

ČESKÁ 
spořitelna

ERSTE 
Group

General Presentation of CS Financial Group



Ceska sporitelna's Development

History of Ceska sporitelna

Sporitelna ceska was established



1825

Ceska sporitelna became a joint stock company



1991

Ceska sporitelna launched modern mobile and internet banking George



2018

Erste Group Bank became 100% shareholder of Ceska sporitelna

2018

1948 - 1990

- After February **1948** small savings banks were nationalized
- In **1967** one State Savings Bank was created and in 1969 it was split into Czech State Savings Bank and Slovak State Savings Bank as a result of Czechoslovak Federation Law

2000

The state sold 52% of CS to Austrian Erste Bank

2016

Ceska sporitelna introduced revolutionary My Healthy Finances service, including comprehensive advisory and services aiming at optimizing family budgets

2025

200 years of existence of Ceska sporitelna

Ceska sporitelna Today

Ceska sporitelna offers a **universal range of financial products and related services to:**

- Private individuals
- Small and medium sized businesses
- Municipalities
- Large corporates

Market leader in many business activities:

- Corporate lending
- Consumer lending
- Total mortgage loans
- Mutual fund business
- Social banking

**The largest bank in the
Czech Republic
as measured by
number of clients**



Ceska sporitelna supports a #stronger and sustainable society

- Ceska sporitelna has formulated a **purpose-driven, group-wide aligned strategy** – To transform itself from a traditional bank to a **“Financial Health Company”** guiding Czech individuals and companies to financial health through a differentiating personalized advisory concept scaled to millions of clients. **Major focus is placed on sustainability**, seen as a noble purpose as well as substantial growth opportunity
- Furthermore, **current society-wide issues are detected & tackled** in path CS toward FHC. CS thus intends to e.g., double **housing affordability** or **support Czech companies** in their **sustainable transformation** or journey toward **higher added value products and services**



New Brand Positioning Supported by Public Commitments

"We Are the First to Take Care of Your Financial Health."

Commitments toward our customers:

- By 2025, CS will help **all its clients build a financial reserve** for unexpected expenses
- By 2025, CS will help **one million of its clients** save up for **retirement**
- By 2025, CS will make **quality financial education** available to **all children** in the Czech Republic
- By 2025, CS will provide **Czech companies with CZK 50 billion** to increase their **competitiveness and retain jobs**

New Visualisation Supports Change and Differentiation

Public commitments

KEY MESSAGE

PROMISES

ČESKÁ Š
spořitelna

We are the first
ones to take
care of your
financial health.

ČESKÁ Š
spořitelna

Let the children
be better off
than their
parents.

ČESKÁ Š
spořitelna

Don't let a
broken washing
machine rob
the kids of their
hobbies.

ČESKÁ Š
spořitelna

One should
look forward
to pension.

ČESKÁ Š
spořitelna

So that
companies
don't fire, but
hire.

Ceska sporitelna at Glance

346 branches



1,625 ATMs & POS



9,583 employees



4.6 m clients

Shareholder structure
since 6 November 2018

EGB AG
100%



Consolidated IFRS (in CZK m)

Balance Sheet

	Q1-3 2023	2023	Q1-3 2024	YY Change
Total assets	1,878,174	1,797,820	2,052,185	9.3%
Customer loans	985,321	1,010,591	1,071,953	8.8%
Customer deposits	1,414,753	1,366,038	1,496,382	5.8%

Profit & Loss Statement

	Q1-3 2023	2023	Q1-3 2024	YY Change
Operating result	18,644	25,221	24,037	28.9%
Net profit	14,601	18,614	19,399	32.9%

Financial Ratios

	Q1-3 2023	2023	Q1-3 2024
Return on Equity - ROE	14.8%	13.9%	18.5%
Net Interest Margin	1.9%	1.9%	2.0%
Cost/Income Ratio	47.7%	47.9%	42.4%

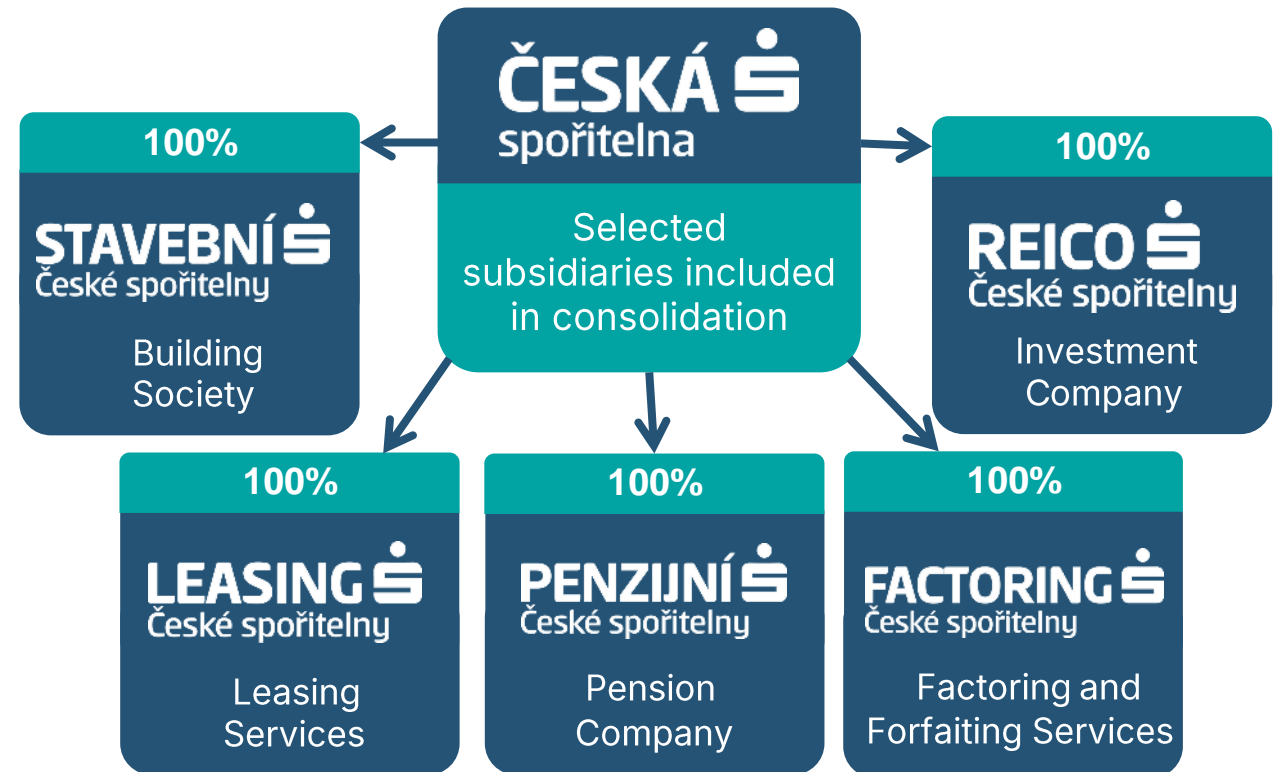
CS Ratings (as at 29 October 2024)

