet items)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	0.0%	0.0%	-	0.0%

2024		n	o	p	q
		Circular Economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (of covered off-balance sheet items)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	2.6%	0.0%	-	0.0%

2024		r	s	t	u
		Pollution Prevention and Control (PPC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (of covered off-balance sheet items)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	0.6%	0.0%	-	-

2024		v	w	x	z
		Biodiversity and Ecosystems (BIO)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (of covered off-balance sheet items)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	0.0%	0.0%	-	0.0%

2024		aa	ab	ac	ad	ae
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (of covered off-balance sheet items)				Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-	-
2	Assets under management (KPI on assets under management)	9.6%	2.5%	-	0.1%	1.1%

5. KPI OFF-BALANCE SHEET EXPOSURES

Based on CapEx

2024		a	b	c	d	e
		Disclosure reference date T				
		Climate Change Mitigation (CMM)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total eligible off-balance sheet assets)				Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-	-
2	Assets under management (KPI on assets under management)	7.7%	3.2%	-	0.7%	1.1%

2024		f	g	h	i
		Climate Change Adaptation (CCA)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	1.4%	0.1%	-	0.0%

2024		j	k	l	m
		Water and Marine Resources (WTR)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	0.0%	0.0%	-	0.0%

2024		n	o	p	q
		Circular Economy (CE)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	1.2%	0.0%	-	0.0%

2024		r	s	t	u
		Pollution Prevention and Control (PPC)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	0.4%	0.0%	-	-

2024		v	w	x	z
		Biodiversity and Ecosystems (BIO)			
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)			
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)		
% (compared to total eligible off-balance sheet assets)				Of which Use of Proceeds	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-
2	Assets under management (KPI on assets under management)	0.0%	0.0%	-	0.0%

2024		aa	ab	ac	ad	ae
		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
% (compared to total eligible off-balance sheet assets)				Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (KPI on financial guarantees)	-	-	-	-	-
2	Assets under management (KPI on assets under management)	10.8%	3.3%	-	0.7%	1.1%

6. NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

2024	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

2023	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	Yes
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Based on turnover

2024							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	6	0.1%	6	0.1%		
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	6	0.0%	6	0.0%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	469	3.9%	467	3.9%		
8.	**Total applicable KPI**	481	4.0%	480	4.0%		

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Based on CapEx

2024							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9	0.1%	9	0.1%		
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2	0.0%	2	0.0%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	467	3.9%	467	3.9%		
8.	**Total applicable KPI**	477	3.9%	477	3.9%		

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Based on turnover

2023							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%	0	0.0%		
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.0%	1	0.0%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	12	0.1%	7	0.1%		
8.	**Total applicable KPI**	13	0.1%	8	0.1%		

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Based on CapEx

2023							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%	0	0.0%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	13	0.1%	8	0.1%		
8.	**Total applicable KPI**	13	0.1%	8	0.1%		

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Based on turnover

2024								
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	6	1.3%	6	1.3%		
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	8	1.6%	8	1.6%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	467	97.1%	466	97.1%		
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	481	100.0%	480	100.0%		

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Based on CapEx

2024							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	9	1.8%	9	1.8%		
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2	0.4%	2	0.4%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	466	97.7%	466	97.7%		
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	477	100.0%	477	100.0%		

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Based on turnover

2023							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	3.6%	0	3.6%		
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	4	29.2%	4	29.2%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	9	0.1%	4	49.7%		
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	13	100.0%	8	65.1%		

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Based on CapEx

2023							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	1	6.4%	1	6.4%		
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI						
7.	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	12	0.1%	8	58.7%		
8.	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	13	100.0%	8	65.1%		

TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Based on turnover

2024							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.0%	1	0.0%		
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	7	0.1%	7	0.1%		
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%	0	0.0%		
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	5,534	99.4%	5,548	99.9%		
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	5,542	99.6%	5,556	100.0%		

TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Based on CapEx

2024							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.0%	1	0.0%		
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3	0.1%	3	0.1%		
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%	0	0.0%		
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	5,538	99.9%	5,554	99.9%		
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	5,542	100.0%	5,558	100.0%		

TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Based on turnover

2023							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2		2			
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3		3			
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0		0			
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	6,045	52.5%	6,006	52.2%		
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	6,050	52.6%	6,011	52.2%		

TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Based on CapEx

2023							
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
Row	Economic activities	Amount (Mn EUR)	%	Amount (Mn EUR)	%	Amount (Mn EUR)	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI						
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1		1			
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3		3			
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0		0			
7.	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	6,046	52.5%	6,007	52.2%		
8.	**Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	6,050	52.6%	6,011	52.2%		

TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES

Based on turnover

2024			
Row	**Economic activities**	**Amount (Mn EUR)**	**Percentage**
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	6,560	54.2%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	6,560	54.2%

TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES

Based on CapEx

2024			
Row	**Economic activities**	**Amount**	**Percentage**
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	6,560	54.2%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	6,560	54.2%

TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES

Based on turnover

2023			
Row	**Economic activities**	**Amount (Mn EUR)**	**Percentage**
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	690	6.0%
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	690	6.0%

TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES

Based on CapEx

2023			
Row	**Economic activities**	**Amount**	**Percentage**
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.0%
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI		
7.	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	690	
8.	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	690	6.0%

S1 – OWN WORKFORCE

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO OWN WORKFORCE

Table: Own workforce – material impacts, risks and opportunities and their management

Material sub-sub-topic	Impacts	Risks and opportunities for the Savings Banks Group	Management
Working conditions			
Work-life balance	Positive: The Savings Banks Group complies with the provisions in collective agreements and the law regarding work-life balance. These have a positive impact on the comfort and wellbeing of the work community and its ability to produce services.		Work-life balance is managed through work and resource planning, workload sharing, occupational health care that supports wellbeing and actions in line with the early support model.
Health and safety	Positive: In terms of safety, regulation is complied with, and occupational health services are available to employees. People value a safe workplace and occupational health services, which has a positive impact on the wellbeing and comfort of the workplace and its ability to produce services.		The health and safety of work communities is ensured through good management and leadership, workplace surveys and training on how to avoid inappropriate behaviour, Code of Conduct adherence and management and leadership.
Equal treatment and opportunities for all			
Gender equality and equal pay for work of equal value	Negative: If gender equality issues are not in order, they can reduce the wellbeing of some employees.		Workplace surveys and training on how to avoid inappropriate behaviour, Code of Conduct adherence and leadership.
Training and skills development		Risk: If the employees do not have the knowledge, skills or understanding of key regulatory requirements and guidance required for their duties, this will lead to non-compliant operations.	Regular employee trainings, briefings and coaching.

Impacts have been analysed in the same way for all employee categories, with no special focus on employees working in different roles or employees with special characteristics. Material impacts are mainly on employees who are in an employment relationship with us, as Savings Bank rarely uses the services of self-employed or agency contract workers. The actions and policies presented below do not apply to the employees of Sp-Koti Oy, Sp-Isännöintipalvelut Oy or Urbaanit Kodit Oy, as they have their own policies.

INTERESTS AND VIEWS OF STAKEHOLDERS

Employee experience and its development play a key role in our strategy. The views of our employees inform the development of our business models through various opportunities to influence matters and diverse job roles. All employees have been included in the process of reforming the Savings Banks Group's strategy.

One of the goals of the strategy is to be the most desirable workplace for top talent, which we aim to achieve by strengthening the employer image, unifying management skills, updating expertise and increasing career opportunities. These actions aim to reinforce the positive impacts and create more opportunities as well as mitigate negative impacts and reduce risks.

The Savings Bank's employees consist mainly of own workforce working in expert roles. The impacts on work-life balance and health and safety therefore concern mainly our own operations. Gender equality and equal pay for work of equal value, training and skills development also affect our employees, but their downstream and upstream impacts in the value chain are not identified here.

The industry analysis prepared for the strategy has identified factors that support the material risks and opportunities. In the future, competition for skilled labour will intensify, multilingualism and multiculturalism will increase, employment relationships will become more diverse, the nature of work will change, and the importance of job skills and flexibility will be highlighted.

We comply with labour legislation and labour market practices. A respect for fundamental human and labour rights is at the heart of what we do. We are committed to promoting them in all our business activities, culture and decision-making to reinforce our commitment to the protection of internationally declared fundamental human and labour rights. We respect the freedom of association of our employees. We ensure employees' rights by managing personal data in accordance with data protection legislation. The Savings Banks Group has a common policy in place to support us in preventing, identifying and addressing inappropriate behaviour in the workplace.

Stakeholder engagement is described in more detail in the table entitled Our main stakeholders, sustainability themes important to them and engagement efforts.

POLICIES

The Board of Directors of the Savings Banks' Union Coop approves the policies concerning employees, with which we ensure the reliability, professional skills and adequacy of our employees. During the year, we have created a common HR policy for the Savings Banks Group, based on the Savings Banks Group's purpose, strategy, values and responsible operating and management principles. The HR policy describes the main principles of human resources management to help us create a supportive and fair working environment. The member entities of the Savings Banks Group draw up their company-specific HR management practices in accordance with the HR policy of the Savings Banks Group and are responsible for their practical implementation. The HR policy is used to manage all identified material impacts, risks and opportunities related to own workforce, as it addresses issues such as leadership, equality, remuneration and wellbeing at work. The implementation of the HR policy is assessed in the sustainability statement of the Savings Banks Group.

The responsibility of the Savings Banks Group's own workforce is guided by the Code of Conduct approved by the Management Team of the Savings Banks' Union Coop and by legislation. The Code of Conduct gathers together the key principles that govern our operations, including our values, ethical and responsible approaches and other key rules of conduct. We regularly train our employees to act in accordance with the Code of Conduct. The Code of Conduct relates specifically to training and skills development. The implementation of the Code of Conduct is monitored in terms of the number of people who have completed the online course annually and in terms of the sustainability strategy on a quarterly basis. The Equality plan, on the other hand, addresses gender equality and pay.

The associated risks and opportunities are described in the Table entitled S1 Own workforce – material impacts, risks and opportunities and their management.

WORKING CONDITIONS

The Savings Banks Group complies with national labour legislation and is covered by the collective agreements for the financial and insurance sectors. These collective agreements determine the minimum salaries, which we comply with. The percentage of employees covered by collective agreements is 92.8% of all employees who are in an employment relationship with us.

Table: Collective bargaining coverage and social dialogue workplace representation

Collective Bargaining Coverage (EEA)		
Coverage rate	**Collective bargaining coverage, employees**	**Social dialogue, workplace representation**
0–19%		
20–39%		
40–59%		
60–79%		
80–100%	Finland	Finland

In addition to the collective agreements for the financial and insurance sectors, we comply with the Finnish labour law regulations. Our employees have the right, pursuant to the Employment Contracts Act, to receive pay during periods of incapacity for work and to take time off work, on a full-time or part-time basis, for family-related leave. For periods of incapacity for work and family-related leave, we pay wages in accordance with the collective agreements. The Working Hours Act defines the limits of regular working hours and overtime, and our collective agreements provide for shorter weekly working hours than the statutory limit. Modern tools and flexible working time arrangements, such as hybrid work, make it possible to balance work and personal life. All Savings Banks Group's employees have the right to belong or not to belong to a trade union.

In addition, we comply with the following international agreements and declarations: Principles of the UN Global Compact, which are based on the UN Universal Declaration of Human Rights (UDHR); the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct; the UN Guiding Principles on Business and Human Rights, including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work; the International Bill of Human Rights; the Rio Declaration on Environment and Development; and the UN Convention against Corruption. Compliance with these is outlined in our HR policy for 2024, as well as in our Principles on respect for human rights and fundamental labour rights. All policies and guidelines can be found on the intranet.

HEALTH AND SAFETY

In the Savings Banks Group, the assessment and management of risks related to premises safety and personal safety are part of continuous risk management. We comply with the national Occupational Safety and Health Act, as well as with the premises safety guidelines for banks issued by Finance Finland. These are complemented by various work instructions at both Group and local level.

In accordance with national legislation, 100% of all employees are covered by preventive occupational health care. Occupational health services are organised locally, and employees are informed about occupational health services through internal channels. Work capacity management, monitoring and early support in the workplace are proactive measures aimed at identifying any factors that may threaten the employees' ability to work and initiating the necessary measures. These measures are agreed in writing between employers, employees and occupational health care and they are based on the needs of the workplace. This ensures that the employees' ability to work is promoted and incapacity for work is prevented throughout their careers.

The Savings Bank operates in a low-risk sector, so there is no specific policy or management system for the prevention of work-related injuries.

Health and safety indicators

There were no work-related accidents or fatalities as a result of work-related injuries during the reporting period.

Table: The percentage of people who are covered by the undertaking's health and safety management system and work-related accidents

Health and safety, own workforce	
The percentage of people in the undertaking's own workforce who are covered by the undertaking's health and safety management system based on legal requirements and/or recognised standards or guidelines	100
Work-related accidents, number	0
Work-related accidents, %	0
Number of fatalities as a result of work-related injuries and work-related ill health	0
With regard to the undertaking's employees, the number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	0

EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

We at the Savings Banks Group do not accept putting people in an unequal position on the basis of, for example, ethnic background, skin colour, gender, religion, age, sexual orientation, identity, disability, political opinion, social status, family or health-related reasons or any other status defined as vulnerable in EU or national legislation. We value diversity and consider the diversity in people to be an asset. We do not tolerate any kind of bullying, discrimination or violence and have zero tolerance for harassment. We constantly monitor the situation and any reports, engage in dialogue and take action, when necessary, to remedy the situation. The equality plans are regularly and periodically implemented in the Savings Banks Group companies with more than 30 employees. The plans are available to the employees and their purpose is to promote gender equality in the workplace and to give a picture of the equality situation in the work community. As part of the report, a breakdown of the distribution of genders across different roles is provided, along with an assessment of job demands, salaries, and wage disparities. The plans also assess the implementation and results of the measures in the previous plans. In addition, a separate DEI (Diversity, Equity and Inclusion) plan will be prepared in 2025, outlining our policy on harassment, discrimination and equal opportunities.

Diversity indicators

Table: Gender distribution at top management

Gender distribution at top management	%	number
Board of Directors and CEO of the Savings Banks' Union Coop		
Female	27%	3
Male	73%	8

Table: Age distribution amongst employees

Age distribution amongst employees	number	%
Under 30 years old	266	18%
30-50 years old	785	54%
Over 50 years old	391	27%

TRAINING AND SKILLS DEVELOPMENT

The Savings Banks Group's management and employee skills development are governed by a common strategy. We use a coaching-oriented leadership style to strengthen the ability of every Savings Bank employee to develop and manage their work, and we support individuals and teams in achieving their targets. We conduct performance reviews and target discussions and support the achievement of targets and skills development through coaching discussion practices.

Training and skills development indicators

Table: Employees that participated in regular performance and career development reviews, average number of training hours and percentage of functions-at-risk covered by anti-corruption/anti-bribery training programmes

Training and skills development	
Employees that participated in regular performance and career development reviews, number	1226
Average number of training hours per employee, h	20
Percentage of functions-at-risk covered by anti-corruption/anti-bribery training programmes, %	97.4%

PROCESSES FOR ENGAGING WITH OWN WORKERS AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

ACTIVITIES RELATED TO COOPERATION

The Savings Banks Group complies with the national legislation with regards to the implementation of organisational changes and the notification period. We are operationally responsible for and committed to an open and ongoing dialogue with our employees and their representatives. In the Savings Banks group, regular dialogue takes place through various channels of interaction and in collaboration between staff representatives or cooperation groups and employers at the local workplace level. In this way, we ensure that employees receive sufficient and timely information on decisions that affect their work or working conditions. also use a variety of surveys and feedback channels to gather employees' views and concerns. The aim is to better understand the needs of our employees and to develop our operations on the basis of this feedback. We also organise annual training on current issues for management and shop stewards, where we discuss current topics of common interest.

All employee categories are treated equally and engaged with in similar ways. The perspectives of groups who may be particularly vulnerable are not gathered separately.

EMPLOYEE SURVEYS

We conduct regular employee surveys to examine employees' views of how the themes of our policies and targets are being implemented in practice. The surveys also provide the opportunity to present suggestions for improvement, provide feedback and report any experiences of harassment and discrimination. The employee survey is carried out by the "People and skills" function of the Savings Bank Centre.

The results of the employee survey are reviewed to identify issues that cause negative impacts. Based on this, we identify and implement measures to mitigate the negative impacts. Supervisors are trained to process the results and encouraged to discuss the results at workplace level. Based on the results, development measures are agreed in each workplace and their implementation is regularly monitored through separate surveys.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

WHISTLEBLOWING CHANNELS

The Savings Banks Group has an independent internal whistleblowing channel through which any Savings Banks Group employee can confidentially report a suspected breach of regulation or a violation of our internal guidelines. No specific evidence is required to make a report; reasonable suspicion is enough. Designated individuals in the independent functions of the central institution (Risk Control and Compliance and Internal Audit) process the reports received through the whistleblowing channel, carry out the necessary background investigations and, where necessary, request for more information from the whistle-blower. Whistleblowing instructions are available to employees in the intranet. If we encounter or observe negative treatment, such as harassment or discrimination, employees are directed to discuss it with their supervisor or HR. Such incidents can also be reported through the whistleblowing channel, especially if discussion with the supervisor or HR is not possible, for example due to the confidential nature of the matter.

The financial sector also has an external whistleblowing channel maintained by the Financial Supervisory Authority, where suspected infringements of financial market provisions and regulations can also be reported. More detailed instructions on how to report breaches are provided in the Whistleblowing policy.

ACTIONS

Table: Actions in relation to Own workforce, their scope, time horizons and outcomes in 2024.

Theme	Action	Scope	Time horizon	Outcomes
Work-life balance	Planning work and resources	Action applies to the employees of the Savings Banks Group	Ongoing action	Action taken in 2024
	Occupational health care	Action applies to the employees of the Savings Banks Group	Ongoing action	Action taken in 2024
	Operations in line with the early support model	Action applies to the employees of the Savings Banks Group	Ongoing action	Action taken in 2024
Health and safety, Gender equality and equal pay for work of equal value	Workplace surveys on the health, safety and satisfaction of the work community	Action applies to the employees of the Savings Banks Group, implemented locally on an annual basis	Ongoing action	Action taken in 2024
	Training for own workforce on how to avoid inappropriate behaviour as part of the Code of Conduct online training	Action applies to the employees of the Savings Banks Group	Ongoing action, training must be completed annually	Completion rate of Code of Conduct online training in 2024 was 91.6%
Health and safety	Physical safety at work as part of the Savings Banks Group's employee induction process	Action applies to the employees of the Savings Banks Group	Ongoing action, taken at the start of employment	Action taken in 2024
Training and skills development	Performance and career development reviews	Action applies to the employees of the Savings Banks Group	Ongoing action	Action taken in 2024
	Regular employee trainings, briefings and coaching	Action applies to the employees of the Savings Banks Group	Ongoing action	The Savings Bank Group organised about 180 trainings, briefings and other events in 2024
Working conditions, Equal treatment and opportunities for all	Creating an HR policy	Action applies to the employees of the Savings Banks Group	Action taken in 2024	HR policy was prepared and approved by the Board of Directors of the Savings Banks' Union Coop in 2024

Through diligent practices and common policies, Savings Banks Group ensures that its business practices do not cause or contribute to negative impacts on employees. Procurement, sales and data security are also managed through guidelines, such as the Code of Conduct. In the event of tension between performance and profitability and negative impacts in business, the company's ethical guidelines will be followed. The Savings Banks Group monitors the effectiveness of its actions and initiatives, for example through regular performance and career development reviews and surveys. The implementation of the actions does not require significant operating or capital expenditure.

WORKING CONDITIONS

The Savings Banks Group supports the wellbeing of employees at different stages of their lives. We provide flexible working hours where duties allow and a hybrid model where part of the week can be worked from any location. The use of a job rotation model at the Savings Banks Group has promoted learning and knowledge sharing among employees. It has also provided employees with opportunities to work on projects and take on new positions temporarily.

Work-life balance indicators

Our employees are 100% entitled to take family-related leaves, and we pay wages during family-related leaves in accordance with collective agreements. In 2024, 6.1% of our employees were on a family-related leave: 3.7% of women and 2.4% of men.

Table: Employees entitled to take family-related leave and employees who took family-relate leave by gender

Family-related leave 2024	
Employees entitled to take family-related leave, %	100%
Employees who took family-related leave, %	6.1%
Women who took family-related leave, %	3.7%
Men who took family-related leave, %	2.4%

HEALTH AND SAFETY

Every employee of an entity belonging to the Savings Banks Amalgamation must be familiar with and comply with the Code of Conduct. The Code of Conduct gathers together the main principles that govern our operations, including our values, ethical and responsible approaches and other key rules of conduct. The Code of Conduct is part of the employee induction programme, and it is the responsibility of supervisors to ensure that employees are familiar with and comply with the Code of Conduct.

We go through physical occupational safety issues as part of the Savings Banks Group's common induction process. The induction includes an online course package on bank security, conducted as a common solution for the industry, which covers topics such as dealing with threatening customer situations and robberies, and ensuring a safe working environment and allowing everyone to use services in peace. The online courses also cover topics such as the impact of social media at work.

EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

The Savings Banks Group is committed to promoting diversity and inclusion. Our operations are based on the values and ethical principles of the Savings Banks Group, which take into account the discrimination criteria of the Non-discrimination Act and the Equality Act. We do not tolerate discrimination, bullying or harassment. Our consistent approaches to supporting and monitoring performance and addressing harassment and discrimination support equal operations. Our goal is to create a working environment where every employee feels valued, included and equal. Currently, Savings Bank Group does not have a specific policy in place to address the negative impacts of gender inequality. This matter will be addressed in the DEI plan to be developed in 2025.

TRAINING AND SKILLS DEVELOPMENT

In the Savings Banks Group, we support employees' skills development through various methods and by observing working methods, processes and customer interactions. This allows us to develop our operations and expertise.

We ensure safe operations and minimise risks by regularly training and familiarising our employees with key data protection and data security issues and our safe and secure practices that are in line with our values. Every employee of the Savings Banks Group is required to complete annual training on the Code of Conduct, data protection and data security trainings, and training on customer due diligence andanti-money laundering and anti-terrorism. We monitor and report on the completion rate of the online courses at the workplace and Group level.

In addition, we continuously organise gamified, AI-based data security training to teach employees to identify online phishing fraud and user manipulation. The training simulates scam emails using job titles, organisations, industries, languages and geographical locations that appeal to users personally.

INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS AND INCIDENTS

In 2024, the Savings Banks Group reported no incidents, complaints or severe human rights impacts and incidents within its own workforce. As no breaches of procedures or norms were detected in 2024, there was no need to take action to address them. The number of incidents, complaints or severe human rights impacts and incidents related to own workforce, the related material fines, sanctions or compensations for the reporting period have not been validated by an external body.

CHARACTERISTICS OF THE SAVINGS BANKS GROUP'S EMPLOYEES

The Savings Banks Group has employees working in 14 independent Savings Banks and the Savings Bank Centre. The Savings Bank Centre is an operational organisation consisting of seven companies: Savings Banks' Union Coop, Savings Bank Services Ltd, Central Bank of Savings Banks Finland Plc, Sp-Fund Management Company Ltd, Sb Life Insurance Ltd and Sp-Koti Ltd. The Group has about 100 branches and offices along the axis from Helsinki to Rovaniemi and from Närpiö to Joensuu. At the end of 2024, the total number of employees in the Savings Banks Group was 1,442. The number of employees is presented in the annual report in section Profit trends (comparison figures 1–12/2023).

Women accounted for 71.3% and men for 28.7% of all employees. In 2024, 30% of top management (Board of Directors) were women and 70% men.

Number of employees by gender

Gender	Number of employees (head count)
Male	414
Female	1028
Other	0
Not reported	0
Total employees	1442

Average number of employees

Average number of employees (head count)	1406

Employees by country

Employees by country	Head count
Finland	1442

Employee turnover and number of employees who have left the undertaking

Number of employees who have left the undertaking (head count)	244
Employee turnover, %	17.4%

Gender pay gap and annual total renumeration ratio

Gender pay gap, %*	71%
Annual total renumeration ratio of the highest paid individual to the median annual total renumeration for all employees (excluding the highest-paid individual)	9.8

*The calculation takes into account the median salaries of all women and men, without considering different job types

Information on employees by gender and contract type

	Female	Male	Other	Not disclosed	Total
Number of employees (head count)	1028	414	0	0	1442
Number of permanent employees (head count)	960	385	0	0	1345
Number of temporary employees (head count)	68	29	0	0	97
Number of non-guaranteed hours employees (head count)	26	10	0	0	36
Number of full-time employee (head count)	919	389	0	0	1308
Number of part-time employees (head count)	109	25	0	0	134

METRICS AND TARGETS

TARGETS

Table: Targets related to own workforce

Target	2030 target	2024 progress	Base year
Employees' readiness to recommend the company to others, Employee Net Promoter Score (eNPS)	Improving at Group level	+35	2024

Description of the relationship of the target to the policy objectives:

Employees' readiness to recommend: The target of improving employees' readiness to recommend the company at Group level relies on our ability to provide a workplace where our employees enjoy working. The Code of Conduct and our renewed HR policy aim to strengthen employee wellbeing through actions that are in line with our values and a supportive and fair working environment.

Methodology and assumptions:

Employees' readiness to recommend: To measure our employees' readiness to recommend our company, we use the internationally established eNPS method as part of our employee survey, which is conducted three times a year. Our target covers all employees within the Savings Banks Group.

Stakeholder involvement in target setting:

The targets have been set together with the Management Team of the Savings Bank Centre and the sustainability steering group and the Board of Directors of the Savings Banks' Union Coop.

Possible changes in targets and metrics:

No changes

METHODOLOGIES BEHIND THE METRICS OF THE SAVINGS BANKS GROUP

The figures related to own workforce include the banks and companies of the Savings Banks Group, with the exception of Sp-Koti Ltd, Urbaanit Kodit Ltd and Sp-Isännöintipalvelut Ltd, whose number of employees is small in relation to the number of all employees and is not material.

The number of employees used in the calculations is given as the number of employees at the end of the reporting period (31 December 2024) and as the average number of employees calculated as of the last day of the month.

The number of employees also includes non-active employees, such as employees taking family leave or other long absences. Employee turnover includes all reasons for leaving (excl. transfers of undertakings) divided by the number of persons. The figure includes all employment relationships, and the turnover rate is divided by the average number of persons for the year.

The gender pay gap is expressed as a percentage and calculated on the basis of average gross hourly wage. All employees are included in it.

The following formula is applied to the ratio of total annual compensation: the total annual compensation of the highest-paid individual is divided by the median total compensation for all employees (excl. the highest-paid individual).

S1 Own workforce metrics have not been validated by an external body.

S4 – CONSUMERS AND END-USERS

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS

Table: S4 Consumers and end-users – material impacts, risks and opportunities and their management

Material sub-topic	Impacts	Risks and opportunities for the Savings Banks Group	Management
Information-related impacts on consumers and/or end-users			
Privacy	Positive: By ensuring the principles and guidelines of data protection requirements, banking confidentiality obligations, personal data processing matters and digital security, we enable our customers to use services in a privacy-conscious and secure manner.	Risk: Digital fraud can potentially cause significant financial losses to our customers and damage the reputation of Savings Bank.	• Developing and maintaining data protection processes and policies to safeguard the rights and freedoms of our customers and other stakeholders in the processing of personal data. • Developing the security of the Savings Banks Group's services and IT systems in the long term. • Developing data protection processes and data protection training for employees.
Access to quality information	Positive: We communicate our products openly, enabling our customers to form an understanding that serves as a basis for their financial decisions.		• Work and resource planning, a clear and effective model for skills development
Social inclusion of consumers and/or end-users			
Access to products and services	Positive: By offering services both in our branches and digitally, we enable access to services for different target groups.		• Developing the sustainability of existing and new products and services while taking social inclusion into account

The material impacts, key risks and opportunities for consumers and end-users have been identified in the double materiality assessment and are described in table S4 Consumers and end-users – material impacts, risks and opportunities and their management. The double materiality assessment is described in section Description of the process to identify and assess material impacts, risks and opportunities.

Material positive impacts affect all groups of consumers and end-users. Consumers and end-users are individuals and companies that purchase or use our financial products and services. Enabling privacy-sensitive services is important for all our private and corporate customers, as is access to quality information about our products to inform decision-making. In terms of access to information, accessibility mainly concerns groups for whom accessibility is important. By providing services both in our branches and digitally, we want to enable access to products and services for all customer groups. Digital fraud can affect all our customer groups with severe financial consequences.

As part of the double materiality assessment, we also interviewed representatives of vulnerable groups, the National Association of Seniors in Finland and the Finnish Association of People with Physical Disabilities. The material impacts, risks and opportunities for these customer groups are the same as for other customer groups, namely related to privacy, access to information and services, and digital fraud. We also take the needs of these customer groups into account in our operations.

POLICIES

We manage the material impacts, risks and opportunities for consumers and end-users through comprehensive guidance and training, in addition to management and control. Our Policy for data protection management, Data security policy, Product management policy and Policy for the handling of customer complaints and feedback are our main policies concerning consumers and end-users. These policies cover all consumer and end-user groups. They are available to employees on our intranet pages.

Table: Policies related to consumers and end-users, their content and scope

Policy	Main content	Scope	Senior level accountable for implementation
Data protection management policy	The aim of the policy is to ensure that everyone within the Savings Banks Amalgamation complies with the legislation on the processing of personal data and the regulations and guidelines issued by the authorities. Implementation of the policy is monitored by measuring data protection incidents and the percentage of employees who have completed data protection training.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Board of Directors of the Savings Banks' Union Coop
Data security policy	A policy that defines the general principles, roles and responsibilities of data security and the management system. The policy is monitored by the internal control function as part of its day-to-day operations and on a risk basis in its own control activities.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Board of Directors of the Savings Banks' Union Coop
Product management policy	The aim of the product management procedure is to ensure an efficient product portfolio that supports the Savings Banks Group's strategy, where the developed products have a clearly defined target group and purpose. The aim of product management is to ensure a controlled product life cycle, product development and distribution in the interest of the customer, and regulatory compliance. The operational management is responsible for compliance with this policy while the Compliance and Risk Control function monitors implementation.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Board of Directors of the Savings Banks' Union Coop
Policy for handling customer complaints and feedback	Description of the system for handling customer complaints and feedback. The aim is to ensure access to information about any grievances that customers may experience and the appropriate processing of complaints and feedback. Awareness and compliance are ensured through internal control and reporting.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Management Team of the Savings Banks' Union Coop

In addition, our operations are guided by the Code of Conduct, which contains principles that guide banking practices related to, for example, the marketing of services, credit services and saving and investment services, and under which customer information held by the bank is subject to statutory banking secrecy. The bank will disclose information about the customer to persons other than the customer themselves only with the customer's consent or to those entitled by law to receive such information. The bank's employees and others acting on behalf of the bank process customer data only to the extent necessary for the performance of their duties. By communicating our products and services transparently and truthfully, we ensure that customers receive the right information to inform decisions that affect their financial wellbeing. The Code of Conduct applies to all consumer and corporate customers in the downstream value chain of the Savings Banks Group. Compliance with the Code of Conduct is the responsibility of the CEOs of the entities in the Amalgamation, who monitor the implementation of the Code of Conduct as part of their operational management. Each employee of an entity within the Savings Banks Amalgamation must be familiar with this policy and it is the responsibility of supervisors to ensure that employees are familiar with and comply with the policy. The policy should be reviewed as part of the induction programme.

By offering our customers a combination of in-person and digital services, we ensure that the services of Savings Banks are available to our customers throughout Finland. In addition to digital channels, the Savings Banks Group has an extensive network of approximately 100 branches, through which the independent, local Savings Banks serve our customers all over Finland. Our customer service also serves our customers by phone and digitally throughout Finland. In addition to Finnish and Swedish, our customer service is also available in English.

The development of in-person and digital services is guided by the Savings Banks Group's strategy. The Savings Banks Group's strategy and its monitoring and implementation are the responsibility of the Board of Directors of the Savings Banks' Union Coop. The policy covers all consumer and corporate customers in the downstream value chain.

RESPECT FOR HUMAN RIGHTS

Respect for the human rights of consumers and end-users is a key premise of the Savings Banks Group's operations. We are committed to promoting fundamental human and labour rights in all our business activities, culture and decision-making, reinforcing our commitment to the protection of internationally declared fundamental human and labour rights.

We set out our principles on respecting the human rights of consumers and end-users in our Policy on respecting human rights and fundamental labour rights. This policy clarifies our approaches with regard to customer due diligence, data protection and safeguarding fundamental human and labour rights in our investment and financing activities.

In line with our Policy on respecting human rights and fundamental labour rights, wee comply with the following international agreements and declarations: Principles of the UN Global Compact, which are based on the UN Universal Declaration of Human Rights (UDHR); the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct; the UN Guiding Principles on Business and Human Rights, including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work; the International Bill of Human Rights; the Rio Declaration on Environment and Development; and the UN Convention against Corruption.

We intend to assess and monitor the implementation, progress and challenges of the Policy on respecting human rights and fundamental labour rights in our own operations and value chain on an approximately annual basis. In the event that negative human rights impacts arise in relation to our own or other workforce or value chain, these will be integrated into the risk assessment process. Sp-Fund Management Company examines norm violations using a checklist and updates asset inventories at least twice a year. In line with the Responsible investment policy Sp-Fund Management Company excludes from direct investments companies that repeatedly violate international conventions and are not deemed to be in a position to be successfully influenced. Sp-Fund Management Company also actively exerts influence over its investees and may raise social issues, for example at general meetings or company meetings.

In 2024, the Savings Banks Group had no incidents related to consumers and/or end-users of non-compliance with the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises.

PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

We engage directly with our customers through online messages, email, mail, surveys and meetings. We send a monthly newsletter to our customers by email, in addition to sending online messages to our customers. The purpose of these measures is to keep our customers informed about current issues and to keep in regular contact with them. We also send out customer surveys through these channels. This year, we have asked our customers for their opinions on issues such as our strategy, sustainability and the use of our mobile service. We inform our customers by post about any changes in prices and the terms and conditions of services. Our customers can also contact us via chat, online messages, phone or at bank branches.

We also use customer surveys to find out what our customers think. We carry out an annual Savings Barometer, which provides us with information about the financial wellbeing of Finns. We also participate in the annual EPSI Rating customer survey, which measures the expectations of private and corporate customers in the industry with regard to the bank's products and services, as well as customer loyalty. In addition, every year we participate in the Customer Index survey, which measures customer experience and loyalty. We also measure our customers' expectations, satisfaction and customer relationship status annually through a customer relationship survey that is sent as an online message. We also send our customers an NPS survey, which we use to measure customer satisfaction with the service experience, always after an appointment or a phone call. The views gathered from our customers through various channels affect the development of operations in our development projects.

The CEO of the Savings Banks' Union Coop has operational responsibility for ensuring that engagement happens and that the results inform the company's approach.

We use a biannual survey to map our customers' experience of the security of our services. The survey gives us insight into our customers' experiences of service security at different ages, as well as a breakdown of responses from age groups that are vulnerable to digital security risks, such as the elderly and young people.

PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

The means by which customers can make their concerns and needs known are guided by the Policy for handling customer complaints and feedback. Where necessary, our employees must advise and assist the customer in making a complaint or providing feedback.

In the case of a customer complaint, we direct the customer to make their complaint in writing and to provide all the information necessary to resolve the matter. If the customer wishes to provide feedback anonymously, we direct the customer to preferably use the feedback form on our website or provide the customer with a feedback form to complete. Our website contains instructions for submitting customer complaints and feedback. Customers can also lodge a complaint or provide feedback through external appeal bodies such as the Financial Supervisory Authority, FINE Finnish Financial Ombudsman Bureau, the Finnish Competition and Consumer Authority or the Consumer Disputes Board. In 2024, we received 493 customer complaints to be reported to the Financial Supervisory Authority. The number of customer complaints has not been validated by an external body.

Customers can raise their concerns or needs through the following channels:

- using the feedback form on our website
- sending a message in the online or mobile bank
- through written feedback, such as a letter
- verbally at a branch
- using the NPS survey
- by phone
- via chat
- through the social media pages of Savings Banks Group.

We handle customer complaints and feedback promptly, carefully and professionally. The complaint or feedback is recorded and stored in accordance with the procedure used by the bank/company immediately upon receipt. We address the feedback or complaint in accordance with the instructions for the type of feedback or complaint in question. We monitor feedback and complaints regularly and they inform the development of our operations.

After each appointment and phone call, we send our customers an NPS survey to measure their satisfaction with the service. This gives us an insight into customer satisfaction with the process and its outcomes, as well as an understanding of customer awareness and trust in the channels.

We do not have a specific policy in place regarding the protection of individuals that use our channels against retaliation, but our feedback form is anonymous, which contributes to the protection of the individuals using the channel.

ACTIONS

Table: Actions in relation to Consumers and end-users, their scope, time horizons and outcomes in 2024

Theme	Action	Scope	Time horizon	Outcomes
Data protection	Data protection training for own workforce	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action, training must be completed every two years	Action taken in 2024. In 2024 we also provided additional training for key groups.
	Addressing data security breaches and data protection incidents as required by law	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
	Providing information to our customers on the processing and use of personal data	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
Data security and digital security	Data security training for own workforce	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action, training must be completed every two years	Action taken in 2024
	Advice and training for customers on digitally secure transactions	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
	Addressing incidents identified in information networks and systems and reporting them in accordance with regulation	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
Access to quality information	Providing information to customers about key product features, risks and total price.	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
	Public reporting of investment product performance, risk information and ratings and as part of the investment advice provided to customers.	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
	Providing information on credit options, the main terms and conditions of credit and the costs associated with credit as part of the lending process.	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
Access to products and services	Providing a wide range of digital services	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
	Supporting our customers of all ages in using digital services	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
	Customer service in English	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Launched in 2024, will be an ongoing action	Action taken in 2024
	Ensuring that our website is accessible for screen readers and keyboard navigation	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024
	Providing a separate channel for complaints and feedback concerning the accessibility of digital services and handling of feedback according to law	Action applies to the employees of the Savings Banks Group and has an impact on the customers of the Savings Banks Group	Ongoing action	Action taken in 2024

PRIVACY

Data protection:

We ensure the implementation of the data protection management policy by ensuring that our employees have adequate data protection skills, by developing our operations and by providing information to our customers on data protection. We train our employees annually on data protection and in 2024 we provided additional training to key groups that can positively impact data protection management.

