



Pillar III Report 2025

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1. Introduction

General information

The objective of Pillar 3 disclosure is to provide existing and potential stakeholders a higher transparency to assess banks' capital structures, risk exposures, risk management processes and its overall capital adequacy. The Report is prepared at CEG N.V. ("CEG" or the "Group") consolidated basis and may be read in conjunction with the Annual Report of the Group¹. The Group operates in banking through its sole subsidiary Nexent Bank N.V. ('Nexent Bank' or the 'Bank'). All amounts are in thousands of Euros.

Regulatory Framework

CEG applied following regulatory framework to prepare pillar 3 report.

- Part Eight of Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013, on prudential requirements for credit institutions and investment firms, amending Regulation (EU) No 648/2012 as amended by (EU) 2024/3172 of the European Parliament and of the Council of 29 November 2024 (hereinafter referred to as CRR)²
- Final draft ITS on public disclosures by institutions under Part Eight of Regulation (EU) No 575/2013³
- Draft Implementing Technical Standards amending Commission Implementing Regulation (EU) 2024/3172, as regards the disclosures on ESG risks, equity exposures and the aggregate exposure to shadow banking entities⁴

Pillar III reporting Scope and Frequency

Under the Capital Requirements Regulation (CRR) proportionality framework, CEG is not classified as a large institution. Nevertheless, given that its average total consolidated assets over the previous four years exceed €5 billion, CEG is categorised as an "Other Institutions". Furthermore, as CEG has issued Tier 2 instruments admitted to trading on The Irish Stock Exchange plc, it meets the criteria of a listed institution. Consequently, CEG should be classified as an "Other Institution (Listed)" for disclosure and reporting purposes.

In accordance with Article 433c of the CRR, CEG is subject to proportionate Pillar III disclosure requirements, with disclosures published on both an annual and semi-annual basis. The semi-annual disclosure is presented in a condensed format focusing on key metrics, while the year-end disclosure provides a comprehensive set of Pillar III information.

The following disclosures are required to be disclosed for CEG as "other institutions (Listed)":

- Disclosure of key metrics and overview of risk-weighted exposure amounts
- Disclosure of risk management objectives and policies (Art. 435)
- Disclosure of the scope of application (Art. 436)
- Disclosure of own funds (Art. 437)

¹ <https://www.nexentbank.com/media/j2epg1b5/ceg-nv-ifrs-report-31122025.pdf>

² <https://www.eba.europa.eu/regulation-and-policy/single-rulebook/interactive-single-rulebook/12674>

³ Final draft ITS on public disclosures by institutions under Part Eight of Regulation (EU) No 575/2013

⁴ Draft Implementing Technical Standards amending Commission Implementing Regulation (EU) 2024/3172

- Disclosure of countercyclical capital buffers (Art. 440)
- Disclosure of the leverage ratio (Art. 451)
- Disclosure of liquidity requirements (Art. 451a)
- Disclosure of exposures to credit risk, dilution risk and credit quality (Arts. 442)
- Disclosure of the use of credit risk mitigation techniques (Art. 453)
- Disclosure of the use of the standardised approach (Art. 444)
- Disclosure of specialised lending and equity exposures (Art. 438)
- Disclosure of exposures to counterparty credit risk (Art. 439)
- Disclosure of the use of the standardised approach and of the alternative internal models for market risk (Art. 445)
- Disclosure of credit valuation adjustment risk (Art. 445)
- Disclosure of operational risk (Art. 446)
- Disclosure of exposures to interest rate risk on positions not held in the trading book (Art. 448)
- Disclosure of remuneration policy (Art. 450)
- Disclosure of encumbered and unencumbered assets (Art. 443)

Disclosures are not relevant for CEG are listed following:

EU INS1 - Insurance participations

EU INS2 - Financial conglomerates information on own funds and capital adequacy ratio

EU CMS1 – Comparison of modelled and standardised risk weighted exposure amounts at risk level

EU CMS2 – Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

EU CRE – Qualitative disclosure requirements related to IRB approach

EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

EU CR6-A – Scope of the use of IRB and SA approaches

EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

EU CR9 –IRB approach – Back-testing of PD per exposure class (fixed PD scale)

EU CR9.1 –IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)

EU CR10 – Specialised lending and equity exposures under the simple risk weighted approach (the bank does not apply Slotting approach)

EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale

EU CCR7 – RWEA flow statements of CCR exposures under the IMM

EU-SECA - Qualitative disclosure requirements related to securitisation exposures

EU-SEC1 - Securitisation exposures in the non-trading book

EU-SEC2 - Securitisation exposures in the trading book

EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor

EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

EU MR1 - Market risk under the alternative standardised approach (ASA)

EU MR2-A - Market risk under the internal Model Approach (IMA)

EU MR2-B - RWA flow statements of market risk exposures under the IMA

EU CVA 1 – Credit valuation adjustment risk under the Reduced Basic Approach

EU CVAB – Qualitative disclosure requirements related to CVA risk for institutions using the Standardised Approach

EU CVA3 – Credit valuation adjustment risk under the Standardised Approach

EU CVA4 – RWEA flow statements of credit valuation adjustment risk under the Standardised Approach