Rating Agency	Long-term	Short-term	Outlook
Fitch	A	F1	stable
Moody's	A1	Prime - 1	stable
Standard & Poor's	A+	A-1	stable

Ceska sporitelna – Financial Group

CS subsidiaries offer customers wide range of supplementary financial products in area of:

- Building savings and building loans
- Leasing
- Pension supplementary insurance
- Factoring



Net profit of selected subsidiaries

IFRS, CZK m	Q1-3 2023	Q1-3 2024	% Change
Stavebni sporitelna CS	693	821	18.5%
Leasing CS	185	238	28.5%
CS Penzijni spolecnost*	579	1,057	82.4%
Factoring CS	120	113	-5.5%
REICO Investicni spolecnost	72	62	-13.2%

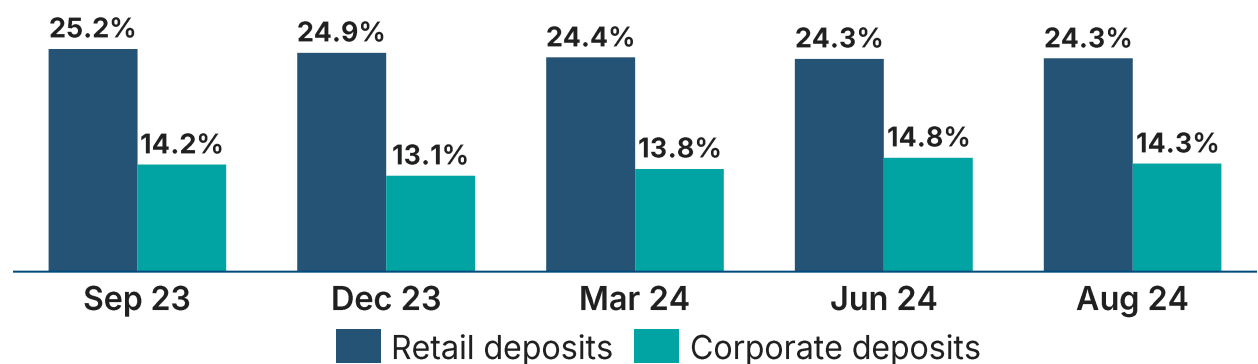
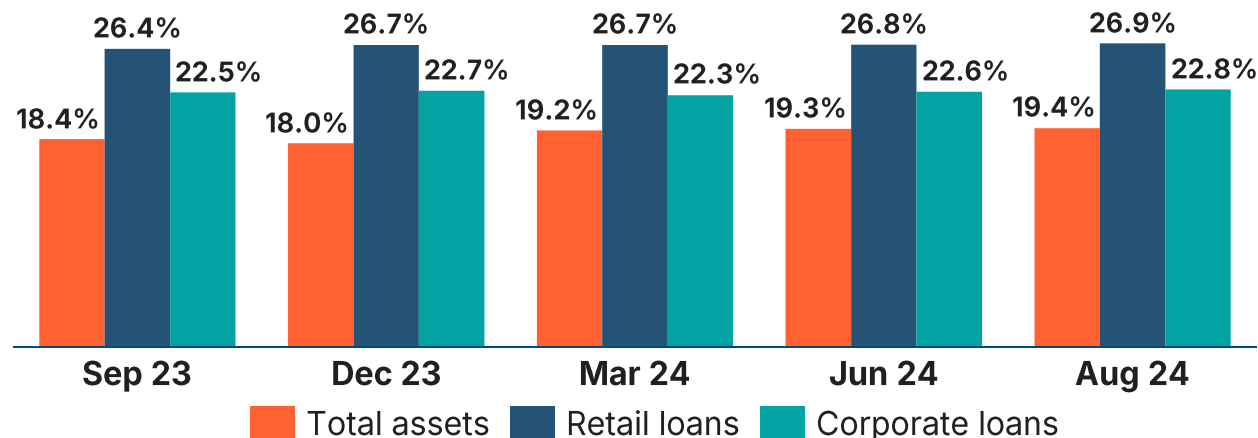
* Only the result of Pension Society of CS is reported, funds not included