We comply with the EU General Data Protection Regulation (GDPR) and other data protection legislation in our operations. For protecting customer data, the Savings Banks Group employs appropriate technical, organisational and administrative procedures to protect all data in our possession against loss, misuse, unauthorised access, disclosure, modification and destruction.

We take personal data breaches and other data protection incidents seriously. They are processed and reported to the injured parties, other data subjects and the Data Protection Ombudsman as required by data protection legislation. The handling of incidents aims to fulfil our legal obligations, minimise the damage caused and develop our operations.

We provide information to our customers on the processing and use of personal data on our website, for example. The documents available on the website allow our data subjects and other stakeholders to, for example, check the purposes for which their data is collected and processed and in which circumstances it may be disclosed.

Data security and digital security:

We ensure our customers' data security and secure digital services by developing the security of our services and IT systems in the long term, improving the digital security skills of our employees and supporting our customers' digitally secure service experience. We train our employees in digital security, thereby increasing their skills.

We advise and guide our customers on secure digital services and provide training for customers on secure digital services. To ensure the secure use of banking services, we aim to advise our customers in the use of our mobile and authentication application. We track, monitor and control the use of our information networks and systems, and any identified deviations are addressed immediately and notified to the parties required by regulation.

ACCESS TO QUALITY INFORMATION

We communicate about our products openly. Our product management policy guides our product development and the distribution of product-related information to our customers. Already when designing a product, we make sure that the product is suitable for the interests, goals and characteristics of the defined target group.

Our employees have a particular responsibility to ensure that customers are informed about the key features of products, the risks and the overall price, and to provide them with any additional materials they may need. Employees must ensure that customers are aware of the consequences of their financial decisions, including the potential risk of losses.

For example, we report on the performance of all our investment products and publish risk information and ratings publicly on our website. We also communicate performance and risk ratings to our customers as part of the investment advice process. In addition, we utilise product suitability analysis to target products to customers. In terms of lending, we provide information, for example on credit options, key terms and conditions of credit and the costs associated with credit.

ACCESS TO PRODUCTS AND SERVICES

To implement our policy concerning access to services, we offer our customers a wide range of digital services. Examples of these include the opportunity to establish a customer relationship digitally, book appointments electronically, and take advantage of online appointments, electronic signing, digital housing transactions, an electronic health survey as part of Sb Life Insurance's services, mobile payments and fund subscriptions, and the digital signing of continuous saving agreements. We also strive to actively promote the use of digital services and support our customers of all ages in the use of our digital services. The above measures help to ensure that our customers have an understanding that informs their financial decisions.

In September 2024, we launched an English-language customer service.

We comply with accessibility legislation. We ensure that the content, materials and documents on our website are in accessible formats and can be read by screen readers and through keyboard navigation. We also have a separate channel for collecting all complaints and feedback we receive concerning the accessibility of our digital services. Our accessibility feedback team responds to the feedback within the two-week deadline in accordance with the Act on the Provision of Digital Services.

The actions are ongoing in nature, and they do not require significant operating expenditure or capital expenditure.

METRICS AND TARGETS

TARGETS

Privacy:

Data protection:

Data security and digital security:

Table: Targets related to consumers and end-users

Target	2030 target	2024 progress	Base year
Safe and secure service experience	to be determined in 2025	N/A	2025

Description of the relationship of the target to the policy objectives:

Our target for a safe and secure service experience is based on our Code of Conduct and our Data Protection and Data Security policies, which we use to ensure that our customers can enjoy safe and secure services.

Methodology and assumptions:

Safe and secure service experience: We use a customer survey to measure the security of the service experience. We measured the experience for the first time in a customer survey conducted at the end of 2024 and will include the measurement of the security of the service experience in our biannual customer surveys in the future. The customer surveys are delivered to our entire customer base. In 2025, we will set a target level for 2030, based on the baseline data we have now collected. This target will cover our entire customer base, both private and corporate customers.

Stakeholder involvement in target setting:

The targets have been set together with the Management Team of the Savings Banks' Union Coop, the sustainability steering group and the Board of Directors of the Savings Banks' Union Coop. These stakeholders are also involved in setting the target level in 2025.

Possible changes in targets and metrics:

No changes

Progress towards the target:

The 2024 figures are used as a baseline (base year) for the sustainability targets. Progress towards the 2030 targets can thus be tracked over the coming years.

Access to quality information:

So far, we have not set a target for monitoring the effectiveness of policies and actions related to access to quality information.

Access to products and services:

So far, we have not set a target for monitoring the effectiveness of policies and actions related to access to products and services.

We do not specifically monitor the effectiveness of policies and actions in relation to material sustainability-related impacts and risks.

The target of our sustainability strategy set in 2024, "Safe and secure customer experience", has been set together with the Management Team of the Savings Bank's Union Coop the sustainability steering group and the Board of Directors of the Savings Banks' Union Coop. These stakeholders are also involved in setting the target level in 2025.

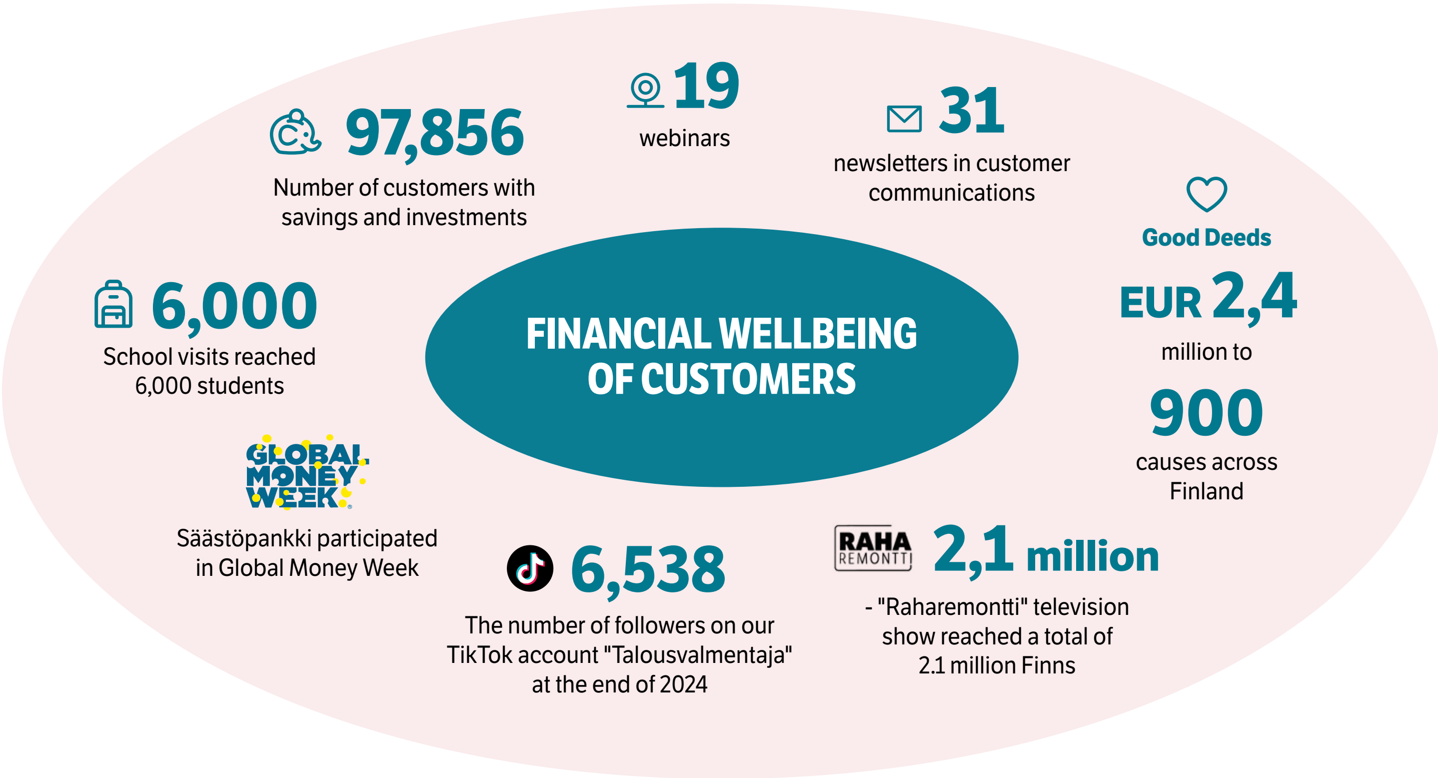
FINANCIAL WELLBEING OF CUSTOMERS AND LOCAL COMMUNITIES

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO FINANCIAL WELLBEING OF CUSTOMERS AND LOCAL COMMUNITIES

Table: Financial wellbeing of customers and local communities – material impacts, risks and opportunities and their management

Material sub-topic	Impacts	Risks and opportunities for the Savings Banks Group	Management
Financial wellbeing of customers			
	Positive: Helping private and corporate customers manage their finances contributes to their financial wellbeing. We provide our customers with lending in line with good lending practices that supports their financial wellbeing.		• Saving and investing services • Personal and corporate finance sessions, (OTT and YTT) • Partnership for corporate customers
Vitality of local communities			
	Positive: Financing businesses improves their ability to employ and pay taxes. Financing regional projects contributes to the development and maintenance of regional infrastructure and services. Financial support for local associations and leisure activities, such as sport and culture, to support the wellbeing of the local population.		• Funding for local businesses and projects • Annual donations from profits and the assets of the foundations to promote well-being in the banks' areas of operation
Financial skills in society			
	Positive: Strengthening financial skills increases the financial wellbeing of society as a whole and the potential for prosperity of our customers.		• Ongoing content production to strengthen financial and digital skills (customers, young people). • Extensive "Raharemontti" programme collaboration to reduce the stigma around financial difficulties and promote open money talk and financial skills. • We increase awareness and skills in financial matters, especially among young people, but also among our older clients and the surrounding communities. • Cooperation with educational institutions • Supporting science • Seminars on saving and investing • TikTok, young followers • Enterprise Agencies • We also organise training for our customers on digital and financial skills.

FINANCIAL WELLBEING OF CUSTOMERS



The mission of the Savings Banks Group is to promote the financial wellbeing and prosperity of its customers in a responsible manner. We are a financial partner to our private and corporate customers, supporting them in long-term financial planning and in the smooth management of their day-to-day banking.

SAVING

A savings bank and a limited-liability savings bank are deposit banks referred to in the Act on Credit Institutions (610/2014), the specific purpose of which is to promote saving (614/2014).

The Savings Bank Act governs our customer activities throughout the Savings Banks Group, and the Board of Directors of the central institution of the Savings Banks Amalgamation is ultimately responsible for the implementation of its principles. In line with the Savings Bank ideal, we recommend that our customers prepare primarily for unexpected expenses by saving. The theme “Saving belongs to everyone” is reflected in the Savings Bank’s customer communications, media communications and marketing throughout the year. Our strategy focuses on increasing the number of saving customers.

We develop our mobile banking service to support customers’ management of their personal finances. In 2024, we launched a budgeting tool in the mobile service that allows customers to conveniently create and monitor budgets based on categorised account transactions (such as Food and beverages or Housing) and their development over a selected period. The budgeting function makes it easier to monitor personal spending and set targets.

LENDING

When granting credit to our customers, we take into account their financial security and potential for success. We calculate our customers' ability to pay on the basis of the information available to us, and do not, for example, primarily grant our customers excessive loans or credit that they cannot afford to repay or that would put their personal or business finances under too much strain. When assessing the customer's ability to repay, we take into account issues related to interest rate risk, offer interest rate hedging products suitable for the customer, and encourage the customer to prepare for unexpected situations and future purchases with consistent saving solutions. Responsible lending also involves explaining the risks to the customer in an understandable way, so that they can make informed decisions.

SUPPORTING THE CUSTOMER'S FINANCES

The Savings Banks Group acts as a long-term partner for our private and corporate customers through the economic cycle and the different stages of the business life cycle.

Our finance sessions with existing and new customers focus on the systematic planning of the finances and the future of the individual or business. We provide information and suggest concrete solutions to support financial wellbeing.

We also assess the impact of changes in the operating environment on business performance in the Corporate finance sessions. A structured discussion framework provides an overview of the various aspects that affect the finances of a company. The increase in sustainability legislation and stakeholder expectations are just some examples of the changes that can have a significant impact on the business of our corporate customers. We published the guide "Vastuullisuuden ABC" (ABCs to Sustainability) to support the development of sustainability in the business activities of our corporate customers. The guide, which can be found on our website, explains how to get started with sustainability efforts and how the Savings Banks Group's products can help companies achieve their sustainability goals.

The Savings Banks Group's corporate customer business also targets agricultural and forestry entrepreneurs. Our goal is to support the profitable growth of Finnish agriculture and forestry so that it is even more environmentally sustainable. We support the profitability of our agricultural and forestry customers and the growth of their sustainability-related expertise by organising regular training events, among other things. Examples include webinars and events organised in cooperation with ProAgria.

In corporate financing, the Savings Banks emphasise cooperation with Finnvera, a specialised financing company wholly owned by the Finnish state.

Through these actions, we increase the share of saving and investing customers and promote the financial wellbeing of our customers. By discussing changes in the operating environment with our corporate customers and sharing information about sustainability, we support our corporate customers in their sustainability transition. The actions concern the Savings Banks Group's customers. The actions are ongoing and have been taken in 2024. The actions do not incur significant operating expenditure or capital expenditure.

VITALITY OF LOCAL COMMUNITIES

Our local presence is our strength: we know our customers' environment and strengthen local vitality by supporting the potential of local businesses to succeed, employ people locally and pay taxes. Financing regional projects supports the development and maintenance of local infrastructure and services.

Local Savings Banks and Savings Bank Foundations donate annually from their profits and foundation assets to promote wellbeing in their respective areas of operation. In 2024, we donated a total of EUR 2.4 million to more than 900 causes across Finland. In the annual Good Deeds campaign, the Savings Banks choose the donation targets in their area based on suggestions from local residents and an advisory vote. As in the previous year, the donation campaign focused particularly on actions supporting the wellbeing of children and youth. Support was given to, among other things, the wellbeing of children and youth, recreational activities that promote wellbeing and mental health work with young people. Donations from foundations were also targeted at supporting education and research. The purpose of Savings Bank Foundations is to promote saving and support education and research, cultural and other activities for the public good.

Savings Bank Foundations play an important role in the local social environment. Every year, the Savings Bank Foundations award scholarships and grants for local activities across Finland.

The Savings Banks Group and individual Savings Banks support sports and culture nationwide, for example by sponsoring sports clubs, individual athletes, and sports and cultural events through the Good Deeds campaign and other donations. Donations can be used to support the recreational activities of children and youth and to promote physical activity.

Through these actions, we increase the vitality of local communities. The actions concern our customers and local communities. The actions are ongoing and have been taken in 2024. The actions do not incur significant operating expenditure or capital expenditure.

FINANCIAL SKILLS IN SOCIETY

Strengthening financial skills increases financial wellbeing and the potential for prosperity in society as a whole.

Savings Banks cooperate with educational institutions and visit schools in their respective regions. In 2024, Savings Banks carried out school visits reaching almost 6,000 students.

We provide topical information and content on financial topics through various means, such as webinars, articles featuring tips and newsletters. The 19 webinars held during the year covered topics such as the current state and future outlook for investment markets, the housing and real estate market, and the US and European investment market review. Tips were published on our website on topics such as how to protect your finances as an entrepreneur and how to trade profitably and safely in online second-hand marketplaces. 31 newsletters were published: 10 for private customers, 10 for corporate customers and 11 for savers and investors.

In autumn 2024, we were the main partner in the “Raharemontti” television show, where we helped Finns struggling with financial problems to find solutions to their issues. Through the programme, we aim to promote open money talk and reduce the stigma around financial difficulties. The programme and the related content offer concrete tips for everyone to use and reached a total of 2.1 million Finns.

In spring 2024, the Savings Banks Group also participated in the international Global Money Week, where we produced educational material on saving and investing for secondary school students. The aim of this cooperation is to improve young people’s financial knowledge and skills. Our “Talousvalmentaja” account on TikTok was followed by 6,538 users at the end of 2024.

We regularly monitor the development of Finns’ financial wellbeing and attitudes towards saving through the Savings Barometer. We publish its results annually.

We value support for research and continuous development. Founded in 1968, Savings Banks Research Foundation is a non-profit foundation aimed at supporting scientific research. The Savings Banks Research Foundation awards grants for research on economic, social and legislative issues related to the money markets and saving. The Savings Banks Research Foundation also maintains the Savings Bank Museum, which operates in connection with Hämeenlinna City Museum.

Through these actions, we promote financial skills in society. The actions concern our customers and local communities. The actions are ongoing and have been taken in 2024. The actions do not incur significant operating or capital expenditure.

METRICS AND TARGETS

TARGETS

Table: Targets related to Financial wellbeing of customers and local communities

Target	2030 target	2024 progress	Base year
Number of customers with savings and investments, pcs	130,500	97,856	2024

Description of the relationship of the target to the policy objectives:

Number of customers with savings and investments: A savings bank and a limited-liability savings bank are deposit banks referred to in the Act on Credit Institutions, the specific purpose of which is to promote saving. Increasing the number of customers with savings and investments is one of our core activities, and all our policies are linked to our core mission.

Methodology and assumptions:

Number of customers with savings and investments: Customers with savings and investments include those customers who have funds or insurance policies with a Savings Bank. Currently, around 25% of our customers fall into this category. Our target is based on the assumption of an absolute increase in the number of customers and an increase in the percentage of customers with savings and investments. For this report the target does not cover Sp-Koti Oy, Sp-Isännöintipalvelut Oy or Urbaanit Kodit Oy.

Stakeholder involvement in target setting:

The targets have been set together with the Management Team of the Savings Banks' Union Coop, the sustainability steering group and the Board of Directors of the Savings Banks' Union Coop.

Possible changes in targets and metrics:

No changes

Progress towards the target:

The 2024 figures are used as a baseline (base year) for the sustainability targets. Progress towards the 2030 targets can thus be tracked over the coming years.

G1 – BUSINESS CONDUCT

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO BUSINESS CONDUCT

Table: G1 Business conduct – material impacts, risks and opportunities and their management

Material sub-topic	Impacts	Risks and opportunities for the Savings Banks Group	Management
Corporate culture			
	Positive: By incorporating the Code of Conduct into our corporate culture, we promote sustainable, ethical business conduct that complies with laws, regulations and guidelines.		• Regulatory monitoring, continuous updating of guidelines and training, online training on the Code of Conduct and other regular training, internal control of compliance with guidelines and regulations.
Protection of whistle-blowers			
	Positive: By adopting whistle-blower protection policies, we enable a safe environment for our employees.		• Independent whistleblowing channel for misconduct and ensuring that employees who report misconduct are treated fairly and protected from unfair treatment according to the guidelines.
Corruption and bribery			
	Positive: The Savings Banks Group's anti-corruption and anti-bribery actions and control mechanisms enable stakeholders to work with an ethical and trustworthy player.		• Continuous updating of guidelines and training, online training on the Code of Conduct and other regular training, internal control of compliance with guidelines and regulations.

THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The implementation of good governance in the Savings Banks Group is ensured by a clear management system, comprehensive guidelines and an internal control system, as described in the Principles for reliable management and internal control approved by the Board of Directors of the Savings Banks' Union Coop.

The Board of Directors and the Supervisory Board of the Savings Banks' Union Coop and the Boards of Directors of the entities belonging to the Savings Banks Group ensure the implementation of good governance in the Savings Banks Group, each for its own part. The Board of Directors of the Savings Banks' Union Coop manages the operations of the central institution in accordance with the Cooperatives Act, the Act on the Amalgamation of Deposit Banks and the governance policies of the central institution and is responsible for organising the internal control of the Savings Banks Group. The Supervisory Board oversees the administration of the central institution, which is the responsibility of the Board of Directors and CEO, and ensures that the operation of the central institution is conducted in a professional and diligent manner in accordance with the Cooperatives Act and in the interests of the central institution and the Savings Banks Group. Correspondingly, the Board of Directors of each entity belonging to the Savings Banks Group ensures the implementation of good governance within its own entity.

The internal control of good governance in the Savings Banks Amalgamation is organised according to the so-called Three Lines of Defence model. In the first line of defence, the business and support functions monitor their own activities. The second line of defence consists of independent control functions, i.e. risk control, compliance and data protection. The third line of defence is internal audit.

Each Savings Bank and company belonging to the Amalgamation and Sb Life Insurance Ltd, a member of the Savings Banks Group, have their own designated individuals who are responsible for risk control and compliance and who work in cooperation with the risk control and compliance function of the central institution. The functions of the data protection officer and internal audit are centralised in the central institution.

The expertise of those in administrative, management and supervisory roles is examined and assessed as described in the Fitness and Propriety Assessment Guidelines of the Savings Banks Amalgamation, both prior to appointment and regularly thereafter. Persons appointed to and performing the duties must have knowledge and experience of the business and the risks involved that is sufficient for the role.

POLICIES

Table: Policies related to Business conduct, their content and scope

Policy	Main content	Scope	Senior level accountable for implementation
Code of Conduct	Gathers together our main ethical guidelines and includes our anti-corruption and anti-bribery policies. The aim is to ensure that the Savings Banks Group operates responsibly, ethically and in compliance with regulations. Awareness and compliance are ensured through annual training, internal control and reporting. Non-compliance can be reported, also through an independent whistleblowing channel.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Management Team of the Savings Banks' Union Coop
Principles for reliable management and internal control	Description of the Savings Banks Group's governance, management and control systems. The goal is to ensure effective and reliable management and internal control within the Savings Banks Group. Compliance is ensured through internal control and reporting in accordance with the Three Lines of Defence model.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Board of Directors of the Savings Banks' Union Coop
Whistleblowing policy	Description of how to report misconduct and other breaches and how whistle-blowers are protected. The aim is to ensure clear procedures and policies for reporting misconduct and breaches and for protecting whistle-blowers. Awareness and compliance are ensured through annual training, internal control and reporting.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Management Team of the Savings Banks' Union Coop
Policy for handling customer complaints and feedback	Description of the system for handling customer complaints and feedback. The aim is to ensure access to information about the issues that customers experience, and the appropriate processing of complaints and feedback received. Awareness and compliance are ensured through internal control and reporting.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Management Team of the Savings Banks' Union Coop
Policy for handling customer complaints and feedback	Description of the system for handling customer complaints and feedback. The aim is to ensure access to information about the issues that customers experience, and the appropriate processing of complaints and feedback received. Awareness and compliance are ensured through internal control and reporting.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Management Team of the Savings Banks' Union Coop
Sustainability policy	The purpose of the sustainability policy is to serve as a guideline for the sustainability of the Savings Banks Group. It sets out the scope and basic principles of the Savings Banks Group's sustainability efforts.	Mandatory for entities in the Savings Banks Amalgamation, recommended for other entities in the Savings Banks Group	• Board of Directors of the Savings Banks' Union Coop

Alongside management and control, comprehensive guidance and training help us to ensure that our business is conducted in accordance with the principles of good governance.

In addition to the Principles for reliable management and internal control approved by the Board of Directors, the Savings Banks Group's guidelines for good governance include a number of operational guidelines that further specify the principles, such as the Code of Conduct, the Policy for managing conflicts of interest, the Whistleblowing policy and the Policy for handling customer complaints and feedback. All our common guidelines are available to all employees on the Savings Banks Group's common intranet.

Our key values are customer-drivenness, cooperation, responsibility and performance. We want to promote the financial wellbeing of our customers and local communities in a responsible manner and by operating as a united and strong group. In addition to the Savings Banks Group's purpose and values, our ethical guidelines, the Code of Conduct, contains the key ethical codes of practice that define our corporate culture and promote responsible and ethical behaviour within the Savings Banks Group.

For reporting misconduct, such as breaches of regulations or our internal guidelines, we have established a dedicated independent channel for the employees of Savings Banks Group, through which the identity of the whistle-blowers is protected. It is possible to submit a report through this channel at any time and in all languages used at the Savings Banks Group. No specific evidence is required to make a report; reasonable suspicion is enough.

Information on the whistleblowing channel is made available to employees in the Savings Banks Group's intranet, where our Whistleblowing policy for the use of the whistleblowing channel and internal bulletins on whistleblowing are published. Training on the whistleblowing channel and its use is provided to employees during the annual Code of Conduct online training, which includes a section on the whistleblowing channel.

The reports handled by the designated persons in the independent functions approved in the Whistleblowing policy, namely risk control and compliance and internal audit. In 2024, the directors of the above-mentioned functions were appointed as the processors of reports. No separate training has been organised for the individuals receiving reports, apart from familiarisation with the Whistleblowing policy. Only these designated persons have access to the whistleblowing channel and the reports are handled in accordance with the confidentiality provisions of the Whistleblower Act. The central institution and the entities belonging to the Savings Banks Amalgamation ensure the appropriate treatment of employees reporting breaches and protect individuals who have reported concerns against unfair treatment that could result from reporting a breach.

The employees' knowledge of our ethical guidelines is ensured through mandatory Code of Conduct online training, which every employee of the Savings Banks Amalgamation and Sb Life Insurance Ltd must complete annually.

The Savings Banks Group has identified the management of each entity belonging to the Savings Banks Group as the most at risk in respect of corruption and bribery. These include at least the CEO, managers who report directly to the CEO and any other managers responsible for business units who may be susceptible to external influence, in particular. In addition, control functions, such as risk control and compliance, which may be particularly susceptible to internal influence, have been identified as functions-at-risk. These functions should exercise particular discretion, for example when accepting gifts.

ACTIONS

Table: Actions in relation to Business conduct, their scope, time horizons and outcomes in 2024

Theme	Action	Scope	Time horizon	Outcomes
Corporate culture, corruption and bribery, protection of whistle-blowers	Code of Conduct online training	Employees of the Savings Banks Amalgamation and Sb Life Insurance are required to complete the training annually.	Ongoing action	Action taken in 2024. Resulted in increased employee awareness and competence. Code of Conduct online training updated in 2024.
Corporate culture	Regulatory monitoring	Regulatory projects affecting the Savings Banks Group are monitored through the Regulatory roadmap, which is available to the entire Savings Banks Group.	Ongoing action	Ensuring regulatory compliance in business. The Regulatory roadmap has been regularly updated in 2024.
Protection of whistle-blowers	Independent whistleblowing channel	The whistleblowing channel is available to the entire Savings Banks Group.	Ongoing action	Ensuring that employees who report breaches are treated appropriately and protected against unfair treatment. The whistleblowing channel has been in place in 2024.
Corruption and bribery	Gift monitoring	The entities within the Savings Banks Amalgamation monitor the gifts and hospitality given and received that exceed the defined limit.	Ongoing action	Monitoring has continued in 2024. Monitoring did not reveal any incidents that give reason to suspect a violation of corruption or bribery laws.
Corporate culture, corruption and bribery	Monitoring of outside employment and positions of trust that may give rise to conflicts of interest	Employees of the Savings Banks Amalgamation report their outside employment and positions of trust that may give rise to conflicts of interest for monitoring purposes. Authorisation is required for outside employment.	Ongoing action	Action taken in 2024. The result is the prevention and proper management of conflicts of interest.
Corporate culture, corruption and bribery	Know Your Customer (KYC) and the Prevention of Money Laundering and Terrorist Financing online training	Employees of the Savings Banks Amalgamation and Sb Life Insurance are required to complete the training annually.	Ongoing action	Action taken in 2024. Resulted in increased employee awareness and expertise.

Taking these actions does not require significant operating or capital expenditure.

PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

The procedures used by the Savings Banks Group to prevent, detect, investigate, and respond to allegations and incidents of corruption and bribery are described in the Code of Conduct and the complementary Policy for managing conflicts of interest and Whistleblowing policy.

The Savings Banks Group does not condone corruption in any form, neither in business activities nor in business partnerships. If the situation is unclear, employees should contact the supervisor or the compliance function to find out the correct course of action.

According to the Code of Conduct, the employees of Savings Banks Group are required to exercise careful discretion when accepting or giving gifts to customers, partners or other persons with whom they interact in the course of their work. The entities belonging to the Savings Banks Group do not condone the receiving or offering of gifts, hospitality or favours that could be interpreted as bribery or an attempt to influence business. It is the responsibility of each employee to assess whether a gift or hospitality has been given without any expectation or obligation of a business transaction or quid pro quo and, if necessary, to refuse it. We do not give or accept cash gifts or gifts equivalent to them.

Each entity belonging to the Savings Banks Amalgamation must define and justify a limit in euros for a reasonable gift or hospitality in relation to its operations. The central institution of the Amalgamation recommends a limit of no more than EUR 200. Giving or receiving a gift or hospitality valued above this limit must be discussed in advance with the supervisor to assess whether the giving or receiving of the gift or hospitality appears to be an attempt to influence the business. The entities within the Savings Banks Group monitor the gifts and hospitality given and received that exceed the defined limit.

The Policy for managing conflicts of interest describes the Savings Banks Group's policies and practices for preventing and managing conflicts of interest. The interests of the customer are always put first, and efforts are made to avoid conflicts of interest. Policies for the prevention and management of conflicts of interest include, for example, the trading guidelines for employees, the procedure for reporting outside employment and positions of trust, and the authorisation policy for outside employment. Conflicts of interest that may have adversely affected the interests of the customer are recorded and reported to the compliance function.

The employees of the Savings Banks Group can report suspected incidents of corruption or bribery as well as other suspected violations of the law or internal guidelines in confidence through an independent internal whistleblowing channel. Reports to the whistleblowing channel are handled by designated persons in the independent functions of the central institution, namely the risk control and compliance functions and internal audit. The representatives of the independent functions perform their tasks independently of top management and the other units of the Savings Banks Group and are therefore also separate from the chain of management involved in the matter. Reports to the whistleblowing channel, for example concerning incidents of corruption or bribery, and the outcome of the related investigations, are reported as part of the regular reporting of the compliance function to top management.

We communicate our policy on the prevention and detection of corruption and bribery to our employees in the Savings Banks Group's intranet, where all our internal guidelines on the topic are published, as well as internal bulletins and reminders of them, for example in connection with updates to the guidelines. We ensure employee awareness and understanding of the content of the policy through the Code of Conduct online training, which all employees and the management of the Savings Banks Amalgamation and Sb Life Insurance Ltd must complete annually. In order to complete the online training, participants must also pass an exam that tests their understanding. The obligation to complete the training also applies to the functions identified as being most at risk in respect of corruption and bribery, i.e. management and control functions as a whole. Information on the coverage of the training programme can be found in Table Employees that participated in regular performance and career development reviews, average number of training hours and percentage of functions-at-risk covered by anti-corruption/anti-bribery training programmes in section S1 of the report.

We communicate our anti-corruption and anti-bribery policy to external stakeholders through the Sustainability management and good governance pages on our website.

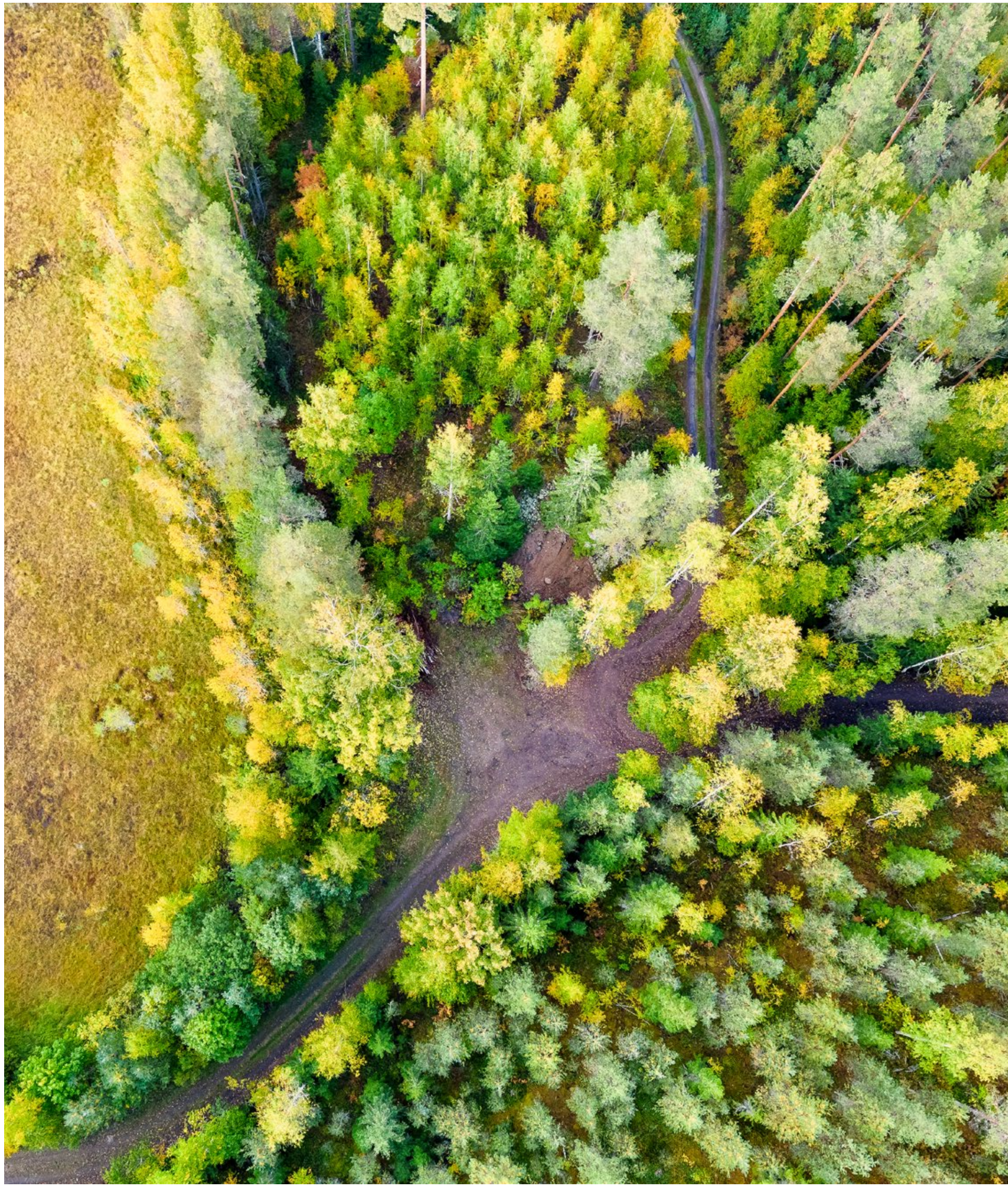
In 2024, we updated our anti-corruption and anti-bribery policy and the related Code of Conduct online training. Through up-to-date guidance and training, we aim to ensure employee awareness and understanding of our policy for the prevention of corruption and bribery and the related whistleblowing channel.

Our actions contribute to preventing corruption and bribery and improving the detection of incidents. Our anti-corruption and anti-bribery actions cover our entire value chain, including employees, partners, customers and the authorities. The actions are ongoing and repeated annually. The actions do not incur significant operating or capital expenditure.

INCIDENTS OF CORRUPTION AND BRIBERY

We investigate and report any incidents that come to our attention that may indicate corruption or bribery. The number of incidents of corruption and bribery is based on the information reported by compliance functions of the entities belonging to the Amalgamation and of Sb Life Insurance Ltd in their compliance reports to the central institution.

There were no reported incidents of violations of anti-corruption or anti-bribery laws within the Savings Banks Group in 2024. As no breaches of anti-corruption or anti-bribery procedures or norms were detected in 2024, there was no need to take action to address them. The number of incidents of violations of anti-corruption or anti-bribery laws and the amount of fines for violation of the laws have not been validated by an external body.



METRICS AND TARGETS

TARGETS

Table: Targets related to Business conduct

Target	2030 target	2024 progress	Base year
Percentage of under-represented gender in management	40%	27%	2024
Percentage of employees who have completed mandatory compliance trainings	100%	91.0%	2024
Percentage of employees who have completed sustainability trainings	100%	N/A	2025

Description of the relationship of the target to the policy objectives:

Under-represented gender in management: Our efforts to increase the percentage of under-represented gender in management are linked to our principles of respecting human rights and fundamental labour rights. These include equality and non-discrimination, through which we seek to ensure equal treatment and promote diversity, equality and inclusion. With this aim, we strive to ensure the implementation of our equality and non-discrimination plan.

Completion of mandatory compliance trainings: The target is a means of ensuring the adoption of the policies of good governance throughout our organisation and it supports the realisation of the positive impacts identified as material to this theme. The content of the compliance trainings covers whistleblowing protection, anti-corruption and accountability, and conducting business in compliance with laws and the regulations and guidelines issued by the authorities.

Sustainability trainings: The completion of sustainability trainings at all levels of our organisation aims to ensure that the goals of our sustainability strategy and our sustainability policy become operationalised in our corporate culture as our employees become more knowledgeable about sustainability. This ensures a business that adheres to responsibility and related guidelines.

Methodology and assumptions:

For this report the targets do not cover Sp-Koti Oy, Sp-Isännöintipalvelut Oy or Urbaanit Kodit Oy.

Under-represented gender in management: Currently, the target covers the Board of Directors and the CEO of the Savings Banks' Union Coop. In the future, the aim is to include a broader range of management under this target. The target has been set on the basis of the gender distribution between women and men.

Completion of mandatory compliance trainings: Compliance trainings are mandatory for all our employees, including management. The trainings cover the following trainings: Code of Conduct, Basics of Information Security, Data Protection in Customer Service/Data Protection in Administration, Know Your Customer and Prevention of Money Laundering and Terrorist Financing.

Sustainability trainings: The target is set on the assumption that sustainability trainings will be phased in throughout the organisation, starting with management and supervisors from 2025 to 2026, followed by employees by function from 2027 onwards.

Stakeholder involvement in target setting:

The targets have been set together with the Management Team of the Savings Banks' Union Coop, the sustainability steering group and the Board of Directors of the Savings Banks' Union Coop. The Savings Banks have been involved in the target setting through the work of the steering group.

Possible changes in targets and metrics:

No changes

Progress towards the target:

The 2024 figures are used as a baseline (base year) for the sustainability targets. Progress towards the 2030 targets can thus be tracked over the coming years.

CONTENT INDEX AND LIST OF DATAPOINTS THAT DERIVE FROM OTHER EU LEGISLATION

Content index: The table presents the data points considered in the preparation of the Savings Banks Group's sustainability statement, based on the Group's double materiality assessment.