EU CAE1 – Exposures to crypto-assets

2. Key metrics and overview of risk-weighted exposure amounts

EU KM1 - Key metrics template

(In '000)		Dec-25	Sep-25	Jun-25	Mar-25	Dec-24
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	657,041	638,978	632,469	624,044	615,304
2	Tier 1 capital	700,019	683,002	675,503	671,659	663,029
3	Total capital	789,437	772,447	765,147	768,841	764,049
Risk-weighted exposure amounts						
4	Total risk exposure amount	4,141,518	3,804,055	3,607,863	3,684,624	3,864,311
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	15.86%	16.80%	17.53%	16.94%	15.92%
6	Tier 1 ratio (%)	16.90%	17.95%	18.72%	18.23%	17.16%
7	Total capital ratio (%)	19.06%	20.31%	21.21%	20.87%	19.77%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.89%	1.65%	1.65%	1.65%	1.65%
EU 7b	of which: to be made up of CET1 capital (percentage points)	1.06%	0.93%	0.93%	0.93%	0.93%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.42%	1.24%	1.24%	1.24%	1.24%
EU 7d	Total SREP own funds requirements (%)	11.09%	11.91%	11.91%	11.91%	11.91%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0%	0%	0%	0%	0%
9	Institution specific countercyclical capital buffer (%)	0.46%	0.47%	0.45%	0.48%	0.42%
EU 9a	Systemic risk buffer (%)	0%	0%	0%	0%	0%
10	Global Systemically Important Institution buffer (%)	0%	0%	0%	0%	0%
EU 10a	Other Systemically Important Institution buffer (%)	0%	0%	0%	0%	0%
11	Combined buffer requirement (%)	2.96%	2.97%	2.95%	2.98%	2.92%
EU 11a	Overall capital requirements (%)	15.94%	16.53%	16.51%	16.54%	16.48%
12	CET1 available after meeting the total SREP own funds requirements (%)	9.47%	10.65%	11.38%	10.79%	9.77%
Leverage ratio						
13	Total exposure measure	5,935,098	5,288,189	5,322,682	5,898,150	5,714,564
14	Leverage ratio (%)	11.79%	12.92%	12.69%	11.39%	11.91%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of	0%	0%	0%	0%	0%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0%	0%	0%	0%	0%
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	0%	0%	0%	0%	0%
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	1,027,735	822,067	1,238,308	1,534,915	1,353,400
EU 16a	Cash outflows - Total weighted value	1,161,703	871,718	991,152	1,329,853	1,219,427
EU 16b	Cash inflows - Total weighted value	1,773,667	1,704,802	1,382,787	1,671,735	1,673,699
16	Total net cash outflows (adjusted value)	290,426	217,929	247,788	332,463	304,857
17	Liquidity coverage ratio (%)	354%	377%	500%	462%	444%
Net Stable Funding Ratio						
18	Total available stable funding	4,211,423	4,212,139	4,219,951	4,296,692	4,412,450
19	Total required stable funding	2,390,164	2,390,664	2,306,793	2,287,265	2,156,068
20	NSFR ratio (%)	176%	176%	183%	188%	205%

EU OV1 – Overview of risk weighted exposure amounts

(In '000)		Total risk exposure amounts (TREA:RWA)		Total own funds requirements
		Dec-25	Dec-24	Dec-25
1	Credit risk (excluding CCR)	3,606,234	3,257,745	288,499
2	Of which the standardised approach	3,606,234	3,257,745	288,499
3	Of which the Foundation IRB (F-IRB) approach			
4	Of which slotting approach			
EU 4a	Of which equities under the simple riskweighted approach			
5	Of which the Advanced IRB (A-IRB) approach			
6	Counterparty credit risk - CCR	71,841	44,990	5,747
7	Of which the standardised approach	71,841	44,990	5,747
8	Of which internal model method (IMM)			
EU 8a	Of which exposures to a CCP			
9	Of which other CCR			
10	Credit valuation adjustments risk - CVA risk	28,669	21,020	2,294
EU 10a	Of which the standardised approach (SA)			
EU 10b	Of which the basic approach (F-BA and R-BA)	28,669	21,020	2,294
EU 10c	Of which the simplified approach			
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap)			
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)			
19	Of which SEC-SA approach			
EU 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk)	143,974	94,859	11,518
EU 21a	Of which the Simplified standardised approach (S-SA)	143,974	94,859	11,518
22	Of which IMA			
EU 22a	Large exposures			
23	Reclassifications between the trading and non-trading books			
24	Operational risk	290,801	445,696	23,264
25	Amounts below the thresholds for deduction (subject to 250% risk weight)			
26	Output floor applied (%)			
29	Total	4,141,518	3,864,311	331,321

EU OVC - ICAAP information

CEG conducts a detailed internal capital adequacy assessment on an annual basis. Internal capital adequacy assessment process (ICAAP) is a comprehensive assessment of all the major risks that the Bank is or may be exposed to. CEG is using its own processes and methodologies to identify, quantify and set aside internal capital against unexpected losses. Stress testing and scenario analysis are important parts of ICAAP to ensure capital adequacy under adverse circumstances. The outcome of this assessment is fed back to the Bank's strategic and operational management as well as its risk appetite and capital planning. The Bank maintains a robust and up-to-date capital plan over a medium-term horizon that is compatible with its strategic targets, capital resources and risk appetite framework.

On an annual basis, the summary of the ICAAP and the supporting documentation are shared with the competent authority, DNB for its review. DNB assesses the Bank's ICAAP as a part of the Supervisory Review and Evaluation Process (SREP) once in every two years. The Bank endeavors to fulfil all the regulatory and supervisory requirements like SREP capital requirement, overall capital requirement which includes combined buffer requirement, leverage ratio and MREL.

3. Risk management policies and objectives

EU OVA - Institution risk management approach

Risk Management approach

CEG, through a sound risk management and internal control framework, aims to ensure that risks taken and faced through day to day activities are consistent with Bank's strategies, risk appetite and shareholders expectations. Risk management provides the structural means to identify, assess, monitor, manage and report the risks inherent in its business activities and geographical organization. The core elements of the bank's risk management and control framework are:

- Adhering to the risk appetite and strategy set
- Periodically assessing the risk governance structure
- Maintaining capital management in line with the capital strategy
- Managing financial and operational risk in line with the risk appetite and strategy

Risk Governance

CEG has a well-established risk governance structure with clearly defined roles and responsibilities for managing risks and addressing the appropriate risk mitigation solutions. The risk management philosophy requires direct reporting lines and a clear division of tasks and responsibilities. At the same time, it ensures that bank-wide criteria for acceptance, monitoring, control and management of risks are deeply rooted. We clearly separate risk ownership from business activities.