CS Market Shares

Market position as at 31 August 2024*

Market share figures positively affected by acquisition of Hello bank

- Total assets market share of 19%
- Total loans market share of 24%
- Private mortgages
 - New business market share of 30%**
 - Outstanding portfolio market share of 30%**
- Consumer loans (incl. credit cards) market share of 27%
- Total deposits market share of 21%
 - 24% in retail deposits
 - 14% in corporate deposits
- Mutual funds with market share of 27% (up by 63 bp y/y)

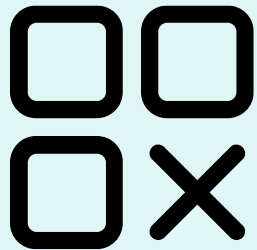


Note: Based on ČNB methodology. Retail = households; corporate = non-financial corporations
 * Data for September 2024 not available yet
 ** Figures from June 2024

The CS Digital World

APPLICATIONS

- **GEORGE IN MOBILE** – Cutting-edge personalised Internet banking that allows for management of family finance in real time
- **APPLE PAY** – Ceska sporitelna's clients have been able to make payments with their iPhones or Apple watches
- **GOOGLE PAY** – All that is required to activate the Google Pay is a mobile device that supports NFC technologies and features an Android 5.0 operating system or higher and than to enter a CS payment card in Google Pay
- **BUSINESS 24 Mobile bank** – An application for corporate clients allowing clients to manage their finance via BUSINESS 24, even while on the road



PRODUCTS

- **ONLINE MORTGAGE** - An online mortgage specialist is available to clients throughout the process
- **ONLINE LOANS** - Arranging a loan, completing the process either online or at a branch. The share of online loan transactions amounts to nearly 30% of all consumer loans arranged
- **ONLINE BUILDING SAVINGS** - The "Burinka" building savings programme allows clients to arrange a building savings plan online
- **ediFACTORING** – Ceska sporitelna is the first in the Czech Republic to automate the market with short-term corporate receivables. The service is designed primarily for companies that are involved in larger supplier-customer chains
- **ELECTRONIC PAYMENT SYSTEMS** - As a part of its support for the digitalisation of the state and local governments, Česká spořitelna installed payment terminals in numbers of towns and municipalities

THE SERVICE MODEL

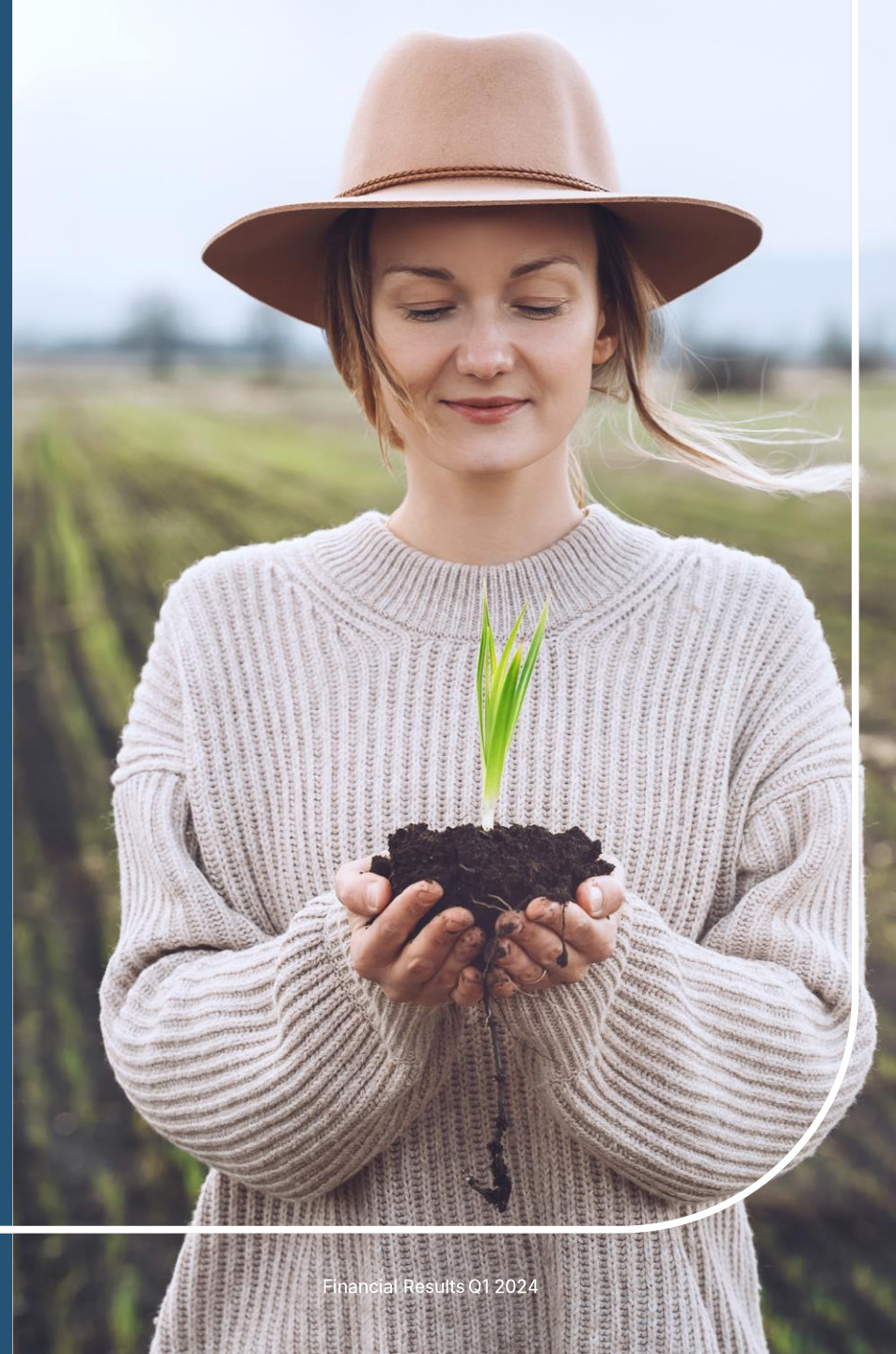
- **SERVICE DIGITIZATION** – Modern digital technologies have been installed at branches (client tablets, iPads for advisors, biometrics, digital advertising). Service availability at branches is also facilitated by building self-service zones that operate on a 24/7 basis
- **INSTANT PAYMENTS** - Money is credited from one bank to another within the order of seconds. CS was the first bank on the market to provide this
- **PENSION SAVINGS** – Ceska sporitelna – penzijní společnost has made a unique portal available to its business partners. With it, they get a clear idea of the status of savings, arrange new pension savings or help make a change for existing clients
- **MULTIBANKING** – CS launched the first multi-banking payment button on the Czech market. People will be able to pay for transactions at Internet shops from their Internet banking system, regardless of the bank in which they have their account
- **ERSTE API Hub** - The Erste API Hub portal developed successfully. Thanks to it, corporate clients are using CS's API interface
- **DIGITAL CREDIT APPLICATION** - The second-generation digital credit application will bring simplification of work for client-facing staff and gradual digitization of the lending process