ESRS standard	Disclosure	Reporting content	Page number
ESRS 2 General disclosures			
	BP-1	General basis for preparation of sustainability statements	21-22
	BP-2	Disclosures in relation to specific circumstances	21
	GOV-1	The role of the administrative, management and supervisory bodies	23-24
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	23-24
	GOV-3	Integration of sustainability-related performance in incentive schemes	25-26
	GOV-4	Statement on due diligence	25
	GOV-5	Risk management and internal controls over sustainability reporting	26
	SBM-1	Strategy, business model and value chain	26-28
	SBM-2	Interests and views of stakeholders	28-30
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	31-33
	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	33-35
	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	115-121
E1 Climate change			
	E1.GOV-3	Climate change; Integration of sustainability-related performance in incentive schemes	25
	E1.IRO-1	Climate change; Description of the process to identify and assess material impacts, risks and opportunities	34
	E1.SBM-3	Climate change; Material impacts, risks and opportunities and their interaction with strategy and business model	37-38
	E1-1	Transition plan for climate change mitigation	39
	E1-2	Policies related to climate change mitigation and adaptation	39-40
	E1-3	Actions and resources in relation to climate change policies	41-43
	E1-4	Targets related to climate change mitigation and adaptation	44
	E1-5	Energy consumption and mix	45
	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	46-47
	E1.MDR-P	Climate change; Policies adopted to manage material sustainability matters	39
	E1.MDR-A	Climate change: Actions and resources in relation to material sustainability matters	41-43
	E1.MDR-M	Climate change; Metrics in relation to material sustainability matters	45-48
	E1.MDR-T	Climate change; Tracking effectiveness of policies and actions through targets	44
		EU-taxonomy	56-77
S1 Own workforce			
	S1-1	Policies related to own workforce	81-83
	S1-2	Processes for engaging with own workforce and workers' representatives about impacts	84
	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	85

ESRS standard	Disclosure	Reporting content	Page number
	S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	86-87
	S1-6	Characteristics of the undertaking's employees	88
	S1-8	Collective bargaining coverage and social dialogue	81
	S1-9	Diversity metrics	82
	S1-13	Training and skills development metrics	83
	S1-14	Health and safety metrics	82
	S1-15	Work-life balance metrics	87
	S1.SBM-2	Own workforce; Interests and views of stakeholders	80
	S1.SBM-3	Own workforce; Material impacts, risks and opportunities and their interaction with strategy and business model	79
	S1.MDR-P	Own workforce; Policies adopted to manage material sustainability matters	81-83
	S1.MDR-A	Own workforce; Actions and resources in relation to material sustainability matters	86-87
	S1-MDR-M	Own workforce; Metrics in relation to material sustainability matters	81-83, 87-89
	S1.MDR-T	Own workforce; Tracking effectiveness of policies and actions through targets	89
S4 Consumers and end-users			
	S4-1	Policies related to consumers and end-users	92-93
	S4-2	Processes for engaging with consumers and end-users about impacts	94
	S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	95
	S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	96-97
	S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	98
	S4.SBM-3	Consumers and end-users; Material impacts, risks and opportunities and their interaction with strategy and business model	91-92
	S4.MDR-P	Consumers and end-users; Policies adopted to manage material sustainability matters	92
	S4.MDR-M	Consumers and end-users; Actions and resources in relation to material sustainability matters	96-97
	S4.MDR-A	Consumers and end-users; Metrics in relation to material sustainability matters	98
	S4.MDR-T	Consumers and end-users; Tracking effectiveness of policies and actions through targets	98
Financial wellbeing of customers and local communities			
		Financial wellbeing of customers and local communities, Material impacts, risks and opportunities	100
		Financial wellbeing of customers	101-102
		Vitality of local communities	103
		Financal skills in society	104
		Financial wellbeing of customers and local communities, Targets	105
G1 Business conduct			
	G1.GOV-1	The role of the administrative, supervisory and management bodies	108
	G1.IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	33-35
	G1-1	Business conduct policies and corporate culture	109-110
	G1-3	Prevention and detection of corruption and bribery	112-113
	G1-4	Incidents of corruption or bribery	113
	G1.MDR-P	Business conduct; Policies adopted to manage material sustainability matters	109-110
	G1.MDR-M	Business conduct; Actions and resources in relation to material sustainability matters	111
	G1.MDR-A	Business conduct; Metrics in relation to material sustainability matters	113
	G1.MDR-T	Business conduct; Tracking effectiveness of policies and actions through targets	114

Table: List of datapoints that derive from other EU legislation

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page number
ESRS 2 GOV-1: Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816 , Annex II		Yes	23, 82
ESRS 2 GOV-1: Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Yes	23
ESRS 2 GOV-4: Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Yes	25
ESRS 2 SBM-1: Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		No	-
ESRS 2 SBM-1: Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		No	-
ESRS 2 SBM-1: Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		No	-
ESRS 2 SBM-1: Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		No	-
ESRS E1-1:Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Yes	*
ESRS E1-1: Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		No	-
ESRS E1-4: GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Yes	*

*The transition plan will be approved and implemented in 2025.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page number
ESRS E1-5: Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Yes	45
ESRS E1-5: Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Yes	45
ESRS E1-5: Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				No	-
ESRS E1-6: Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Yes	46-47
ESRS E1-6: Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Yes	48
ESRS E1-7: GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	No	-
ESRS E1-9: Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		No	-
ESRS E1-9: Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9: Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			No	-
ESRS E1-9: Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			No	-
ESRS E1-9: Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		No	-

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page number
ESRS E2-4: Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				No	-
ESRS E3-1: Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				No	-
ESRS E3-1: Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				No	-
ESRS E3-1: Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				No	-
ESRS E3-4: Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				No	-
ESRS E3-4: Total water consumption in m 3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				No	-
ESRS 2 – SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				No	-
ESRS 2 – SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				No	-
ESRS 2 – SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				No	-
ESRS E4-2: Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				No	-
ESRS E4-2: Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				No	-
ESRS E4-2: Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				No	-
ESRS E5-5: Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				No	-
ESRS E5-5: Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				No	-
ESRS 2 – SBM-3 – S1: Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				No	-
ESRS 2 – SBM-3 – S1: Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				No	-

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page number
ESRS S1-1: Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Yes	81
ESRS S1-1: Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Yes	81
ESRS S1-1: Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Yes	87
ESRS S1-1: workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Yes	82
ESRS S1-3: grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Yes	85
ESRS S1-14: Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Yes	82
ESRS S1-14: Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Yes	82
ESRS S1-16: Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Yes	88
ESRS S1-16: Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Yes	88
ESRS S1-17: Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				No	-
ESRS S1-17: Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		No	-
ESRS 2 – SBM-3 – S2: Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				No	-
ESRS S2-1: Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				No	-
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				No	-

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Materiality	Page number
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		No	-
ESRS S2-1: Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		No	-
ESRS S2-4: Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				No	-
ESRS S3-1: Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				No	-
ESRS S3-1: non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		No	-
ESRS S3-4: Human rights issues and incidents paragraph 36a	Indicator number 14 Table #3 of Annex 1				No	-
ESRS S4-1: Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Yes	92-93
ESRS S4-1: Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Yes	93
ESRS S4-4: Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Yes	93
ESRS G1-1: United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				No	-
ESRS G1-1: Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				No	-
ESRS G1-4: Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Yes	113
ESRS G1-4: Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				No	-

SAVINGS BANKS GROUP'S CONSOLIDATED IFRS FINANCIAL STATEMENTS

INCOME STATEMENT

(EUR 1,000)	Note	1.1.–31.12.2024	1.1.–31.12.2023
Interest income	4	615,098	478,708
Interest expense	4	-340,253	-214,947
Net interest income	4	274,844	263,761
Net fee and commission income*	5	114,676	107,124
Net investment income*	6	40,410	13,369
Insurance premium revenue	11	20,875	18,844
Insurance service expenses	11	-15,464	-14,218
Net income from reinsurance contracts	11	-1,111	-871
Net insurance income	11	4,300	3,755
Finance income and expenses of the insurance contracts	11	-34,513	-32,835
Other operating revenue		14,905	21,062
Total operating revenue		414,623	376,236
Personnel expenses		-106,451	-98,315
Other operating expenses		-131,372	-134,867
Transfers to net insurance income		14,050	13,905
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets		-12,953	-11,456
Total operating expenses		-236,726	-230,733
Net impairment loss on financial assets	6	-25,385	-9,988
Associate's share of profits		-24	14
Profit before tax		152,488	135,529
Income tax expense		-26,795	-30,042
Profit, continuing operations		125,694	105,487
Profit, Lieto Savings Bank's exit from Savings Banks Group			2,712
Profit		125,694	108,199
Profit attributable to:			
Equity holders of the Group		125,703	108,209
Non-controlling interests		-9	-9
Total		125,694	108,199

* The presentation method has been changed and the comparative period data has been adjusted accordingly. The impact of the change in presentation method is described in more detail in note 2, Accounting Policies, Chapter 3, Change in Presentation.

STATEMENT OF COMPREHENSIVE INCOME

(EUR 1,000)	1.1.–31.12.2024	1.1.–31.12.2023
Profit	125,694	108,199
Other comprehensive income		
Items that will never be reclassified to profit or loss		
Remeasurements of defined benefit obligation	576	-72
Deferred tax from remeasurements of defined benefit obligation	-115	-18
Capital gain of financial assets at fair value through other comprehensive income	-1,961	-1,268
Total	-1,500	-1,358
Items that are or may be reclassified to profit or loss		
Changes in fair value reserve		
Fair value measurements	16,608	29,505
Deferred tax from fair value measurements	-3,322	-5,084
Cash flow hedges	1	63
Deferred tax from cash flow hedges		-13
Total	13,287	24,471
Total comprehensive income	137,480	131,313
Profit attributable to:		
Equity holders of the Group	137,489	131,322
Non-controlling interests	-9	-9
Total	137,480	131,313

STATEMENT OF FINANCIAL POSITION

Assets **(EUR 1,000)**	**Note**	**31.12.2024**	**31.12.2023**
Assets			
Cash and cash equivalents		1,470,385	1,431,712
Loans and advances to credit institutions	6	163,578	179,140
Loans and advances to customers	6	10,113,524	9,539,206
Derivates	9	33,991	16,649
Investment assets	6	854,840	895,223
Assets covering unit-linked contracts		1,024,674	908,402
Assets related to insurance contracts		2,394	1,073
Assets related reinsurance contracts			375
Investments in associates and joint ventures		109	133
Propert, plant and equipment		41,339	40,605
Intangible assets		61,222	40,622
Tax assets		21,436	14,982
Other assets		105,398	138,292
Total assets		13,892,891	13,206,415

Liabilities **(EUR 1,000)**	**Note**	**31.12.2024**	**31.12.2023**
Liabilities and equity			
Liabilities			
Financial liabilities at fair value through profit or loss	7	22,327	38,096
Liabilities to credit institutions	7	530,309	620,868
Liabilities to customers	7	6,885,467	7,016,823
Derivatives	9	116,035	174,215
Debt securities issued	7	3,687,107	2,946,738
Unit-linked contract liability		515,304	420,446
Insurance contract liability	11	580,467	571,387
Subordinated liabilities	7	3,173	3,257
Tax liabilities		68,745	68,004
Provisions and other liabilities		200,056	208,631
Total liabilities		12,608,989	12,068,464
Equity			
Basic capital		40,140	50,183
Primary capital		45,835	31,452
Reserves		525,336	242,499
Retained earnings		671,438	812,654
Total equity attributable to equity holders of the Group		1,282,749	1,136,788
Non-controlling interests		1,153	1,162
Total equity		1,283,902	1,137,950
Total liabilities and equity		13,892,891	13,206,415

STATEMENT OF CASH FLOWS

(EUR 1,000)	1.1.–31.12.2024	1.1.–31.12.2023*
Cash flows from operating activities		
Profit, continuing operations	125,694	105,487
Adjustments for items without cash flow effect	95,560	26,939
Income taxes paid	-35,865	4,027
Cash flows from operating activities before change in assets and liabilities	185,388	136,453
Increase (-) or decrease (+) operating assets	-552,309	-195,207
Investments, financial assets at fair value trough profit or loss	88,316	124,577
Investments, at fair value through other comprehensive income	35,174	47,759
Financial assets at amortised cost	1,594	-1,997
Investments, at fair value through other comprehensive income		-990
Investment assets, at amortized cost	-16,345	-14,679
Other unit-linked cover assets	-115,199	-53,124
Loans and advances to credit institutions	16,030	28,471
Loans and advances to customers	-606,145	-281,455
Life insurance assets	-2,394	
Assets related to reinsurance contracts	375	-359
Other assets	46,285	-43,410
Increase (-) or decrease (+) in operating liabilities	430,080	358,969
Liabilities to credit institutions	-89,286	326,415
Liabilities to customers	-145,417	-10,853
Debt securities issued	673,038	96,005
Unit-linked contract liability	-3,229	24
Liabilities from re-insurance contracts	126	-149
Other liabilities	-5,154	76,280
Exit from Savings Banks Group		-128,753
Total cash flows from operating activities	63,159	300,216
Cash flows from investing activities		
Investments in shares and participations, deductions	80	
Other investments		-39,624
Investments in investment property and in property, plant and equipment and intangible assets	-33,252	-24,807
Disposals of investment property and property, plant and equipment and intangible assets	1,294	582
Exit from Savings Banks Group		3
Total cash flows from investing activities	-31,878	-63,846

(EUR 1,000)	1.1.–31.12.2024	1.1.–31.12.2023*
Cash flows from financing activities		
Increase in subordinated liabilities		3,173
Decrease in subordinated liabilities		-665
Increase in basic capital	14,806	200
Distribution of profits	-6,819	-9,720
Other monetary increases in equity items		-971
Other monetary decreases in equity items		-1,393
Total cash flows from financing activities	7,986	-9,376
Change in cash and cash equivalents	39,267	226,818
Cash and cash equivalents at the beginning of the period	1,453,832	1,227,015
Cash and cash equivalents at the end of the period	1,493,100	1,453,832
Cash and cash equivalents comprise the following items:		
Cash	1,470,385	1,431,712
Receivables from central banks repayable on demand	22,715	22,120
Total cash and cash equivalents	1,493,100	1,453,832
Adjustments for items without cash flow effect		
Impairment losses on financial assets	25,385	9,983
Changes in fair value	-127	21,298
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	15,102	12,465
Effect of profit from associated companies	24	-14
Adjustments from life insurance operations	26,386	-17,711
Income taxes	25,973	
Other adjustments	1,995	-1,405
Changes in deferred taxes	821	2,323
Total	95,560	26,939
Dividends received	616,001	454,976
Interest paid	327,227	146,113
Dividends received	1,769	4,722

*The comprehensive period data has not been adjusted according to the change in presentation method.

STATEMENT OF CHANGES IN EQUITY

(EUR 1,000)	Basic capital	Primary capital	Share premium	Fair value reserve	Reserve for hedging instru-ments	Reserve fund	Other reserves	Total reserves	Retained earnings	Total equity attributable to equity holders of the Group	Non-controlling interests	Total equity
Equity 1.1.2023	25,224	31,452	137,588	-57,215	-51	45,091	65,726	191,138	929,668	1,177,482	1,365	1,178,847
Comprehensive income												
Profit for the period									108,209	108,209	-9	108,199
Other comprehensive income				24,421	50		-90	24,381	-1,268	23,114		23,114
Total comprehensive income				24,421	50		-90	24,381	106,941	131,322	-9	131,313
Transactions with owners												
Distribution of profits									-9,458	-9,458		-9,458
Tranfers between items			71,438				5	71,442		71,442	-193	71,249
Other changes			895	3,927		32	-102	4,753	-83,181	-78,427		-78,427
Changes that did not result in loss of control	24,960		450			-15,506		-15,056	-108	9,797		9,797
Changes in Savings Bank Group's structure												
Exit from Savings Banks Group	-1					-5,134	-29,026	-34,160	-131,209	-165,370		-165,370
Tota equity 31.12.2023	50,183	31,452	210,370	-28,868	-1	24,484	36,514	242,499	812,654	1,136,788	1,162	1,137,950
Equity 1.1.2024	50,183	31,452	210,370	-28,868	-1	24,484	36,514	242,499	812,654	1,136,788	1,162	1,137,950
Comprehensive income												
Profit for the period									125,703	125,703	-9	125,694
Other comprehensive income				13,286	1			13,287		13,287		13,287
Total comprehensive income				13,286	1	0	0	13,287	125,703	138,989	-9	138,980
Transactions with owners												
Distribution of profits									-6,819	-6,819		-6,819
Primary capital issue		14,383								14,383		14,383
Tranfers between items	-14,965		14,665					14,665	300			
Other changes												
Other changes	-77		-90					-90	-425	-592		-592
Changes that did not result in loss of control	4,999		266,859			-9,780	-2,103	254,975	-259,974			
Total equity 30.6.2024	40,140	45,835	491,803	-15,582		14,704	34,410	525,336	671,438	1,282,749	1,153	1,283,902

BASIS OF PREPARATION

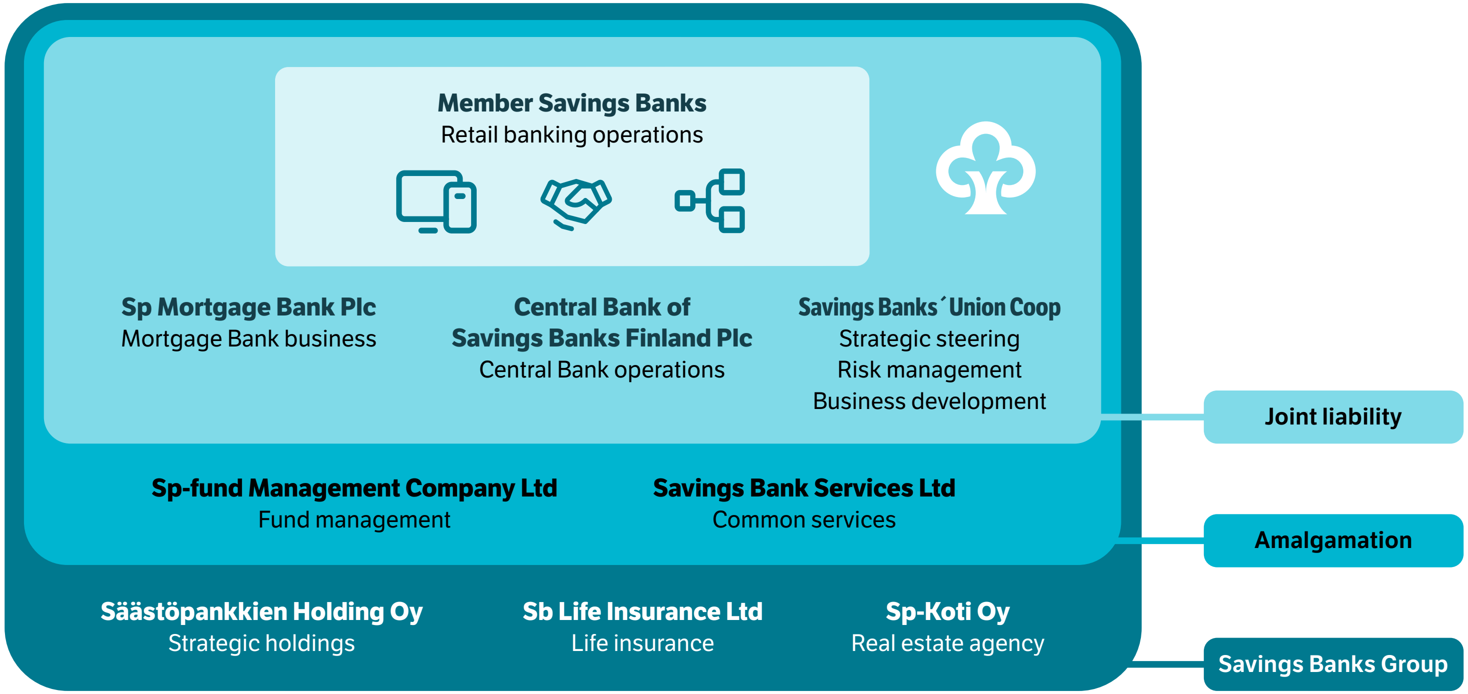
NOTE 1. DESCRIPTION OF THE SAVINGS BANKS GROUP AND THE SCOPE OF THE FINANCIAL STATEMENT

The Savings Banks Group is the most longstanding banking group in Finland. It comprises 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. 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 Group support and promote the operations of the Savings Banks Group via producing centralised services or having responsibility for certain products. The most significant service and product companies of the Savings Banks Group are Central Bank of Savings Banks Finland Plc, Sp Mortgage Bank Plc, Sb Life Insurance Ltd, Sp-Fund Management Company Ltd, Savings Bank Services Ltd and Sp-Koti Oy.

The member organizations of the Savings Banks Amalgamation form a financial entity as defined in the Act on Amalgamations, in which the Savings Banks' Union Coop and its member credit institutions are jointly liable for each other's liabilities and commitments. The Savings Banks Amalgamation comprises the Savings Banks' Union Coop, which acts as the Central Institution of the Amalgamation, 14 Savings Banks, the Central Bank of Savings Banks Finland Plc, Sp Mortgage Bank Plc as well as the companies within the consolidation groups of the above-mentioned entities and Sp-Fund Management Company Ltd.

The structure of the Savings Banks Group differs from that of the Savings Banks Amalgamation so that the Savings Banks Group also includes organizations other than credit and financial institutions or service companies. The most significant of these are Sb Life Insurance Ltd and Sp-Koti Oy. 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 structure of the Savings Banks Amalgamation and the Savings Banks Group are described in the chart below:



Savings Banks' Union Coop steers the operations of the Savings Banks Group and is responsible for the internal control framework. According to the Amalgamation Act Savings Banks' Union Coop acting as the Central Institution of the Amalgamation is obliged to prepare consolidated financial statements for the Savings Banks Group. The Board of Directors of Savings Banks' Union Coop is responsible for preparing the financial statements. The financial statements are prepared for the financial group formed by the Savings Banks Group. All figures presented hereafter are Savings Banks Group's figures unless otherwise stated.

Savings Banks' Union Coop's registered office is in Helsinki and its registered address is Teollisuuskatu 33, FI-00510 Helsinki.

The Savings Banks Group's financial statements and half-year report are available at www.saastopankki.fi/saastopankkiryhma.

The Board of Directors of the Savings Bank Union Cooperative approved the Savings Bank Group's financial statement release for the financial year ending December 31, 2024, on February 12, 2025.

NOTE 2. ACCOUNTING POLICIES

The “Accounting policies” note describes the Savings Banks Group’s general accounting policies and consolidation principles. The key principles concerning financial instruments, life insurance items, 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 5–24).

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

2.1 GENERAL

The consolidated financial statements of the Savings Banks Group are prepared in accordance with the International Financial Reporting Standards (IFRS) and IFRIC interpretations 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, changes in accounting estimates and errors, the Board of Directors of the Savings Banks’ Union Coop confirms any accounting policy for which no guidance is available in the international financial reporting standards. The consolidation principles of the Savings Banks Group's financial statements are discussed in more detail in the section “2.2 Consolidation principles”.

The Savings Banks Group’s consolidated financial statements are prepared in euros, which is the accounting and functional currency of the Savings Banks Group.

Transactions denominated in a foreign currency outside the euro zone are recognised at the exchange rate on the transaction date. Assets and liabilities denominated in a foreign currency on the closing date are converted into euros at the European Central Bank’s average rate on the closing date. Exchange rate differences arising on revaluation are recognised in the income statement as net income from foreign exchange operations under “Net investment income”. Exchange rate differences arising from life insurance operations are included in the item “Net insurance income”.

The Savings Banks Group’s consolidated financial statements are prepared under the historical cost convention, except for financial assets and liabilities measured at fair value through other comprehensive income and at fair value through profit or loss, and items designated as hedged items in fair value hedges, which are measured at fair value for the hedged risk.

Assets and liabilities are offset with the net amount only when the Savings Banks Group and the counterparty have both a legally enforceable right and the intention to set off the amounts or to realise an asset and settle a liability simultaneously.

2.2 CONSOLIDATION PRINCIPLES

Technical parent company

According to the Act on the Amalgamation of Deposit Banks, the Savings Banks Group’s consolidated financial statements must be prepared as a combination of the financial statements or group financial statements of the Savings Banks’ Union Coop and its member credit institutions. In addition, the consolidated financial statements include entities over which the above-mentioned entities exercise joint control.

The Savings Banks’ Union Coop and its member Savings Banks do not exercise control over each other. It is therefore not possible to define a parent company for the Savings Banks Group. The so-called technical parent company referred to in the Savings Banks Group’s IFRS financial statements is formed by 14 member Savings Banks, which jointly exercise control over the other entities consolidated in the Savings Banks Group’s IFRS financial statements. The technical parent company’s mutual ownership, intercompany business transactions, mutual receivables and liabilities, internal distribution of profits and intercompany margins are eliminated.

The Savings Banks Group's basic capital consists of the Savings Banks' basic capital and share capital of the Savings Banks in the form of a limited liability company, excluding Nooa Savings Bank Ltd, which is a subsidiary jointly owned by other Savings Banks. According to Section 11 of the Savings Banks Act, the basic capital is not repaid. The share capital is treated in accordance with the Limited Liability Companies Act.

Subsidiaries

The Savings Banks Group's subsidiaries are entities over which the Savings Banks Group has control.

The Savings Banks Group has control when the Savings Banks Group has power over the entity and is exposed to the entity's variable returns or is entitled to its variable returns and the Savings Banks Group is able to use its power over the entity and thereby affect the returns received.

The Savings Banks Group's mutual ownership is eliminated using the acquisition method. An asset used in the acquisition, the assets of the acquired entity and the assumed liabilities are measured at fair value at the time of acquisition. The part of the acquisition cost that exceeds the Savings Banks Group's share of the fair value of the net assets of the acquired company at the time of acquisition is recognised as goodwill. Negative goodwill is fully recognised as income at the time of acquisition.

All intra-group transactions, receivables, liabilities and unrealised profits as well as internal distribution of profits are eliminated when preparing the Savings Banks Group's consolidated financial statements.

The subsidiaries, associated companies and joint ventures acquired during the financial year are consolidated from the date on which the Savings Banks Group obtains control or joint control. Similarly, the subsidiaries, associated companies and joint ventures which are sold during the financial year are consolidated until the control, joint control or significant influence ceases.

The Savings Banks Group has applied the exemption for first-time adopters in IFRS 1 First-time Adoption of International Financial Reporting Standards not to apply IFRS 3 Business Combinations retrospectively to business combinations that occurred before 1 January 2013. Subsidiaries acquired since 1 January 2013 are treated in accordance with IFRS 3 Business Combinations.

Other consolidated entities and companies

Structured entities are entities that are structured so that voting rights are not a determining factor in deciding who controls the entity. Structured entities are characterised by having a narrow and well-defined objective and often insufficient equity to finance their activities without subordinated financial support. Within the Savings Banks Group, the entities identified as structured entities consist of mutual funds managed by Sp-Fund Management Company Ltd, a member of the Savings Banks Group, and over which the Savings Banks Group is considered to have the type of control specified above. Accounting policies are described in more detail in Note 23.

Associated companies are entities over which the Savings Banks Group has significant influence but no control. Significant influence emerges, in principle, when the Savings Banks Group holds 20–50 per cent of the company's voting rights or when the Savings Banks Group otherwise has significant influence over the company. An associated company is consolidated in the Savings Banks Group's financial statements using the equity method, meaning that the associated company's income statement and balance sheet are not included in the Savings Banks Group's income statement and balance sheet in full.

Joint arrangements are arrangements where two or more parties have joint control. Joint arrangements are divided into joint ventures and joint operations. The accounting policies of associated companies and joint arrangements are described in more detail in Note 23.

Non-controlling interests

Non-controlling interests in equity, profit for the year and other items within the comprehensive income statement are presented separately in the Savings Banks Group's income statement, comprehensive income statement and balance sheet. Loss for the year is also allocated to non-controlling interests even if doing so would result in a negative non-controlling interest.

The share of non-controlling interests in subsidiaries is measured at the acquisition date either at fair value or at a proportionate share of the subsidiary's net assets. The measurement principle is defined separately for each acquisition.

2.3 FINANCIAL INSTRUMENTS

The Savings Banks Group applies the IFRS 9 Financial Instruments standard on the recognition and measurement of financial instruments. For hedging relationships where the hedged item is the hedging of the fair value of a portfolio of financial assets or liabilities against interest rate risk ("macro hedges of interest rate risk"), the Savings Banks Group continues to apply IAS 39 Financial Instruments: Recognition and Measurement.

Classification in the balance sheet is independent of the IFRS 9 categories. Different measurement principles 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 IFRS 9 measurement categories is set out in Note 11.

Initial recognition

A financial asset or liability is recognised on the balance sheet only when the Savings Banks Group becomes a party to the contractual provisions of the instrument. The purchase or sale of financial assets under the settlement date convention is recognised or 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 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.

Subsequent measurement

For the purposes of subsequent measurement, Savings Banks Group 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 11.

The change in the fair value of debt instruments measured at fair value through other comprehensive income is recognised adjusted for deferred 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 which there is a business relationship, for example. Dividends received from an equity investment are recognised in profit or loss when the right to receive payment is established. Capital repayments on equity 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 financial asset expire or the financial asset is transferred to another party and the transfer qualifies for derecognition. A financial asset is considered to be transferred to another party if, and only if, the Savings Banks Group either:

- transfers the contractual rights to receive the cash flows from the financial asset to another party; or

- retains the contractual rights to receive the cash flows from the financial asset, but assumes a contractual obligation to pay those cash flows to one or more recipients using a 'pass through' arrangement. A contract may be regarded as a 'pass through' arrangement when:

  - There is no obligation to pay the ultimate recipient unless equivalent amounts are recovered 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 to another party, the conditions for derecognition are met only when:

- The significant risks and rewards of ownership are transferred to another party; or

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

A financial liability is derecognised when the liability ceases to exist or when the obligation specified in the contract is discharged or cancelled or expires. Where debt instruments with substantially different terms are exchanged between parties that are already borrowers and lenders, the exchange is treated 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

The Savings Banks Group 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 after initial recognition at amortised cost or at fair value through other comprehensive income, and for guarantees and off-balance sheet loan commitments.

Further details on the parameters and methods used in the expected credit loss calculations are presented in Note 9.

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 under Net impairment loss 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 calculated. Credit losses that are deemed permanent are derecognised as a counterpart to the income statement item Net impairment loss on financial assets. Any payments received after derecognition are recognised as adjustments to the income statement item Net impairment loss on financial assets.

Hedge accounting and derivative contracts

The Savings Banks Group applies IFRS 9 to hedging relationships under general hedge accounting, while for portfolio fair value hedges of interest rate risk (macro hedging), the Savings Banks Group will continue to apply IAS 39 “Carve Out” regulation until the new regulation concerning these hedging relationships enters into effect.

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 investment 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 investment income”. Interest on hedging derivatives is presented as interest income and expense according to 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 settled-to-market (STM), whereby the daily payments of derivatives are offset with the central counterparty and the variation margin is either paid or received on a daily basis. In STM, the daily settlement 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.

The effective portion of the fair value change of derivatives hedging cash flow is recognised in the fair value reserve in equity, adjusted with deferred taxes. The ineffective portion of the fair value change is recognised in the income statement under “Net investment income”. The cumulative change in the fair value reserve resulting from the measurement of a hedging derivative is recognised in profit or loss as an adjustment of the hedged cash flow simultaneously with recognising the hedged cash flow. Interest on hedging derivatives is presented as interest income and expense according to their nature.

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, always at least on reporting dates.

2.4 INSURANCE CONTRACTS

Life insurance policies issued by Sb Life Insurance, which is part of Savings Banks Group, are classified as either insurance contracts or investment contracts. Insurance contracts are contracts which carry a significant insurance risk or where the policyholder has the right or option to amend the contract in such a way that the policyholder becomes entitled to a discretionary share of the company's surplus. Unit-linked insurance policies which do not carry a significant insurance risk are classified as investment contracts. The Savings Banks Group's insurance contracts are treated in the Savings Banks Group's financial statements in accordance with the IFRS 17 Insurance Contracts standard. The IFRS 9 Financial Instruments standard is applied to contracts classified as investment contracts. Reinsurance policies are treated in accordance with IFRS 17 as insurance contracts.

The income statement presents insurance premium revenue and insurance service expenses, net income from reinsurance contracts, and the resulting insurance service result, as separate items. In addition, the finance income and expenses from insurance contracts are presented as separate line items. With the adoption of IFRS 17, part of the personnel expenses of life insurance operations and other operating expenses are included in the calculation of the IFRS 17 insurance liability and will be presented in the item Insurance service expenses in the future.

The accounting policies for insurance contracts are described in full in Note 14.

2.5 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Savings Banks Group's property, plant and equipment includes properties and machinery and equipment in its own use. In addition, the Savings Banks Group has investment properties that generate rental income. The properties of the Savings Banks Group are divided into properties in its own use and investment properties based on their intended use.

An intangible asset is an identifiable asset that has no physical substance. The Savings Banks Group's intangible assets include computer software and software licences. An intangible asset is recognised only when it is probable that economic benefits from the asset are likely to flow to the Savings Banks Group 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 accounting policies for property, plant and equipment and intangible assets are described in full in Note 15.

2.6 NET OPERATING INCOME

The most significant income items of the Savings Banks Group are net interest income and net fee and commission income and 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 term of the contract. The accounting policies for net interest income are presented in more detail in Note 7.

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 accounting policies for net fee and commission income are presented in full in Note 8.

The accounting policies for other operating income items are set out in the notes to each item.

2.7 NEW STANDARDS AND INTERPRETATIONS

New and amended standards applied in the financial year ended

The following new and amended standards applied in the financial year ended did not have a material impact on the financial statements of the Savings Banks Group.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases (effective for financial years beginning on or after 1 January 2024)

The amendments add a new accounting model concerning variable payments and require a seller-lessee to reassess and potentially adjust sale and leaseback transactions carried out since the adoption of IFRS 16 in 2019.

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for financial years beginning on or after 1 January 2024)

The purpose of the amendments is to simplify the application practice and clarify the classification of liabilities as current or non-current. The amendments clarify that covenants with which the company must comply after the reporting date do not affect a liability's classification as current or non-current at that date. Information about such covenants must be disclosed in the notes to the financial statements. The amendments also clarify that the transfer of the company's own equity instruments is considered to be settlement of a liability. If the liability involves a conversion option, it may have an effect on its classification as current or non-current unless these conversion options are recognised in equity under IAS 32.

Supplier Finance Arrangements – Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (effective for financial years beginning on or after 1 January 2024)

The purpose of the amendments is to improve the transparency of supplier finance arrangements and clarify their effects on financial liabilities, cash flows and the total amount of liquidity risk. The amendments require the disclosure of qualitative and quantitative information about supplier finance arrangements.

2.8 NEW AND AMENDED STANDARDS TO BE APPLIED IN FUTURE FINANCIAL YEARS

The Savings Banks Group has not yet applied following new or amended standards or interpretations published by the IASB. Savings Banks Group will adopt them as of the effective date or, if that date is not the first day of the financial year, from the beginning of the subsequent financial year.

* This provision has not been approved for application in the EU as of 31 December 2024

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, early adoption is permitted)

The amendments require the application of a consistent approach when assessing whether a currency is exchangeable and which exchange rate to use, and which notes to disclose when it is not. The amendments are estimated not to have a significant impact on the financial statements of the Savings Banks Group.

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 to 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. The amendments are estimated not to have a significant impact on the financial statements of the Savings Banks Group.

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

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.

The Savings Banks Group is preparing for the adoption of the new standard by determining the changes needed to the presentation of the financial statements and by assessing the impact of these changes.

IFRS 19 Subsidiaries without Public Accountability: Disclosures* (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. The amendments are estimated not to have a significant impact on the financial statements of the Savings Banks Group.

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* (voluntary adoption is permitted, entry into force postponed until further notice)

The amendments eliminate the conflict between the current guidelines concerning consolidation and the equity method and require the recognition of profit in full when the transferred assets meet the definition of business under IFRS 3 Business Combinations. The amendments are estimated not to have a significant impact on the financial statements of the Savings Banks Group.

2.9. CHANGES IN PRESENTATION

Effective from 1 January 2024, the Savings Banks Group has changed the presentation of the income statement with regard to investment contracts recognised in accordance with IFRS 9 Financial Instruments. Previously, fee income received from customers and compensations paid to customers were recognised in the income statement item “Net fee and commission income”. Under the new presentation method, fee income and compensations paid are presented as part of the measurement of investment contracts in the item “Net investment income”.

Commission income from investment contracts is recognised in the item “Net fee and commission income” when the performance obligation is satisfied, at a point in time.

Going forward, expense items capitalised for the calculation of IFRS 17 insurance contracts will be recognised in a new income statement item “Transfers to the insurance service result”. Previously, the items reduced personnel expenses, IT expenses and fee expenses.

The comparison figures for the period 1 January – 31 December 2023 have been retrospectively adjusted to correspond to the new presentation method. The changes to the result for the comparison period caused by the change in the presentation method are shown in the table below.

31.12.2023 (EUR 1,000)	Published	Changes in presentation	Adjusted income statement
Interest income	478,708		478,708
Interest expenses	-214,947		-214,947
Net interest income	263,761		263,761
Net fee and commission income	126,397	-19,273	107,124
Net investment income	-4,145	17,514	13,369
Insurance premium income	18,844		18,844
Insurance service expenses	-14,218		-14,218
Net income from reinsurance contracts	-871		-871
Insurance service result	3,755		3,755
Net financial income and expenses from insurance	-32,835		-32,835
Other operating income	21,062		21,062
Total operating income	377,995	-1,759	376,236
Personnel expenses	-94,262	-4,053	-98,315
Other operating expenses	-126,774	-8,093	-134,867
Deprication and impairment losses on tangliable and intangliable assests		13,905	13,905
Transfers to insurance service result	-11,456		-11,456
Total operating expenses	-232,492	1,759	-230,733
Impairment losses on financial assets	-9,988		-9,988
Share profits from associates	14		14
Profit before taxes	135,529		135,529
Income taxes	-30,042		-30,042
Profit from the period, continuing operations	105,487		105,487
Profits for the period, discontinuing operations from Savings Bank Group	2,712		2,712
Profit from the period	108,199		108,199

NOTE 3. CRITICAL ACCOUNTING ESTIMATE AND JUDGEMENT

IFRS-compliant financial report require the Savings Banks Group's management to exercise judgment 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 report.

The key estimates of the Savings Banks Group are related to the determination of impairment and fair value of financial assets, the measurement of the insurance contracts, the recognition of deferred tax assets from confirmed losses and the determination of the present value of pension obligations.

In the financial report dated 31 December 2024, the most significant uncertainties influencing the management's estimates have been the weak economic situation. There is considerable uncertainty associated with estimating the economic impacts of the afore-mentioned factor, which particularly influences the assessment of the expected credit losses on financial assets.