CEG exercises full control over its subsidiaries' business performance and steers their risk appetite. The bank employ the following risk management governance structure:

- Audit & Risk Committees at subsidiary as well as consolidated level;

- Direct reporting of general managers of the banks' subsidiaries to the CEO of the bank;
- Presence of a global CRO function on the Managing Board;
- A uniform credit committee structure at both local and the consolidated level.

CEG's risk management and internal control framework enables the Managing Board to control the financial and non-financial risks arising from the Group's business activities. This framework is governed by a system of policies, procedures, and committees, as well as support and control functions. Limits and controls have been put in place to mitigate financial and nonfinancial risks to an acceptable level in line with the Group's risk appetite. The risk appetite has been approved by the Supervisory Board and is designed to

- i) set the maximum level of risk CEG is willing to accept to achieve its business objectives and
- ii) protect CEG's activities, not only in terms of profitability, sound capital adequacy and liquidity ratios, but also in terms of reputation and integrity risks. To maintain the quality of financial reports and to increase the effectiveness of reporting, CEG has implemented internal financial reporting controls.

The risk consolidation is conducted by the Risk Management Department (RMD) which is responsible for measurement and monitoring of risks at consolidated level. Each banking subsidiary has local risk management which reports both to local management and head office management. The Group has also a global Operational Risk Management (ORM) Department whose goal is to consolidate the already-existing ORM activities and coordinate implementation of the framework at locations where there was no prior ORM activity. The framework uses the Risk Control Self-Assessment and Operational Loss database to identify risks and establish risk mitigating action points. Related departments have been given awareness training to ensure that operational-risk management is embedded in day-today operations. The RMD and ORM operate under the supervision of the Chief Risk Officer (CRO). The CRO has overall responsibility for developing and maintaining effective controls on financial and non-financial risks, liquidity and capital management principles of the bank.

The bank monitors aggregated risks via specific committees as well as through reporting to the Managing Board and Supervisory Board. More specifically, CEG's risks, capital and liquidity are monitored by The Supervisory Board Sub-committees (e.g. Audit & Risk Committee, Compliance Oversight Committee) and the Managing Board Sub-committees (e.g. Asset-Liability Committee (ALCO), Compliance Management Committee, Non-Financial Risk Committee, Financial Risk Committee, IT Steering Committee, Corporate Credit Committee, FI Credit Committee).

The Managing Board has the overall responsibility for all processes related to strategy definition, risk appetite setting, capital planning, business planning and budgeting, while the Supervisory Board conducts oversight on overall risk management and respective processes, considering applicable local and international legal and regulatory requirements, to respond to the various financial and non-financial risks the Bank is exposed to. The Managing Board is also responsible for implementing and maintaining the risk policies within the organization and monitoring the risk exposure to ensure CEG's activities and portfolios are not exposed to unacceptable potential losses or reputational damage. Risk is assessed, managed and reported according to common principles that are approved by the

CEO. The management annually reviews the effectiveness of the risk management and internal control framework and oversees that CEG has an adequate internal control framework.

Audit & Risk Committee (ARC) and Compliance Oversight Committee (COC) assist Managing Board in fulfilling its oversight responsibilities concerning the management and control of risk, risk frameworks and controls and processes associated with CEG's operations. These committees at the consolidated level play a pivotal role in CEG's risk governance framework. These committees meet 4 times a year and receive regular reports and updates on the Bank's actual risk appetite with respect to the approved risk appetite statement. The Audit and Risk Committee reviews and monitors the limits for individual types of risks and takes decisions whether principal risks have been properly identified and are being appropriately managed. The Audit & Risk Committee monitors the risk management and internal control framework and findings of the internal audit function. It makes assessments on the existing risk management capacity / know-how of the Bank and raises action items / investment plans –where necessary- to reach the desired level. In addition, regular reports are presented to the Audit & Risk Committee by the management, internal audit, risk management and financial control. Regular risk reports are distributed covering credit risk, market risk, liquidity risk, operational risk, etc. Compliance reports including integrity risks (money laundering, improper conduct, conflicts of interest etc.) are reported to the Compliance Oversight Committee. The risk management and internal control processes provide reasonable assurance that the financial reporting does not contain errors of material importance. This includes its going concern basis and that the risk management and internal control framework regarding financial reporting risks worked properly in the year under review.

In addition, the Managing Board has established the Management Team which includes representation from the business, risk, financial control and treasury divisions in order to facilitate the implementation of robust processes.

Three lines of Defence

The Bank bases its governance framework on a “three lines of defence” model. Each line has a specific role and defined responsibilities with the execution of different controls. The three lines work together to identify, assess and mitigate risks. The business units form the first line. Accountability and responsibility for assessing, controlling and mitigating risks affecting their business activities, and the accuracy of financial statements and risk reports with respect to their responsible functions belongs to the first line. The second line consists of Risk Management and Compliance. Within the Bank's head office and each banking subsidiary, local Risk Management and Compliance functions are operating. The Managing Board ensures that risk management, compliance and other control matters are addressed and discussed with sufficient authority. The third line is the Internal Audit function, which assesses the functioning and effectiveness of the business, support and control units, financial risk management and nonfinancial risk management activities.

The Managing Board ensures that risk management, compliance and other control issues are addressed and discussed with sufficient authority.