ČS Cares about Sustainability

Česká spořitelna aligned operational and strategic frameworks with the United Nations Sustainable Development Goals to address social, economic, and environmental challenges on a global scale

From Words to Deeds: Česká spořitelna took significant steps to turn its commitment to sustainability into action:

- ČS published a Sustainability Report 2023 that included some ESRS requirements to prepare for the CSRD reporting requirements
- Innovative Mobile Banking Solutions: George mobile banking's FIT advisory zone has been visited by more than one million unique clients, offering tailored financial health advice
- Financial Health Advisory for Businesses: Introduced services to guide businesses towards sustainable practices, including e-mobility solutions and energy efficiency
- Client Savings and Investments: Through the DEAP tool and Moneyback discount program, the Bank has empowered clients to save on energy and earn back over CZK 0.83 billion
- Green Mortgages and Affordable Housing: The Bank has provided 3,030 green mortgages in 2024 and initiated the construction of 700 affordable rental apartments, supporting sustainable living of key workers
- Empowering Education: In 2024, the Česká spořitelna Foundation plans to support Czech education and innovations in education with a focus on children and young people with a total amount of CZK 152 million per year. This amount includes a significant investment in the Foundation's own financial education programme "Skoala", which aims to bring a unique digital tool for financial education to schools
- ČS implemented mandatory sustainability training for all employees
- The Board of Directors approved the Sustainability Strategy with a strategic focus through 2026



Selected Ceska sporitelna's Awards

HOME AWARDS

Golden Crown 2024 (Zlata koruna)

Ceska sporitelna won 5 Golden Crowns, 3 Silver Crowns and 2 Bronze Crowns:

- **Golden Crown** - Ceska sporitelna's Mortgage, George in Mobile, George Virtual Card, Educational programme Money Alphabet, Loan for the Future from Burinka
- **Silver Crown** - Mortgage for the Future, Building savings with a guarantee of double, CS Pension savings
- **Bronze Crown** – Entrepreneurship Academy training programme, George in Mobile (the Public Award)

TOP Employer of the Year

- **Ceska sporitelna has become the number one** and first career choice of university students in the field of Banking and Investment. At the same time, the Bank also won in the special Economist category, where the Employer of the Year is selected only by students of the faculties of Economics at universities with the best academic results

Financial Product of the Year 2023 by Finparada.cz

- **In February 2024**, Ceska sporitelna was declared the most successful bank in the annual competition of the financial portal Finparada.cz and won the Product Company of the Year award. The Bank won the first place in the categories of building savings and pension savings. In addition, the Top Stocks fund won the Public Award

Top Corporate Tax-Payers

- In 2023, Česká spořitelna was again awarded by the Ministry of Finance and the General Financial Directorate for the largest corporate tax-payers in the Czech Republic. The Bank paid CZK 3.3 billion in income tax to the state budget in 2022 and became the second largest corporate tax-payer in the Czech Republic



Selected Ceska sporitelna's Awards

INTERNATIONAL AWARDS



Customer Centricity World Series

- **Ceska sporitelna became the overall winner** in the prestigious global Customer Centricity World Series Awards 2024 – thanks to its Financial Health strategic offer. The competition was contested by 150 companies from 38 countries

Qorus Reinvention Awards - Europe 2024

- Mobile George won bronze in the ESG category for its functionality that helped clients to draw the various state subsidies to which they are entitled