DETERMINATION OF EXPECTED CREDIT LOSSES

The Savings Banks Group's expected credit loss calculation models contain several factors that require the management's judgment.

- 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.

The Savings Banks Group 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 judgment. 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.

On the reporting period, the adjustments based on the management's judgment have been associated especially with receivables in stage 3 and, when assessing the need and extent of adjustments, attention has been paid especially to the following factors that influence the expected credit loss amount.

- Considering the nature and value of receivable-related collaterals, the effect of the regional economic situation on the price level of residential properties and realization, for instance.
- Amount and timing of receivables' contractual cash flows, taking into account available counterparty information that is not included in the calculation model. Such information includes, for instance, changes in employment, the number and duration of instalment-free periods that have been applied for and changes in the scope and profitability of business operations.
- Change in the credit risk of the receivable counterparty, resulting from restrictions that influence business or employment that are not included in the calculation model.

MEASUREMENT OF INSURANCE CONTRACTS

Judgment applied with regard to the principle for determining the discount rate

Discount curves are derived as a sum of the risk-free rate and the liquidity premium. The management has exercised judgment in its interpretation that the yield curve determined by EIOPA can be used as the risk-free component of the discount curve.

In determining the liquidity premium, the management has exercised judgment in interpreting the nature of insurance terms so that they do not include significant illiquidity factors. As a result of the interpretation, the liquidity premium has been set to zero.

Judgment related to the measurement methods used for insurance contracts and the input data for the methods

Insurance contracts are measured at the present value of expected future cash flows, with an added risk adjustment. The cash flows are modelled deterministically, excluding (discretionary additional benefits), which are measured using a stochastic method.

The modelling uses up-to-date assumptions about biometric factors, customer behaviour, economic variables, and operating expenses. The assumptions have been modelled using the Savings Banks Group's own and external statistical data. The accuracy of the assumptions is reviewed annually, and the assumptions are adjusted as necessary.

For determining the risk adjustment, the Savings Banks Group does not use the confidence level method but rather the "cost of capital" method.

Judgment related to the application of the VFA valuation model

The Savings Banks Group has issued savings and pension insurance policies that include investment-linked and guaranteed interest rate components, and where the policyholder has the option to freely transfer savings between these components. For these contracts, the Savings Banks Group interprets that the conditions of the VFA valuation model are met and, therefore, the Savings Banks Group applies the VFA valuation model to the groups formed from these contracts.

Judgment related to the determination of coverage units

According to the Savings Banks Group's interpretation, for risk insurance policies (e.g. loan insurance), the coverage unit can be based on the sum insured and its estimated future development.

The coverage unit describes the amount of insurance coverage provided for the entire duration of the contract. Savings and pension insurance policies do not include insurance services, or the insurance service is negligible compared to the investment service. For these insurance policies, the coverage unit is based on the amount of insurance savings and its future development.

Judgment related to the determination of investment components

The Savings Banks Group exercises judgment when determining the amount of the investment component in savings and pension insurance policies. According to the Savings Banks Group's interpretation, in insurance policies where the death benefit exceeds 100 per cent, the investment component is determined to correspond to the amount of insurance savings. For insurance policies where the death benefit is less than 100 per cent, the investment component is the amount of the death benefit.

Judgment related to the models used in the IFRS 17 transition

In the transition, the Savings Banks Group uses a retrospective calculation model for insurance policies issued after the year 2017. For insurance policies that entered into effect earlier, the fair value approach is used in the transition. The fair value approach has been chosen because there is insufficient retrospective data available for the older policies.

When applying the fair value approach, the service margin is defined as the difference between the fair value and the present value of cash flows arising from fulfilling the contract.

The fair value determined for the insurance contract groups takes into account the discounted present value of the contract group's future cash flows and the risk margin required by the market participant when selling the portfolio. The management has exercised judgment in determining the valuation parameters used, including cash flows, the discount rate and the risk margin.

DETERMING FAIR VALUE

When determining fair values, the management must consider whether there is price information available in the market that can be considered 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, the Savings Banks Group'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 the Savings Bank Group, 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. The Savings Banks Group only has a small number of financial instruments whose fair value is measured using valuation techniques, and there were no substantial changes in their amount during the past financial year.

NOTE 4. CORPORATE GOVERNANCE POLICIES

Savings Banks' Union Coop general meeting

The highest decision-making authority in the Savings Banks' Union Coop (hereinafter the "Central Institution") belongs to the members participating in the general meeting. The general meeting confirms the service and extra fees collected from the members.

Supervisory board

The general meeting elects the members of the Supervisory Board and their personal deputies for a term extending until the next ordinary general meeting. The Supervisory Board consists of 9–35 members.

During the year under review, the Supervisory Board had 13 members, each with a personal deputy. The chairman of the Supervisory Board was Antero Savolainen (chairman of the Board of Directors of Säästöpankki Optia) until March 14, 2024, and from March14, 2024, the chairman was Arto Seppänen (Chairman of the Board of Someron Säästöpankki). The Vice-Chairman was Arto Seppänen (Chairman of the Board of Someron Säästöpankki) until March 14, 2024, and from March 14, 2024, Timo Saraketo (Charman of the Board of Aito Säästöpankki) and Björn West (Chairman of the Board of Kvevlax Sparbank Ab). The members of the Supervisory Board are primarily chairmen of the Boards of Directors of Savings Banks, and their deputies are deputy chairmen of the Boards of Directors of Savings Banks.

The function of the Board of Supervisors is to oversee the administration of the central institution, which is the responsibility of the Board of Directors and CEO, and to ensure that the operation of the central institution is conducted competently and diligently in accordance with the Cooperatives Act and for the benefit of the central institution and the Savings Banks Group.

The Board of Supervisors has approved an agenda that specifies the duties and meeting practices of the Board of Supervisors.

Board of directors

The general meeting elects the members of the Board of Directors for the term extending until the next ordinary general meeting.

According to the rules of Savings Banks' Union Coop, the Board of Directors consists of six to ten members. The annual general meeting of the cooperative selects the members for the term of one year. The Chairman and the deputy Chairman are appointed in the organising meeting of the Board of Directors.

The Board of Directors consists primarily of the professional directors or Board members of the Savings Banks. The composition of the Board of Directors ensures the representation of Swedish speaking banks and banks of different sizes, taking into account the responsibility of the member banks of the amalgamation and the willingness and ability of members to promote the competitiveness of the individual banks as well as the entire amalgamation.

The Board of Directors must comply with the regulation set by the Credit Institutions Directive, the Act on Credit Institutions, the European Banking Authority and the Finnish Financial Supervisory Authority regarding fit and proper assessments and independence requirements as far as they are applicable to the amalgamation's Central Institution. Each member of the Board of Directors must present enough accurate information to the Board so that their suitability and independence can be assessed and notify the Board of any changes in such information. Both genders must be represented on the Board of Directors.

Members of the Board of Directors are expected to only participate in Boards of other entities to such an extent that it does not, as evaluated by the Board of Directors, prevent the member from spending enough time and focusing themselves to the matters of the central institution to a sufficient degree. The memberships of Boards of Directors in entities belonging to the Savings Banks Group are considered as one membership in this respect.

The Board of Directors has approved diversity principles aimed at ensuring that the Board has, in order to perform its duties, sufficient and versatile competence and experience of the credit institution business and the risks involved. The composition of the Board and the selection of new member candidates are planned with a long-term view to ensure that the goals set out in the applicable legislation and directives are achieved and that the necessary competencies are represented in the Board of Directors. The Nomination Committee assesses the size, composition and management of duties of the Board regularly and at least annually and may give recommendations concerning changes. The Board of Directors assesses the competence, skills and experience of Board members and the entire Board regularly and at least annually by means of self-assessment. In 2024, approximately 30% of the Board members were women.

In 2024, the members of the Board of Directors were as follows:

Pirkko Ahonen (Aito Säästöpankki Oy), Chairman of the Board until 14.3.2024,
and thereafter Member of the Board.
Robin Lindahl (independent of Savings Banks), chairman and member from 14 March 2024.
Jari Oivo (Myrskylän Säästöpankki), arapuheenjohtaja and member until 14 March 2024.
Heikki Paasonen, (Säästöpankki Optia Oy) Member of the Board and Vice-Chairman
from 14.3.2024
Ulf Sjöblom (Tammisaaren Säästöpankki Oy), Member of the Board until 14.3.2024
Monika Mangs (Närpiön Säästöpankki Oy), Member of the Board from 14.3.2024
Petri Siviranta (Someron Säästöpankki), Member of the Board from 14.3.2024
Tuula Heikkinen (independent of Savings Banks Member of the Board
Eero Laesterä (independent of Savings Banks), Member of the Board
Hannu Syvänen (Säästöpankki Sinetti), Member of the Board
Simo Leisti (independent of Savings Banks), Member of the Board
Veli-Pekka Mattila (Länsi-Uudenmaan Säästöpankki Oy), Member of the Board

The members of the Board are CEOs or Board members of Savings Banks, with the exception of Robin Lindahl, Tuula Heikkinen, Eero Laesterä and Simo Leisti, who are Board members independent of Savings Banks.

The Board of Directors is tasked with leading the operations of the Central Institution in accordance with the Cooperatives Act, the Act on the Amalgamation of Deposit Banks and the governance policies of the Central Institution. The Board of Directors is responsible for the management of the amalgamation, formulating the strategy of the Savings Banks Group and developing intra-group collaboration.

The Board of Directors has approved an agenda that specifies the duties and meeting practices of the Board of Directors.

Committees

The Central Institution has a Nomination Committee, a Remuneration Committee, an Audit Committee, a Risk Committee and a Digital development and a Cyber Security Committee, for which the Board of Directors has approved rules of procedure.

The Nomination Committee prepares a recommendation regarding the members of the governing bodies of the Central Institution and the Savings Banks' product and service companies, along with their remuneration.

The Remuneration Committee prepares documentation on remuneration principles at the amalgamation level and a remuneration policy for approval by the boards of directors of Savings Banks and the product and service companies. The Remuneration Committee also prepares a salary recommendation concerning the chief executives of the Savings Banks Amalgamation's member credit institutions and other entities.

The Audit Committee assists the Board of Directors of Savings Banks' Union Coop in ensuring that Savings Banks' Union Coop and the Savings Banks Group apply comprehensive and appropriately organised accounting, accounting practices followed in the financial statements and financial reporting. The Committee also supports the Board of Directors in ensuring that the Savings Banks Group employs adequate and appropriately organised internal controls, internal audit systems and audit procedures. Furthermore, it ensures that the operations and internal audits of the company are organised as required by law, regulations and good management and governance practices and supervises the internal audit operations.

The Risk Committee assists the Board of Directors of Savings Banks' Union Coop in matters concerning risk strategies and taking of risk and monitoring that the Savings Banks Group complies with the risk strategies as approved by the Board of Directors of Savings Banks' Union Coop. The Risk Committee monitors and ensures the efficiency and adequacy of the capital adequacy management process within the Savings Banks Group and evaluates the adequacy of the policies, controls and processes related to these risks. The Committee also assists the Remuneration Committee in creating healthy compensation systems.

The task of the Digital Development and Cybersecurity Committee is to assist the board in matters related to digital development and cybersecurity, thereby deepening and complementing the board's understanding of these issues.

In addition, the Board of Directors has appointed an Asset and Liability Committee to report, assist and guide the operations included in the area of responsibilities of the Risk Committee and to plan and coordinate the refinancing of the Savings Banks Group in cooperation with the Treasury of the Central Bank of Savings Banks.

Chief executive officer

The Board of Directors elects the Central Institution's Managing Director and their deputy. The CEO is charged with the day-to-day governance of the central institution in accordance with the stipulations of the Cooperatives Act, implementation of the Savings Banks Group strategy in accordance with the directions and orders of the Board of Directors, preparation of matters to be proposed to the Board, and assisting the Board in preparing matters for presentation to the Board of Supervisors and the cooperative meeting.

Karri Alameri served as the CEO of the Central Institution until September 29, 2024, and starting from September 30, 2024, Kai Koskela served as the acting CEO. Kai Koskela served as the deputy CEO until September 30, 2024, and starting from October 23, 2024, Martti Hakala served as the deputy CEO.

Audit

The Central Institution has one auditor, which must be a firm of authorised public accountants approved by the Finland Chamber of Commerce. The auditor also audits the consolidated financial statement as referred to in the Act on the Amalgamation of Deposit Bank.

The auditor is appointed by the General Meeting of the Savings Banks' Union Coop. The auditor's term of office ends at the close of the next ordinary General Meeting following their selection.

KPMG Oy Ab, a firm of authorised public accountants, is the auditor of the Central Institution of the Savings Banks Group. The principal auditor designated by the firm is Mikko Kylliäinen, Authorised Public Accountant.

LEGAL STRUCTURE OF THE SAVINGS BANKS AMALGAMATION AND SAVINGS BANKS GROUP

The Savings Banks Amalgamation and Savings Banks Group have been described in more detail in note 1 to the financial statements.

Members of the Savings Banks' Union Coop

As of 31 December 2024, the Savings Banks' Union Coop members were:

Aito Säästöpankki Oy
Avain Säästöpankki
Ekenäs Sparbank
Ab Helmi Säästöpankki Oy
Kvevlax Sparbank Ab
Lammin Säästöpankki
Länsi-Uudenmaan Säästöpankki Oy
Myrskylän Säästöpankki
Nooa Säästöpankki Oy
Närpes Sparbank Ab
Someron Säästöpankki
Säästöpankki Kalanti-Pyhäranta
Säästöpankki Optia Oy
Sinetti Central Bank of Savings Banks Finland Plc
Sp Mortgage Bank Plc

Risk management and inetrnal control framework of the savings banks amagamation

In accordance with the Amalgamation Act, the Central Institution of the Amalgamation is supervised by the Finnish Financial Supervisory Authority. Its member credit institutions are supervised by the Finnish Financial Supervisory Authority and the Central Institution. The Financia Supervisory Authority ensures that the Central Institution monitors and guides the operations of the member credit institutions in accordance with the provisions of the Amalgamation Act and that the member organisations comply with their legal obligations.

The Central Institution ensures that the Amalgamation members conduct their business according to the laws, decrees and regulations concerning financial markets as well as in line with their own rules and Articles of Central Institution and the guidelines issued by the Central Institution by virtue of Section 17 of the Amalgamation Act. The Central Institution also monitors the financial standing of the member organization.

The Central Institution must have reliable governance that makes effective risk management possible along with internal controls commensurate with Amalgamation operations and sound risk management systems. The principles to be followed in the risk management of the Savings Banks Amalgamation are included in the risk and solvency management principles approved by the Central Institution's Board of Directors, described in the notes to risk management.

Pursuant to the Amalgamation Act, the aggregate amount and liquidity of the Amalgamation's own funds are monitored at the amalgamation level on a consolidated basis. The Central Institution is responsible for monitoring the operations of the member credit institutions and giving them guidance in risk management, reliable governance and internal control needed to secure their liquidity and solvency. It also guides the members in the preparation of consolidated financial statements based on uniform accounting principles. The Central Institution may also establish general operating principles for the member credit institutions to observe in operations that are considered important for the Amalgamation.

Each member credit institution operates independently, relying on its own resources. A member institution may not take risks that could put the Amalgamation in jeopardy as regards the members' combined solvency or liquidity.

The Amalgamation must comply with the requirements regarding minimum consolidated own funds, as laid down in the Act on Credit Institutions. At a minimum, the member institutions of the Amalgamation must maintain aggregate own funds that are sufficient to cover the combined risks, specified in the Act on Credit Institutions, of the member institutions. The consolidated own funds of the member institutions must also be sufficient considering the consolidated customer risks and significant ownerships of the member institution of the Amalgamation.

The internal control system comprises financial and other controls. Internal control is the part of management and operations intended to ensure:

- The achievement of goals and objectives
- Economical and efficient processes
- Management of risks related to operations
- The reliability and validity of financial and other management information
- Compliance management
- Adequate security of operations and data as well as company and customer assets, and
- Appropriate and adequate manual and automated information systems in support of business operations

Internal control is part of operational activities and is the responsibility of all functions and organisational levels. Internal control is part of the daily activities. Crucial for a functional an effective control system is that an appropriate internal control structure and control measures have been defined for all business levels, including adequate guidelines, control measures, follow-up and reporting.

The Board of Directors of the central institution approves the principles pertaining to corporate governance and internal control. The Central Institution's Board of Directors is primarily responsible for organising, implementing and securing the functioning of the internal control system.

The following functions, which are independent of business operations, have been established within the Central Institution to ensure effective and comprehensive internal control in all the member companies within the Amalgamation and the Savings Banks Group:

- Independent Risk Control
- Compliance
- Internal audit

The Central Institution's Independent Risk Control function maintains and develops methods for managing risks within the Savings Banks Group. This ensures that all, even new, fundamental but previously unidentified risks are covered by the risk management of Savings Banks Group's business lines.

The Board of Directors monitors the business performance and associated risks of the Amalgamation regularly and decides on reporting, procedures as well as qualitative and quantitative indicators used to assess the efficiency and performance of the operations. The Central Institution is tasked with the Amalgamation-level risk control, compliance and financial reporting.

To carry out this responsibility, the Central Institution's Supervisory Board and Board of Directors appoint the committees laid down in the Act on Credit Institutions and any other committees they consider necessary to support their work. They also confirm the organisation of the Central Institution's management and describe the main areas of responsibility.

The Boards of Directors of the member credit institutions are responsible for arranging internal controls for their own organisations in accordance with legislation, government regulations and the internal guidelines of their own Board of Directors and the Board of Directors of the Central Institution. The member credit institutions of the Savings Banks Amalgamation must make appropriately organised internal control a part of their daily business operations.

The Central Institution's executive management has a functional responsibility for the operations of the Amalgamation's Central Institution under authorisation of the Savings Banks' Union Coop's Board of Directors.

At the Amalgamation level, the Central Institution's executive management is responsible for:

- Developing and maintaining measures, guidelines and instructions leading to reliable governance that enables efficient risk management, internal controls commensurate with Amalgamation operations and secure functioning of the controls
- Reporting on and controlling the quality and development of various risk areas

- Ensuring efficient and all-around functioning of the practical measures of internal controls
- Ensuring that any shortcomings and development needs of internal control are documented and reported for corrective actions to the members of the management responsible for internal control in each entity, and
- Ensuring that the Central Institution's Board of Directors and Supervisory Board are aware of the functioning of the internal controls and can verify their own responsibilities in an efficient and comprehensive manner

Tasks and control measures have been defined for the management of the entities belonging to the Amalgamation, with which internal control is implemented. Internal control is supported by appropriate reporting, which is used to monitor the quality, scale and diversity of operations, and by descriptive reporting to monitor operations, performance and risks associated with operations. Reporting shall be reliable, clear and up to date. Reporting on financial, risk management and compliance activities is prepared centrally and separately from business activities.

Member credit institutions' solvency and its control

The minimum own funds of a member credit institution may, with the consent of the Central Institution, be lower than what is required by the Act on Credit Institutions. The member institution must secure its solvency by having own funds in the amount of at least 80% of the amount required by the Act on Credit Institutions.

The Central Institution may also allow a member institution to exceed the customer risk limits laid down in the Act on Credit Institutions. The Central Institution may allow, for the maximum period of three years at a time, that an individual customer risk of a member credit institution is up to 40% of the institution's own funds, while the relevant limit set in the Act on Credit Institutions is 25%. Customer risks of credit institutions and investment service companies are regulated separately in the Amalgamation Act. Similarly, the maximum percentages regarding ownership in business associations may, with the Central Institutions consent, be raised to 25% and 75%, respectively, of own funds, while the Act on Credit Institutions has set the limits at 15% and 60%.

Moreover, the Central Institution may decide that its member credit institutions are not subject to the solvency requirements set for credit institutions in Part 6 of the EU Capital Requirements Regulation and other EU regulations based on it.

The Central Institution may also decide that the provisions of Chapter 9 of the Act on Credit Institutions and the EU Capital Requirements Regulation regarding qualitative risk management of credit institutions and their consolidation groups do not apply, partly or fully, to its member credit institutions and companies in their consolidation groups.

The Central Institution may grant the above waivers provided it meets the requirements laid down in Section 17 of the Amalgamation Act and the Finnish Financial Supervisory Authority's regulations based on the Act along with other legal requirements, and that the Financial Supervisory Authority, based on the above, has granted to the Central Institution the authority to make such decisions. The Central Institution may not grant such waiver to a member credit institution which has significantly and repeatedly failed to comply with the Central Institution's guidelines referred to in Section 17, obligations provided for in Section 23 or under the authorisation of the Financial Supervision Authority. The exemption shall be valid for a maximum of three years at a time and may be revoked by the Central Institution if, during its term, the member credit institution fails to comply with its obligations set out above.

Joining the Savings Banks Amalgamation and withdrawal from membership

Members of the Central Institution may include credit institutions whose rules or Articles of Association are in line with the provisions of the Amalgamation Act and whose rules or Articles of Association the Central Institution has approved. Admission of new members is decided upon by the General Meeting.

A member credit institution has a right to withdraw its Central Institution membership. Regardless of withdrawal, the aggregate amount of the member companies' own funds must remain at the level required by the Amalgamation Act.

A member credit institution may also be removed from the Central Institution membership in accordance with the Cooperatives Act. A member may also be expelled if it has failed to comply with the Central Institution's guidelines issued by virtue of Section 17 of the Amalgamation Act in a manner that puts the liquidity or solvency management or the application of uniform accounting principles or their monitoring in the Amalgamation at a significant risk. Expulsion is also possible if a member institution acts materially in breach of the Amalgamation's general operating principles confirmed by the Central Institution.

The provisions of the Amalgamation Act governing the payment liability of a member credit institution also apply to a former member institution if less than five years have passed from the end of the calendar year of the member credit institution's withdrawal or expulsion when a demand regarding payment liability is made on the member credit institution.

Financial statements and audit of the Savings Banks Group

The Savings Banks Group's financial statements combine the financial statements of all its significant member organisations. Pursuant to the Amalgamation Act, the Savings Banks Group's financial statements must be prepared in accordance with the international accounting standards referred to in the Accounting Act. As per these standards, the financial statements must include all other significant organisations belonging to the Savings Banks Group. The Finnish Financial Supervisory Authority has issued detailed instructions regarding the preparation of the Savings Banks Group's financial statements. The principles followed in preparing the financial statements are described in the Note 2 of the financial statements. Member credit institutions have no obligation to publish an interim report as referred to in Section 12 of Chapter 12 on the Act on Credit Institutions.

The Central Institution is obliged to advise its member credit institutions in applying uniform accounting principles. The member credit institutions must give the Central Institution the information needed for the consolidation. Furthermore, the Central Institution and its auditor have a right to request a copy of a member Credit Institution's audit documentation for auditing the consolidated financial statements.

The financial statements are presented to the ordinary general meeting of the Savings Banks' Union Coop.

Payment liability of the central institution and mutual responsibility of member credit institutions

According to the Amalgamation Act, the Central Institution must, as a supporting measure, pay to a member credit institution an amount needed to prevent its liquidation. The Central Institution is also liable for a debt a member credit institution cannot pay from its own funds.

The member credit institutions must pay to the Central Institution their share of the amount the Central Institution has paid either to another member credit institution as a supporting measure or to the creditor of another member credit institution as payment for a debt for which the creditor has not been able to obtain payment from the member credit institution. In the event of the Central Institution's insolvency, member credit institutions also have an obligation to pay unlimited additional amounts towards the Central Institution's debt, as provided in the Cooperatives Act.

Each member institution's liability of the amount of the Central Institutions payment is divided between the member credit institutions in proportion to their latest confirmed balance sheet totals. In each financial year, the combined annual payments collected from a member credit institution as a supporting measure to prevent another member's liquidation may not exceed, in total, five thousandths of its latest confirmed balance sheet total.

Deposit Guarantee Fund and Investors' Compensation Fund

According to the legislation concerning the Deposit Guarantee Fund, the deposit banks of the Savings Banks Amalgamation are considered to constitute a single bank in respect of deposit protection. The Deposit Guarantee Fund reimburses a maximum of EUR 100,000 to an individual account holder who has receivables from deposit banks belonging to the Savings Banks Amalgamation.

Under the legislation concerning the Investors' Compensation Fund, the Savings Banks Amalgamation is also regarded as a single bank for the purposes of compensation protection. The Investors' Compensation Fund's assets may be used to compensate an investor's receivables from organisations belonging to the Savings Banks Amalgamation to a maximum of EUR 20,000.

Remuneration

The Savings Banks Amalgamation's remuneration system 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.

The member credit institutions of the Savings Banks Amalgamation adhere to the provisions of Chapter 8 of the Act on Credit Institutions (610/2014) and the Savings Banks Amalgamation's remuneration principles. Remuneration also complies with EU and Finnish legislation and the orders and guidelines issued by the authorities.

Remuneration systems refer to the decisions, contracts, policies and procedures that are followed in the remuneration of the management and personnel. The remuneration system includes both the remuneration method, and the processes related to its development and implementation. The remuneration system is developed actively and taking a long-term view in order to secure the Amalgamation's competitiveness, good financial performance, incentivisation, employee commitment and the availability of new competent personnel. The Savings Banks Amalgamation sees the remuneration system as a comprehensive package that supports the motivation and job satisfaction of the personnel. It is used to guide the operations towards the common goals. The remuneration system is adapted to the interests of the customers and includes measures to avoid conflicts of interest. The remuneration system and all related conditions are gender neutral.

The remuneration system is consistent with the good and efficient risk management of the member credit institutions and member companies of the Amalgamation and is always implemented within the framework of the Amalgamation's current risk-management principles Remuneration does not encourage risk-taking that would exceed the sustainable risk level defined on the basis of the risk-bearing capacity of the member credit institutions or the Savings Banks' Union Coop.

The remuneration system ensures that it is consistent with the consideration of sustainability risks. Sustainability risk refers to an event or situation related to environment, social responsibility or governance, which, if realised, may cause a material, negative effect on the value of the investment. Consideration of sustainability risks in remuneration means, among other things, that remuneration cannot be inconsistent with responsible investment, or investment and insurance advice.

The Central Institution's Board of Directors decides on the proposal of the Remuneration Committee, on the remuneration principles of the Savings Banks Amalgamation. The Central Institution's Remuneration Committee monitors and controls the functioning and competitiveness of the remuneration systems of the member credit institutions and companies ensuring their ability to support short and long-term goals of the Amalgamation and prepares proposals to the Board of Directors for the development of the remuneration system. The remuneration principles are reviewed and, if necessary, amended annually to ensure that they are up to date They are also reviewed and amended whenever there are changes in the operating environment, the regulatory environment or the requirements imposed by the authorities.

The Remuneration Committee consists of a minimum of three members: members chosen by the Board of Directors from among its members. The Committee may also use various experts who may be invited to participate in committee meetings. The composition and work of the Committee have been organized in such way as to allow the committee to assess independently the incentives and other impacts of the remuneration systems on risk, capital and liquidity management.

The Savings Banks Amalgamation's Risk Committee evaluates, and reports to the Remuneration Committee on, whether the remuneration systems and practices take into account factors such as risks as well as requirements concerning capital and liquidity.

Compliance Officers are required to participate in the planning of remuneration practices and, for their part, ensure that the remuneration policies and practices of each bank and company comply with the current regulations and the Amalgamation's guidelines. Observations related to remuneration are reported to the executive management, the Board of Directors of the member credit institution/company, and the Compliance function of the central institution. The compliance function of the central institution summarizes the observations and reports them to the board of the central institution as part of regular reporting.

The internal audit of the Amalgamation's Central Institution issues an annual assessment on compliance with the remuneration to the Board of Directors of the member organisation or company. The internal audit of the Amalgamation's Central Institution also issues an Amalgamation-level assessment to the Central Institution's Supervisory Board on compliance with the remuneration system based on the company-level assessments. Key observations are also reported to the Central Institution's Remuneration Committee.

The Boards of Directors of the Amalgamation's member organisations and companies decide, for their part, on their entity's remuneration system as well as the targets of remuneration in a manner that supports the business objectives and management of the individual member organisation or company. The Boards of Directors of the Amalgamation's member organisations and companies also decide, for their part, on the payment of remuneration based on the achievement of targets while observing the risk adaptation process.

The remuneration of functions independent of business operations is controlled by the board of the member credit institution, member company or the Central Institution. Such variable part of remuneration may not depend on the outcome of the business unit which they control but must be based on the achievement of the goals set for the control. In this way, the objectivity or independence of the function is not jeopardised and conflicts of interest are not created.

The Savings Banks Group has identified significant risk-takers who can impact a bank's risk profile or through their actions cause considerable financial risk to a bank. The persons affecting the risk profile of the Amalgamation include the Managing Directors and other people participating in the management and decision-making in the member credit institutions, Central Institution or other member organisations along with other people with a major impact on the company's risk exposure, including people associated with functions independent of business operations. Up-to-date information about significant risk-takers is reported by each member institution to the Sympa HR information system. Each member institution is responsible for the accuracy and timeliness of its own information.

The salaries, wages and remuneration for the financial year are shown in note 22 to the financial statements ("Personnel expenses").

NOTE 5. PRINCIPLES OF RISK MANAGEMENT AND CAPITAL ADEQUACY MANAGEMENT

General principles and objectives

The Savings Banks Group is a financial group comprising the Savings Banks' Union Coop, acting as the central institution of the Savings Banks Amalgamation, 14 Savings Banks as well as their subsidiaries and associated companies. The Savings Banks Group does not constitute a financial and insurance conglomerate as defined in the Act on the Supervision of Financial and Insurance Conglomerates.

The member organisations of the Savings Banks Amalgamation constitute 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 commitments. The Savings Banks Amalgamation comprises the Savings Banks' Union Coop, which acts as the central institution of the Amalgamation, 14 independent, local and regional Savings Banks, the Central Bank of Savings Banks Finland Plc, Sp Mortgage Bank Plc, Sp-Fund Management Company Ltd, along with companies belonging to the consolidation groups of the aforementioned entities, of which Savings Bank Services Ltd is a wholly-owned subsidiary of the Savings Banks' Union Coop.

The Savings Banks' Union Coop acts as the Central Institution of the Savings Banks Amalgamation. According to the Act on the Amalgamation of Deposit Banks, the Central Institution has the right to control its member credit institutions and the obligation to supervise their operations. The Central Institution carries out its control and supervision responsibilities at both the Savings Banks Amalgamation level and the member credit institution level. The Board of Directors of the Central Institution has approved the main policies and risk strategies. It also decides on the use of necessary means of control according to the Act on the Amalgamation of Deposit Banks and the policies of the Savings Banks Group.

The Savings Banks focus on retail banking, particularly daily banking, saving and investments, and lending services. The service and product range of Savings Banks is complemented by the centralised products and services produced by the product companies belonging to the Savings Banks Group. The most significant product companies of the Savings Banks Group are the Central Bank of Savings Banks, Sp Mortgage Bank Plc, Sb Life Insurance, Sp-Fund Management Company, Savings Bank Services Ltd and Sp-Koti.

The risk and capital adequacy management process is regulated by the Act on Credit Institutions, the Act on Insurance Companies, the Act on the Amalgamation of Deposit Banks, directly applicable EU legislation and the standards, regulations and guidelines of the Finnish Financial Supervisory Authority (FIN-FSA). According to the Act on the Amalgamation of Deposit Banks, the capital adequacy, liquidity and customer risks of the entities within the Savings Banks Amalgamation shall be controlled on a consolidated basis at the amalgamation level.

Membership of the Savings Banks Amalgamation includes responsibility for the operations of the Savings Banks Amalgamation and its member institutions. This responsibility means that each of the member credit institutions, when making policies and decisions, takes into account the impact of their actions both on their own organisation as well as on the operations of the other member institutions within the Savings Banks Amalgamation. Savings Banks operate and take risks within the limits of their own capital, capital adequacy and liquidity. Each Savings Bank scales its operations according to its own capacity.

The objective of the Savings Banks Amalgamation's risk management is to identify the threats and opportunities affecting the implementation of the Savings Banks Amalgamation's strategy.

The objective of capital adequacy management is to ensure the risk-bearing capacity of the Savings Banks Amalgamation and its member organisations and to ensure that the operating conditions are not at risk in the long term. The Savings Banks Amalgamation's risk strategies define the objectives for risk-bearing capacity and risk appetite and set out other risk management policies in relation to the business objectives.

The Savings Banks Amalgamation has reliable governance ensuring effective risk management as well as adequate internal controls and a risk management framework for the operations of the Savings Banks Amalgamation. The governance, internal control and risk management framework must comply with legislation and the regulations and guidelines issued by the authorities. The principles of reliable governance and internal control are described in more detail in the note on corporate governance policies in the financial statements.

The Savings Banks Group's operations include retail banking, central banking, mortgage banking, investment and life insurance operations as well as a real estate brokerage. The most significant risks affecting the banking segment are credit, interest rate and liquidity risks. The life insurance business is affected by market, insurance and counterparty risks. Business and operational risks, including legal and compliance risks, arise within all business areas.

Risk management principles and governance

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 enables the identification, assessment and measurement of risks and limiting them to a level corresponding to the Savings Banks Amalgamation's risk appetite. The capital requirements for the various risk areas and business lines are determined in a reliable and independent manner and capital is allocated systematically according to the current and planned risk appetite and appropriately for the liquidity management of the Savings Banks Amalgamation.

The Central Institution is responsible for risk and capital adequacy management and the adequacy and timeliness of the risk management framework at the amalgamation level. The Central Institution gives the member organisations of the Savings Banks Amalgamation guidelines for risk management, corporate governance and internal control in order to ensure their liquidity and capital adequacy, and guidelines on the application of uniform accounting principles. The Central Institution also ensures that the member institutions comply with the internal operating principles of the Savings Banks Amalgamation and with appropriate and ethically acceptable practices in customer relationships. The Central Institution's Board of Directors approves the principles of internal control and reliable governance. The risk management strategies are based on the objectives and business strategy, risk management guidelines, the authorisation system and the risk and exception reporting in key business areas, as approved by the Board of Directors of the Central Institution.

The member banks and entities are responsible for their own risk management framework and for managing their own capital adequacy and liquidity in accordance with the nature and scope of their business and in accordance with the risk management principles of the Savings Banks Amalgamation. The risk management of the Savings Banks Amalgamation is based on the assumption that a member institution does not assume such a high risk in its operations that it would materially jeopardise the liquidity and/or capital adequacy of the member institution in question. When each member institution operates within its risk-bearing capacity and ensures its liquidity and/or capital adequacy even during less favourable economic conditions, the liquidity and capital adequacy of the Savings Banks Amalgamation are also ensured. The Board of Directors of the member institution defines the risk appetite by approving the Amalgamation's risk area-specific risk strategies and the necessary risk limits and monitoring thresholds. The implementation of the risk strategy is monitored through the monitoring and reporting of risk limits and monitoring thresholds, which is carried out independently of business operations.

In order to ensure the adequacy of the risk management within the Savings Banks Amalgamation, a Risk Committee has been established within the Central Institution of the Savings Banks Amalgamation. The task of the Risk Committee is to assist the Board of Directors of the Central Institution in matters concerning the risk strategy and risk-taking and to monitor that the Savings Banks Group complies with the risk strategy approved by the Board of Directors. The Risk Committee monitors and ensures the effectiveness and adequacy of the capital adequacy management process and evaluates the adequacy of the policies, controls and processes related to risks. The Risk Committee meets monthly.

The Board of Directors of the Central Institution is also assisted by the Asset and Liability Committee, which assists and guides the Risk Committee in its areas of responsibility and ensures that the Savings Bank Amalgamation's structural liquidity risk and market risk, including interest rate and investment risk, remain at a level that ensures the smooth operation of the Savings Bank Amalgamation. In addition, the Asset and Liability Committee coordinates the refinancing and liquidity management of the Savings Banks Amalgamation together with the Treasury of the Central Bank of Savings Banks.

The following functions, independent of business operations, have been established in the Central Institution to ensure an effective and comprehensive internal control system for all member organisations of the Savings Banks Amalgamation:

- Risk Control
- Compliance
- Internal Audit

The task of the Risk Control unit is to ensure and monitor that the risk management framework of the Savings Banks Amalgamation is adequate in relation to the nature, scale, complexity and risk level of the Savings Banks Amalgamation's business operations. The Risk Control function assists the Board of Directors and executive management of the Central Institution in organising an adequate risk management framework for the Savings Banks Amalgamation and in monitoring the functionality and effectiveness of the risk management framework.

The Compliance unit ensures that the Savings Banks Amalgamation complies with legislation and the regulations and guidelines issued by the authorities. The Compliance unit is also responsible for monitoring that the Savings Banks Amalgamation complies with internal guidelines, the ethical guidelines binding on personnel and other guidelines applied within the financial markets. The Internal Audit of the Central Institution verifies through its independent activity that the Board of Directors of the Central Institution and its Audit Committee and the executive management have access to a true and fair view of the profitability, efficiency, state of internal control and various types of risks related to the operations of the Savings Banks Group and the Savings Banks Amalgamation and the various entities and functions belonging to it.

The figure below illustrates the risk management organisation of the Central Institution.

Chart: Risk management governance of the Central Institution

The Boards of Directors of the entities within the Savings Banks Amalgamation are responsible for arranging the internal control framework within their own entity in accordance with legislation, regulations issued by the authorities and the guidelines of the Board of Directors of the Central Institution. The CEOs together with the other executive management of the member organisations of the Savings Banks Amalgamation are responsible for arranging internal controls for their own organisations in accordance with legislation, regulations issued by the authorities and the detailed internal guidelines of their respective Boards of Directors and the Board of Directors of the Central Institution.

The risk management methodology of the Savings Banks Amalgamation is maintained and developed by the Risk Control function of the Central Institution to ensure that all, even new, material but previously unidentified risks are also covered by business risk management.

Significant or high-risk commitments are made in accordance with a collegial decision-making process and the use of authority is limited by limits. Business operations and processes are steered by internal operational policies, which are monitored for compliance and timeliness. 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 approvals, verifications, confirmations, reconciliations and monitoring and exception reports.

The Savings Banks Amalgamation has prepared risk strategies and risk limits by risk area. The strategies specific to risk areas are complemented by operational guidelines and instructions issued by the Board of Directors of the Central Institution. The strategies specific to risk areas cover risk identification, measurement and assessment as well as the limitation, monitoring and reporting of risks.

The Board of Directors of the Central Institution is regularly informed about the various risks and their levels. The Board of Directors also approves authorisations and frameworks for the desired level of risk-taking by specifying the permitted risk thresholds for different risk areas at the amalgamation level.