The group's Three Lines of Defence Model



Risk appetite framework

Roles and responsibilities

CEG has developed a Risk Appetite Framework (RAF) where the Bank articulates risk tolerance levels and corresponding limits, targets, thresholds and acceptable boundaries for main significant risks categories. The risk appetite of CEG's defined on a consolidated level and applies to all subsidiaries and branches. It is based on the Bank's business plan (i.e. business strategy and company objectives), in addition to the guiding principles set by the Managing Board and is endorsed by the Supervisory Board. CEG has defined the following roles and responsibilities with regard to its risk appetite.

Supervisory Board

The Supervisory Board approves the risk appetite and performs strategic oversight and assessment to ensure that the Bank's activities align with the risk appetite policy and CEG's overall strategy.

Managing Board

The Managing Board proposes the risk appetite which is consistent with its strategy, business /capital plans and risk capacity. The Managing Board ensures that the risk appetite is appropriately translated into risk limits so that business lines can incorporate the Bank's risk appetite into their financial planning and decision-making processes. It is the responsibility of the Managing Board to ensure that the Bank operates within the boundaries of the approved risk appetite and regularly report to the Supervisory Board on the risk profile relative to risk appetite.

Supervisory Board Sub-committees

The Supervisory Board (SB) sub-committees assist the SB in its oversight of the management of CEG's key risks and the alignment of the actual risk profile of CEG with the approved risk appetite.

Managing Board Sub-committees

Managing Board (MB) sub-committees assist the MB with the implementation of CEG's risk management strategy and ensure that the Bank's exposures are in line with the risk appetite as documented in this Policy.

2nd line of Defence

2nd line of defence (Risk Management, inclusive of both Financial and Non-Financial Risk Management Divisions, Compliance, Corporate Credit Risk and FI Credit & Risk Analytics) enables the identification of the inherent risks in daily operation of the business by establishing frameworks,

policies, tools, and techniques to support risk and compliance management. 2nd LOD has further responsibility for measuring, monitoring, and reporting these risks. They monitor the Bank's actual risk profile in relation to these limits and regularly report on the alignment to the Managing Board, Supervisory Board, and the respective Sub-committees of the Supervisory Board.

Head of Sustainability

Head of Sustainability has responsibilities that cross into both the 1st and the second line of defence. This role conducts ESG-related risk identification, inherent risk assessment and helping the development implementation of ESG-related policies.

Division and department managers are responsible for managing their areas in line with the risk appetite levels and limit framework described in the Risk Appetite Policy and the relevant policies and procedures.

Department and Division Managers

Division and department managers are responsible for managing their areas in line with the risk appetite levels and limit framework described in the Risk Appetite Policy and the relevant policies and procedures.

Internal Audit

The Internal Audit function performs internal audit activities on the risk appetite framework to ascertain that the internal governance arrangements, processes, and mechanisms are sound and effective, implemented and consistently applied.

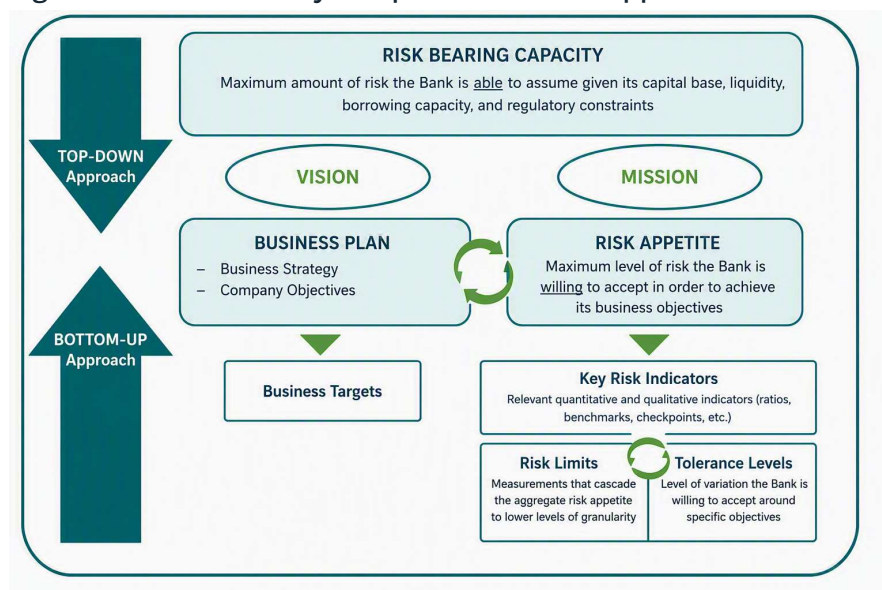
Risk Appetite Framework

The Bank's risk appetite is directly connected to the 3-year business plan alongside our strategic objectives. These objectives define the high-level boundaries of the risk appetite within which we must operate. The Risk Appetite Statement (RAS) specifies the risk appetite per risk type and defines the level of risk we are willing to accept to achieve our business objectives. The risk-bearing capacity of the Bank is quantified and is used in business activities to assess the desired risk profile against the risk-reward profile of a given activity.

The bank's risk appetite follows from the risk taxonomy, which ensures that all identified material risks are defined and incorporated into the risk appetite framework. The risk taxonomy is reviewed and updated on an annual basis, or sooner if any new material risk type emerges and requires an update.

The material types of risks inherent in our business model and strategic plan are actively identified, assessed, mitigated, and monitored. The risk appetite is embedded across the bank within principles, policies, procedures, key risk indicators (KRI), limits and controls. The combination of an escalation process and appropriate governance ensures an adequate and timely response to a risk that is pressuring or has even exceeded our risk appetite.

Figure 1 outlines the key components of Risk Appetite Framework.