Qorus - Infosys Finacle Banking Innovation Awards

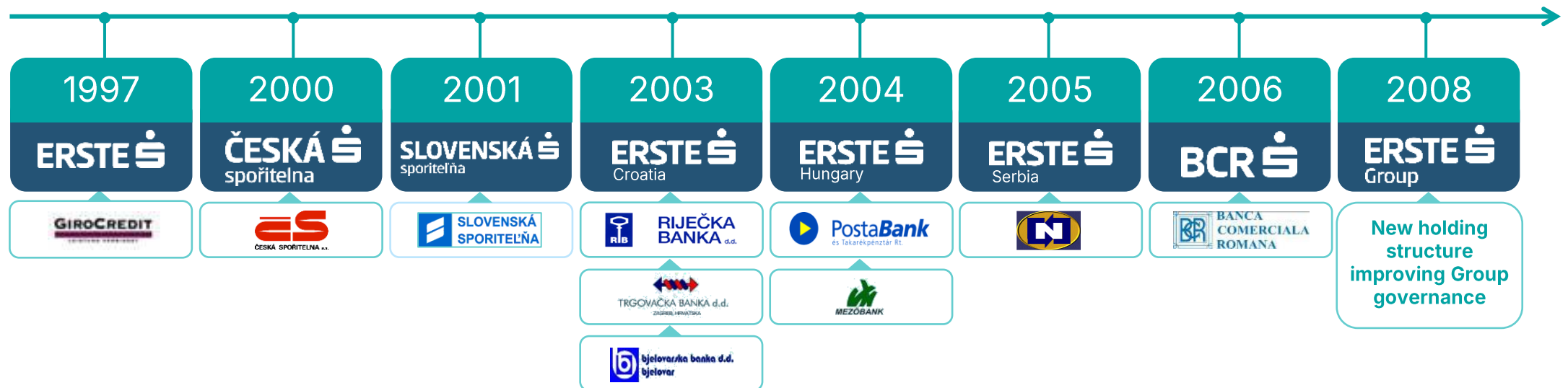
- Our strategic focus on financial health received the top prize

Erste Group

Introduction to Erste Group

Austria's first savings bank: Founded in 1819

- Erste Group went public in 1997 with a strategy to expand its retail business model into CEE
- Acquisition of more than 10 banks between 1997 and 2008
- Erste core activities – besides the traditional strength in serving private individuals and SMEs – include advisory services and support for corporate clients (incl. access to international capital markets)
- Erste Group's customer base grew from 600,000 in 1997 to 16.6 m in September 2024



Erste Group – Leading Retail Bank in Central and Eastern Europe

Leading retail and corporate bank
in 7 geographically connected countries

Favourable mix of mature & emerging
markets with low penetration rates

Potential for cross selling and
organic growth in CEE



Austria

Clients: **4.3 m**

Retail loans: **21.4%***

Retail dep.: **24.4%***

Branches: **749**

Czech Republic

Clients: **4.6 m**

Retail loans: **26.9%****

Retail dep.: **24.3%****

Branches: **346**

Slovakia

Clients: **1.9 m**

Retail loans: **24.5%**

Retail dep.: **27.0%**

Branches: **163**

Direct presence

Indirect presence

Croatia

Clients: **1.3 m**

Retail loans: **15.5%**

Retail dep.: **14.8%**

Branches: **130**

Serbia

Clients: **0.5 m**

Retail loans: **6.9%**

Retail dep.: **5.7%**

Branches: **86**

Romania

Clients: **2.9 m**

Retail loans: **17.2%**

Retail dep.: **12.5%**

Branches: **317**

Hungary

Clients: **1.0 m**

Retail loans: **11.5%**

Retail dep.: **10.3%**

Branches: **98**

BCR

ČESKÁ
spořitelna

SLOVENSKÁ
spořitelňa

ERSTE
Austria

ERSTE
Hungary

ERSTE
Croatia

ERSTE
Serbia

* Market shares data of Austria as at June 2024

** Market shares data of the Czech Republic as at August 2024

Strategy of Erste Group

Eastern part of EU

Focus on CEE, limited exposure to other Europe

Retail banking

Corporate banking

Capital markets

Public sector

Interbank business

Acting as Financial Health Advisor for the people in our region

Support customers to build up and secure wealth

Active management of customer journeys to increase profitability and customer satisfaction

SME and large corporate banking

Advisory services, with focus on providing access to capital markets and corporate finance

Transaction banking services (trade finance, factoring, leasing)

Commercial real estate business

Focus on customer business, incl. customer-based trading activities

In addition to core markets, presences in Poland, Germany, New York and Hong Kong with institutional client focus and selected product mix

Building debt and equity capital markets in CEE

Financing sovereigns and municipalities with focus on infrastructure development in core markets

Any sovereign holdings are held for market-making, liquidity or balance sheet management reasons

Focus on banks that operate in the core markets

Any bank exposure is only held for liquidity or balance sheet management reasons or to support client business

FINANCIAL HEALTH – Bringing advice to all customers to improve their financial health

GREEN TRANSITION – Being a financial leader in the green transition in CEE

PRIORITIES in DIGITALISATION – Invest in data analytics and innovate George

CORPORATE RESPONSIBILITY – Operating sustainably and profitably

Erste Group at Glance

1,889 branches



45,431 employees



16.6 m clients



ERSTE 

Consolidated IFRS (in EUR m)	Q1-3 2023	2023	Q1-3 2024	Y/Y Change
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Balance Sheet

Total assets	337,161	337,155	346,529	2.8%
Customer loans	206,153	207,828	213,462	3.5%
Customer deposits	235,774	232,815	239,734	1.7%

Profit & Loss Statement

Net profit	2,310	2,998	2,516	8.9%
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Financial Ratios