Pillar III disclosure policy

The Savings Banks Amalgamation's Pillar III disclosure policy has been established in accordance with the effective legislation and regulations issued by the authorities, also taking into account the Savings Banks Amalgamation's long-term strategy and business plan. The objective of the Pillar III disclosure policy is to ensure that the amount and quality of disclosed information is adequate in relation to the nature, scale, complexity and risk position of the Savings Banks Amalgamation's business operations and takes into account the specific features of the Savings Banks Amalgamation's business operations. In order to achieve this objective, the Savings Banks Amalgamation assesses annually the materiality of the information from the stakeholder point of view and evaluates what can be classified as proprietary or confidential information.

The Savings Banks Amalgamation discloses all material information on the business and various risk areas, which are based on the selected business strategy. The Board of Directors of the Central Institution approves the Pillar III disclosure policy and the Central Institution's executive management prepares the policy. The policy is updated at least annually or whenever the Savings Banks Amalgamation's operating environment, business model, regulatory and/or supervisory requirements change.

A broad Pillar III report in accordance with Part eight of the Capital Requirements Regulation is published once a year and a brief Pillar III report every six months. However, the Savings Banks Amalgamation can assess the need for more frequent publication if the market conditions, financial performance or change in the risk position of the Savings Banks Amalgamation require it.

Capital adequacy management

The objective of the capital adequacy management process is to ensure that the quantity and quality of capital are adequate in relation to the nature, scale and complexity of the Savings Banks Amalgamation's operations and cover all the risks arising from its business operations and operating environment. In order to achieve this objective, the Savings Banks Amalgamation 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 all risks. The internal capital requirements determined through the capital adequacy management process are based on the capital requirements under Pillar I and risks outside Pillar I, such as interest rate risk of the banking book, market risk of the investment portfolio and business risk. In the internal assessment process, the Savings Banks Amalgamation estimates the amount of capital that is sufficient to cover any unexpected losses arising from non-Pillar I risks.

The Board of Directors of the Central Institution has the overall responsibility for capital adequacy management. The Board of Directors of the Central Institution 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 external changes in the operating environment. The capital adequacy, liquidity and customer risks of the entities belonging to the Savings Banks Amalgamation are monitored on a consolidated basis at the Amalgamation level.

The Board of Directors of the Central Institution has set a target level and a monitoring threshold for capital adequacy, which are monitored quarterly. The long-term capital adequacy target is a CET1 capital ratio of at least 17%.

Stress tests

As part of the capital adequacy management process, the Savings Banks Amalgamation 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 adequacy of own funds. Stress tests are designed to identify the key risks to the Savings Banks Amalgamation and assess how vulnerable the structure of the Amalgamation 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 the Savings Banks Amalgamation is made in order to be prepared for unforeseeable events that may jeopardise the capital adequacy of the Amalgamation. 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 that can be taken by the executive management and the Board of Directors in the event that the capital adequacy ratio falls below the monitoring threshold.

Pillar I capital requirements

The capital requirement for credit and counterparty risk of the Savings Banks Amalgamation is calculated using the standardised approach, the capital requirement for exposure value adjustment risk is calculated using the standardised approach and the capital requirement for operational risk is calculated using the basic approach. 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 majority of the capital requirement of the Savings Banks Amalgamation arises from the capital requirement for credit risk and counterparty risk, with the largest exposure categories being real estate collateralised loans, corporate loans and retail loans.

Own funds and capital adequacy key figures

At the end of 2024, the Savings Banks Amalgamation had a strong capital adequacy, and own funds consisted almost entirely of CET1 capital. Total own funds were EUR 1,148.5 (1,034.4) million, of which CET1 capital accounted for EUR 1,146.1 (1,031.4) million. The Savings Banks Amalgamation does not have additional Tier 1 capital. Tier 2 (T2) capital amounted to EUR 2.4 (3.0) million, consisting of debentures in the financial year. In the period under review, capital adequacy was primarily strengthened by the profit for the financial year. Risk-weighted assets amounted to EUR 5,494.8 (5,302.2) million, an increase of 3.6% compared to the end of the previous year. The largest increases in risk-weighted assets were in the exposure categories of real estate collateralised loans and defaulted exposures. The capital ratio of the Savings Banks Amalgamation was 20.9% (19.5%), and the CET1 capital ratio was 20.9% (19.5%).

The capital requirement of the Savings Banks Amalgamation was EUR 716.8 (638.8) million. The composition of the capital requirement is shown in the table below. The capital requirement of the Savings Banks Amalgamation consists of the 8% minimum capital requirement under the Capital Requirements Regulation (CRR), a discretionary additional capital requirement imposed by the Financial Supervisory Authority, the capital conservation buffer according to the Act on Credit Institutions, a systemic risk buffer requirement set by the Financial Supervisory Authority, and the country-specific countercyclical capital requirements of foreign exposures.

Pillar 1 capital requirement (EUR 1,000)	31.12.2024	31.12.2023
Exposures to central governments or central banks	2,010,862	27,922
Exposures to regional governments or local authorities	62	80
Exposures to public sector and public sector entities	253	31
Exposures to multilateral development banks	0	0
Exposures to international organisations	0	0
Exposures to institutions	3,528	3,820
Exposures to corporates	88,104	90,694
Retail exposures	60,726	60,341
Exposures secured by mortages on immovable propert	192,213	181,388
Exposures in default	18,529	13,403
Exposures associated with particularly high risk	0	0
Exposures in the form of covered bonds	167	169
Items representing securatisation positions	0	0
Exposures to institutions and corporates with a short-term credit assesment	0	0
Exposures in the form of units of shares in collective investment undertakings (CIUs)	2,278	3,209
Equity exposures	6,395	6,910
Other items	8,368	11,359
Capital requirements for credit and counterparty credit	382,634	371,431
Capital requirements for credit value adjustment (CVA)	2,498	2,980
Capital requirements for market risk	0	0
Capital requirements for operational risk	54,451	49,763
Total capital requirement	439,583	424,174

CAPITAL ADEQUACY'S MAIN ITEMS

Own Funds (EUR 1,000)	31.12.2024	31.12.2023
Common Equity Tier 1 (CET1) capital before regulatory adjustments	1,213,425	1,087,314
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-67,299	-55,909
Common Equity Tier 1 (CET1) capital	1,146,126	1,031,404
Tier 1 capital (T1 = CET1 + AT1)	1,146,126	1,031,404
Tier 2 (T2) capital before regulatory adjustments	2,379	3,015
Tier 2 (T2) capital	3,015	3,015
Total capital (TC = T1 + T2)	1,148,505	1,034,419
Risk weighted assets	5,494,792	5,302,169
of which: credit and counterparty risk	4,782,921	4,642,885
of which: credit valuation adjustment (CVA)	31,231	37,250
of which: market risk		
of which: operational risk	680,640	622,034
Common Equity Tier 1 (as a percentage of total risk exposure amount)	20.9%	19.5%
Tier 1 (as a percentage of total risk exposure amount)	20.9%	19.5%
Total capital (as a percentage of total risk exposure amount)	20.9%	19.5%
Capital requirement		
Total capital	1,148,505	1,034,419
Capital requirement total*	716,840	638,827
of which: Pillar 2 additional capital requirement	82,422	79,533
Capital buffer	431,665	395,592

* The capital requirement is formed by the statutory minimum capital adequacy requirement of 8%, the capital conservation buffer of 2.5% according to the Act on Credit Institutions, the 1.5% Pillar 2 requirement set by the Financial Supervisory Authority and the country-specific countercyclical capital requirements of foreign exposures.

The discretionary 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.

COMBINED CAPITAL REQUIREMENT, %

31.12.2024	Minimum requirement	Pillar 2 (SREP)-requirement	Capital conservation buffer	Systemic risk buffer	Countercyclical capital buffer	Combined capital requirement
CET1	4.50	0.84	2.50	1.00	0.05	8.89
AT1	1.50	0.28				1.78
T2	2.00	0.38				2.38
Total	8.00	1.50	2.50	1.00	0.05	13.05

The Financial Supervisory Authority's decision to set a systemic risk buffer requirement of 1.0% for the Savings Banks Amalgamation entered into effect on 1 April 2024. In 2024, the Financial Supervisory Authority did not impose a countercyclical capital buffer requirement, which may range from 0 to 2.5% of the total risk-weighted exposure amounts. 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 institution level and sub-consolidation group level. In addition, the Financial Supervisory Authority has granted a 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 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 Part Six 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 amendments to the EU's Capital Requirements Regulation (CRR3), implementing the Basel III finalisation in the EU, are not expected to have a material impact on the capital adequacy of the Savings Banks Amalgamation. The amendments enter into force on 1 January 2025.

LEVERAGE RATIO

The leverage ratio of the Savings Banks Amalgamation was 8.9% (8.3%), well above the binding minimum requirement of 3%. 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.

LEVERAGE RATIO

(EUR 1,000)	31.12.2024	31.12.2023
Tier 1 Capital	1,146,126	1,031,404
Total leverage ratio exposures	12,883,839	12,376,045
Leverage ratio	8.9%	8.3%

The Pillar III report discloses the information in accordance with the EU's Capital Requirements Regulation (575/2013) regarding the capital adequacy of the Savings Banks Amalgamation.

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 April 2024, 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, 17 April 2024. 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 20.84% of the total risk exposure amount or 7.72% of the total exposures, whichever is higher.

The MREL requirement for Sp Mortgage Bank Plc is 15.76% of the total risk exposure amount or 5.92% of the total exposures, whichever is higher.

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

BANKING SEGMENT

The banking segment involves a significant degree of credit and counterparty risk. The management and monitoring of credit risk plays a major role when ensuring the adequacy of capital in relation to business risks and losses caused by risk occurrence.

Credit risk is the possibility that a counterparty may not meet its contractual obligations.

The main source of credit risk is lending, but credit risk (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.

In the Savings Banks Group, the key customer groups of banking activities are private customers, corporate customers (including housing corporations), agricultural entrepreneurs and other small enterprises. A majority of the banking segment's funding is granted as loans to the customers of Savings Banks.

MANAGEMENT AND MEASUREMENT OF CREDIT RISK

The Board of Directors of the Central Institution steers the credit risk management of the banking activities, the methods used, as well as their monitoring and reporting through the credit risk strategy it has approved, the guidelines it has issued on the basis of this strategy for credit risks and their management, and the risk limits and other monitoring thresholds it has set. The Risk Control function of the Central Institution regularly monitors the development of credit risks in relation to limits as well as monitoring and control thresholds and monitors the compliance of member credit institutions with these principles.

The Risk Control function of the Central Institution is responsible for the operational maintenance of the approved strategy in cooperation with the Risk Committee established by the Central Institution's Board of Directors. The strategy is updated at least annually or whenever the Savings Banks Amalgamation's operating environment, business model, regulatory and/or supervisory requirements change materially.

The credit risk strategy is complemented by operational-level instructions and guidelines issued by the Central Institution's Board of Directors. The most important instructions include the credit administration guidelines, guidelines for the recognition and management of problem customers, collection guidelines, guidelines for collateral price monitoring for residential and commercial real estate and general credit guidelines that also cover mortgage credit banking.

The objective of credit risk management is to limit the impact of the risks arising from the exposures on profitability and capital adequacy to an acceptable level. The Board of Directors of the Central Institution defines and confirms at the amalgamation level the distribution of the credit portfolio by customer group and sector and the risk limits and monitoring thresholds used for monitoring and controlling the quality of the credit portfolio.

The business plans and credit-underwriting policies approved by the Boards of Directors of the member credit institutions of the Savings Banks Amalgamation define the maximum exposure limits for risk concentrations per member credit institution and steer lending by customer sector, industry and credit ratings in accordance with the guidelines issued by the Central Institution. The member institutions grant loans and guarantees mainly within their effective operational areas, ensuring one of the criteria for lending: local, comprehensive customer due diligence.

In Savings Banks, the Boards of Directors of the banks have delegated lending authorisations to the bank's management/management team/credit committee and other designated employees. Credit decisions are made according to the credit-underwriting policy as approved by the Board of Directors of the bank. The main principle is decision-making by two persons having lending authorisation. The credit decisions are based on the customers' creditworthiness, ability to pay and the fulfilment of other criteria for granting credit, such as collateral requirements. The loans are mainly granted against securing collateral. Collateral is conservatively valued at fair value and its fair value is monitored regularly, both statistically and through good industry knowledge. The Board of Directors of the bank has established guidelines for the bank on the valuation of different types of collateral and the collateral values against which credit can be granted. Valuation percentages are conservatively defined maximum limits for each type of collateral. The fair value of collateral is always assessed on a case-by-case basis.

Credit risk is assessed and measured by monitoring e.g. delays in repayment, expected credit losses, forborne exposures, doubtful receivables and non-performing loans. The customer-specific amounts of liabilities and collateral are monitored by the persons responsible for the customers based on continuous payment behaviour and monitoring the customers' activities. The Board of Directors receives regular reports on customer liabilities, payment delays, expected credit losses, forborne exposures and non-performing loans. The concentrations of the credit portfolio are monitored by customer and by industry, and the reporting includes the amounts and development of risks by customer and industry and also by credit rating.

CREDIT AND COUNTERPARTY RISK

(EUR 1,000) Exposure group	31.12.2024 Total exposure	Guarantees	Financial guarantees	Other guarantees
Exposures secured by mortgages on immovable propert	7,135,526			7,135,526
Retail exposures	2,258,780	697,178	39,054	893
Exposures to corporates	1,505,380	172,898	13,468	
Exposures to institutions	208,095			
Saamiset valtioilta ja keskuspankeilta	1,812,984			
Exposures in the form of units or shares collective investment undertakings (CIUs)	31,920			
Exposures in default	271,496	16,291	2,278	71
Other exposure groups in total	218,683			
Total	13,442,864	886,367	54,800	7,136,489

(EUR 1,000) Exposure group	31.12.2023 Total exposure	Guarantees	Financial guarantees	Other guarantees
Exposures secured by mortgages on immovable propert	6,683,403			6,683,403
Retail exposures	2,116,165	670,437	36,243	1,335
Exposures to corporates	1,555,855	170,030	11,291	
Exposures to institutions	219,714			
Saamiset valtioilta ja keskuspankeilta	1,745,980			
Exposures in the form of units or shares collective investment undertakings (CIUs)	44,035			
Exposures in default	203,360	11,150	2,462	87
Other exposure groups in total	245,117		5	
Total	12,813,629	851,617	50,000	6,684,825

Doubtful receivables

Doubtful receivables, delayed payments, forborne exposures and non-performing receivables are monitored regularly at both the member credit institution level and the amalgamation level. Doubtful receivables are those exposures where the customer is classified as insolvent, either because of significant amounts past due for more than 90 days or for other reasons it is considered unlikely that the customer will fulfil their obligations.

Delayed payment refers to the customer's receivables being overdue for 30 to 89 days and the customer being a potential problem customer. The Savings Banks Amalgamation's delayed receivables remained at a moderate level of 0.6% (0.6%) of the credit portfolio in 2024.

A loan that meets at least one of the following criteria is classified as a non-performing receivable: the loan is classified as being in default, the loan is in ECL stage 3, or the loan has a non-performing forborne exposure. In the Savings Banks Amalgamation, the amount of non-performing receivables was 2.7% (2.3%) of the credit portfolio at the end of 2024.

The general economic situation is reflected in the development of non-performing receivables in 2024. Despite the increase in the amount of non-performing receivables, they remain at a satisfactory level. Receivables whose terms have been renegotiated due to the customer's deteriorated ability to pay are reported as forborne exposures. In certain circumstances, when a debtor experiences financial difficulties, the customer is granted a concession on the terms of the loan in the form of an instalment-free period or restructuring the loan. The aim is to ensure the customer's ability to pay and avoid potential credit losses. Granting forbearance is conditional on the customer's financial difficulties being short-term and temporary. Forborne exposures have increased during 2024. The calculation principles for impairment and expected credit losses are described in the accounting policies section of the financial statements and in note 9.3 to the financial statements, "Impairment losses on financial assets".

Payment delays and non-performing loans (EUR 1,000)	31.12.2024	Share (%)	31.12.2023	Share (%)
Payment delays, over 30 days	169,402	1.7%	144,619	1.5%
of which: 30–89 days	58,479	0.6%	52,323	0.6%
of which: 90 days or over	110,922	1.1%	92,296	1.0%
Non-performing receivables	272,303	2.7%	216,711	2.3%
Forberance in total	191,947	1.9%	123,081	1.3%

Credit portfolio

The loan portfolio of the Banking segment of the Savings Banks Group totalled EUR 10,193 (9,602) million at the end of 2024, up by 6.2% year-on-year. Of the lending included on the balance sheet, 66.1% (67.1%) was to private customers, 17.3% (16.2%) to corporate customers, 9.1% (8.9%) to housing corporations and 7.5% (7.8%) to agricultural entrepreneurs and other customers.

BREAKDOWN OF LOANS BY CUSTOMER GROUPS

Customer group (EUR 1,000)	31.12.2024	31.12.2023	Change (%)
Private customers	6,740,115	6,439,965	4.7%
Corporate customers	1,761,701	1,555,653	13.2%
Housing associations	923,311	856,480	7.8%
Agricultural and other customers	767,776	749,554	2.4%
Total	10,192,903	9,601,652	6.2%

Mortgage lending totalled EUR 5,879 (5,631) million at the end of 2024. Mortgage lending increased by a total of +4.4% (-8.0%) over the year.

Loans to private customers are granted mainly against securing residential collateral. Other collateral is also used when necessary.

Private customers are financed directly from the balance sheets of the Savings Banks and the Sp Mortgage Bank, excluding card lending and unsecured consumer credits granted through the Central Bank of Savings Banks.

The credit portfolio mainly consists of well-collateralised contracts and a large part of the portfolio is significantly overcollateralised. The collateral is mainly real estate collateral, which may be supplemented by other fixed property.

The following table shows the balance sheet exposures for private customer mortgages by LTV level and by IFRS 9 stage. LTV (loan-to-value) describes the total loan exposure in relation to the fair value of the collateral. A lower LTV ratio implies a higher collateral value in relation to the loan amount.

	Balance sheet exposures for private customer mortgages (EUR 1,000)					
	LTV under 50%	LYTV 51-70 %	LTV 71-90 %	LTV 91-100 %	LTV over 100 %	Total
ECL stage 1	1,110,800	1,441,776	1,638,505	525,394	66,825	4,783,299
ECL stage 2	124,032	163,620	266,911	90,419	12,528	657,509
ECL stage 3	20,451	27,238	39,177	12,877	12,072	111,815
Balance sheet exposures Total	1,255,283	1,632,634	1,944,592	628,689	91,426	5,552,623
Collaterals Total	5,923,886	2,657,217	2,475,178	653,076	46,556	11,755,912

The following table shows the balance sheet exposures by customer group and IFRS 9 stages 1, 2 and 3. Collateral is also shown in accordance with IFRS 9 stages 1, 2 and 3.

LOANS BY ECL STAGE (EUR 1,000)

Customer groups	ECL stage 1	ECL stage 2	ECL stage 3	Total
Retail customers	5,785,819	794,489	159,806	6,740,115
Corporate customers	1,380,969	312,771	67,962	1,761,701
Housing associations	676,729	238,381	8,201	923,311
Agricultural and other customers	638,474	91,569	37,733	767,776
Balance sheet exposures Total	8,481,991	1,437,210	273,702	10,192,903
Collaterals Total	21,303,995	3,407,577	493,634	25,205,206

Lending to private customers

The creditworthiness of a private customer is based on the local Savings Bank's comprehensive customer due diligence and an assessment of the customer's ability to pay. The credit decision is primarily based on the customer's sufficient repayment ability. The customer's ability to pay, past payment history, the credit rating of the application and the collateral form the basis for credit decisions and risk-based pricing of credit.

Loans are classified into 9 risk categories. The table below shows the exposures of private customers clients by risk category, divided into stages 1, 2 and 3 according to IFRS 9 Financial Instruments.

The credit ratings of private customers are mainly good. A majority of the liabilities still fall into the better risk categories (1–4).

RISK CATEGORY DISTRIBUTION OF THE PRIVATE CUSTOMER CREDIT PORTFOLIO

	31.12.2024				% of portfolio		
Description (EUR 1,000)	Stage 1	Stage 2	Stage 3	Total	31.12.2024	31.12.2023	31.12.2022
1 – Excellent	628,526	2,252	0	630,779	9.4%	12.1%	12.2%
2 – Good	1,666,960	2,060	0	1,669,020	24.8%	24.9%	25.6%
3 – Good	2,091,546	28,252	0	2,119,797	31.5%	30.8%	30.6%
4 – Average	725,778	52,203	0	777,980	11.5%	11.3%	11.0%
5 – Average	296,220	57,849	0	354,069	5.3%	5.0%	4.7%
6 – Weak	199,760	122,155	0	321,915	4.8%	4.5%	4.5%
7 – Past due but not impaired	88,518	108,373	0	196,891	2.9%	2.6%	2.5%
8 – Past due but not impaired	42,435	147,891	0	190,325	2.8%	2.8%	2.7%
9 – Past due but not impaired	46,077	273,456	0	319,533	4.7%	4.1%	4.6%
D – Non-performing	0	0	159,806	159,806	2.4%	1.9%	1.4%
Total	5,785,819	794,489	159,806	6,740,115	100.00%	100.00%	100.00%

Lending to corporate customers

In corporate lending, the Savings Banks target reputable SMEs, entrepreneurs, forestry and agricultural customers as well as public sector operators that are mainly located within the operating area of each Savings Bank.

The credit risk management for corporate and agricultural customers is based on the customer adviser's customer monitoring and internal credit rating.

In corporate lending, the financial statement analysis used as a basis for customer assessment, the customer's financial position, solvency, competitive position, credit scoring of the application and collateral offered form the basis for credit decisions and risk-based pricing of credit. Additionally, the impact of the intended investment on the customers' financial position is evaluated.

Self-employed entrepreneurs and sole traders are mainly treated as private customers. Corporate customers include limited liability companies, general and limited partnerships, associations and public entities.

Loans are classified into 9 risk categories. The table below shows the exposures of corporate clients by risk category, divided into stages 1, 2 and 3 according to IFRS 9.

The relative share of the excellent risk category decreased during 2024.

RISK CATEGORY DISTRIBUTION OF THE CORPORATE CUSTOMER CREDIT PORTFOLIO

	31.12.2024				% of portfolio		
Description (EUR 1,000)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**31.12.2024**	**31.12.2023**	**31.12.2022**
1 – Excellent	57,696	165	0	57,861	1.7%	4.5%	4.9%
2 – Good	176,863	3,078	0	179,941	5.2%	5.5%	5.3%
3 – Good	321,827	16,037	0	337,864	9.8%	9.5%	9.0%
4 – Average	880,713	43,335	0	924,048	26.8%	23.7%	27.5%
5 – Average	571,664	60,675	0	632,339	18.3%	20.0%	19.9%
6 – Weak	506,790	170,472	0	677,261	19.6%	16.7%	16.6%
7 – Past due but not impaired	169,508	225,980	0	395,488	11.5%	13.6%	11.6%
8 – Past due but not impaired	8,250	112,481	0	120,731	3.5%	3.3%	2.6%
9 – Past due but not impaired	2,860	10,498	0	13,358	0.4%	0.4%	0.5%
D – Non-performing	0	0	113,896	113,896	3.3%	2.8%	2.2%
Total	2,696,172	642,721	113,896	3,452,788	100.0%	100.0%	100.0%

Concentration risks

Credit risk concentrations arise or may arise when the credit portfolio contains large amounts of credit and other exposures to the following:

- a single counterparty
- groups consisting of single counterparties and their affiliated entities
- certain industries
- against certain collateral
- with identical maturity
- with the same product/instrument.

The total amount of credit granted by the Savings Banks Amalgamation or an individual member credit institution to a single customer and/or a group of customers may not exceed the maximum limits 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 single counterparties are regulated by limits and guidelines on maximum customer exposure both at the Amalgamation level and at the member credit institution level. The Savings Banks Group does not have any customers with exposures exceeding the limit of 10% of the Group's own funds set out by the EU Capital Requirements Regulation (so-called large exposures).

The largest counterparties of the Savings Banks Amalgamation are various issuers of sovereign bonds held for the purpose of maintaining liquidity reserves, and derivate counterparties. The 20 largest customers in the credit portfolio have a combined exposure of 2.0% (2.1%) of the credit portfolio. The largest industries in the credit portfolio for corporate customers are real estate and the basic industries, fisheries and mining sector, which together account for 21.1% (20.3%) of the total credit portfolio.

CORPORATE LENDING BY INDUSTRY

Industry	31.12.2024	31.12.2023	31.12.2022
Basic industries, fisheries and mining	17.68%	18.44%	18.74%
Industry	5.36%	5.19%	4.50%
Energy, water and waste disposal	0.76%	0.63%	0.54%
Construction	8.00%	8.45%	8.43%
Trade	5.17%	5.85%	6.03%
Hotels and restaurants	2.73%	2.68%	2.69%
Transport	2.37%	2.54%	2.41%
Financing	2.78%	2.51%	1.89%
Property	44.71%	43.10%	43.64%
Research, consulting and other business service	4.62%	4.65%	4.89%
Other services	5.83%	5.96%	6.23%
Total	100.00%	100.00%	100.00%

Local banking is exposed to certain concentration risks. At the Savings Banks Amalgamation level, single counterparty concentration risks are managed through the use of risk limits and monitoring thresholds used for monitoring and controlling the customers, customer group and industry distribution of the credit portfolio.

MARKET RISK

Market risks in banking activities arise from the banking books of the member credit institutions consisting of lending and borrowing, market-based refinancing, and investment and liquidity portfolios.

In general, market risk refers to the impact of a change in market prices on the market value of financial assets and liabilities. The most significant market risk in banking activities is the interest rate risk in the banking book, which is monitored through both present value and income risk. The principles of managing interest rate risk in the banking book are described below in the section "Interest rate risk in the banking book".

The banking activities of the Savings Banks do not, as a rule, include trading on their own account or on a customer's account. The use of derivatives is limited to hedging purposes.

A member credit institution may have a small trading book as defined in Article 94 of the EU Capital Adequacy Regulation.

Investment and liquidity portfolios

The market risk in the investment and liquidity portfolios consists of the investments' price, interest rate and currency risks. Changes in stock prices, interest rates and exchange rates affect the fair value and yield of the instruments. The market risk in the investment portfolio is measured and monitored by asset category, counterparty and sector. The development of the investment portfolio position and the largest counterparties are reported on a regular basis to the Board of Directors and the Risk Committee.

The risks in the investment and liquidity portfolios are managed by diversifying the investments by asset category, sector and geography.

The exposure of Savings Banks' investment operations to the effects of the war in Ukraine has been very limited. However, the change in the interest rate environment has had a considerable impact on the market values of the Savings Banks' investments.

The table below illustrates the distribution of the investment portfolio by asset category.

Investment portfolio (EUR 1,000)	31.12.2024		31.12.2023	
	Fair value	Share (%)	Fair value	Share (%)
Debt securities	600,380	83.8%	619,606	83.8%
Other securities	17,840	2.5%	0	0.0%
Shares	44,217	6.2%	50,874	6.9%
Structured investments	1,426	0.2%	1,410	0.2%
Other investments	25,291	3.5%	34,560	4.7%
Properties	27,423	3.8%	33,117	4.5%
Total	716,577	100%	739,567	100%

The table below shows the risk sensitivity analysis of the investment portfolio, which describes the impact of different risk factors on the market values of the investments, the performance of the Amalgamation and own funds.

Risk factor (EUR 1,000)	Chg %	31.12.2024	31.12.2023	Income*	Own funds*
Interest rates	+1%	-14,679	-17,143	-119	-13,866
Share prices	-10%	-4,422	-8,410	-4,422	-4,422
Property values	-10%	-2,742	-5,630	-	-
Structured investment value	-10%	-143	-337	-143	-143
Other investments	-10%	-2,529	-8,476	-2,529	-2,529

* Risk factor effect on income and own funds.

Equity risk refers to the effect of changes in stock prices. Equity risk arises primarily from the liquidity and investment portfolios of member credit institutions. Unlisted equity holdings consist mainly (76%) of intra-group holdings that are not part of the Savings Banks Amalgamation.

Equity portfolio (EUR 1,000)	31.12.2024	31.12.2023
Listed shares	4,932	11,699
Unlisted shares	39,285	39,175
Total	44,217	50,874

Currency risk refers to the impact of changes in foreign exchange rates on performance or equity. Minor currency risk may arise from instruments in the investment portfolio. Open currency position is not allowed in the borrowing of member credit institutions or in the liquidity buffer. The currency position of a member credit institution is monitored with the capital adequacy calculation method (the capital requirement is calculated if the total net currency position exceeds 2 percentage points of total own funds).

Commodity risk refers to the impact of changes in commodity prices. The business operations, including investment activities, of the member credit institutions of the Savings Banks Amalgamation do not involve commodity risk taking.

Market risk management

Limits and other monitoring thresholds have been set for measuring and monitoring market risks and they are applicable to both individual member credit institutions and the Amalgamation.

The main tool for measuring and monitoring market risks in the banking book is the Internal Capital Adequacy Assessment Process (ICAAP), whereby capital is allocated in the banking book for market risks under both normal and stress scenarios.

INTEREST RATE RISK IN THE BANKING BOOK

The business of the Saving Banks Amalgamation is retail banking, which includes interest rate risk as an integral part, meaning the adverse impact of changes in interest rates on the market value of the banking balance sheet and off-balance-sheet items (present value risk) or on the net interest income (income risk). Interest rate risks arise from the banking books of member credit institutions, consisting of lending and borrowing, market-based refinancing and investment portfolios. The Amalgamation does not have a trading book.

The purpose of the management of interest rate risks is to stabilise net interest income and present value at a level where the Amalgamation's business is profitable and to limit their fluctuations without jeopardising capital adequacy of the Amalgamation even in the event of drastic changes in the interest rate environment. The appetite for interest rate risk is described by the interest rate risk limits set by the Board of Directors of the Central Institution.

Interest rate risk is managed by adjusting the product and balance sheet structure, by planning the interest rate sensitivity and maturities of investments and issued funding and by hedging with interest rate derivatives. Savings Banks actively use interest rate derivatives, such as interest rate swaps, in hedging their net interest income.

The Savings Banks Amalgamation's interest rate risks are measured using both the net interest income and the change in the present value of the balance sheet. The present value method measures the change in the fair value of the balance sheet resulting from a change in interest rates when the market value of each balance sheet item is calculated as the present value of its cash flows. The income risk model predicts future net interest income over a one-year horizon with changing market interest rates.

The table shows the sensitivity of the net interest income accrued over the next 12 months to a one-percentage-point parallel shift in the interest rate curve. A 0% floor is applied to loan reference interest rates based on loan contract provisions. Retail deposits are also assumed to have a 0% reference rate floor. Balance sheet structure is kept static by rolling over maturing items with corresponding interest rates or corresponding maturities for fixed rate items. Demand deposits are assumed to have a modelled maturity structure.

NET INTEREST INCOME SENSITIVITY TO A 1% -POINT PARALLEL SHIFT IN THE INTEREST RATE CURVE

(EUR 1,000)	Change in net interest income 31.12.2024		31.12.2023	
Period	**Down**	**Up**	**Down**	**Up**
Change in the coming 12 months	-14,996	13,016	-17,340	16,361
Change in 12–24 months	-35,123	32,699	-37,028	32,841

In spring 2024, Commission Delegated Regulation (EU) 2024/856 entered into force, setting the thresholds for the interest rate outlier tests that supervisors use to try to identify outlier banks. Based on the new thresholds for income risk set out in the Regulation, the Group also revised the internal limits for income risk.

LIQUIDITY RISK

Liquidity risk refers to the risk of the Savings Banks Amalgamation being unable to meet its present or future expected or unexpected cash flows at all or without materially damaging the financial position of the Amalgamation.

The Savings Banks Amalgamation's business is deposit banking, an integral part of which is the financial risk due to maturity transformation. The business is based on deposits received by member savings banks, which are used to fund lending to customers.

On 31 December 2024, the Savings Banks Amalgamation held EUR 1,900 (1,841) million of LCR eligible (before haircuts) liquid assets of which 77% (78%) were cash and central bank receivables, 14% (14%) were Level 1 securities issued by sovereigns and multinational organisations and 8% (8%) were other liquid assets. The Savings Banks Amalgamation's LCR was 196% (226%) on 31 December 2024.

Assets 2024 (EUR 1,000)	Total	< 3 mon	3–12 mon	1–5 years	> 5 years
Cash and central bank reserves	1,470,385	1,470,385	0	0	0
Central bank eligible debt securities	528,229	24,318	97,908	320,436	85,567
Receivables from financial institutions	163,015	163,015	0	0	0
Receivables from customers and public entities	10,114,125	571,391	598,273	2,645,596	6,298,865
Other debt securities	89,536	28,220	12,116	45,899	3,301
Equity and shares	67,440	0	0	0	67,440
Other assets	279,216	0	162,042	0	117,174
Assets Total	12,711,946	2,257,329	870,339	3,011,931	6,572,347

Liabilities 2024 (EUR 1,000)	Total	< 3 mon	3–12 mon	1–5 years	> 5 years
Due to credit institutions and central banks	530,309	370,327	150,000	9,982	0
Amounts owed to customers and public entities	6,891,830	5,836,679	990,740	64,411	0
Debt securities in issue	3,687,107	116,524	373,783	2,457,125	739,675
Subordinated liabilities	3,173	3,173	0	0	0
Other liabilities	369,514	253,634	15,325	67,208	33,347
Liabilities Total	11,481,933	6,580,337	1,529,848	2,598,726	773,022
Derivatives, net cash flows	-108,551	-27,044	-20,706	-48,172	-11,802

Derivatives settled on a gross basis have no relevant liquidity effect due to their small position.

Assets 2023 (EUR 1,000)	Total	< 3 mon	3–12 mon	1–5 years	> 5 years
Cash and central bank reserves	1,431,712	1,431,712	0	0	0
Central bank eligible debt securities	503,274	21,821	69,211	350,692	61,550
Receivables from financial institutions	178,972	178,972	0	0	0
Receivables from customers and public entities	9,539,664	481,272	584,927	2,608,813	5,864,652
Other debt securities	116,380	12,214	21,821	80,401	1,944
Equity and shares	84,081	0	0	0	84,081
Other assets	269,902	0	172,325	0	97,577
Assets Total	12,123,986	2,125,992	848,284	3,039,906	6,109,804

Liabilities 2023 (EUR 1,000)	Total	< 3 mon	3–12 mon	1–5 years	> 5 years
Due to credit institutions and central banks	620,868	304,053	131,818	184,997	0
Amounts owed to customers and public entities	7,023,662	6,300,578	583,796	139,287	0
Debt securities in issue	2,946,738	101,068	203,967	2,436,954	204,749
Subordinated liabilities	3,173	3,173	0	0	0
Other liabilities	440,041	271,292	20,929	104,601	43,219
Liabilities Total	11,034,482	6,980,164	940,510	2,865,839	247,968
Derivatives, net cash flows	-201,442	-28,487	-55,497	-91,910	-25,512

Derivatives settled on a gross basis have no relevant liquidity effect due to their small position.

Liquidity risk management

The Board of Directors of the Savings Banks Amalgamation's Central Institution has the overall responsibility for the Savings Banks Amalgamation's liquidity risk strategy, setting the risk appetite and liquidity risk management procedures related to the identification, measurement, limitation, monitoring and control of liquidity risk. The Board of Directors of the Central Institution approves the liquidity risk strategy of the Amalgamation and, as part of it, the Amalgamation-level refinancing plan and liquidity recovery plan.

The Treasury of the Central Bank of Savings Banks is responsible for the operational implementation of the liquidity strategy at the Savings Bank Amalgamation level, which includes drafting and maintaining the necessary operational level guidelines. The Treasury is also responsible for the operational maintenance and testing of the Amalgamation-level liquidity recovery plan and for the adequacy and management of the Amalgamation-level liquidity reserve. An agreement has been signed between the member Savings Banks and the Central Bank of Savings Banks that gives the Treasury of the Central Bank of Savings Banks the right to use all liquid assets in the Savings Banks Amalgamation to support the liquidity situation.

The Treasury monitors the structural financial risk of banking activities on a monthly basis. Risk is measured by the net stable funding ratio (NSFR), the lending/borrowing ratio and a 10-year horizon gap analysis to measure the suitability of the banking operations financing structure for the long-term financing of balance sheet assets.

The main methods of measuring and monitoring liquidity risk at the Amalgamation level are the cash position, the adequacy of the liquidity reserve as measured by stress tests, the liquidity coverage ratio and net stable funding ratio.

The Finnish Financial Supervisory Authority has granted the Central Institution 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 Part Six of the EU Capital Requirements Regulation (EU 575/2013) and other EU statutes issued on the basis of the Regulation regarding the liquidity coverage of credit institutions and net stable funding ratio (LCR and NSFR).

REAL ESTATE RISK

Real estate risk refers to the risk of depreciation, income risk and damage risk to real estate assets. Real estate investments are not part of the core business of the banking segment. The banks' real estate investments are mainly secured with full value insurance. The banks' investment property is valued in the financial statements at cost less depreciation and impairment. The book values and measurement at cost of investment property are described more detail in the note “Investment assets”.

OPERATIONAL RISK

Operational risk refers to the risk of loss arising from inadequate or failed internal processes, personnel, systems or external factors. Legal and compliance risks are also included in the operational risks. In addition, reputational risks are managed as part of operational risks. The various stages of lending and trading processes also involve operational risks as well credit, liquidity and market risks, which have been assessed in operational risk assessment at Group level. Strategic risks are excluded from operational risks here.

The Savings Banks Group's operations comply with the current legislation, the regulations issued by the authorities, the rules of good banking practices as laid down by Finance Finland and the principles and organisation of operational risk management, along with other internal guidelines of the Group.

The Board of Directors of the Central Institution has the overall responsibility for the operational risks of banking and for defining risk appetite levels and the operational risk management procedures related to identification, measurement, limitation, monitoring and control. The Board of Directors of the Central Institution approves the principles and key operational guidelines of operational risk management. The risk management organisation oversees the application of the operational risk management framework in all companies and units of the Savings Banks Group.

The operational risks associated with key products, services, operations, processes and systems are identified. Identifying operational risks helps determine their monitoring and controls. Part of the losses caused by operational risks are covered by insurance. In addition, the continuity plans of member banks and product and service companies help prepare for major disruptions to operations.

Operational risks and actual losses and near misses are regularly reported to operational management.

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. Banking, asset management and life insurance operations are governed by the standard terms and conditions of the banking and insurance industry. When drafting non-standard agreements, legal experts are used, and external experts are consulted when needed.