The Bank employs a combination of a top-down and bottom-up approach in establishing its risk appetite framework:

- The top-down approach implies that the Bank's risk appetite framework is established in line with the Bank's business strategy and company objectives. Risk appetite statement is supported by KRIs and risk limits allocated to business units through a variety of methods (e.g., regulatory requirements, analysis of financial performance, analysis of historical risk data, stress testing and scenario analysis);
- The bottom-up approach means that the business units provide their estimates regarding risk and capital needs (e.g., as a result of risk and control self-assessments, analysis of an individual unit's strategies and needs).

KRIs and risk limits are used to cascade the aggregate risk appetite framework to more granular levels for day-to-day risk management. The Managing Board delineates the KRIs and establishes the limit framework in harmony with the overarching risk appetite. The KRI limit framework and the Banks alignment with these limits are presented to Managing Board and relevant Supervisory Board sub-committees quarterly.

Risk Taxonomy

The Bank's risk management and internal control framework use the following risk taxonomy:

Financial Risks

Risk Category	Sub-Risk Category
Credit Risk	Default Risk
	Concentration Risk
	Country Risk

	Climate Related and Environmental Risk
Market Risk	FX Risk
	Equity Risk
	Commodity Risk
	Concentration Risk
	AFS Portfolio
	Climate-related and Environmental Risk
Liquidity Risk	--
Interest Rate Risk on Banking Book	
Credit Spread Risk	--

Non-Financial Risks

Risk Category	Sub-Risk Category
Operational Risk	INTERNAL FRAUD
	EXTERNAL FRAUD
	EMPLOYMENT PRACTICES AND WORKPLACE SAFETY
	CLIENTS, PRODUCTS & BUSINESS PRACTICES
	DAMAGE TO PHYSICAL ASSETS
	BUSINESS DISRUPTION AND SYSTEM FAILURES
	EXECUTION, DELIVERY & PROCESS MANAGEMENT
ICT Risk	ICT Governance and Strategy Risks
	People Risks
	ICT Security Risks
	ICT Change Risks
	ICT Availability and Continuity Risks
	ICT Third Party Risks
	ICT Risk Exposures and Controls
Business Risk	--
Integrity Risk	Conflicts of Interest Risk
	Insider Trading Risk

	Money Laundering/ Terrorism Financing Risk
	Tax Evasion/ Avoidance Risk
	Violation of Sanction Legislation Risk
	Improper Conduct Risk

Capital Management

Fundamentals of Capital Management Framework

A capital level commensurate with the bank's risk profile is the key to financial resilience. CEG operates with an optimum level and mix of capital resources. CEG has defined seven fundamental items for its capital management framework that it deems necessary in order to allow for the framework to soundly and adequately work. These items cover (i) an appropriate risk management that allows for an accurate risk assessment and risk control; solid methodologies for (ii) loss estimation as well as for (iii) capital resource estimation, which in turn will allow for (iv) a sound assessment of CEG's capital adequacy. In addition, CEG's fundamental items cover (v) a comprehensive capital policy and capital planning practices that allow CEG to determine adequate capital targets, -levels and -compositions. The above mentioned items are backed-up by (vi) an effective governance approach and (vii) robust internal controls. The fundamentals are summarised on the figure below accordingly.

Capital Management

Fundament 1: Sound foundational risk management
CEB has a sound risk measurement and risk management infrastructure in place that supports the identification, measurement, assessment, and control of all material risks arising from its exposures and business activities.
Fundament 2: Effective loss estimation methodologies
CEB has effective processes in place that allow for translating its risk measures into estimates of potential, expected losses including stress testing scenarios and the aggregation of those estimated losses across CEB.
Fundament 3: Solid resource estimation methodologies
CEB has a clear view on available capital resources and an effective process for estimating available capital resources (including the projection of retained earnings and under the consideration of stress testing scenarios).
Fundament 4: Coherent capital adequacy impact assessment
CEB has processes in place for bringing together estimates of losses and capital resources to assess the combined impact on its capital adequacy in relation to CEB's pre-defined targets for the level and composition of its capital.
Fundament 5: Comprehensive capital policy and capital planning
CEB has a comprehensive capital policy and robust capital planning practices for establishing capital targets, determining appropriate capital levels and composition of capital, making decisions about capital actions, and maintaining capital contingency plans.
Fundament 6: Effective governance
CEB has effective management board and senior management oversight of its capital management, including (i) the periodic review of CEB's risk infrastructure and loss-/resource-estimation methodologies; (ii) the evaluation and re-assessment of capital targets; (iii) the assessment of the appropriateness of the stress testing scenarios considered; (iv) the regular review of any limitations and uncertainties in all aspects of CEB's capital management; and (v) the approval of CEB's decisions related to capital management.
Fundament 7: Robust internal controls
CEB has robust internal controls in place governing the capital adequacy process components, including policies and procedures, change control, model validation and independent review, comprehensive documentation and regular review by CEB's internal audit division.

CEG's philosophy and objectives of capital management are shareholder as well as stakeholder oriented. Therefore, CEG's approach to capital management is dedicated to optimizing the shareholder's value by optimizing the return on capital while at the same time keeping CEG in a position, that allows it to maintain ready access to funding, meet its obligations to creditors and other counterparties, as well continue to serve as a credit intermediary before, during and after stress conditions. This status shall be held at all times and at all relevant levels of CEG, i.e. at a consolidated, a sub-consolidated and a solo level across all subsidiaries accordingly. In order to meet the above-mentioned status, CEG is asked to be in financial resilience which in turn it defines as an adequate capital level that is commensurate with its overall risk profile. Consequentially, CEG will operate with an optimum level and mix of capital resources, adequately balancing its shareholder and stakeholder orientation.

A centralized capital management framework plays a major role in this approach and consists of four key guiding principles outlined in the following in greater detail accordingly.

Firstly, the framework, though being centrally run out of the Netherlands, features all relevant levels of CEG. I.e. risks and capital are efficiently managed at the consolidated group level of CEG, the sub-consolidated level of CEG NV as well as at the solo level of CEG NV.