Return on Equity - ROE	16.7%	15.9%	16.7%
Net Interest Margin	2.5%	2.5%	2.5%
Cost/Income Ratio	46.8%	47.6%	45.8%

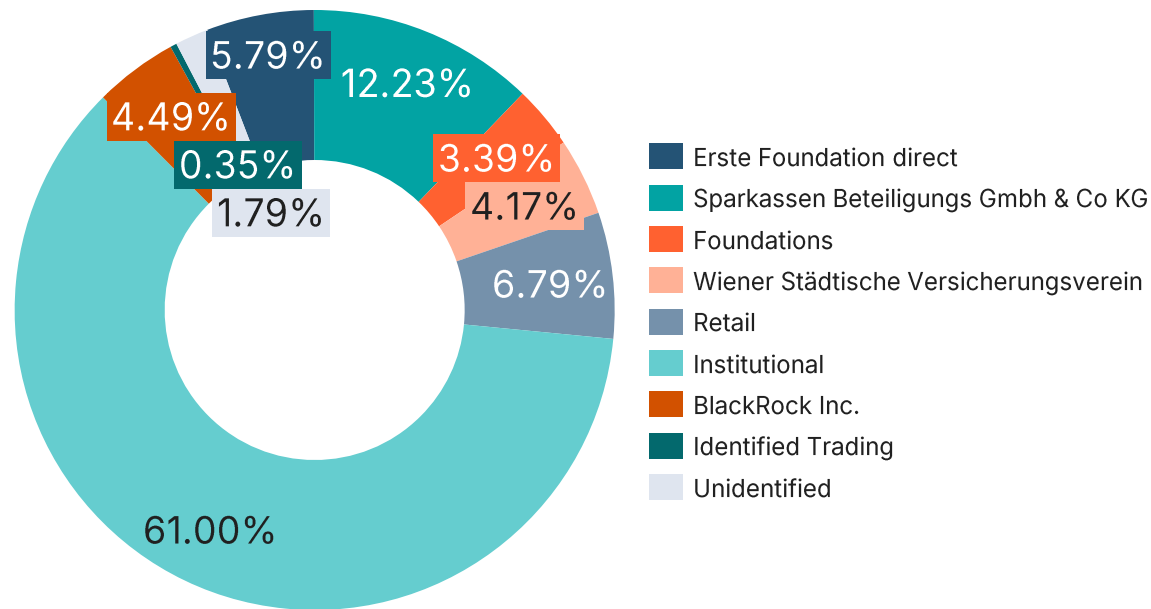
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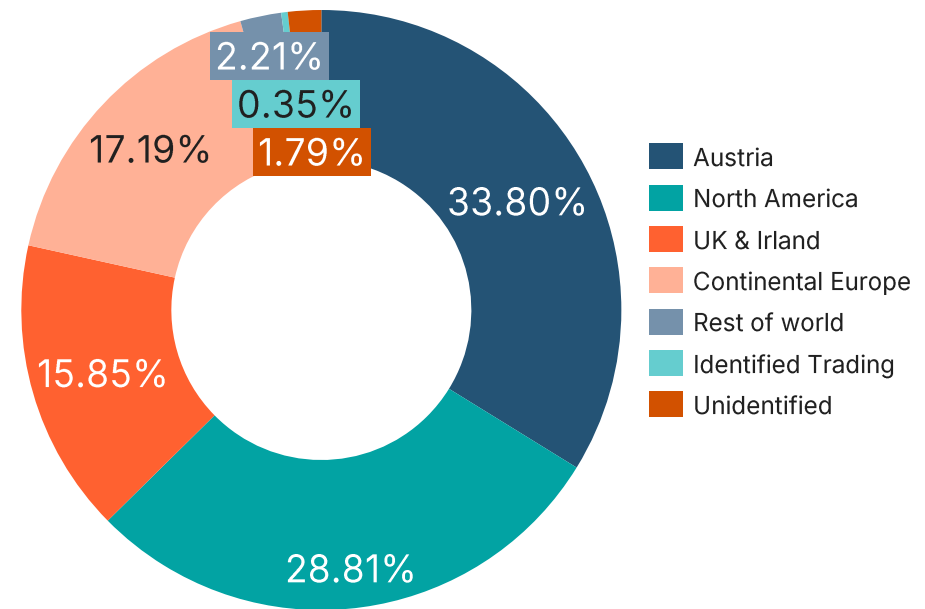
Shareholders Structure Erste Group Bank