The Compliance function is responsible for regulatory compliance and supervision, in line with its area of responsibility. It ensures compliance with legislation and the guidelines and regulations issued by the authorities. The Compliance function is also responsible for monitoring compliance with internal guidelines and ethical principles binding on personnel, as well as other guidelines prevailing in the financial and insurance markets. The main objective is to avoid the realisation of compliance risks in the operations of the Savings Banks Group.

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 strategic and business planning.

ASSET MANAGEMENT AND LIFE INSURANCE

In the Savings Banks Group, Sp-Fund Management Company Ltd engages in the management of investment funds and provides asset management services and investment advice to the Savings Banks of the Savings Banks Group.

The fund capital managed by Sp-Fund Management Company totalled EUR 5.3 (4.7) billion at the end of the year. The total number of investment funds managed at the end of 2024 was 25 (24) investment funds and 7 (9) special investment funds.

Life insurance activities

The most significant risks in life insurance activities concern insurance contracts and investment operations. The so-called technical risks associated with insurance contracts are insurance risk, interest rate risk and expense risk. The calculation criteria applied to life insurance products in accordance with the Insurance Companies Act are securing, which means that, under normal circumstances, the pricing in accordance with the criteria produces surplus for the company.

PROFITABILITY OF LIFE INSURANCE

	31.12.2024			31.12.2023
(EUR 1,000)	Risk premiums	Claims incurred	Claims ratio	Claims ratio
Risk insurance	4,954	1,219	25%	37%
Savings and pension insurance	27,289	26,469	97%	97%
Total	32,243	27,688	86%	88%

Insurance risk

The most significant insurance risks are linked to pure risk products. These products include loan insurance, under which the company grants insurance against death, permanent incapacity for work and accident-related permanent incapacity for work. Such risks are managed by the insurance terms and conditions, careful risk selection, correct pricing and reinsurance. In insurance against permanent incapacity for work and accident-related permanent incapacity for work, it is possible to increase the contributions for the existing insurance portfolio when the claims ratio weakens. In terms of risk selection, clear criteria for taking insurance risks have been defined. The risk selection for risk insurance is based on risk selection guidelines prepared and maintained by the reinsurer.

The amount exceeding the retention is reinsured and the existence of the reinsurance cover is dependent on continuous compliance with the existing instructions. The Board of Directors confirms the principles of reinsurance and the retention annually. In the same context, the credit risk related to the reinsurer is assessed.

Interest rate risk

The interest rate risks of life insurance activities are related to either interest credited to contracts or to interest credited to technical provisions. In savings products, the company uses a combination of annual interest and additional interest confirmed annually. This enables adaptation to current market situations by annually adjusting the interest rate credited to customers on market terms. This significantly reduces the interest rate risk incurred from insurance contracts. According to the principle of equity, the company shall seek a steady return on guaranteed interest-bearing contracts. Provisions have been made for this by means of interest supplements.

Expense risk

The products in life insurance activities are priced in terms of the loading income from the products to cover the operating expenses incurred. The loading income is calculated on the basis of the products' life cycle, so that the loading income received from the contracts is distributed over the entire term of contract. With regard to life insurance activities, the profitability by insurance type is analysed at least once a year, on the basis of which the contributions and loading of the insurance policies granted is assessed. The analysis indicates the sufficiency of the risk premiums received to cover risk expenditure, the sufficiency of the loading income to cover the operating expenses and the compatibility of the interest credits with the income received. By means of the analysis, the sufficiency of the pricing by insurance type is monitored annually and any necessary adjustments are made.

Sensitivity analysis of technical provisions

The insurance portfolio is made up of risk insurance and savings insurance policies. Risk insurance policies are life insurance policies linked to loans granted by sales channels, the related cover of which may include insurance against permanent incapacity for work and accident-related permanent incapacity for work. Savings insurance policies include endowment policies, pension and group pension insurance policies and capitalisation agreements. The Savings Banks Group does not have the opportunity to materially affect the contributions for, or other terms and conditions of, already granted insurance policies.

Risk insurance policies involve mortality risk and disability risk. These risks are managed by the appropriate risk selection, monitoring the profitability of business-related underwriting risk and reinsurance. The company has reinsured every policyholder against death or permanent incapacity for work to the extent that the risk sum (or the sum insured) exceeds EUR 150,000 or EUR 300,000 for new contracts from 2023 onwards. In addition, the Savings Banks Group has catastrophe cover, which limits the maximum amount of damage incurred from one loss event to EUR 500,000.

The majority of the savings insurance portfolio is unit-linked, but all insurance contracts include an option to transfer savings between the unit-linked and guaranteed-interest savings components. Savings insurance policies include a surrender option, which is limited by terms and conditions during the first three years of the contracts. In addition, in the case of pension insurance, surrender is limited by tax legislation. The majority of endowment insurance policies end with surrender, and this is taken into account as part of the life cycle of the contract. The third uncertainty factor related to savings insurance policies is the right of the policyholder to change the payment schedule of the insurance policy. Changes to the payment schedule are not restricted in the terms and conditions.

The guaranteed-interest components of savings insurance policies are discounted using a contract-specific interest rate, which is not a market rate. The contract-specific interest rate varies between 0% and 0.5%. In 2024, it was 0.14% on average. EUR 7.6 million has been reserved for future discretionary bonuses included in technical provisions, which is estimated to cover four fifths of the future discretionary bonuses over the next 10 years.

Risks of investment operations

The objective of the investment operations of life insurance is to achieve the best possible continuous income at an acceptable risk level, while at the same time securing the company's capital requirements and the compatibility of the structure of assets and liabilities. The most significant risks are the decline in the value of investments, an insufficient level of returns for the requirements set by technical provisions and the reinvestment risk of investment assets falling due. Risks are managed by effective diversification, while at the same time taking into account the capital requirements for market risks in the capital adequacy calculation.

DISTRIBUTION OF INVESTMENT ASSETS

Type of investment (EUR 1,000)		31.12.2024	31.12.2023
Bonds			
	Fixed-income funds	101,331	103,307
Shares, Developed markets			
	Equity funds	34,445	31,363
Hedge funds		8,357	10,114
Real estate			
	Real estate funds	7,996	8,798
Bank receivables in investments		1,026	1,356
Total		153,156	154,937

Fund investments in euro-hedged funds are classified as euro-denominated fund investments. The currencies in other funds are based on the quotation currencies of the securities included in the fund.

To hedge parts of the investment assets, it is also possible to use derivatives for hedging purposes, as necessary. Investment risk is monitored through sensitivity analyses and by means of the value-at-risk technique.

The table below shows the effects on profit or loss and equity of changes in accounting assumptions that are reasonably likely to occur at the reporting date and of changes in the value of the assets that determine performance, without taking into account the effect of reinsurance. Reinsurance is treated as a short contract using the PAA model, so the sensitivity analysis does not affect the profit or equity arising from reinsurance.

The credit risk of operations is managed by issuer and counterparty limits.

SENSITIVITY OF INSURANCE CONTRACTS TO CHANGES IN ACCOUNTING ASSUMPTIONS AND OF CHANGES IN THE VALUE OF THE ASSETS THAT DETERMINE PERFORMANCE

(EUR 1,000) Risk parameter	Impact on performance	Impact on equity
Mortality rate +10%	-943	-471
Mortality rate -10%	1016	508
Lapse rate +20%	-142	-71
Operating expenses +10%	-7836	-3918
Interest rate +100 bps	2899	1449
Interest rate -100 bps	-6330	-3165
Value of assets -20%	-4644	-2322

BOND AND FIXED INCOME FUND INVESTMENTS ACCORDING TO MODIFIED DURATION

(EUR 1,000) Modified, duration	31.12.2024	Share	31.12.2023	Share
0-1	17,231	17%	15,168	14%
1-3	24,360	24%	22,636	22%
3-5	27,740	27%	28,935	28%
5-7	14,004	14%	17,040	16%
7-10	7,759	8%	10,224	10%
10-	10,237	10%	11,063	11%
Total	101,331	100%	105,065	100%

ESTIMATE OF FUTURE NET CASH FLOWS OF INSURANCE CONTRACTS

(EUR 1,000) Timing, years	31.12.2024	31.12.2023
0-1	29,984	26,446
1-2	24,153	21,691
2-3	26,585	24,699
3-4	27,010	27,312
4-5	27,688	28,740
5-7	53,939	61,242
8-10	78,829	92,687
11-13	79,683	110,828
14-20	118,851	169,863
20-	141,487	216,928
Total	608,208	780,436

INVESTMENTS BY CURRENCY

(EUR 1,000) Currency	31.12.2024	Share	31.12.2023	Share
EUR	131,561	86%	138,102	89%
USD	12,252	8%	10,892	7%
GBP	3,676	2%	2,463	2%
Other	5,667	4%	3,480	2%
Total	153,156	100%	154,937	100%

BONDS AND STRUCTURED LOANS ACCORDING TO MATURITY AND CREDIT RATING

(EUR 1,000)	Maturity						31.12.2024		31.12.2023	
Credit rating	0 – 1	1 – 3	3 – 5	5 – 7	7 – 10	10 –	Total	Share	Total	Share
AAA	310	219	382	1,207	2,274	1,733	6,125	6%	8,753	8%
AA	2,879	1,520	1,530	1,952	1,188	2,185	11,255	11%	18,770	18%
A	3,987	4,048	4,709	2,314	2,250	1,400	18,708	18%	15,761	15%
BBB	3,893	6,745	6,943	4,911	2,784	1,534	26,809	26%	25,995	25%
< BBB	2,378	7,367	6,585	1,248	351	457	18,385	18%	17,146	16%
Unclassified	3,784	4,462	7,591	2,371	947	893	20,049	20%	18,641	18%
Total	17,231	24,360	27,740	14,004	9,794	8,202	101,331	100%	105,065	100%

SENSITIVITY ANALYSIS

(EUR 1,000)		Change in own funds	
Risk factor	Change	31.12.2024	31.12.2023
Interest	+ 1%-point	-1,776	-1,799
	- 1%-point	872	-777
Share	-10%	-3,445	-3,136
Real estate	-10%	-800	-880
Currency	Others/Euro -10%	-2,159	-1,684
Structured loans	-10%	0	0

NOTE 6. OPERATING SEGMENTS

The Savings Banks Group reports information about its operating segments in compliance with IFRS 8. According to IFRS 8, the financial information regularly provided to the chief operating decision maker forms the basis for segment reporting. Thus the segment division of the information presented in the Financial Statements is based on the same division as is applied in management reporting.

The chief operating decision maker of the Savings Banks Group is the Board of Directors of Savings Banks' Union Coop, which acts as the Central Institution of the Amalgamation of Savings Banks. According to the rules of Savings Banks' Union Coop, the Board of Directors of the Central Institution bears the primary responsibility for allocating the resources and evaluating the performance of the Savings Banks Group.

The reportable segments of the Savings Banks Group include Banking as well as Asset Management Services. Operations not included in the reportable segments are presented in the reconciliations.

The Banking segment comprises the member Savings Banks, the Central Bank of Savings Banks Finland Plc and Sp Mortgage Bank Plc. Savings Banks practice retail banking. The Central Bank of Savings Banks acts as the central bank of the Savings Banks. Sp Mortgage Bank Plc is engaged in mortgage banking. The most significant income items of Banking are net interest income, fee and commission income as well as investment income. The most significant expense items consist of personnel expenses and other operating expenses.

The Asset Management Services segment comprises Sp- Fund Management Company Ltd and Sb Life Insurance Ltd. Sp-Fund Management Company Ltd is engaged in administration of mutual funds and asset management, whereas Sb Life Insurance Ltd practises life insurance operations. The most significant income items of the Asset Management Services segment are fee and commission income, insurance premiums and investment income. The most significant expense items consist of fee and commission expenses, claims incurred, personnel expenses and other operating expenses.

Segment reporting is prepared in compliance with the accounting policies of the financial statements of the Savings Banks Group, which is described in Note 2.

Internal transactions of the reportable segments are eliminated within and between the segments. Acquisition cost eliminations, non-controlling interests and other intra-group arrangements are included in the eliminations presented in reconciliations.

Pricing between the segments is based on market prices.

In accordance with IFRS 8, Savings Banks Group is required to disclose business with a single external customer that generates 10% or more of the combined revenue. The Group has no such customers for which revenue would exceed 10%.

INCOME STATEMENT 2024

1–12/2024 (EUR 1,000)	Banking	Asset Management Services	Reportable segments in total
Net interest income	274,247	723	274,970
Net fee and commission income	72,140	42,112	114,252
Net investment income	2,845	43,268	46,112
Net insurance income		4,300	4,300
Finance income and expenses of the insurance contracts		-34,513	-34,513
Other operating revenue	12,443	124	12,567
Total operating revenue	361,675	56,014	417,689
Personnel expenses	-68,476	-6,986	-75,462
Other operating expenses	-160,625	-12,622	-173,247
Transfer to insurance service result		14,050	14,050
Total operating expenses	-229,101	-5,558	-234,659
Net impairment loss on financial assets	-25,385		-25,385
Profit before tax	107,189	50,456	157,645
Taxes	-16,610	-10,090	-26,700
Profit	90,579	40,367	130,946
*of which external			
*of which internal			
Statement of financial position 31 December 2024			
Cash and cash equivalents	1,470,385		1,470,385
Loans and advances to credit institutions	129,185	19,646	148,831
Loans and advances to customers	10,112,524		10,112,524
Derivatives	33,991		33,991
Investment assets	676,484	173,735	850,218
Assets covering unit-linked contracts		1,024,674	1,024,674
Assets related to insurance contracts		2,394	2,394
Assets related reinsurance contracts			
Other assets	212,558	9,067	221,625
Total assets	12,635,127	1,229,515	13,864,642
At fair value through profit or loss		22,327	22,327
Liabilities to credit institutions	524,009		524,009
Liabilities to customers	6,885,467		6,885,467
Derivatives	116,035		116,035
Debt securities issued	3,687,107		3,687,107
Unit-linked contract liability		516,263	516,263
Insurance contract liability		580,467	580,467
Subordinated liabilities	3,173		3,173
Other liabilities	203,492	50,392	253,884
Total liabilities	11,419,283	1,169,449	12,588,732
Number of emplyees at the end of the period	979	64	1043

RECONCILIATIONS

(EUR 1,000)	1–12/2024	1–12/2023
Revenue		
Total revenue for reportable segments	417,689	368,365
Withdrawal from Savings Banks Group, other operations, eliminations	-3,066	7,872
Total revenue of the Group	414,623	376,236
Profit		
Total profit or loss for reportable segments	130,946	106,604
Non allocated amounts, other operations, eliminations	-5,252	-1,116
Withdrawal from Savings Banks Group		2,712
Total profit of the Group	125,694	108,199

	1–12/2024	1–12/2023
Assets		
Total assets for reportable segments	13,864,642	13,177,151
Non allocated assets, other operations, eliminations	28,249	29,264
Total assets of the Group	13,892,891	13,206,415
Liabilities		
Total liabilities for reportable segments	12,588,732	12,046,562
Non allocated liabilities, other operations, eliminations	20,258	21,902
Total liabilities of the Group	12,608,989	12,068,464

INCOME STATEMENT 2023

1–12/2023 (EUR 1,000)	Banking	Asset Management Services	Reportable segments in total
Net interest income	263,246	539	263,785
Net fee and commission income	69,538	37,304	106,842
Net investment income	-29,875	43,472	13,597
Net income from insurance operations		3,755	3,755
Financial income and expenses from insurance contracts		-32,835	-32,835
Other operating revenue	12,815	406	13,221
Total operating revenue	315,723	52,641	368,365
Personnel expenses	-63,530	-6,415	-69,945
Other operating expenses	-153,837	-11,877	-165,714
Transfers to insurance service result		13,905	13,905
Total operating expenses	-217,366	-4,387	-221,754
Net impairment loss on financial assets	-9,988		-9,988
Profit before tax	88,369	48,254	136,623
Taxes	-20,762	-9,257	-30,019
Profit	67,607	38,997	106,604
*of which external			
*of which internal			
Statement of financial position 31 December 2023			
Cash and cash equivalents	1,431,712		1,431,712
Loans and advances to credit institutions	148,272	15,626	163,898
Loans and advances to customers	9,539,207		9,539,207
Derivatives	16,649		16,649
Investment assets	719,892	171,152	891,043
Assets covering unit-linked contracts		909,475	909,474
Assets related reinsurance contracts		375	375
Other assets	214,158	10,634	224,792
Total assets	12,069,889	1,107,262	13,177,151
At fair value through profit or loss		38,096	38,096
Liabilities to credit institutions	614,829		614,829
Liabilities to customers	7,016,823		7,016,823
Derivatives	174,215		174,215
Debt securities issued	2,946,738		2,946,738
Unit-linked contract liability		420,319	420,319
Insurance contract liability		571,387	571,387
Subordinated liabilities	3,173		3,173
Other liabilities	218,510	42,471	260,982
Total liabilities	10,974,289	1,072,273	12,046,562
Number of emplyees at the end of the period	921	61	982

NOTE 7. NET INTEREST INCOME

Interest income and expense are accrued over maturity using the effective interest rate method. Using this method, the income and expenses arising from an instrument are accrued in relation to the residual receivable and liability in the balance sheet until maturity.

When a financial asset is impaired, the original effective interest rate is used when calculating interest income. Interest is calculated for the loan balance less impairment.

(EUR 1,000)	1–12/2024	1–12/2023
Interest income		
From financial assets measured at amortized cost		
Debt securities eligible for refinancing with Central Bank	2,092	1,111
Loans and advances to credit institutions	66,884	48,200
Loans and advances to customers	476,294	376,756
Debt securities	1,092	831
	546,362	426,898
From financial assets measured at fair value through other comprehensive income		
Debt securities eligible for refinancing with Central Bank	8,338	6,407
Debt securities	2,200	3,521
	10,538	9,928
From financial assets measured at fair value through profit or loss		
Debt securities	318	531
Derivative contracts		
Hedging derivatives	57,880	41,351
	58,198	41,882
Total interest income	615,098	478,708

(EUR 1,000)	1–12/2024	1–12/2023
Interest expenses		
From financial liabilities measured at amortised cost		
Liabilities to credit institutions	-17,928	-11,362
Liabilities to customers	-97,824	-51,507
Debt securities issued	-82,454	-52,448
Subordinated liabilities	-124	-67
	-198,331	-115,384
From financial liabilities measured at fair value through profit or loss		
Hedging derivatives	-141,923	-99,564
	-141,923	-99,564
Total interest expenses	-340,253	-214,947
Net interest income	274,844	263,761

NOTE 8. NET FEE AND COMISSION INCOME

Net fee and commission income consists of the income and expenses associated with services provided to customers. Fees received for services are recognised as income after the performance obligation has been fulfilled, and the key criterion is the transfer of control. Income is recognised at the amount which the Savings Banks Group expects to be entitled to in exchange for the services performed.

Net income and commission income consists of commission income from lending, payment transactions and unit-linked contract. In addition, fees are charged for, among other things, legal tasks, guarantees, funds and brokerage of securities. The above-mentioned items consist of several different types of fees and commissions, the performance obligations of which are fulfilled, depending on the nature of the fee, either over time or at a single point in time.

The performance obligations for lending, guarantees and fund fees are mainly fulfilled over time, for other fees at a point in time. The amount of consideration in the services is mainly the list price or as agreed in the contract. Fees are charged to the customer on a monthly basis or after the performance of the service in accordance with the terms and conditions of the contract. The fund and asset management fees include performance-based fees that are tied to the performance of investment activities. Performance-based fees are recognised as income only when the criteria measuring the performance of investment activities are very likely to be met.

Fee expenses are recognised on a performance basis.

(EUR 1,000)	1–12/2024	1–12/2023
Fee and commission income		
Lending	18,957	18,295
Deposits	249	216
Payment transfers	50,382	49,246
Securities brokerage	1,616	829
Mutual fund brokerage	41,516	37,667
Asset management	2,139	1,564
Legal services	4,798	3,957
Custody fees	1,221	1,383
Insurance brokerage	1,610	1,478
Guarantees	2,593	2,465
Unit-linked contracts	3,099	2,914
Other	2,762	1,884
Total	130,941	121,898
Fee and commission expense		
Payment transfers	-4,470	-3,719
Securities	-582	-553
Mutual fund brokerage	-252	-328
Asset management	-1,257	-1,076
Unit-linked contracts	-3,331	-3,091
Other*	-6,371	-6,007
Total	-16,264	-14,774
* of which the most significant expenses are the shared ATM expenses amounting to EUR 2,922 (2,771) thousand.		
Net fee and commission income	114,676	107,124

NOTE 9. LOANS AND ADVANCES

9.1 LOANS AND ADVANCES TO CREDIT INSITUTIONS 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

31.12.2024 (EUR 1,000)	Not impaired (gross)	Expected credit losses (ECL)	Balance sheet value
Loans and advances to credit institutions			
Deposits	163,590	-138	163,452
Loans and other receivables	93	33	126
Total	163,683	-104	163,578
Loans and advances to customers			
By products			
Used overdrafts	106,008	-1,543	104,465
Loans	9,370,897	-54,411	9,316,485
Interest subsidized housing loans	537,169	-2,388	534,781
Credit cards and unsecured loans	161,627	-5,096	156,531
Guarantees	1,573	-313	1,260
Total	10,177,275	-63,751	10,113,523
Loans and advances total	10,340,957	-63,856	10,277,102

LOANS AND ADVANCES

31.12.2023 (EUR 1,000)	Not impaired (gross)	Expected credit losses (ECL)	Balance sheet value
Loans and advances to credit institutions			
Deposits	179,046	-52	178,993
Loans and other receivables	162	-15	147
Total	179,207	-67	179,140
Loans and advances to customers			
By products			
Used overdrafts	97,567	-1,283	96,285
Loans	8,831,577	-42,301	8,789,276
Interest subsidized housing loans	505,698	-2,227	503,471
Loans granted from government funds	4		4
Credit cards	152,065	-3,248	148,816
Guarantees	1,596	-242	1,353
Total	9,588,507	-49,302	9,539,206
Loans and advances total	9,767,715	-49,369	9,718,346

9.2 INVESTMENT ASSETS

(EUR 1,000)	31.12.2024	31.12.2023
At fair value through other comprehensive income		
Debt securities	523,679	543,640
Shares and participations	2,349	3,515
Total	526,028	547,155
At fair value through profit or loss		
Debt securities	6,309	7,061
Shares and participations	211,007	243,690
Total	217,316	250,752
At amortised cost		
	4,860	4,417
Debt securities	89,956	73,334
Expected Credit Losses	-30	-44
Total	94,786	77,706
Investment property	16,710	19,610
Investment assets total	854,840	895,223

BREAKDOWN BY QUOTATION OF ISSUER

31.12.2024 (EUR 1,000)	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Measured at amortised cost	Total
Quoted				
From public entities	202,830	588	67,021	270,439
From others	320,849	204,508	22,905	548,263
Other				
From others	2,349	12,220	4,860	19,428
Total	526,028	217,316	94,786	838,131

31.12.2023 (EUR 1,000)	Measured at fair value through other comprehensive income	Measured at fair value through profit or loss	Measured at amortised cost	Total
Quoted				
From public entities	181,949	585	69,540	252,074
From others	361,692	237,548	3,750	602,989
Other				
From public entities				
From others	3,515	12,617	4,417	20,549
Total	547,155	250,751	77,706	875,613

9.3 IMPAIRMENT LOSS ON FINANCIAL ASSETS

The Savings Banks Group 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, the Group 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.

The adjacent table presents the financial assets within the scope of measurement of expected credit losses by impairment stage broken down into investment assets, loans and advances and off-balance sheet items

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

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
Financial assets 31 Dec. 2024				
Investment assets	3,542,513	7,632		3,550,145
Loans and advances	8,481,991	1,437,210	273,702	10,192,903
Off-balance sheet items	642,077	28,706	2,163	672,946
Total	12,666,580	1,473,549	275,865	14,415,994

(EUR 1,000)	Stage 1	Stage 2	Stage 3	Total
Financial assets 31 Dec. 2023				
Investment assets	650,061	9,552		659,613
Loans and advances	8,118,725	1,268,025	214,902	9,601,652
Off-balance sheet items	585,394	31,898	1,838	619,130
Total	9,354,180	1,309,474	216,740	10,880,394

In assessing the significance of change in credit risk, the Savings Banks Group 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 abslute thresholds for the PD% increase are exceeded.

- Forbearance: the credit risk of a performing financial asset subject to forbearance is deemed to have increased significanlty 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 stage 3 to 2 and 2 to 1 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 AND 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	5,025	8,590	36,796	50,410
Transfers to stage 1	1,292	-2,806	-14	-1,528
Transfers to stage 2	-2,071	12,036	-3,797	6,167
Transfers to stage 3	-172	-3,590	14,581	10,820
New assets originated or purchased	4,918	232	2,300	7,450
Assets derecognised or repaid (excluding write offs)	-1,181	-1,808	-3,174	-6,163
Amounts written off			-12,215	-12,215
Amounts recovered			433	433
Change in credit risk	-2,095	-958	5,753	2,700
Change in model for calculation of ECL	433	3,850	2,501	6,784
Net change in ECL	1,123	6,956	6,368	14,448
Expected credit losses 31 December 2024	6,148	15,546	43,164	64,858

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	1,233	1,994		3,227
Transfers to stage 1	15	-604		-589
Transfers to stage 2	-129	466		337
New assets originated or purchased	81			81
Assets derecognised or repaid (excluding write offs)	-154	-143		-297
Change in credit risk	-80	-423		-503
Net change in ECL	-269	-703		-972
Expected credit losses 31 December 2024	964	1,291		2,255
Expected credit losses 31 December 2024				67,113
Total change in expected credit losses 1 January 2024 – 31 December 2024				13,476

METHODS AND PARAMETERS USED IN CALCULATION OF EXPECTED CREDIT LOSSES

The Savings Banks Group's assessment of expected credit loss is mainly based on the probability of default / Loss given default-model (PD*LGD*EAD). For low-risk counterparties – including the public sector, financial institutions and state-guaranteed student loans – the calculation is based on the Loss Rate model (Loss Rate*EAD). The calculations are carried out separately for each contract and based on the following parameters:

- PD% (only the PD/LGD model): probability of default based on external and internal credit ratings.
- Loss Rate% (only the Loss Rate model): a percentage figure established for each counterparty based on their sector code.
- LGD %: estimated loss at the time of default, takes into account the contract's available collaterals and customer and contract related riskfactors.
- EAD: exposure at default is the annual average and takes into consideration instalments and advance repayments, calculated for the term of the contract and for the year, for products for which it has been modelled. Off-balance sheet items are considered to remain fixed until the end of the lifecycle of the contract. The undrawn commitment component is included in the calculation in full.

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. The Savings Banks Group assesses expected credit losses of debt securities belonging to investment assets by purchasing lot by using the PD*LGD*EAD 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 are presented below (the value variation range between different scenarios).

	2024	2025	2026
- Change in EuropeStoxx%	2.0% / 8.0%	-10.0% / 12.0%	-3.0% / 8.0%
- Change in GDP	-1.8% / 1.5%	0.5% / 2.5%	1.2% / 1.5%
- Investments	-6.0% / 0.0%	1.0% / 6.0%	2.0% / 3.0%

EFFECT OF CHANGES IN THE ECL MODEL

Changes in the LGD models

The LGD model previously applied in the calculation of ECL for loan contracts was based on a segmentation model, where the average LGD was estimated for three different segments. The new LGD models are modelled separately for retail and corporate exposures and consist of two components, cure rate and loss given loss. These model components take into consideration different variables depending on whether the exposure is classified as non-defaulted or defaulted.

Implementation of the new LGD models increased the ECL amount by EUR 6,8 million. The effect of this change is presented in the line change in the model for calculation of ECL.

EXPECTED CREDIT LOSSES (ECL), LOANS AND ADVANCES 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 2023	3,035	5,397	36,119	44,550
Transfers to stage 1	576	-1,367	-103	-893
Transfers to stage 2	-1,018	6,573	-2,213	3,341
Transfers to stage 3	-91	-1,599	12,027	10,338
New assets originated or purchased	2,593	71	966	3,630
Assets derecognised or repaid (excluding write offs)	-708	-697	-5,374	-6,778
Amounts written off			-7,481	-7,481
Amounts recovered			579	579
Change in credit risk	638	212	2,275	3,126
Net change in ECL	1,990	3,193	677	5,860
Expected Credit Losses 31 December 2023	5,025	8,590	36,796	50,410

EXPECTED CREDIT LOSSES (ECL), INVESTMENT ASSET

	Stage 1	Stage 2	Stage 3	Total
(EUR 1,000)	12 month ECL	Lifetime ECL	Lifetime ECL	
Expected Credit Losses 1 January 2023	2,240	3,538	499	6,277
Transfers to stage 1	46	-1,673		-1,627
Transfers to stage 2	-80	1,398		1,317
Investments during the period	152	15		168
Investments expired	-523	-1,056	-499	-2,078
Change in credit risk	-602	-227		-829
ECL net change	-1,008	-1,543	-499	-3,050
Expected Credit Losses 31 December 2023	1,233	1,994		3,227
Total Expected Credit Losses 31 December 2023				53,637
Total change in Expected Credit Losses 1 January 2023 – 31 December 2023				2,810

9.4 NET INVESTMENT INCOME

Net investment income includes net income from financial assets measured at fair value through profit or loss (capital gains and losses, measurement gains and losses and dividend income), financial assets measured at fair value through other comprehensive income (capital gains and losses, expected credit losses and dividend income) and net income from investment property (rental and dividend income, capital gains and losses, maintenance charges and expenses, depreciation and amortization and rental expenses). In addition, this item includes net income from investment activities witin insurance operations, foreign exchange operations and fair value hedge accounting.

(EUR 1,000)	1–12/2024	1–12/2023
Net income from financial assets at fair value through other comprehensive income		
Debt securities		
Capital gains and losses	1,174	1,578
Transferred from fair value reserve during the financial year	-1,868	-9,163
	-694	-7,585
Shares and participations		
Dividend income		1,396
		1,396
Total	-694	-6,189
Net income from financial asset at fair value through profit or loss		
Debt securities		
Capitalgains and losses	-178	-1
Fair value gains and losses	111	624
	-67	623
Shares and participations		
Dividend income	1,209	2,717
Capitalgains and losses	-91	71
Fair value gains and losses	4,077	2,934
	5,195	5,723
Net income from foreign exchange operations	-2	
Fair value gains and losses from derivative contracts	-1,122	-840
Net income from hedge accounting		
Change in hedging instruments' fair value	79,342	106,583
Change in hedged items' fair value	-78,580	-128,022
	-362	-22,279
Total	4,766	-15,933

(EUR 1,000)	1–12/2024	1–12/2023
Net income from investment property		
Rental and dividend income	4,225	4,063
Capital gains and losses	-55	57
Other income from investment property	63	68
Maintenance charges and expenses	-3,903	-3,833
Depreciation and amortisation of investment property	-2,149	-3,160
Rental expenses arising from investment property	-2	-3
Total	-1,822	-2,808
Other income		-15
Net income from unit-linked assets	72,410	62,985
Total net income from investment contract liabilities:		
IFRS 9 – change in liabilities for investment contracts	-100,565	-45,099
IFRS 9 – investment contract premium income	105,344	59,240
IFRS 9 – claims paid for investment contracts	-39,028	-38,811
	-34,250	-24,670
Net investment income	40,410	13,369

NOTE 10. FUNDING

10.1 LIABILITIES TO CREDIT INSTITUTIONS AND CUSTOMERS

(EUR 1,000)	31.12.2024	31.12.2023
Liabilities to credit institutions		
Liabilities to central banks		68,000
Liabilities to credit institutions	530,309	552,868
Total	530,309	620,868
Liabilities to customers		
Deposits	6,899,936	7,045,368
Other financial liabilities	20	4
Change in the fair value of deposits	-14,489	-28,549
Total	6,885,467	7,016,823
Liabilities to credit institutions and customers	7,415,776	7,637,691

10.2 DEBT SECURITIES ISSUED

(EUR 1,000)	31.12.2024	31.12.2023
Measured at amortised cost		
Bonds	1,148,243	925,641
Covered bonds	2,545,488	2,046,356
Fair value change of hedged debt securities	-44,100	-109,902
Other		
Certificates of deposit	37,475	84,643
Debt securities issued	3,687,107	2,946,738
Of which		
Variable interest rate	471,314	495,403
Fixed interest rate	3,215,792	2,451,335
Total	3,687,107	2,756,666

ISSUED COVERED BONDS

(EUR 1,000)	Nominal value	Carrying amount	Maturity	Interest base	Coupon	Maturity date
Sp Mortgage Bank 2019	500,000	499,385	7 years	Fixed	0.05%	19.6.2026
Sp Mortgage Bank 2021	500,000	501,556	7 years	Fixed	0.01%	28.9.2028
Sp Mortgage Bank 2022	300,000	299,872	3 years	Fixed	1.00%	28.4.2025
Sp Mortgage Bank 2022	750,000	746,929	5 years	Fixed	3.13%	1.11.2027
Sp Mortgage Bank 2024	500,000	497,746	7 years	Fixed	3.25%	2.5.2031
Total	2,550,000	2,545,488				

The Group has not had delays or defaults in respect of its issued debt securities.

10.3 SUBORDINATED LIABILITIES

	31.12.2024		31.12.2023	
(EUR 1,000)	Average interest rate %	Carrying amount	Average interest rate %	Carrying amount
Subordinated loans			4.00%	84
Other				
Debentures	4.00%	3,173	4.00%	3,173
Subordinated liabilities		3,173		3,257

10.4 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

(EUR 1,000)	31.12.2024	31.12.2023
Other financial liabilities at fair value through profit or loss*	22,327	38,096
Financial liabilities at fair value through profit or loss	22,327	38,096

* The item includes the interest in the consolidated mutual funds of the owners not consolidated into the Savings Banks Group.

NOTE 11. CLASSFICIATION OF FINANCIAL ASSETS AND 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.

CLASSFICATION 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 Savings Banks Group 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.

Assesment 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.

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 Savings Banks Group 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.

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.

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 libilities by balance items broken down into measurement categories.

31.12.2024 **(EUR 1,000)**	**Amortized cost**	**Fair value through other comprehensive income**	**Fair value through profit or loss**	**Non-financial assets/liabilities**	**Total**
Cash and cash equivalents	6,727		1,463,658		1,470,385
Loans and advances to credit institutions	163,578				163,578
Loans and advances to customers	10,112,388		1,135		10,113,524
Derivatives					
hedging derivatives					
fair value hedges			33,991		33,991
other than hedging derivatives					
Investment assets	94,786	526,028	217,316	16,710	854,840
Assets covering unit-linked contracts			1,024,674		1,024,674
Total assets	10,377,480	526,028	2,740,775	16,710	13,660,992
Financial liabilities at fair value through profit or loss			22,327		22,327
Liabilities to credit institutions	530,309				530,309
Liabilities to customers	6,885,467				6,885,467
Derivatives					
hedging derivatives					
fair value hedges			116,035		116,035
Debt securities issued	3,687,107				3,687,107
Unit-linked contract liability			515,304		515,304
Subordinated liabilities	3,173				3,173
Total liabilities	11,106,056		653,666		11,759,721

Offsetting of financial assets and liabilities

The derivative contracts of the Savings Banks Group are subject to either ISDA Master Agreement or the Master Agreement of the Federation of Finnish Financial Services. 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.

31.12.2024				Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements		
(EUR 1,000)	Recognised financial assets / liabilities, gross	Recognised financial assets / liabilities offset in balance sheet, gross	Carrying amount in balance sheet, net	Financial instruments	Cash held / given as collateral	Net amount
Assets						
Derivative contracts	61,530	-1,795	59,735	-26,494	-32,361	880
Variation margin	291	-291				
Total	61,821	-2,086	59,735	-26,494	-32,361	880
Liabilities						
Derivative contracts	161,115	-881	160,233	-26,494	-51,005	82,735
Variation margin	1,204	-1,204				
Total	162,319	-2,086	160,233	-26,494	-51,005	82,735

* The carrying value of cash held as collateral is EUR 32.570 thousand and cash given as collateral is EUR 67.563 thousand. Overcollateralization is not taken into account in the table.

31.12.2023 (EUR 1,000)	Amortized cost	Fair value through other comprehensive income	Fair value through profit or loss	Non-financial assets / liabilities	Total
Cash and cash equivalents	6,927		1,424,785		1,431,712
Loans and advances to credit institutions	179,140				179,140
Loans and advances to customers	9,539,056		149		9,539,206
Derivatives					
hedging derivatives					
cash flow hedges					
fair value hedges			16,649		16,649
other than hedging derivatives					
Investment assets	77,706	547,155	250,751	19,610	895,223
Assets covering unit-linked contracts			908,402		908,402
Total assets	9,802,830	547,155	2,600,737	19,610	12,970,332
Financial liabilities at fair value through profit or loss			38,096		38,096
Liabilities to credit institutions	620,868				620,868
Liabilities to customers	7,016,823				7,016,823
Derivatives					
hedging derivatives					
cash flow			20		20
fair value hedges			174,081		174,081
other than hedging derivatives			115		115
Debt securities issued	2,946,738				2,946,738
Unit-linked contract liability			420,446		420,446
Subordinated liabilities	3,257				3,257
Total liabilities	10,587,686		632,757		11,220,443

31.12.2023				Amounts which are not offset but are subject to enforceable master netting arrangements or similar agreements		
(EUR 1,000)	Recognised financial assets / liabilities, gross	Recognised financial assets / liabilities offset in balance sheet, gross	Carrying amount in balance sheet, net	Financial instruments	Cash held / given as collateral	Net amount
Assets						
Derivative contracts	31,810	-50	31,760	-22,908	-8,011	842
Total	31,810	-50	31,760	-22,908	-8,011	842
Liabilities						
Derivative contracts	219,613	-14	219,599	-22,908	-72,024	124,668
Repurchase agreements	36	-36				
Total	219,649	-50	219,599	-22,908	-72,024	124,668

NOTE 12. DERIVATIVES AND HEDGE ACCOUNTING

The Savings Banks Group uses derivative contracts to hedge its interest rate risk from changes in fair value and cash flows and applies hedge accounting to hedging relationships. Fair value hedging is applied to hedges of fixed interest rate deposits. Cash flow hedging is applied when hedging the future interest cash flow from variable rate lending. The aim of hedging is to stabilise net interest income and to neutralise potential change in the fair value of assets and liabilities.

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 investment income". When hedging fair value, the hedged item is also measured at fair value during the hedging period even if it would otherwise be measured at amortised cost. A change in the hedged item's fair value is recognised in the balance sheet as an adjustment to the balance sheet item and in the income statement under "Net investment income". Interest on hedging derivatives is presented as interest income and expense depending on their nature.