Secondly, the framework is designated to ensure CEG has sufficient capital resources available in order to meet the capital requirements of its regulators; i.e. those of DNB as well as those of the local regulators in the subsidiaries' operating countries. Moreover, the framework will also take into account the expectations on CEG's capital base from additional stakeholders like investors, creditors and rating agencies. Further, the framework shall ensure that CEG has sufficient capital resources available in order to meet its own risk appetite and defined internal principles and guidelines.

Thirdly, CEG allocates its capital under the consideration of the risk/return thresholds defined in the risk appetite statement. CEG's business units are required to fully understand the inherent risk/reward profile of their businesses and to generate a defined level of return on the capital deployed.

Fourthly, the framework excels due to its clear definition of roles and responsibilities across CEG's organizational structure. While the capital management framework is centrally held and operated by the risk, financial control and treasury divisions of CEG NV, the Managing Board and business units in the subsidiaries are required to contribute and are held responsible for the functioning of the framework accordingly.

Conclusively, CEG may summarize the above stated functioning of its capital management framework under four clearly defined guiding principles as outlined in the following figure.

Guiding principles for capital management

Guiding principle 1: 'group- and subsidiary-level oriented'	▪ CEB efficiently manages its capital and risks at group- as well as at subsidiary-level; ▪ Accordingly, CEB's (i) risk appetite, (ii) adequate capital ratios and (iii) capital allocation are determined by the managing board and are managed at group- as well as at subsidiary-level in line with CEB's high level strategy guidance, single business strategies and targets accordingly.
Guiding principle 2: 'multiple views oriented'	▪ CEB manages capital and risk, taking into account multiple views for capital adequacy; ▪ Holding adequate capital against risk is mandatory and needed to protect the bank against legal insolvency, regulatory actions and to maintain its external ratings at an adequate level; ▪ Incorporating stress-testing views complements the economic perspective of risk capital.
Guiding principle 3: 'value oriented'	▪ CEB allocates capital efficiently to support growth and opportunities of its business units while optimising the shareholders' value accordingly; therefore, the cost of capital is optimised via (i) an increased predictability of earnings and capital usage, (ii) the leveraging of the shareholder's equity across CEB's subsidiaries depending on the existing business opportunities and their respective risk/return profile as well as via (iii) a disciplined management of capital requirements; the above is ensured by a prospective, clear and transparent view on CEB's risks and capital position.
Guiding principle 4: 'responsibility oriented'	▪ An effective capital organisation requires clearly defined roles and responsibilities across CEB's organisational structure including corresponding accountability.

Applying these four guiding principles in turn will allow CEG to meet its capital management objectives that are to (i) optimize the shareholder's value, (ii) maintain sufficient capital resources in order to meet DNB's minimum regulatory capital requirements; (iii) ensure that locally regulated subsidiaries can meet their minimum capital requirements accordingly ; (iv) achieve adequate capital levels to support CEG's risk appetite and internal capital requirements; (v) maintain a strong capital base to meet and re-assure the respective expectations set not only by regulators, but also investors, creditors and market participants, and finally (vi) to sustain CEG's future business development accordingly.

CEG's capital management process

With its capital management process CEG's covers current, future and potential capital needs. While these three dimensions of capital need to be feed from CEG's strategy outline and its risk appetite statement, they in turn feed into the application of CEG's capital policy, capital planning and capital targets accordingly. These items finally allow CEG to define its capital management strategy that is covering a distinct period of time and is subject to continuous update.

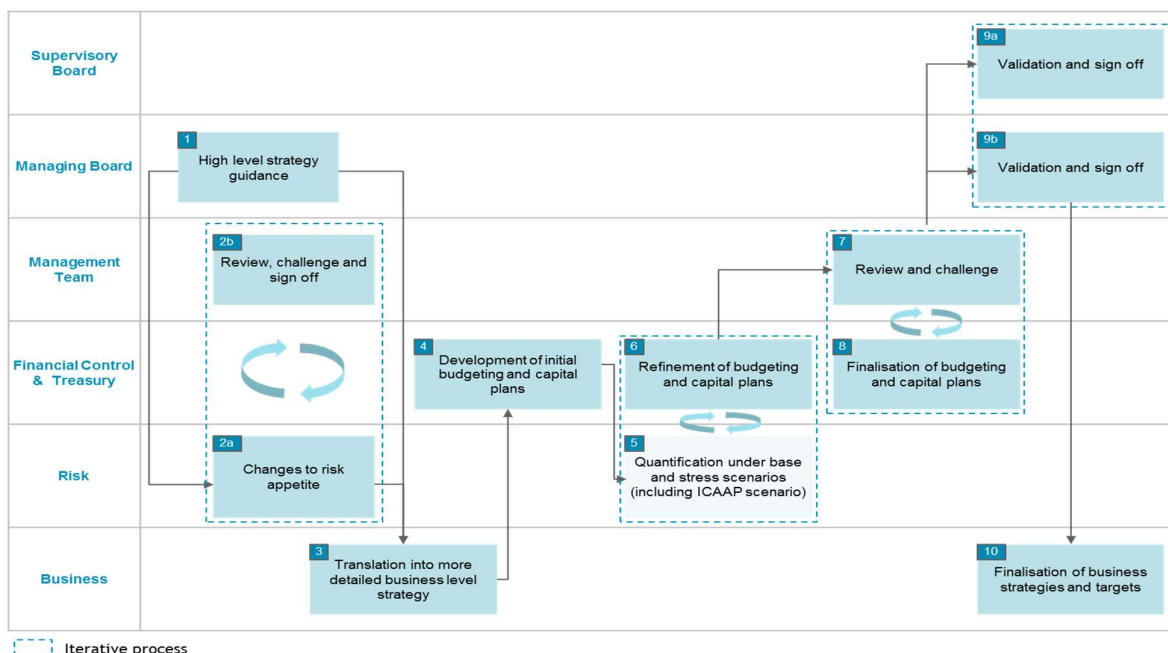
In terms of adequately managing these three dimensions of capital needs, CEG has defined five core activities that in summary build up to its capital management process: CEG will (i) measure, monitor and challenge its defined capital metrics and risk/return thresholds; (ii) estimate its capital (needs) into the future on the basis of its planning and budgeting efforts; (iii) allocate its capital on the basis of overall defined rules and policies; (iv) optimize its capital structure and (v) adequately communicate to external stakeholders. The activities are closely linked to CEG's risk appetite statement as well as to the planning and budgeting process. For a high-level overview of the activities refer to the figure below accordingly.