Total number of shares: **420,912,908**

By investor



By region



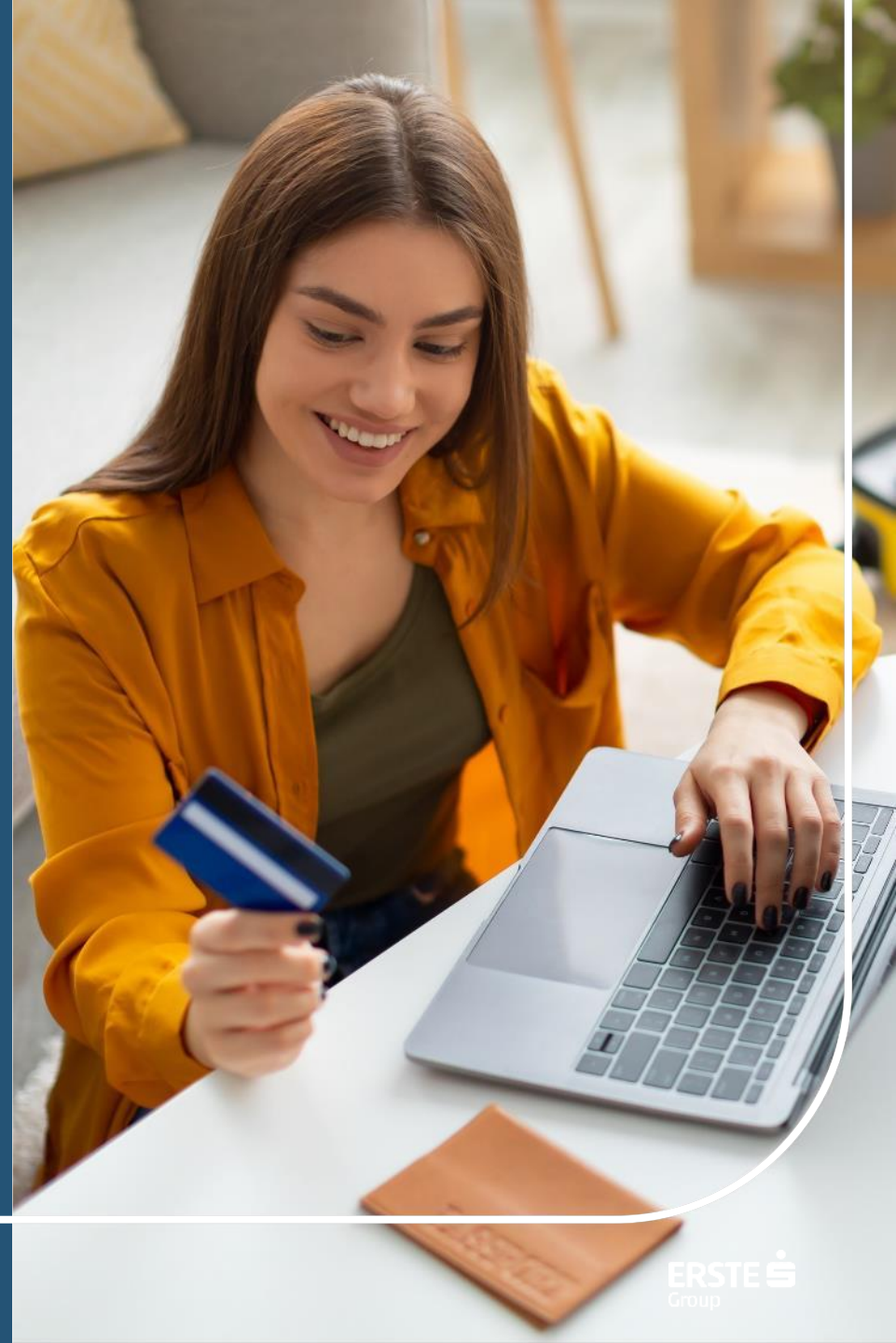
- **Foundations** include Erste Employees Private Foundation, Syndicated Savings Banks Foundations, own holdings of Savings Banks
- **Identified Trading** includes Market Makers, Prime Brokerage, Proprietary Trading, Collateral and Stock Lending positions which are visible through custodian bank lists
- **Unidentified** include unidentified institutional and retail investors
- The shareholder structure may contain rounding differences

Status as at 30 September 2024

CS Group Product Offerings

Advisory for Retail Customers

- With a unique financial health proposition that combines in-person and digital advice, we improve clients' financial health
- We enable clients to objectively assess their financial health using financial indicators, show priority areas for solutions and offer a path to improvement through a combination of product and non-product solutions
- We educate clients and improve their financial literacy
- We tailor products and services to our clients' needs, seeking or capitalizing on their savings



George for Retail Customers

Banking of the future that will make clients' life easier

- **Online advisor 24/7**
George helps with money management and answers every question at any time
- **Mobile banking valued by clients (TOP3 app)**
George pays, changes the limit and blocks the card no matter where client currently is
- **Simple to use**
Client enters the word or number related to the payment and George will find it within a second. George carefully sorts out the client's expenditures, so they know exactly what they are paying for and how much
- **Unique FIT Zone**
Enables clients to get direct access to personalised digital advice and a range of programmes aimed at improving financial health
- **Higher security level and more comfortable login**
Client sets their own login and adjusts the layout according to their ideas; can use authenticated calls with a banker and control or purchase services and products in a secure environment



Main Product Offering for Retail Customers and Small Entrepreneurs

Accounts & Cards

- Plus account
- Standard account
- Basic account
- Entrepreneur current accounts
- George (mobile & internet banking)
- Debit and Credit cards
- Virtual payment cards
- Deposit account
- Apple Pay and Google Pay

Lending products

- Consumer loans (including loans consolidation)
- Money on click – revolving loan
- Operating, investment, mortgage, revolving, non-purpose loans for entrepreneurs
- Mortgages - including American and Green mortgage (ESG)
- Building Society Loans
- Lombard loans
- Overdraft

Savings & Investment Products

- CS Savings account with envelopes for separate goals
- Mutual funds, Debt securities
- Building savings
- Retirement benefit schemes
- Life/non-life insurance
- Asset management
- Funds of qualified investors
- Private equity

Main Product Offering for Corporate Customers

Payment Services

- Current accounts and business debit and credit cards
- Business 24 Internet banking, Business 24 Mobile bank, MultiCash
- e-Invoicing (@FAKTURA 24, e-Faktura)
- Cross-Border Services
- Card acquiring