The effective portion of the fair value changes of derivatives hedging cash flow is recognised in the hedging instrument reserve in equity, adjusted with deferred taxes. The ineffective portion of fair value change is recognised directly in the income statement under "Net investment income". The cumulative change in the fair value reserve resulting from valuation of a hedging derivative is recognised in profit or loss as an adjustment of the hedged cash flow simultaneously with recognising the hedged cash flow. Interest on hedging derivatives is presented as interest income and expense depending on their nature. On reporting date, the Savings Banks Group did not have any cash flow hedges.

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.

Presented below are fair values of derivative contracts together with nominals divided into categories based on remaining maturity for continuing operations.

31.12.2024	Nominal value / remaining maturity				Fair value	
(EUR 1,000)	less than 1 year	1 – 5 years	more than 5 years	Total	Assets	Liabilities
Hedging derivative contracts						
Fair value hedging*						
Interest rate derivatives	498,000	2,550,000	856,400	3,904,400	33,991	116,035
Total	498,000	2,550,000	856,400	3,904,400	33,991	116,035

* Fixed rate deposits (Liabilities to customers) designated as hedged items in fair value hedging have total nominal value of EUR 1,043,000 thousand and total carrying value of EUR 1,057,489 thousand.

Fixed rate issued bonds (Debt securitues issued) designated as hedged items in fair value hedging have total nominal value of EUR 2,761,400 thousand and total booking value of EUR 2,799,919 thousand.

Fixed rate deposits (Liabilities to credit institutions) designated as hedged items in fair value hedging have total nominal value of EUR 100,000 thousand and total booking value of EUR 100,625 thousand.

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

31.12.2023	Nominal value / remaining maturity				Fair value	
(EUR 1,000)	**less than 1 year**	**1 – 5 years**	**more than 5 years**	**Total**	**Assets**	**Liabilities**
Non-hedging derivative contracts	5,000			5,000		1
Interest rate derivatives	5,000			5,000		1
Hedging derivative contracts						
Fair value hedging*	191,000	2,973,000	253,000	3,417,000	16,649	174,194
Interest rate derivatives	191,000	2,973,000	253,000	3,417,000	16,649	174,194
Cash flow hedging**	10,000			10,000		20
Interest rate derivatives	10,000			10,000		20
Total	206,000	2,973,000	253,000	3,432,000	16,649	174,215

HEDGED CASH FLOWS ARE EXPECTED TO AFFECT PROFIT OR LOSS DURING THE FOLLOWING PERIODS:

(EUR 1,000)	less than 1 year	1 – 5 years	more than 5 years	Total
Interest rate derivatives	-2			-2
Total	-2			-2

NOTE 13. FAIR VALUES BY VALUATION TECHNIQUE

FAIR VALUE MEASUREMENT

The Savings Banks Group measures assets and liabilities at amortised cost or at fair value. Financial assets and liabilities that are classifed 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 11.

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.

Investment property in the Group's financial statements is measured at cost less depreciation and impairment. The fair value of investment property is presented in the notes. Fair values are determined on the basis of market prices which are as comparable as possible or a valuation model which is based on net income from investment property. An independent appraiser's opinion on the valuation is sought for the most material properties.

The Savings Banks Group 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 fair values that are based on quotes for identical assets or liabilities in active markets. Market is considered active when the prices are available easily and regularly enough. Fair value hierarchy level 1 includes quoted bonds, shares and participations as well as other securities and derivative contracts which are quoted on a public market.

Level 2 consists of fair values that are estimated using valuation techniques or models for which the input data is either directly available on an active market as a e.g. price or can be derived from a e.g. price. Fair values on hierarchy level 2 are based on assumptions which are supported by verifiable market information such as the quoted interest rates or prices of similar instruments. Fair value hierarchy level 2 includes interest rate derivative contracts as well as commercial papers and certificates of deposit.

Level 3 consists of fair values that cannot be derived from public market quotations or through valuation techniques or models which are based on observable market data. Fair values on level 3 are often based on price information received from a third party. Fair value hierarchy level 3 includes investments in unquoted equity instruments and other securities for which there is currently no binding market quotation available. The Savings Banks Group has only limited amount of financial assets that are measured at fair value and belong to level 3.

TRANSFERS BETWEEN THE HIERARCHY 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 vair values presented exclude accrued interest.

31.12.2024 Financial assets (EUR 1,000)	Carrying amount	Fair value by hierarchy level Level 1	Level 2	Level 3	Total
Measured at fair value					
At fair value through profit or loss					
Banking	1,668,451	1,655,173		13,277	1,668,451
Asset Management Services* /**	1,038,333	1,026,599		11,734	1,038,333
Derivative contracts					
Banking	33,991		33,991		33,991
Fair value through other comprehensive income					
Banking	526,028	519,217	999	5,812	526,028
Measured at amortised cost					
Investments, Banking	94,786	77,185	17,877		95,062
Loans and other receivables, Banking	10,282,693		11,700,264		11,700,264
Total financial assets	13,644,283	3,278,174	11,753,131	30,824	15,062,129
Investment property					
Banking	16,710			27,423	27,423
Total	16,710			27,423	27,423

* including fair value of investments covering unit-linked policies, which are reported on level 1.

** Includes consolidated mutual funds.

31.12.2024 Financial liabilities (EUR 1,000)	Carrying amount	Fair value by hierarchy level Level 1	Level 2	Level 3	Total
Measured at fair value					
Measured at fair value through profit or loss					
Asset Management Services*/**	537,630	537,630			537,630
Derivative contracts					
Banking	116,035		116,035		116,035
Measured at amortised cost					
Banking	11,106,056	8,866,861	1,562,345	584,018	11,013,223
Total financial liabilities	11,759,721	9,404,491	1,678,381	584,018	11,666,889

* Includes liabilities for unit-linked insurance and investments contracts which are reported on level 1 in accordance of the underlying investment.

** The other investors' share of the consolidated mutual funds.

Changes at level 3

Reconciliation of changes in financial instruments at level 3.

Financial assets at fair value through profit or loss (EUR 1,000)	Banking	Asset Management Services	Total
Carrying amount 1 January 2024	13,491	13,799	27,290
Purchases	663	393	1,055
Sales	-1,739	-1,961	-3,700
Changes in value recognised in income statement, realised	302	-25	277
Changes in value recognised in income statement, unrealised	259	-472	-212
Transfers from level 1 and 2	301		301
Carrying amount 31 December 2024	13,277	11,734	25,012

Changes in fair value recognised in the income statement are presented in the item Net investment income.

Unrealized changes in fair value of financial assets classifed as measured at fair value through other comprehensive income are accounted for in the fair value reserve included in other comprehensive income.

Fair value through other comprehensive income (EUR 1,000)	Banking	Total
Carrying amount 1 January 2024	3,258	3,258
Matured during the period	-28	-28
Changes in value recognised in comprehensive income statement	960	960
Transfers from level 1 and 2	1,622	1,622
Carrying amount 31 December 2024	5,812	5,812

Changes in fair value recognised in the income statement are presented in the item Net investment income.

SENSITIVITY ANALYSIS OF FINANCIAL INSTRUMENTS AT LEVEL 3

31.12.2024 (EUR 1,000)	Carrying amount	Effect of hypothetical changes' on profit, negative
At fair value through profit or loss		
Banking	13,277	-22
Asset Management Services	11,734	-2,112
	25,012	-2,134
Fair value through other comprehensive income		
Banking, liabilities	5,812	-12
	5,812	-12
Total	30,824	-2,146

The above table shows the sensitivity of fair value for level 3 instruments in the event of market changes. Interest-bearing securities have been tested by assuming 1 percentage points parallel shift of the interest rate level in all maturities. For non-interest sensitive instrumetns the market prices are assumed to change by -15 percentage. For derivatives it is assumed that the possible change in value equals to the fair value of the derivative.

31.12.2023	Carrying amount	Fair value by hierarchy level			
Financial assets (EUR 1,000)		**Level 1**	**Level 2**	**Level 3**	**Total**
Measured at fair value					
At fair value through profit or loss					
Banking	1,526,033	1,512,541		13,491	1,526,033
Asset Management Services*	1,058,055	1,044,256		13,799	1,058,055
Derivative contracts					
Banking	16,649		16,649		16,649
Fair value through other comprehensive income					
Banking	547,155	541,800	2,097	3,258	547,155
Measured at amortised cost					
Investments, Banking	77,706	70,756	1,996		72,752
Loans and other receivables, Banking	9,725,124		11,324,344		11,324,344
Total financial assets	12,950,722	3,169,354	11,345,086	30,549	14,544,989
Investment property					
Banking	19,610			33,117	33,117
Total	19,610			33,117	33,117

* including fair value of investments covering unit-linked policies, which are reported on level 1.

** The other investors' share of the consolidated mutual funds.

31.12.2023	Carrying amount	Fair value by hierarchy level			
Financial liabilities (EUR 1,000)		**Level 1**	**Level 2**	**Level 3**	**Total**
Measured at fair value					
At fair value through profit or loss					
Asset Management Services*	458,542	458,542			458,542
Derivative contracts					
Banking	174,215		174,215		174,215
Measured at amortised cost					
Banking	10,587,686	2,905,561	6,554,614	1,085,937	10,536,112
Total financial liabilities	11,220,443	3,364,103	6,728,829	1,085,937	11,178,869

* Includes liabilities for unit-linked insurance and investments contracts which are reported on level 1 in accordance of the underlying investment.

** The other investors' share of the consolidated mutual funds.

Changes at level 3

Reconciliation of changes in financial instruments at level 3.

Financial assets at fair value through profit or loss (EUR 1,000)	Banking	Asset Management Services	Total
Carrying amount 1 January 2023	14,980	15,783	30,764
Purchases	1,038	248	1,286
Sales	-1,760	-975	-2,735
Matured during the period	-1,505		-1,505
Changes in value recognised in income statement, realised	-26	-10	-36
Changes in value recognised in income statement, unrealised	-318	-1,246	-1,564
Value changes recognised in income statement			
Transfers from level 1 and 2	1,085		1,085
Transfers between levels 1 and 2	-4		-4
Carrying amount 31 December 2023	13,491	13,799	27,290

Changes in fair value recognised in the income statement are presented in the item "Net investment income" and "Net life insurance income".

Fair value through other comprehensive income (EUR 1,000)	Banking	Total
Carrying amount 1 January 2023	4,030	4,030
Purchases		
Sales	-1,458	-1,458
Changes in value recognised in comprehensive income statement	-136	-136
Transfers from level 1 and 2	823	823
Transfers to level 1 and 2		
Carrying amount 31 December 2023	3,258	3,258

Changes in fair value recognized in the income statement during the year are included in the item Net investment income.

Unrealized changes in fair value are booked in the equity fair value reserve through the other comprehensive income.

SENSITIVITY ANALYSIS OF FINANCIAL INSTRUMENTS AT LEVEL 3 (EUR 1,000)

31.12.2023 (EUR 1,000)	Carrying amount	Effect of hypothetical changes' on profit, negative
At fair value through profit or loss		
Banking	13,491	-25
Asset Management Services	13,799	-2,112
	27,290	-2,137
Fair value through other comprehensive income		
Banking, liabilities	3,258	-44
	3,258	-44
Total	30,549	-2,182

The above table shows the sensitivity of fair value for level 3 instruments in the event of market changes. Interest-bearing securities have been tested by assuming 1 percentage points parallel shift of the interest rate level in all maturities. For non-interest sensitive instrumetns the market prices are assumed to change by -15 percentage. For derivatives it is assumed that the possible change in value equals to the fair value of the derivative.

NOTE 14. INSURANCE CONTRACTS

Insurance policies classified as insurance contracts include those with a significant insurance risk or where the policyholder has the right or the opportunity to amend the contract in such a way that the policyholder becomes entitled to a discretionary share of the company's surplus. Purely unit-linked insurance policies which do not have a significant insurance risk are classified as investment contracts.

Insurance policies concerning loan insurance granted by the Savings Banks Group are classified as insurance contracts because they always entail a significant insurance risk. Savings and pension insurance policies granted are classified as either insurance contracts or investment contracts. Savings and pension insurance policies have a significant insurance risk and are classified as insurance contracts when, according to the Savings Banks Group's estimate, the benefit payable in the event of death exceeds 105% of the value of the insurance savings (significant mortality risk) or is less than 95% of the value of the insurance savings (significant longevity risk).

The Savings Banks Group's insurance contracts are treated in the Savings Banks Group's financial statements in accordance with the IFRS 17 Insurance Contracts standard. The IFRS 9 Financial Instruments standard is applied to contracts classified as investment contracts. Reinsurance policies are treated in accordance with IFRS 17 as insurance contracts.

RECOGNITION OF INSURANCE CONTRACTS

Insurance contracts are divided into portfolios. The contracts in each portfolio are subject to similar risks and are managed together. The portfolios are further divided into the following groups on the basis of the revenue expectations on the date of initial recognition of the contracts:

- contracts that are loss-making at the time of initial recognition
- contracts that are not loss-making at the time of initial recognition; and
- other contracts.

The Savings Banks Group determines the loss component of insurance contracts at the contract level on the basis of the estimated future cash flows arising from the performance of the contract. In connection with the transition to IFRS 17 and initial recognition, the Savings Banks Group has only identified contracts that are loss-making at the time of initial recognition and contracts that are not loss-making at the time of initial recognition.

The insurance contract groups are divided into annual cohorts according to the date of initial recognition. Each annual cohort contains insurance contracts whose initial recognition dates are no more than one year apart. A single cohort constitutes an IFRS 17-compliant insurance contract group to which the IFRS 17 recognition and measurement requirements apply.

Each group of granted insurance contracts is recognised in accounting on the earliest of the following dates:

- the date on which the insurance period of the insurance contract group begins,
- the date on which the first payment from a policyholder in the group is due; or
- for a group of loss-making contracts, the date on which the group becomes loss-making.

A contract is removed from the balance sheet when it expires, i.e. when the obligation specified in the insurance contract expires, is fulfilled or cancelled, or when the contract is amended so that a new contract with new terms and conditions is recognised.

PRESENTATION OF INSURANCE CONTRACTS

The income statement presents insurance premium revenue and insurance service expenses and the insurance service result, comprising of these two, as separate items. In addition, the finance income and expenses of the insurance contracts are presented as a separate line item.

Insurance contract group revenue is presented under insurance premium revenue, on the basis of the measurement of future cash flows, the service margin and the separate risk adjustment for non-financial risks. Insurance premium revenue is recognised for the reduction of the liabilities of the remaining insurance period as a result of services provided during the reporting period.

Insurance service expenses include actual compensation and other expenses, the change in the liabilities arising from actual insurance events, insurance contract acquisition costs and the change of the loss component in the change in the liabilities of the remaining insurance period.

The finance income and expenses of the insurance contracts are items arising from financial risk and the discounting of insurance contract liabilities and the resulting change in the carrying amount of insurance contract liabilities. The Savings Banks Group presents the finance income and expenses of the insurance contracts entirely in the income statement.

The rights and obligations arising from insurance contracts are netted and the net amount is presented on the balance sheet as either assets or liabilities at the portfolio level.

INSURANCE SERVICE RESULT

(EUR 1,000)	31.12.2024	31.12.2023
Insurance premium revenue		
Expected claims incurred	3,725	3,543
Expected other directly allocated insurance service costs	14,089	13,458
Changes in risk adjustment (other than adjustments related to funding risks)	605	583
Contractual service margin of services produced during the period	3,393	2,381
Experience adjustments	-937	-1,120
Total insurance premium revenue*	20,875	18,844
Insurance service expenses		
Actual claims incurred	-1,631	-2,264
Actual other directly allocated insurance service costs	-13,296	-13,377
Onerous contracts	-509	1,815
Changes arising from insurance events occurred in services for past periods	-28	-392
Total insurance service expenses*	-15,464	-14,218
Total net income from reinsurance contracts	-1,111	-871
Insurance service resul	4,300	3,755

*Includes insurance premium revenue and insurance service expenses calculated according to the general measurement model (GMM) and the variable fee approach (VFA).

NET INSURANCE FINANCE EXPENSES

(EUR 1,000)	31.12.2024	31.12.2023
Unwinding of discount of insurance liability	-17,395	-17,142
Change in financial assumptions	-16,952	-15,350
Other changes	-166	-343
Total net insurance finance income / expenses*	-34,513	-32,835

SERVICE MARGIN REVENUE RECOGNITION, MATURITY DISTRIBUTION:

(EUR 1,000)	31.12.2024	31.12.2023
1 year	2,911	2,231
2 years	2,412	1,856
3 years	1,998	1,545
4 years	1,658	1,287
5 years	1,378	1,077
6–7 years	2,103	1,662
8–10 years	2,004	1,642
11–13 years	1,044	937
14–20 years	963	929
Over 20 years	902	1,078
Total	17,374	14,243

MEASUREMENT OF INSURANCE CONTRACTS

The IFRS 17 standard identifies three different measurement models for insurance contracts: the general measurement model, the variable fee approach and the simplified premium allocation approach.

Insurance contracts that do not include a direct entitlement to the contract surplus are measured in accordance with the general measurement model. Such contracts include insurance contracts issued by the Savings Banks Group in connection with loan insurance. On the initial recognition date, the insurance contract group's balance sheet value consists of the following:

- the fulfilment cash flows adjusted for the time value of money,
- a risk adjustment reflecting uncertainties concerning the timing and amount of cash flows, and
- a service margin representing the unearned profit of insurance contracts.

Service margin revenue is recognised over the validity of the insurance contract. If the service margin is negative, the loss component is recognised as an expense in the income statement at the time of initial recognition.

At the end of the reporting period, the measurement of each insurance contract group is carried out using up to-date estimates of future cash flows and the contractual service margin.

The carrying amount of the insurance contract group at the end of the reporting period is the sum of the liabilities of the remaining insurance period and the liabilities arising from actual insurance events. The liabilities of the remaining insurance period is the present value of the cash flows related to future service at the time of reporting plus the contractual service margin and the risk adjustment. The liabilities arising from actual insurance events includes the cash flows of outstanding insurance compensation related to the actual insurance events.

Insurance contracts with a direct entitlement to the contract surplus are measured using the variable fee model. The variable fee approach differs from the general model when it comes to the measurement of the service margin of insurance contracts. In the variable fee approach, the service margin change on the reporting date includes a share of the change in the fair value of the underlying investments.

In the Savings Banks Group, the variable fee approach is applied to pension and savings insurance products that entered into force before 1 January 2018 and that include a direct entitlement to the contract surplus. The Savings Banks Group's pension and savings insurance contracts that have entered into force after that date are, by nature, unit-linked contracts that do not have any insurance risk. These contracts are measured and recognised as investment contracts in accordance with the IFRS 9 Financial Instruments standard.

The premium allocation approach may be used if the insurance period of a contract in the insurance contract group does not exceed one year or if insurance contract liabilities measured according to the premium allocation approach do not materially differ from insurance contract liabilities calculated on the basis of the general model. The premium allocation approach does not include a separate contractual service margin component like the other measurement models. The Savings Banks Group applies the premium allocation approach to reinsurance contracts in its possession.

DETERMINATION OF CASH FLOWS

The measurement of the insurance contract group takes into account all future cash flows arising from the performance of the insurance contract, provided that they are within the limits of the contract. In the determination of cash flows, all information concerning the amount, timing and uncertainty of cash flows that is available without unreasonable costs is taken into account. In addition, the estimates of cash flows must be up to date, in other words, must reflect the conditions prevailing at the time of reporting.

Cash flows within the limits of the insurance contract are cash flows directly related to the performance of the contract, including cash flows for which the Savings Banks Group has discretion as to the amount or timing. Cash flows arising from the performance of the contract include premiums received from the policyholder, insurance compensation payable to the policyholder and insurance acquisition expenses. Furthermore, cash flows include other operating expenses that can be allocated directly to insurance contracts.

When it comes to expenses other than those allocated directly to insurance contracts, the management assesses separately whether the cash flow of the expense item is related to the fulfilment of the insurance contract obligations. The management's assessment is based on various calculations made by the company and an analysis of these calculations.

DETERMINATION OF THE DISCOUNT RATE

The time value of money is taken into account in all of the applied valuation models by discounting the expected future cash flows. The Savings Banks Group has determined the discount rates by using a bottom-up approach, where the applied risk-free interest rates are based on the yield curve determined by EIOPA, to which a liquidity premium calculated on a product group-specific basis is added. All of the Savings Banks Group's current insurance product groups are liquid by nature and therefore the risk-free yield curve is not adjusted with a liquidity premium. For new products, the Savings Banks Group assesses their liquidity characteristics and the need to adjust the risk-free yield curve with a liquidity premium.

For insurance contracts without a direct participation feature, a so called locked-in rate is applied. This means that the discount rate is determined at initial recognition and is applied in the measurement of CSM.

The unwinding of interest rates, the effects of changes in interest rates and other financial assumptions are presented in the income statement as insurance finance income or expenses. The Savings Banks Group has decided not to apply the option allowed under IFRS 17 to recognise these effects in other comprehensive income.

INSURANCE CONTRACT LIABILITIES AND ASSETS

(EUR 1,000)	31.12.2024	31.12.2023
Liabilities for the remaining coverage period	-574,435	-562,423
Liability for occurred losses	-6,032	-8,964
Total insurance contract liabilities	-580,467	-571,387
Total insurance contract assets	2,394	1,073
Reinsurance contract assets	-959	375

INSURANCE CONTRACT LIABILITY CHANGE ANALYSES:

2024 (EUR 1,000)	Liabilities for the remaining coverage period			
	Without the loss component	Loss component	Liability for occurred losses	Total
Insurance contract assets 1 January 2024	2,704	-732	-898	1,073
Insurance contract liabilities 1 January 2024	-562,069	-354	-8,964	-571,387
Insurance contract liability (net) 1 January 2024	-559,365	-1,086	-9,862	-570,314
Insurance premium revenue	20,875			20,875
Actual claims incurred and other directly allocated insurance service expenses			-14,927	-14,927
Changes arising from insurance events occurred in services for past periods			-28	-28
Loss-making contracts		-509		-509
Net insurance finance expenses	-34,461	-26	-26	-34,512
Investment component	37,613			
Changes recognised in the income statement, total	24,028	-535	-14,981	-29,101
Cash flows for the financial year				
Insurance premiums received	-34,565			-34,565
Claims paid			42,608	42,608
Payments for expenses directly allocated to insurance contracts			13,299	13,299
Total cash flows	-34,565		55,907	21,342
Insurance contract assets 31 December 2024	2,990	-78	-518	2,394
Insurance contract liabilities 31 December 2024	-572,893	-1,543	-6,032	-580,467
Insurance contract liability (net) 31 December 2024	-569,902	-1,621	-6,549	-578,073

2023 (EUR 1,000)	Liabilities for the remaining coverage period			
	Without the loss component	Loss component	Liability for occurred losses	Total
Insurance contract assets 1 January 2023	1,362	-147	-290	925
Insurance contract liabilities 1 January 2023	-561,673	-2,634	-7,011	-571,317
Insurance contract liability (net) 1 January 2023	-560,311	-2,781	-7,300	-570,392
Insurance premium revenue	18,844			18,844
Actual claims incurred and other directly allocated insurance service expenses			-15,641	-15,641
Changes arising from insurance events occurred in services for past periods			-392	-392
Loss-making contracts		1,815		1,815
Net insurance finance expenses	-32,695	-121	-19	-32,835
Investment component	44,822		-44,822	
Changes recognised in the income statement, total	30,971	1,694	-60,874	-28,209
Cash flows for the financial year				
Insurance premiums received	-30,025			-30,025
Claims paid			44,936	44,936
Payments for expenses directly allocated to insurance contracts			13,377	13,377
Total cash flows	-30,025		58,313	28,287
Insurance contract assets 31 December 2023	2,704	-732	-898	1,073
Insurance contract liabilities 31 December 2023	-562,069	-354	-8,964	-571,387
Insurance contract liability (net) 31 December 2023	-559,365	-1,086	-9,862	-570,314

INSURANCE CONTRACT LIABILITY CHANGE ANALYSES:

2024 (EUR 1,000)	Present value of expected cash flows	Risk adjustment	Insurance service margin	Total
Insurance contract assets 1 January 2024	11,852	-1,796	-8,983	1,073
Insurance contract liabilities 1 January 2024	-563,572	-2,555	-5,260	-571,387
Insurance contract liability (net) 1 January 2024	-551,719	-4,351	-14,243	-570,314
Changes relating to services during the financial year:				
Service margin recognised in profit or loss			3,393	3,393
Change in risk adjustment recognised in profit or loss for risk expired		610		610
Experience adjustments	2,184			2,184
Changes relating to future services:				
Changes in estimates related to the insurance service margin	4,365	-130	-4,235	
Changes to the loss component	883	-1,510		-628
Effects of insurance contracts recognised during the financial year	2,417	-403	-2,133	-120
Experience adjustments to premiums received during the period relating to future services				
Changes relating to past services:				
Changes in estimates related to actual insurance events	-28			-28
Total	9,820	-1,434	-2,975	5,411
Finance income and expenses arising from insurance contracts	-34,357		-155	-34,513
Changes in the income statement, total	-24,537	-1,434	-3,131	-29,101
Actual cash flows for the period, total	21,342			21,342
Insurance contract assets 31 December 2024	15,868	-1,904	-11,569	2,394
Insurance contract liabilities 31 December 2024	-570,782	-3,881	-5,804	-580,467
Insurance contract liability (net) 31 December 2024	-554,914	-5,785	-17,374	-578,073

2023 (EUR 1,000)	Present value of expected cash flows	Risk adjustment	Insurance service margin	Total
Insurance contract assets 1 January 2023	7,947	-861	-6,161	925
Insurance contract liabilities 1 January 2023	-561,918	-4,283	-5,117	-571,317
Insurance contract liability (net) 1 January 2023	-553,971	-5,144	-11,278	-570,392
Changes relating to services during the financial year:				
Service margin recognised in profit or loss			2,381	2,381
Change in risk adjustment recognised in profit or loss for risk expired		583		583
Experience adjustments	239			239
Changes relating to future services:				
Changes in estimates related to the insurance service margin	3,551	368	-3,919	
Changes to the loss component	1,557	258		1,815
Effects of insurance contracts recognised during the financial year	1,097	-435	-1,368	-706
Experience adjustments to premiums received during the period relating to future services				
Changes relating to past services:				
Changes in estimates related to actual insurance events	-392			-392
Total	6,052	773	-2,905	3,920
Finance income and expenses arising from insurance contracts	-32,775		-60	-32,835
Changes in the income statement, total	-26,723	773	-2,965	-28,915
Actual cash flows for the period, total	28,287			28,287
Insurance contract assets 31 December 2023	11,852	-1,796	-8,983	1,073
Insurance contract liabilities 31 December 2023	-563,572	-2,555	-5,260	-571,387
Insurance contract liability (net) 31 December 2023	-551,719	-4,351	-14,243	-570,314

MATURITY DISTRIBUTION OF CASH FLOWS

2024 (EUR 1,000)	Insurance contract assets	Insurance contract liabilities	Total (net)
1 year	-2,965	40,962	37,997
2 years	-2,704	34,361	31,657
3 years	-2,279	36,345	34,066
4 years	-1,912	36,105	34,193
5 years	-1,598	36,237	34,639
6–7 years	-2,434	69,175	66,741
8–10 years	-2,206	98,317	96,112
11–13 years	-896	96,031	95,135
14–20 years	-184	140,248	140,065
Over 20 years		161,869	161,869

2023 (EUR 1,000)	Insurance contract assets	Insurance contract liabilities	Total (net)
1 year	-1,950	28,397	26,447
2 years	-2,139	23,830	21,691
3 years	-1,788	26,487	24,699
4 years	-1,485	28,797	27,312
5 years	-1,228	29,968	28,740
6–7 years	-1,840	63,081	61,241
8–10 years	-1,655	94,341	92,686
11–13 years	-701	111,529	110,828
14–20 years	-143	170,006	169,863
Over 20 years		216,928	216,928

THE LIFE INSURANCE BUSINESS' EQUITY PRINCIPLE

The objective of the Savings Banks Group's life insurance business is to provide, in the long term, the insurance savings with discretionary benefits a total benefit (before charges and taxes) equivalent to the level of return on the Finnish government's long-term bond yields. For savings insurance policies, the target is to achieve a level of return equivalent to that of 5-year bonds, whereas for pension insurance policies the target level for return equals 10-year bonds. The total benefit of an insurance policy refers to the technical or annual interest of the insurance contract and to the additional interest credited to the contract.

NOTE 15. FIXED ASSETS

15.1 INTANGIBLE ASSETS

The intangible assets of the Savings Banks Group consist mainly of computer softwares and software licenses.

An intangible asset is recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Savings Banks Group and the acquisition cost of the asset can be measured reliably. The future economic benefits may include sales revenue on services or goods, cost savings or other benefits resulting from the Savings Banks Group utilising the asset.

Intangible assets are initially measured at cost. The cost comprises the purchase price, including all costs that are directly attributable to preparing the asset for its intended use. The acquisition cost does not include the costs of using the asset, staff training expenses or administration and other general overhead costs.

After initial recognition, an intangible asset is recognised at its cost less accumulated amortisation and impairment. Intangible assets are amortised on a straight-line basis over the cause of their known or estimated useful lives. The useful life of intangible assets is reviewed annually.

Amortisation begins when the asset is available for use. An intangible asset that is not yet available for use is tested for impairment annually.

Estimated useful lives of intangible assets are mainly as follows:

Information systems purchased from a third party: .... 3–5 years

Basic systems: .... 5–10 years

Other intangible assets:.. 2–5 years

Intangible assets are recognised in the item Intangible Assets in the balance sheet. Amortisation and impairment losses are recognised in the income statement under Depreciation, amortisation and impairment of property, plant and equipment and intangible assets.

Software as a Service (SaaS) projects

Cloud-based SaaS arrangements are arrangements in which the Savings Banks Group does not own the software it uses and the software is not installed in the Savings Banks Group'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 softwareorsystem 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. If services are not separable from the software concerned and the criterion for recognising intangible assets is missing, the deployment costs are recorded as an expense for the period during which Savings Banks Group has access to the software concerned.

The services are considered to be separable from access to the software if the Savings Banks Group produces the services with its internal resources or if the Savings Banks Group 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 the Savings Banks Group 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 the Savings Banks Group may meet the criteria of an intangible asset.

INTANGIBLE ASSETS

(EUR 1,000)	31.12.2024	31.12.2023
Development		
Intangible rights	17,811	12,344
Authorisation		
Other intangible assets	44	44
Intangible assets under development	42,645	27,505
Goodwill	722	729
Intangible assets	61,222	40,622

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

31.12.2024 Changes in intangible assets (EUR 1,000)	Goodwill	Intangible rights	Other intangible assets	Intangible assets under development	Total
Acquisition cost 1 January	722	76,126	89	27,505	104,442
Business acquisitions					
Increases		981		27,710	28,691
Decreases		-41		-88	-129
Transfers between items		10,446		-12,482	-2,036
Exit from the Savings Bank Group					
Acquisition cost 31 December	722	87,512	89	42,645	130,968
Accumulated depreciation and impairments 1 January		-63,782	-45		-63,827
Depreciation for the financial year		-5,919			-5,919
Imapairments for the financial year					
Decreases					
Other changes					
Exit from the Savings Bank Group					
Accumulated depreciation and impairments 31 December		-69,700	-45		-69,746
Carrying amount 31 December	722	17,811	44	42,645	61,222

31.12.2023 Changes in intangible assets (EUR 1,000)	Goodwill	Intangible rights	Other intangible assets	Intangible assets under development	Total
Acquisition cost 1 January	729	85,518	89	14,952	101,288
Business acquisitions					
Increases		802		21,086	21,888
Decreases		-37		-147	-184
Transfers between items		5,461		-8,385	-2,925
Exit from the Savings Bank Group					
Acquisition cost 31 December	729	91,744	89	27,505	120,068
Accumulated depreciation and impairments 1 January		-73,552	-45		-73,597
Depreciation for the financial year		-5,917			-5,917
Imapairments for the financial year					
Decreases					
Other changes		69			69
Exit from the Savings Bank Group					
Accumulated depreciation and impairments 31 December		-79,400	-45		-79,445
Carrying amount 31 December	729	12,344	44	27,505	40,622

Testing goodwill for impairment

The goodwill of EUR 722 thousand is allocated in full to the real estate management business acquired in the financial year 2021. Goodwill has been tested for impairment by comparing the carrying amount with the cash flows from the business in question, based on cash flow statements prepared on the basis of long-term plans approved by the management of the business. The forecast period used in the cash flow statements is 11 years and is based on the management's view of the period required until the cash flows from the launched business stabilise at the expected level. The discount rate for cash flows has been set at the 8% yield requirement and the longterm average growth rate has been set at 2%. On the basis of impairment testing, the present value of the cash flows generated by the goodwill exceeds the carrying amount on the balance sheet date, and there is no need to allocate an impairment charge to goodwill.

15.2 PROPERTY, PLANT AND EQUIPMENT

The Savings Banks Group's property, plant and equipment include e.g. owner-occupied property as well as machinery and equipment. In addition, the Savings Banks Group has investment properties which produce rental income.

The Savings Banks Group's properties are divided according to the purpose of use into owner-occupied properties and investment properties. The purpose of investment property is to produce rental income or capital appreciation. Some of the properties are used partly as an investment and partly in own or personnel use. If these parts could be sold separately, the Savings Banks Group accounts for them separately according to the purpose of use. If the parts cannot be sold separately, the property is treated as an investment property only if an insignificant part of the property is used by the Savings Banks Group or the personnel. The division is done in proportion to the square meters used for different purposes.

Property, plant and equipment are recognised under the item Property, plant and equipment and investment property under the item Investment assets in the balance sheet.

In the income statement, income related to owner-occupied property is recognized under Other operating income and related cost under Operating expenses. Amortisation and impairment losses are recognised in the income statement under Depreciation, amortisation and impairment of property, plant and equipment and intangible assets.

Property, plant and equipment and investment property are measured at cost less depreciation and impairment. 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 the cause of their estimated useful lives. Land is not depreciated. Costs generated after the original acquisition are capitalised in the carrying amount of the asset only when it is probable that the asset will generate greater economic benefits than was initially estimated.

Estimated useful lives are in mainly as follows:

Buildings: .... 10–50 years

Technical equipment in buildings: .... 3–8 years

Renovations in rented premises: .... 3–10 years

Machinery and equipment: .... 3–10 years

The residual values and useful lives of the assets are reviewed at each reporting date and adjusted to reflect expected changes in economic benefit, if necessary.

Gains and losses resulting from decommissioning and disposal of Property, plant and equipment are presented under other operating income and expenses in profit or loss. Gains and losses generated by investment property are presented under net investment income. Capital gain or loss is determined by the difference between the selling price and the remaining acquisition cost.

(EUR 1,000)	31.12.2024	31.12.2023
Owner-occupied property		
Land and water	456	456
Buildings	27,051	26,303
Buildings, rigt-of-use assets*	9,120	9,187
Machinery and equipment	3,511	3,220
Machinery and equipment, right-of-use assets*	9	73
Other tangible assets	1,116	1,098
Advance payments and construction in progress	76	267
Property, plant and equipment	41,339	40,605

31.12.2024 **Changes in property, plant and equipment (EUR 1,000)**	**Owner-occupied property**	**Machinery and equipment**	**Other tangible assets**	**Advance payments and construction in progress**	**Total**
Acquisition cost 1 January	71,690	32,591	2,050	267	106,598
Increases	740	1,096	189	1,601	3,627
Decreases	-429	-491	-90		-1,011
Transfers between items	3,353	475		-1,792	2,036
Acquisition cost 31 December	75,354	33,671	2,149	76	111,250
Accumulated depreciation and impairments 1 January	-44,930	-29,421	-952		-75,304
Depreciation for the financial year	-2,237	-1,077	-148		-3,462
Impairments for the financial year	-1,095				-1,095
Decreases	417	338	68		822
Accumulated depreciation and impairments 31 December	-47,846	-30,161	-1,033		-79,040
Carrying amount 31 December	27,508	3,511	1,116	76	32,211

31.12.2023 **Changes in property, plant and equipment (EUR 1,000)**	**Owner-occupied property**	**Machinery and equipment**	**Other tangible assets**	**Advance payments and construction in progress**	**Total**
Acquisition cost 1 January	78,082	38,150	1,817	82	118,132
Increases	288	1,250	381	1,274	3,194
Decreases		-1,095	-148		-1,243
Transfers between items	2,687	463		-1,089	2,060
Exit from the Savings Banks Group					
Acquisition cost 31 December	81,057	38,769	2,050	267	122,143
Accumulated depreciation and impairments 1 January	-52,236	-35,479	-884		-88,599
Depreciation for the financial year	-2,080	-963	-114		-3,157
Impairments for the financial year	-199				-199
Decreases	217	893	46		1,155
Transfers between items					
Exit from the Savings Banks Group					
Accumulated depreciation and impairments 31 December	-54,298	-35,549	-952		-90,799
Carrying amount 31 December	26,759	3,219	1,098	267	31,344

15.3 LEASES

Savings Banks Group as lessee

At the inception of a contract and when the terms and conditions of a contract are changed, Savings Banks Group assesses whether the contract contains a lease in accordance with IFRS 16 regulation. 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 amortised 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 exception to this rule is properties for which the location determines the end of the lease term. In Savings Banks Group's strategy, for leased properties located in growth centres or significant regional centres, the lease term is three years. For properties in other locations, the lease term is one year. 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 amortised according to the lease term.

Savings Banks Group recognises leases as a right-of-use asset under "Right-of-use assets" and a liability under "Provisions and other liabilities".

Savings Banks Group's leases can be categorised by the following underlying assets:

- Machinery and equipment
- Real estate and apartments
- Information systems
- Others

Short-term leases and assets of low value

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

Right-of-use assets (EUR 1,000)	2024	2023
Property, plant and equipment		
Machinery and equipment	9	137
Real estate	20	40
Apartments	9,100	9,147
Total	9,129	9,324

Changes in right-of-use assets (EUR 1,000)	2024	2023
Carrying amount 1 January	9,324	9,623
Depreciations and impaiments	-1,834	-2,151
Increases	3,594	3,086
Decreases	-1,955	-1,234
Carrying amount 31 December	9,129	9,324

Maturity analyses of lease liabilities (EUR 1,000)	2024	2023
Less than one year	3,558	3,131
Between one and five years	5,600	6,122
More than five years	166	205
Total	9,324	9,458

Income statement items (EUR 1,000)	2024	2023
Interest expenses	-40	-42
Depreciations	-1,834	-2,151
Expense relating to short-term leases	-97	-110
Expense relating to leases of low-value assets	-36	-60
Total	-2,007	-2,363

Savings Banks Group as lessor

Savings Banks Group does not act as a lessor in finance leases. Items leased under an operating lease are presented under “Investment assets” (investment properties) or “Intangible assets” and the lease income is recognised on a straight-line basis over the lease term under the income statement item “Net income from investment assets” or “Other operating revenue”. In Savings Banks Group, assets leased under an operating lease include residential properties owned by a bank.