Per definition, CEG holds capital in order to cover unexpected losses on the basis of its given risk profile. Amount and quality of this capital is subject to policies and guidelines as well as to the expectations of CEG's different stakeholders (i.e. regulators, investors, creditors, rating agencies and market participants) and the CEG Managing Board (on the basis of and according to its risk appetite statement).

CEG measures, monitors and challenges its available and required capital (and hence its capital adequacy) on an ongoing basis. Measuring, monitoring and challenging the respective capital metrics, here, is set against CEG's actual risk appetite statement, which defines the respective capital targets per above view accordingly.

The estimation of capital is the process of projecting expected use and generation of capital that is derived from CEG's business planning and budgeting process. Under the consideration of CEG's high level strategy guidance, the capital projection will cover a multi-year period into the future. Further, the process covers analyzing the evolution of CEG's capital ratios against CEG's long-term strategic objectives and goals. The process ultimately feeds back into advising on CEG's ICAAP, CEG's risk appetite statement and, in case necessary, into CEG's capital actions and capital contingency planning under its overall recovery plan. The graph below outlines the overall processes flow from initial high level strategy guidance over risk appetite setting, capital planning and budgeting to final business strategy and target setting accordingly.

Capital Planning Process



Recovery Plan

Recovery Plan has been prepared addressing the Bank's liquidity and capital situation under unforeseen events or crises. The Bank developed a robust Recovery Plan that has been set-up to comply with the requirements set by both the Dutch Central Bank and the Financial Stability Board. CEG's Recovery Plan outlines the array of measures the Bank proposes to adopt in the event of a material deterioration of its financial situation triggered by idiosyncratic problems, market wide stresses or a combination of both. CEG's Recovery Plan is embedded within the Bank's risk management and internal control framework and can be readily implemented in the event of a situation of severe stress.

CEG acknowledges the criticality of implementing sufficient measures to survive a severe crisis and restore the long-term viability of the Bank. As a minimum, CEG has set the following objectives for its Recovery Plan:

- (i) to ensure an adequate and timely response to a near-default stress scenario on its own strength;
- (ii) to reduce the impact of a crisis on the Bank thereby minimizing the probability of default; and
- (iii) to affect the integration of appropriate supportive measures into CEG's existing risk management and internal control framework.

CEG's Recovery Plan is not restricted to any one specific stress scenario but rather assesses whether the array of recovery measures proposed are sufficiently robust and varied in their nature to withstand a wide range of shocks.

The Recovery Plan is built upon CEG's business-as-usual ("BAU") operations which facilitate the proactive identification, monitoring, management and mitigation of the risk of near-default stress scenarios. These BAU activities are embedded within the Bank's risk management and internal control framework which aims to protect and strengthen CEG's foundation of capital and liquidity through escalating periods of stress.

EU OVB - Disclosure on governance arrangements

CEG's governance arrangements information request following has been disclosed in CEG's Annual Report 2025⁵

- The number of directorships held by members of the management body
- Information regarding the recruitment policy for the selection of members of the management body and their actual knowledge, skills and expertise.
- Information on the diversity policy with regard to the members of the management body.
- Information whether or not the institution has set up a separate risk committee and the frequency of the meetings.
- Description on the information flow on risk to the management body.

⁵ <https://www.nexentbank.com/media/j2epg1b5/ceg-nv-ifrs-report-31122025.pdf>

4. The scope of application

EU LI1 - Differences between accounting and regulatory scopes of consolidation and mapping of financial statement categories with regulatory risk categories

	Carrying values as reported in published financial statements	Carrying values under scope of regulatory consolidation	Carrying values of items				Not subject to capital requirements or subject to deduction from capital
			Subject to credit risk framework	Subject to counterparty credit risk framework	Subject to the securitisation framework	Subject to the market risk framework	
Dec 2025 (In '000)							
Breakdown by asset clases according to the balance sheet in the published financial statements							
Cash and balances at central banks	759,069	759,069	759,069				
Financial assets measured at FVTPL	100,823	100,823	4,617			96,206	
Financial investments	832,896	832,896	832,896				3,811
Loans and advances to banks	821,604	821,602	821,602				
Derivative financial instruments	257,425	257,425		257,425			
Loans and advances to customers	2,961,889	2,961,889	2,958,542	-			3,347
Current tax assets	59	59	59				
Deferred tax assets	15,552	15,552	4,106				11,446
Other assets	31,443	31,432	24,403				7,029
Property and equipment	33,028	33,028	33,028				
Investment property	1,028						
Equity accounted investments		1,042	1,042				
Intangible assets	20,765	20,765	-				20,765
Total Assets	5,835,581	5,835,581	5,439,365	257,425		96,206	46,397
Breakdown by liability classes according to the balance sheet in the published financial statements							
Due to banks	479,828	479,828					479,828
Derivative financial instruments	233,534	233,534		233,534			-
Due to customers	4,214,853	4,214,853					4,214,853
Current tax liabilities	7,793	7,793					7,793
Other liabilities	23,698	23,698					23,698
Provisions	10,432	10,432					10,432
Deferred tax liabilities	16,587	16,587					16,587
Subordinated liabilities	134,977	134,977					134,977
Total Liabilities	5,121,702	5,121,703		233,534			4,888,168