Trade & Export Finance

- Documentary business & bank guarantees
- Export finance

Hedging

- FX risks, Commodities & Interest rate risks hedging

Issuers Services

- Custody services, depositary, cash payouts, squeeze-outs

Lending Products

- Working capital & investment financing
- Real estate & project financing
- Syndicated, club & acquisition finance
- Debt capital markets

Advisory services

- Financial & strategic advisory
- Debt & Rating advisory
- M&A advisory
- Grant advisory
- Companies' valuation
- Equity capital markets

Main Financial Market Products

Treasury

- Investment products
- Products for foreign currency risk management
- Products for interest rate risk management
- Money market products

Investment banking

- Bonds & Equities trading and brokerage
- Primary issues (domestic bonds, eurobonds, commercial papers)
- Corporate finance advisory
- Private Equity, Venture Capital, Acquisition Finance

Asset management

- Investment advisory for institutional and private clients
- Individual portfolio management

Research / Consultancy

Custodian and securities/artworks depository services



Special Programmes for CS Customers

InvestEU Programme (guarantees) of EIF

- CS has a long-term experience with EIF guarantees and last year – after termination of InnovFin guarantee – arranged new guarantee programmes within InvestEU
- The guarantee extends the availability of funding for innovative and digital companies and ESG projects and makes it more attractive to CS customers

Key parameters of the guarantee:

- Focus on projects in the area of Innovation, digitization and ESG
- Guaranteed exposure 50%
- SME businesses – up to 250 employees, EUR 50 m turnover or EUR 43 m assets; Mid-caps up to 500 employees
- Eligible also for start ups – max. 3 years from registration
- Loan amount – from EUR 25 thousand up to EUR 7.5 m
- Loan maturity – up to 12 years

Another guarantee programme is InvestEU-Microfinance

- The EIF guarantee is focused on financing of small start-ups up to CZK 1.2 m
- CS covers the whole spectrum of loans (from start-ups to midsize companies) by guarantees of EU financial institutions. In this area CS holds the significant position on the market



Special Programmes for CS Customers

Global Loan EIB

- Global Loan is intended to support the projects realized by municipalities, SMEs and midsize companies up to 3,000 employees, in the form of advantageous interest rate
- CS has signed contracts with the EIB in the total volume of EUR 2,000 m, the last one in 2023, and has supported more than 1,500 projects
 - Up to 100% of eligible project costs can be financed from Global Loan
 - Global Loan can be connected with support programmes of European Commission: guarantee programmes of EIF and EIB
 - Financed projects are more and more focused on the area of ESG and green investments



Corporate Social Responsibility

We Believe in Good Things

ESG

The Bank has published its **ESG strategy**. Among the immediate goals - to be fulfilled by 2025 - are **diversity and inclusiveness of teams**, strengthening of **work with talents**. **Increasing the affordable housing** especially for the necessary professions (teachers, young doctors, nurses, police officers, etc.), through the subsidiary company "Dostupné bydlení", which cooperates with municipalities on the construction of affordable apartments.

You can find the complete **non-financial report for 2023**: https://www.csas.cz/static_internet/cs/Redakce/Ostatni/Ostatni_IE/Prilohy/cs-nfr-2023-web.pdf

Financial Literacy

We will make quality financial education available to all children in our country. This promise was announced by the Bank and its Foundation in January 2023. It is currently fulfilling the goal thanks to the largest Czech programme of financial education in the schools called "**The Money Alphabet**". 70,000 children go through the programme annually, from 850 participating schools. 350 volunteers take part in it, of which 80 are from the Česká spořitelna Financial Group. **The programme won the Golden Crown for social responsibility for the fifth time.**

The Money Alphabet team, together with the Foundation, is now working on the creation of a new programme that, thanks to a unique digital platform for teachers, will help with the financial education of children.

Volunteering

Bank employees can dedicate up to **two working days** to help those in need. **The NPS of the "Den jinak" programme ("Day spent differently") benefit boasts a number of 95.** During the first half of 2024, 13.5% of the **Group's employees** used it. The Group has already dedicated 1,343 days (or 10,533 hours) to charitable organizations and projects. It is most often used by colleagues in Prague (28%) and the Central Bohemian Region (24%).

Community Grants

Programme "**Dokážeme víc**" ("We Can Do More"), implemented with the Via Foundation, offers **three levels of neighbourhood grants**, which are also joined by Bank employees: **micro-grants up to CZK 20,000**, **standard grants up to CZK 100,000**, and **a new two-year participatory grants up to CZK 0.5 m.**

In H1 2024, the Bank supported **33 projects across the country**, distributing more than **CZK 2.6 million**. Every other Thursday **Newsletter <https://dobreveci.substack.com>** is published. It reports on ongoing grants, development programmes and inspiring stories of those making neighbourhoods stronger.

Ceska sporitelna Foundation

The Česká spořitelna Foundation is **the largest funder of education in the Czech Republic**. Last year alone, it contributed **CZK 126 m** to educational activities. In the twenty years of its existence, the Foundation has already invested CZK 866 m in the modernization of Czech education and the social sector. And that's not all. The Foundation's activities have an impact on almost half of all schools in our country, specifically **2,600 primary and secondary schools!** **9,000 teachers** participated in them.

"Spořka Českem"

In May and June 2024, the 4th year of the "Spořka Českem" engagement project took place. This year it consisted of 30 backbone stages, countless side routes and Saturday common events.

More than **1,700 colleagues** participated. **Volunteering** is traditionally also an integral part of the project. This time, more than a **thousand colleagues at 74 locations** took part in the "Day spent differently" activities. 47 colleagues even completed the charity activity twice.

Contact

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