Future minimum lease payments under non-cancellable operating leases receivable (EUR 1,000)	2024	2023
Less than one year	978	1,030
Between one and five years	570	570
More than five years	880	880
Total	2,429	2,481

NOTE 16. OTHER INCOME AND EXPENSES

16.1 OTHER OPERATING REVENUE

Other operating revenue includes rental and dividend income as well as capital gains from owner-occupied property and other operating income.

(EUR 1,000)	1–12/2024	1–12/2023
Rental and dividend income from owner-occupied property	124	125
Capital gains from owner-occupied property		26
Other income from Banking	10,646	11,543
Other	4,135	9,368
Other operating revenue	14,905	21,062

16.2 OTHER OPERATING EXPENSES

(EUR 1,000)	1–12/2024	1–12/2023
Other administrative expenses		
Other personnel expenses	-7,437	-6,075
Office expenses	-10,848	-10,699
ICT expenses	-58,041	-60,437
Telecommunications	-5,899	-5,231
Information expenses	-1,488	-1,558
Representation expenses	-296	-314
Marketing	-8,319	-8,795
Other admin expenses	-61	-737
Card business expenses	-10,701	-10,735
Total	-103,091	-104,581
Other operating expenses		
Rental expenses	-3,672	-2,940
Expenses arising from owner-occupied property	-4,906	-4,513
Other operating expenses	-19,702	-22,833
Total	-28,281	-30,286
Other operating expenses	-131,372	-134,867
*** Audit fees**		
Statutory audit	-710	-677
Audit related services	-63	-278
Tax advisory		-7
Other services	-71	-34
Total	-844	-996

NOTE 17. TAXES

17.1 INCOME TAXES

(EUR 1,000)	1–12/2024	1–12/2023
Current tax	-25,855	-27,667
Tax for prior years	-109	-24
Change in deferred tax assets	3,377	320
Change in deferred tax liabilities	-4,199	-2,642
Income taxes	-26,785	-30,014
Other direct taxes	-10	-28
Total income taxes	-26,795	-30,042
Reconciliation between tax expense in the income statement and tax expense calculated by the applicable tax rate		
Reconciliation of effective tax rate		
Accounting profit before tax	152,488	135,529
Differences between accounting and taxable profit	-137	-1,102
Taxable profit	152,351	134,427
Tax using the domestic corporation tax rate	-30,533	-27,106
Tax-exempt income	1,193	313
Non-deductible expenses	-42	-65
Unrecognised deductible expenses	177	493
Unrecognised taxable income	-1,300	-684
Use of approved tax losses for prior years		
Recognition of previously unrecognised tax losses	3,829	-2,969
Tax for prior years	-118	-24
Tax expense	-26,795	-30,042
Corporate income tax rate	20%	20%

Income taxes include the current tax of the member companies, adjustments to previous years' taxes and changes in deferred tax balances. Taxes are recognised in profit or loss, except when they are directly related to equity or other comprehensive income. In that case, also the tax is recognised in those items.

17.2 DEFERRED TAXES

Deferred taxes are calculated based on taxable temporary differences between accounting and taxation. Deferred tax assets and liabilities are offset for each company. Deferred tax assets and liabilities arising from consolidation are not offset. Deferred tax is measured in accordance with IAS 12 based on the effective tax rates at the reporting date which are applicable when the deferred tax is expected to be converted to income tax. A change in deferred tax resulting from a change in tax rates is recognised in the income statement or in other comprehensive income if the tax was recognised there in previous financial periods.

Tax assets arising from confirmed unused tax losses are recognised if it is probable that future taxable profit will be available, and the assets can be utilised.

(EUR 1,000)	31.12.2024	31.12.2023
Deferred tax assets	16,308	13,655
Income tax receivables	5,128	1,327
Tax assets	21,436	14,982
Deferred tax liabilities	67,041	60,209
Income tax liability	1,703	7,794
Tax liability	68,745	68,004

(EUR 1,000)	31.12.2024	31.12.2023
Deferred tax assets		
Impairments		896
Financial assets	4,062	7,537
Property, plant and equipment	6,449	4,762
Defined benefit pension plans	-91	186
Approved tax losses	3,787	470
Other	2,591	-197
Netting of deferred taxes	-489	
Total	16,308	13,655

(EUR 1,000)	31.12.2024	31.12.2023
Deferred tax liabilities		
Appropriations	55,191	55,191
Impairments	445	637
Financial assets	8,078	6,867
Property, plant and equipment	4,032	3,872
Other	-1,193	-6,357
Netting of deferred taxes	489	
Total	67,041	60,209

2024

(EUR 1,000)	1.1.2024	Change recognised in profit or loss	Financial assets	Defined benefit pension plans	Other	31.12.2024
Deferred tax assets						
Impairment	896	-896				
Financial assets	7,537		-7,537		1,290	4,062
Cash flow hedges						
Property, plant and equipment	4,762	1,687				6,449
Defined benefit pension plans	186			-277		-91
Approved tax losses	470				3,317	3,787
Other	-197	2,788				2,591
Netting of deferred taxes					-489	-489
Total	13,655	3,579	-7,537	-277	4,118	13,537

(EUR 1,000)	1.1.2024	Change recognised in profit or loss	Financial assets	Defined benefit pension plans	Other	31.12.2024
Deferred tax liabilities						
Appropriations	55,191					55,191
Impairments	637	-192				445
Financial assets	6,867		1,211			8,078
Cash flow hedges						
Intangible assets						
Property, plant and equipment	3,872	160				4,032
Equalisation provision of insurance business						
Other	-6,357					-6,357
Total	60,210	-33	1,211			61,389

2023

(EUR 1,000)	1.1.2023	Change recognised in profit or loss	Financial assets	Cash flow hedging	Defined benefit pension plans	Exit from the Savings Bank Group	Other	31.12.2023
Deferred tax assets								
Impairment	738	94				65		896
Financial assets	14,582		-8,335				1,290	7,537
Cash flow hedges	13			-13				
Property, plant and equipment	4,759	1,264				-1,261		4,762
Defined benefit pension plans	284				-98			186
Approved tax losses							470	470
Other	206	-403						-197
Netting of deferred taxes	-2,193						2,193	
Total	18,390	954	-8,335	-13	-98	-1,196	1,761	13,655

(EUR 1,000)	1.1.2023	Change recognised in profit or loss	Financial assets	Cash flow hedging	Defined benefit pension plans	Exit from the Savings Bank Group	Other	31.12.2023
Deferred tax liabilities								
Appropriations	55,191							55,191
Impairments	1,246	-726				117		637
Financial assets	5,901		965					6,867
Property, plant and equipment	2,196	269				1,408		3,872
Other	-2,193						-4,164	-6,357
Total	62,341	-457	965			1,525	-4,164	60,210

NOTE 18. CAPITAL AND RESERVES

(EUR 1,000)	31.12.2024	31.12.2023
Basic capital	40,140	50,183
Reserves		
Primary capital	45,835	31,452
Reserve for invested non-restricted equity	491,803	210,370
Reserve fund	14,704	24,484
Fair value reserve	-15,582	-28,868
Reserve for hedging instruments		-1
Other reserves	34,410	36,514
Retained earnings		
Profit (loss) for previous financial years	545,735	704,445
Profit (loss) for the financial year	125,703	108,209
Total equity attributable to equity holders of the Group	1,282,749	1,136,788
Non-controlling interests	1,153	1,162
Total equity	1,283,902	1,137,950

Basic capital

This item includes the paid share capital, cooperative capital and basic capital. If share capital is wholly or partly not entered in trade register, the unregistered amount is presented in the balance sheet separately as a sub-item of this item.

The basic capital of the Savings Banks Group consists of the Savings Banks' basic capital, which is not paid back according to the Savings Bank Act § 11.

In addition, the Savings Banks Group includes four Savings Banks in the form of a limited liability company, whose share capital is included in the basic capital in equity.

Primary capital

Primary capital includes the primary capital subject to the Savings Bank Act § 13.

Share premium

Share premium comprises restricted capital. E.g. capital gains on disposal of treasury shares are recognised in the share premium account.

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.

Reserve fund

Reserve fund comprises restricted capital. This item includes the amounts recognised in the reserve fund subject to the Savings Bank Act (1502/2001) § 10.

Fair value reserve

Fair value reserve includes items arising from fair value measurements.

Reserve for hedging instruments

Reserve for hedging instruments includes items arising from cash flow hedging. Such item is considered to be the portion of change in the fair value of a hedging instrument (derivative contract) which is found an effective hedge.

Other reserves

Other reserves include non-restricted reserves which are formed of prior period results based on the Articles of Association or rules or the decision of the General Meeting, which exercises general power of decision in the Savings Banks Group.

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.

Specification of changes in fair value reserve	**2024**
Fair value reserve 1 January	-28,868
Profit/loss from fair value measurements, shares and participations	482
Profit/loss from fair value measurements, securities	17,084
Expected credit losses, securities	-958
Deferred tax	-3,322
Fair value reserve 31 December	-15,582

Specification of changes in the reserve for hedging instruments	**2024**
Reserve for hedging instruments 1 January	-1
Reclassified to income statement	1
Reserve for hedging instruments 31 December	0

Specification of changes in fair value reserve	**2023**
Fair value reserve 1 January	-57,215
Profit/loss from fair value measurements, shares and participations	-666
Profit/loss from fair value measurements, securities	37,146
Expected credit losses, securities	-3,047
Deferred tax	-5,084
Fair value reserve 31 December	-28,868

Specification of changes in the reserve for hedging instruments	**2023**
Reserve for hedging instruments 1 January	-51
Profit/loss from fair value measurements, derivatives hedging cash flow	63
Deferred tax from cash flow hedging	-13
Reserve for hedging instruments 31 December	-1

NOTE 19. OTHER ASSETS AND LIABILITIES AND PROVISIONS

19.1 OTHER ASSETS

(EUR 1,000)	31.12.2024	31.12.2023
Payment transfer receivables	547	456
Accrued income and prepaid expenses		
Interest	62,544	63,447
Other accrued income and prepaid expenses	19,488	19,836
Other	22,692	54,552
Other assets	105,271	138,292

19.2 PROVISIONS AND OTHER LIABILITIES

Provisions are recognised when the Savings Banks Group 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. Provisions are reviewed at each reporting date and adjusted if necessary. Provisions are measured at the present value of the amount that is expected to meet the obligation.

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.

Changes in provisions (EUR 1,000)	2024	2023
1 January 2020	12	12,538
Increase in other provisions	-	-
Decrease in other provisions		
Decrease in other provisions	10,388	10,647
31 December		
Increase in defined benefit plans	-1,242	-304
Exit from the Savings bank group		
31 December 2020	10,398	22,881

(EUR 1,000)	31.12.2024	31.12.2023
Other liabilities		
Payment transfer liabilities	27,414	27,095
Other liabilities	19,184	44,028
Total other liabilities	46,598	71,122
Accrued expenses		
Interest payable	93,044	93,044
Interest advances received	643	620
Other accrued expenses	34,005	31,956
Total accured expenses	140,718	125,620
Provisions		
Pension provisions		1,242
Other provisions	10,398	10,647
Total provisions	10,398	11,889
Provisions and other liabilities	197,715	208,631

NOTE 20. COLLATERALS

(EUR 1,000)	31.12.2024	31.12.2023
Collateral given		
Given on behalf of Group's own liabilities and commitments		
Loans *	3,945,750	3,113,976
Other	186,233	220,318
Collateral given	4,131,983	3,334,294
Collateral received		
Real estate collateral	9,414,482	8,891,862
Securities	81,874	85,403
Other	238,698	244,417
Guarantees received	28,225	32,196
Collateral received	9,763,279	9,253,877

* Loans that have given as collateral to Sp Mortage Bank's secured bonds.

NOTE 21. OFF BALANCE-SHEET COMMITMENTS

Guarantees and pledges given as collateral for another party's liabilities are recognised under off-balance sheet commitments. Commitments are recorded in the maximum amount of the guarantee or pledge at any given time. Items considered equivalent to a guarantee include contract, delivery and export commitments and other guarantee commitments given on behalf of the customer in favour of a third party regarding the fulfilment of the customer's identified obligation or compensation obligation, including letters of credit and other commitments given in favour of the seller as collateral for the completion of a movable property transaction.

Binding credit commitments, undrawn credit limits and other similar off-balance-sheet commitments, regardless of maturity, are also recognised under off-balance sheet commitments. Commitments are recorded in the minimum amount that can be expected to be paid on the basis of them.

(EUR 1,000)	31.12.2024	31.12.2023
Guarantees	64,888	61,716
Commitments related to short-term trade transactions	657,448	607,281
Other	14,259	11,935
Off balance-sheet commitments	736,595	680,933

NOTE 22. EMPLOYEE BENEFITS

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)	1–12/2024	1–12/2023
Wages and salaries	-88,220	-80,415
Pension expenses		
Defined contribution plans	-15,409	-14,129
Defined benefit plans	-37	-440
Other personnel related costs	-2,786	-3,331
Personnel expenses	-106,451	-98,315
Full-time	1,262	1,135
Part-time	135	94
Temporary	45	104
Total	1,442	1,333
Number of employees converted to FTEs*	1,387	1,333
Average number of FTEs during the financial year*	1,345	1,230

* Comparatives include the amounts of Lieto Savings Bank, which is withdrawing from the Savings Bank.

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 Savings Banks Group pays fixed pension contributions to pension insurance companies. The Savings Banks Group 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 Savings Banks Group.

The Savings Banks Group also has defined benefit plans, for which the Savings Banks Group still has obligations after making the payments for the financial period. For benefit-based pension plans, the present value of obligations arising from the plan at the reporting date less the fair value of plan assets is presented as a liability.

The Savings Banks Group uses a professionally qualified actuary to determine the essential obligations arising from post-employment benefits. The calculation is performed using the projected unit credit method. When calculating the present value of the pension obligation, the discount rate is determined on the basis of the market return on high-quality corporate bonds at the reporting date.

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.

Pension liabilities

Retirement age is 60–65 years. The target pension is 60% of pensionable salary. Pension benefit plans are under the statutory taxation and other laws.

The amount of assets in the insurance arrangement reflects the part of the obligation which is on the insurance company's responsibility, and it is calculated with the same discount rate as the liability. The assets in the arrengement include 100% qualifying insurances. As the obligations are insured, there are no signifigant liabilities on Group's responsibility. The Group is mainly responsible for increases in pensions tied to TyEL-index and for the effect of discount rate change and salary increase rate.

The defined benefit plan assets which are managed by insurance companies are part of their investment capital, and the related investment risk is on the insurance company.

PENSION LIABILITIES

(EUR 1,000)	31.12.2024	31.12.2023
Present value of obligation	11,160	9,356
Fair value of plan assets	11,287	8,114
Liability in balance sheet 31 December	-128	1,242
Actuarial assumptions		
Discount rate, %	3.40%	4.20%
Pay development, %	2.50%	3.50%
Pension increase, %	0.00–2.20%	0.00–2.70%

(EUR 1,000)	2024	2023
Current service cost	156	351
Previous service cost	-156	50
Net interest	37	47
	37	448
Items in other comprehensive income		
Costs recognised in income statement	37	448
Remeasurements	-576	90
Comprehensive income before tax	-539	537
Present value of obligation 1 January	9,356	10,152
Current service cost	156	351
Previous service cost		
Interest expense	387	390
Actuarial gains (-) / losses (+) arising from experiential adjustments		
Actuarial gains (-) / losses (+) arising from changes in economic expectations	1,055	-422
Actuarial gains (-) / losses (+) arising from changes in demographic assumptions	1,447	-17
Benefits paid	-439	-412
Effect of plan curtailment	-803	-686
Present value of obligation 31 December	11,160	9,356
Fair value of plan assets 1 January	8,114	8,606
Interest expense	350	343
Return on plan assets excl. items in interest expense/income	3,078	-528
Benefits paid	-439	-412
Contributions	831	841
Effect of plan curtailment	-647	-737
Fair value of plan assets 31 December	11,287	8,114
Present value of obligation	11,160	9,356
Fair value of plan assets	11,287	8,114
Liability in balance sheet 31 December	-128	1,242
Liability in balance sheet 1 January	1,242	1,546
Costs in income statement	37	448
Contributions	-831	-841
Remeasurements in comprehensive income statement	-576	90
Liability in balance sheet 31 December	-128	1,242

Sensitivity analysis - net liability

Effect of changed in assumptions on net liability in euros and % can be seen in the table below.

(EUR 1,000)	31.12.2024	31.12.2023
Change in discount rate +0,50%	-311	-289
Change in discount rate -0,50%	-191	136
Change in pay development +0,50%	-171	94
Change in pay development -0,50%	-335	-91
Change in pensions + 0,5 %	57	265
Change in pensions - 0,5 %	-542	-245

Duration based on the weighted average is 13 (12) years.

The Savings Banks Group expects to contribute approximately EUR 750 (751) thousand to defined benefit plans in 2024.

NOTE 23. GROUP STRUCTURE

23.1 ENTITIES CONSOLIDATED IN SAVINGS BANKS GROUP'S FINANCIAL STATEMENTS

The table provides information about entities consolidated in the consolidated financial statements of the Savings Banks Group.

Company	Domicile	Ownership 31.12.2024	Ownership 31.12.2023
Säästöpankki Sinetti	Orivesi		
Aito Säästöpankki Oy	Tampere		
Säästöpankki Kalanti-Pyhäranta	Uusikaupunki		
Avain Säästöpankki	Kortesjärvi		
Lammin Säästöpankki	Hyvinkää		
Länsi-Uudenmaan Säästöpankki	Lohja		
Myrskylän Säästöpankki	Myrskylä		
Säästöpankki Optia	Iisalmi		
Helmi Säästöpankki Oy	Lahti		
Someron Säästöpankki	Somero		
Ekenäs Sparbank	Tammisaari		
Nooa Säästöpankki	Helsinki		
Kvevlax Sparbank	Koivulahti		
Närpes Sparbank Ab	Närpiö		
Subsidiaries:			
Nooa Savings Bank Ltd	Helsinki	100.00%	100.00%
Central Bank of Savings Banks Finland Plc	Helsinki	100.00%	100.00%
Sp-Fund Management Company Ltd	Helsinki	100.00%	100.00%
Savings Banks' Union Coop	Helsinki	100.00%	100.00%
Savings Bank Services Ltd	Helsinki	100.00%	100.00%
Sb Life Insurance Ltd	Helsinki	100.00%	100.00%
Sp-Koti Oy	Helsinki	100.00%	100.00%

Company	Domicile	Ownership 31.12.2024	Ownership 31.12.2023
Säästöpankkien Holding Oy	Helsinki	100.00%	100.00%
Sp Mortgage Bank Plc	Helsinki	100.00%	100.00%
Sp-Isännöintipalvelut Oy	Somero	100.00%	100.00%
Urban Homes Ltd	Helsinki	100.00%	100.00%
Consolidated mutual funds:			
Säästöpankki Kiinteistö	Helsinki	43.88%	32.64%
Most significant real estate companies:			
Fast Ab Bankborg	Koivulahti	100.00%	100.00%
Fast Ab Kvevlax Affärshus	Koivulahti	65.90%	65.90%
Kiinteistö Oy Säästö-Erkko	Orimattila	64.58%	62.82%
Kiinteistö Oy Oriveden Läsimäki	Orivesi	94.22%	94.22%
Kiinteistö Oy Kaustisen Säästökeskus	Pietarsaari	76.33%	76.33%
Kiinteistö Oy Kälviän Säästöpuisto	Kokkola	100.00%	100.00%
Kiinteistö Oy Kalajoenrinne	Kalajoki	59.37%	59.37%
Kiinteistö Oy Kalajoenrinne	Kalajoki	59.37%	59.37%

Significant restrictions

There are no significant restrictions on the ownership and use of assets.

23.2 CONSOLIDATED STRUCTURED ENTITIES

The Group is involved in entities which have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. Such entities are structured entities. When assessing the need to consolidate structured entities in the Group's financial statements, consideration is given to the nature of the relationship between the Group and the entity as well as to the Group's power over the entity in accordance with the principle of control as defined by IFRS 10.

The structured entities within the Group's sphere of influence are mutual funds managed by Sp-Fund Management Company, which is part of the Savings Banks Amalgamation. As Sp-Fund Management Company acts as the manager of the mutual funds, the Group is considered to have power over the mutual funds whereby it is able to affect the amount of returns received. The Group has determined the scope of consolidation to include the mutual funds where the ownership of the Savings Banks Group exceeds 40% as a longer-term investment. The Savings Banks Group must have owned more than 40% of the fund for more than half a year before the fund is consolidated. Real estate mutual fund is consolidated in the Group's financial statements on 31 December 2024 (one at the end of 2023).

The table below presents as assets the value of the mutual funds which the Group controls as defined above and which are consolidated in the Group's financial statements. Liabilities include other owners' share in the value of these funds. Liabilities do not represent claims against the Group's assets. The assets of the mutual funds can only be used to settle their own liabilities.

	31.12.2024		31.12.2023	
(EUR 1,000)	**Total assets**	**Total liabilities**	**Total assets**	**Total liabilities**
Total mutual funds	39,783	22,327	56,554	38,096

The holdings in mutual funds consolidated in the financial statements of the Savings Banks Group are classified at fair value through profit or loss. Other owners' interests in the assets and liabilities are measured at fair value through profit or loss.

23.3 INVESTMENTS IN ASSOCIATES

Associated companies are entities over which the Savings Banks Group has significant influence but no control. Significant influence emerges, in principle, when the Savings Banks Group holds 20–50 per cent of the company's voting rights or when the Savings Banks Group otherwise has significant influence over the company.

An associated company is consolidated in the Savings Banks Group's financial statements using the equity method, meaning that the associated company's income statement and balance sheet are not included in the Savings Banks Group's income statement and balance sheet in full. The consolidated balance sheet presents the Savings Banks Group's share of the associated company's equity in the item Investments in associates, whereas the Savings Banks Group's share of the associated company's profits is presented in the consolidated income statement under Associate's share of profits. Under the equity method, on initial recognition the investment is recognised at cost, and the carrying amount is increased or decreased to recognise the Savings banks Group's share of the profit or loss of the investee after the date of acquisition.

Information on the material associates of the Group:

Name	Domicile	Sector	Ownership (%) 31.12.2024	Share of votes (%) 31.12.2024	Ownership (%) 31.12.2023	Share of votes (%) 31.12.2023
Figure Taloushallinto Oy	Espoo	Account management and financial services	25.00	25.00	25.00	25.00

Figure Taloushallinto Oy's business sector is to provide services of financial management, payroll computation, risk management and accounting, including related training-, advisory and information services for fiancial sector organizations and their subsidiaries and center organizations. Figure Taloushallinto Oy is Savings Bank Group's associated company since 31 August 2018.

Summarised financial information about material associates based on the companies' own financial statements:	**Figure Taloushallinto Oy**
(EUR 1,000)	**2024**
Total assets	1,676
Total liabilities	-1,115
Revenue	6,884
Total operating revenue	6,884
Profit or loss	-97
Total comprehensive income	-97
Reconciliation of the summarised financial information of the associate to the carrying amount in the Group's statement of financial position:	
Net assets of the associate	2,790
Group ownership	698
Adjustments	-754

23.4 JOINT ARRANGEMENTS

Joint arrangements are arrangements where two or more parties have joint control. Joint arrangements are divided into joint ventures and joint operations. Joint ventures are consolidated in the Savings Banks Group's financial statements using the equity method.

The Savings Banks Group has no material joint arrangements.

Mutual real estate companies and housing companies are treated in the Group's financial statements as joint operations. These companies include both investment properties and owner-occupied properties. Two mutual real estate companies are considered as material from the perspective of the Savings Banks Group, but their share of the Group's balance sheet is only limited.

Information about the material joint operations of the Savings Banks Group is presented below:

Name	**Domicile**	**Ownership 2024**	**Ownership 2023**
Asunto Oy Salamankulma	Turku	100.00%	100.00%
Kiinteistö Oy Lohjan Pankkitalo	Lohja	100.00%	100.00%

23.5 INVOLVEMENT WITH UNCONSOLIDATED STRUCTURED ENTITIES

The table below presents financial information about the structured entities which are not consolidated in the Group's financial statements, as well as the Group's investment in these entities and the maximum exposure to loss. These entities are mutual funds managed by Sp-Fund Management Company, which is part of the Savings Banks Amalgamation. Sp Fund Management Company manages 33 mutual funds. The Group has invested in 10 (10) mutual funds of Sp Fund Management Company and one of them is included to consolidation per 31.12.2024. The liabilities presented below represent the liabilities to both entities within the Group and other owners.

All holdings in mutual funds are classified as at fair value through profit or loss. The unrealized fair value changes of the unconsolidated mutual funds managed by Sp-Fund Management Company, amounting to EUR 1 231 (1 353) thousand, are included in the profit or loss of the Group. During the financial year, a total of EUR 159 (21) thousand of realized gains and losses were recorded in the investment income of the Group.

The Group's maximum exposure to loss for each structured entity is restricted to the investment made by the Group.

	31.12.2024			
(EUR 1,000)	**Total assets**	**Total liabilities**	**Group investment**	**Maximum exposure to loss**
Total mutual funds	5,276,123	5,276,123	19,709	19,709

	31.12.2023			
(EUR 1,000)	**Total assets**	**Total liabilities**	**Group investment**	**Maximum exposure to loss**
Total mutual funds	4,653,791	4,653,791	21,937	21,937

NOTE 24. RELATED PARTIES

The Board of Savings Banks' Union Coop has defined the related parties of the Savings Banks Group. The related parties of the Savings Banks Group's comprise the entities consolidated in the Group's financial statements, associated companies and key management personnel as well as their close family members. In addition, related parties comprise entities which the key management personnel and/or their close family members control. The key management personnel of the Savings Banks Group comprise the members and deputy members of the Supervisory Board, the members of the Board of Directors, the Managing Director and his deputy as well as the Executive Board of Savings Banks' Union Coop.

Loans and guarantees to related parties have been granted under the terms and conditions which apply to the corresponding customer loans and guarantees.

2024 (EUR 1,000)

Transactions with related parties	Key management personnel*	Close companies**	Associates and joint arrangements	Total
Assets				
Loans	9,241	713		9,954
Total assets	9,241	713		9,954
Liabilities				
Deposits	2,292	1,353	558	4,203
Other liabilities	1,196	1,256		2,451
Total liabilities	3,487	1,256	558	6,654
Off balance-sheet commitments				
Loan commitments	629	481	300	1,409
Total	629	481	300	1,409
Revenue and expense				
Interest income	341	54	4	399
Interest expense	18	16		34
Insurance premiums	260	312		572
Fee and commission income	5	7	4	16
Total	625	388	8	1,021

* Including key management personnel and their close family members

** Including entities which the key management personnel or their close family members control

KEY MANAGEMENT PERSONNEL COMPENSATION

(EUR 1,000)	2024	2023
Short-term employee benefits	6,383	5,925
Other long-term benefits	627	536
Termination benefits	57	143
Total	7,067	6,605

2023 (EUR 1,000)

Transactions with related parties	Key management personnel*	Close companies**	Total
Assets			
Loans	6,767	1,437	8,204
Total assets	6,767	1,437	8,204
Liabilities			
Deposits	2,016	10,038	12,054
Other liabilities	707		707
Total liabilities	2,723	10,038	12,761
Off balance-sheet commitments			
Loan commitments	155	1,002	1,157
Total	155	1,002	1,157
Revenue and expense			
Interest income	195	68	263
Interest expense	12	20	32
Insurance premiums	52		52
Fee and commission income	2	16	18
Other expenses			
Total	261	104	365

* Including key management personnel and their close family members

** Including entities which the key management personnel or their close family members control

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

STATEMENTS BY THE BOARD OF DIRECTORS AND THE CEO

We have adopted the Report of Board of Directors, and the Consolidated Financial Statements of the Savings Banks' Group specified in the Act on the amalgamation of deposit banks for the financial year ending 31 December 2024. The report and the Financial Statements are presented to the General Meeting of Savings Banks' Union Coop on 13 March 2025.

We confirm that:

- The consolidated financial statements of the Savings Banks Group, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the regulations on the preparation of financial statements in force in Finland, provide a true and fair view of the assets, liabilities, financial position and profit or loss of the entities within the Savings Banks Group.

- The annual report provides an accurate view of the business development and performance of all the entities included in the Savings Banks Group's consolidated financial statements and a description of the most significant risks and uncertainties and other position.

- The sustainability report included in the annual report has been prepared in accordance with the reporting standards referred to in Chapter 7 of the Accounting Act and Article 8 of the Taxonomy Regulation.

In Helsinki, March 12, 2025

Robin Lindahl
Chairman of the Board

Heikki Paasonen
Vice Chairman of the Board

Pirkko Ahonen
Member of the Board

Monika Mangs
Member of the Board

Petri Siviranta
Member of the Board

Tuula Heikkinen
Member of the Board

Eero Laesterä
Member of the Board

Hannu Syvänen
Member of the Board

Simo Leisti
Member of the Board

Veli-Pekka Mattila
Member of the Board

Kai Koskela
Chief Executive Officer

AUDITOR’S REPORT

Our auditor’s report has been issued today.

Helsinki, 12 March 2025.

KPMG Oy Ab

Mikko Kylliäinen

KHT

KPMG Oy Ab
Töölönlahdenkatu 3 A
PO Box 1037
00101 Helsinki, FINLAND

Telephone +358 20 760 3000
www.kpmg.fi

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 members of Savings Banks' Union Coop

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of amalgamation Savings Banks Group pursuant to the Act on the Amalgamation of Deposit Banks for the year ended 31 December 2024. The financial statements comprise the consolidated statement of financial position, 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 consolidated financial statements give a true and fair view of Savings Banks Group'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 Audit Committee of Savings Banks' Union Coop.

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 member institutions within Savings Banks Group 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 Savings Banks Group 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 16 to the consolidated 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
Advances to customers (notes 2, 3, 5 and 9 to the financial statements)	
— Advances to customers, totalling EUR 10.1 billion, are the most significant item in the Savings Banks Group's consolidated statement of financial position representing 73 percent of the total assets. — Calculation of expected credit losses in accordance with IFRS 9 Financial Instruments is based on the impairment models used by the company and expert assessments. Calculation of expected credit losses involves assumptions, estimates and management judgement in respect of the probability of credit losses, measurement of collaterals and significant increases in credit risk. — The elements of accounting for expected credit losses are updated and defined, based on materialized credit risk developments, validation and improvement of the accounting process as well as on regulations and changes therein. — Due to the significance of the carrying amount involved, complexity of the accounting methods used for measurement purposes and management judgement involved, advances to customers is addressed as a key audit matter.	— We assessed the appropriateness of the recognition and measurement principles, as well as tested controls over recognition and monitoring of impairment losses and measurement of advances to customers. — We assessed the impairment models and key assumptions for calculating expected credit losses as well as tested the controls related to calculation process and credit risk models for expected credit losses. Our IFRS and financial instruments specialists were involved in the audit. — We requested other auditors of Savings Banks Group entities to issue an opinion that the entities within Savings Banks Group have complied with the instructions provided by Savings Banks Union Coop in respect of measurement of advances to customers and determination of expected credit losses. — Furthermore, we considered the appropriateness of the notes provided by Savings Banks Group in respect of advances to customers and expected credit losses.

Investment assets and derivative contracts (notes 2, 3, 9, 11, 12 and 13 to the financial statements)

- The carrying amount of investment assets totals EUR 855 million mainly consisting of investments measured at fair value.
- Derivative assets amount to EUR 34 million and derivative liabilities to EUR 116 million comprising primarily contracts held for hedging purposes. Derivatives are measured at fair value in preparing the financial statements.
- The fair value of financial instruments is determined using either prices quoted in an active market or Savings Banks Group's own valuation techniques where no active market exists. Determining fair values involves management judgements, especially in respect of those instruments for which market-based data is not available.

- We evaluated the appropriateness of the accounting principles and measurement techniques applied by the Savings Banks Group.
- Our audit procedures included testing controls over the measurement process for financial assets carried at fair value, among others.
- As part of our year-end audit procedures, we compared the fair values used in measurement of investment assets with market quotations and other external price references.
- Furthermore, we considered the appropriateness of the notes on investment assets and derivatives.

Insurance contract liabilities (notes 2, 3 and 14 to the financial statements)

- The insurance contract liability, totalling EUR 580 million in the Savings Banks Group's consolidated statement of financial position, is determined using various actuarial assumptions, calculation methods and models.
- Measurement of insurance contract liabilities and adopting of IFRS 17 requires significant management judgement including defining methods applied in calculations as the discount rate, risk adjustment and defining future cash flows.
- The carrying value of insurance contract liabilities is considerable and measurement of the liabilities involves complex actuarial models. As a result, insurance contract liabilities is a key audit matter.

- Our audit procedures included assessment of the accounting principles for recognition and measurement of insurance contract liability by reference to the requirements set under IFRS 17.
- In respect of the measurement of insurance contract liabilities we evaluated the key actuarial methods, and the reasonableness of key assumptions and significant judgment used in application of the IFRS 17 standard.
- We extensively involved KPMG specialists, especially actuarial specialists in the audit of insurance contract liabilities.
- Furthermore, we evaluated presentation and disclosures in the financial statements.

Control environment relating to financial reporting process and IT systems

- In respect of the accuracy of the financial statements of Savings Banks Group, the key reporting processes are dependent on technology. Therefore, IT plays essential role for business continuity, incident management and the accuracy of financial reporting.
- The most significant risks relate to integrity of data, confidentiality, and disruption of services.
- The IT environment related to the financial reporting process and the application controls of individual IT systems hence have a significant effect on the selected audit approach.
- We obtained an understanding of the IT systems related to financial reporting and the associated control environment and tested the effectiveness of the related internal controls with the help of assurance reports received from external service providers, among others.
- Our audit procedures included extensive substantive procedures and data analyses relating to various aspects in financial reporting process.

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 consolidated 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 Savings Banks Group'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 Savings Banks Group 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 Savings Banks Group'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 Savings Banks Group'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 Savings Banks Group 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.
- Plan and perform the Savings Banks Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Savings Banks Group as a basis for forming an opinion on the Savings Banks Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Saving Bank Group audit. We remain solely responsible for our audit opinion.
- We also acquaint ourselves with the financial statement policies adopted by Savings Banks Group's member institutions, as well as the auditors' reports submitted for the audit of Savings Banks Group's consolidated financial statements.

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 of Savings Banks' Union Coop on 13 March 2014, 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, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

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. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

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, 12 March 2025

KPMG OY AB

MIKKO KYLLIÄINEN
Authorised Public Accountant, KHT

KPMG Oy Ab
Töölönlahdenkatu 3 A
PO Box 1037
00101 Helsinki
FINLAND

Telephone +358 20 760 3000
www.kpmg.fi

This document is an English translation of the Finnish Assurance Report on the Sustainability Report. Only the Finnish version of the report is legally binding.

Assurance Report on the Sustainability Report

To the members of Savings Banks' Union Coop

We have performed a limited assurance engagement on the Savings Banks Group sustainability report of Savings Banks' Union Coop (business identity code 0117011-6) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1 January – 31 December 2024 for the consolidated financial statements of the Savings Banks Group as referred to in the Act on the Amalgamation of Deposit Banks.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Savings Banks Group sustainability report does not comply, in all material respects, with

1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);

2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Savings Banks Group has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment) and the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act.

Our opinion does not cover the tagging of the Savings Banks Group sustainability report with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision in the absence of the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the Savings Banks Group sustainability report as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the *Responsibilities of the Authorized Sustainability Auditor* section of our report.

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

Other Matter

We draw attention to the fact that the Savings Banks Group sustainability report of Savings Banks Group that is referred to in Chapter 7 of the Accounting Act has been prepared and assurance has been provided for it for the first time for the financial year 1.1.–31.12.2024. Our opinion does not cover the comparative information that has been presented in the Savings Banks Group sustainability report. Our opinion is not modified in respect of this matter.

Authorized Savings Banks Group sustainability auditor's Independence and Quality Management

We are independent of the member institutions within Savings Banks Group in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The authorized Savings Banks Group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the authorized sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Savings Banks' Union Coop are responsible for:

- the Savings Banks Group sustainability report and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified as well as the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act and
- the compliance of the Savings Banks Group sustainability report with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a Savings Banks Group sustainability report that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Report

Preparation of the sustainability report requires Company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty. Furthermore, when reporting forward looking information company has to disclose assumptions related to potential future events and describe Company´s possible future actions in relation to these events. Actual outcome may differ as forecasted events do not always occur as expected.

Responsibilities of the Authorized Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the Savings Banks Group sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. 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 decisions of users taken on the basis of the Savings Banks Group sustainability report.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional scepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the Savings Banks Group sustainability report, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Savings Banks' Union Coop or the Savings Banks Group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain 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.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We interviewed Savings Banks' Union Coop management and persons responsible for the preparation and gathering of the sustainability information.
- We familiarized with interviews to the key processes related to collecting and consolidating the sustainability information.
- We got acquainted with the relevant guidelines and policies related to the sustainability information disclosed in the sustainability report.
- We acquainted ourselves to the background documentation and other records prepared by the Company, as appropriate and assessed how they support the information included in the sustainability report.
- In relation to the double materiality assessment process, we interviewed persons responsible for the process and familiarized ourselves with the process description prepared of the double materiality assessment and other documentation and background materials.
- In relation to the EU taxonomy information, we interviewed the management of the company and persons with key roles in reporting taxonomy information to understand/examine how taxonomy eligible and taxonomy aligned activities have been identified], we obtained evidence supporting the interviews and reconciled the reported EU taxonomy information to supporting documents and to the bookkeeping, as applicable.
- We assessed the application of the ESRS sustainability reporting standards reporting principles in the presentation of the sustainability information.

Helsinki, 12 March 2025

KPMG OY AB
Authorized Sustainability Audit Firm

MIKKO KYLLIÄINEN
Authorized Sustainability Auditor, KRT

Savings Bank

Postal/visiting address: Savings Banks' Union Coop, Teollisuuskatu 33, 00510 Helsinki | Registered office: Helsinki

saastopankki.fi