EU LI2 - Main sources of differences between regulatory exposure amounts and carrying values in financial statements

	Total	Items subject to			
		Credit risk framework	Securitisation framework	Counterparty credit risk framework	Market risk framework
Dec 2025 (In '000)					
Assets carrying value amount under the scope of prudential consolidation (as per template LI1)	5,835,581	5,439,365		257,425	96,206
Liabilities carrying value amount under the scope of prudential consolidation (as per template LI1)					
Total net amount under the scope of prudential consolidation	5,835,581	5,439,365		257,425	96,206
Off-balance-sheet amounts	1,563,931	1,563,931		101,508	
Differences in valuations	(136,846)			(136,846)	
<i>Differences due to different netting rules, other than those already included in row 2</i>					
<i>Differences due to consideration of provisions</i>					
Differences due to the use of credit risk mitigation techniques (CRMs)	(528,625)	(429,102)		(99,523)	
Differences due to credit conversion factors	(1,104,854)	(1,104,854)			
<i>Differences due to Securitisation with risk transfer</i>					
Other differences	(46,397)				
Exposure amounts considered for regulatory purposes	5,582,791	5,469,340		122,564	96,206

EU LI3 - Outline of the differences in the scopes of consolidation (entity by entity)

2025	Method of accounting consolidation	Method of prudential consolidation				Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	
Name of the entity						
Nexent Bank N.V. Amsterdam	Full consolidation	X				Credit institution
Credit Europe Bank (Dubai) Ltd	Full consolidation	X				Credit institution
Nexent Bank (Suisse) SA	Full consolidation	X				Credit institution
JSC Nexent Bank (Ukraine)	Full consolidation		X (99.99%)			Credit institution
Credit Europe Leasing (Ukraine) LLC	Full consolidation	X				Immaterial leasing company
Credit Europe Asset Management S.A	Full consolidation	X				Immaterial leasing company
Other SPVs						
Sucursala Bucuresti	Full consolidation			X (99.37%)		Immaterial Non-financial corporation
Seyir Gayrimenkul Yatirim A.S.	Full consolidation	X				Immaterial Non-financial corporation

EU LIA - Explanations of differences between accounting and regulatory exposure amounts & EU LIB - Other qualitative information on the scope of application

Under the CRR framework, only financial institutions are required to be included within the prudential scope of consolidation. However, CEG consolidates two SPVs, Seyir and Angora-Yacht, using the equity method in its prudential consolidation. In the accounting consolidation, these entities are fully consolidated by incorporating their balance sheet items line by line. As a result, there is no difference in total assets at the consolidated level; however, the consolidation approach differs slightly between accounting and prudential reporting. This explains the observed differences between the financial and prudential consolidation scopes.

EU PV1: Prudent valuation adjustments (PVA)

Based on article 34 of CRR, Institutions shall apply the requirements of Article 105 to all their assets measured at fair value when calculating the amount of their own funds and shall deduct from Common Equity Tier 1 capital the amount of any additional value adjustments necessary.

CEG NV calculated prudent valuation deduction adjustment by using simplified method, as the sum of the absolute value of assets and liabilities measured at fair value as reported in the institution's financial statements in accordance with the applicable accounting framework is less than EUR 15 billion.

EU PV1 table required by EBA is mainly designed for Core approach, thus the bank does not present this table under this session. Total prudent valuation adjustment deducted from own funds is 663k, as of 31 Dec 2025. (Compared to Dec 2024, the prudent valuation adjustment was 608k)

5. Own funds

EU CC1 - Composition of regulatory own funds

The bank's total own funds consist of Core Tier I capital (also named as Common Equity Tier I, CET 1), Additional Tier I capital (AT 1) and Tier II capital. CEG ensures that it holds enough capital to cover its material risks. The nature and quality of the capital which can be included into total own funds for the purposes of capital requirement calculation is subject to regulatory restrictions set out by CRD and the Dutch Central Bank. The table below presents information on the components of regulatory capital.

Dec 2025 ('000)		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	550,000	CC2-26 & 27
	of which: Paid in Capital	550,000	CC2-26
	of which: Share premium	-	CC2-27
2	Retained earnings	286,408	
3	Accumulated other comprehensive income (and other reserves)	(162,913)	CC2-30
EU-3a	Funds for general banking risk		
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1		
5	Minority interests (amount allowed in consolidated CET1)	1	CC2-32
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	30,321	
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	703,816	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(377)	
8	Intangible assets (net of related tax liability) (negative amount)	(20,765)	CC2-15
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	(11,446)	CC2-10
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value		
12	Negative amounts resulting from the calculation of expected loss amounts		
13	Any increase in equity that results from securitised assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		
15	Defined-benefit pension fund assets (negative amount)		
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)		
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)		
EU-20c	of which: securitisation positions (negative amount)		
EU-20d	of which: free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)		
22	Amount exceeding the 17,65% threshold (negative amount)		
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		
25	of which: deferred tax assets arising from temporary differences		
EU-25a	Losses for the current financial year (negative amount)	(742)	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)		
27a	Other regulatory adjustments	(13,445)	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(46,774)	
29	Common Equity Tier 1 (CET1) capital	657,041	

Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	42,977	CC2-24
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards	42,977	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1		
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1		
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35	of which: instruments issued by subsidiaries subject to phase out		
36	Additional Tier 1 (AT1) capital before regulatory adjustments	42,977	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)		
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)		
42a	Other regulatory adjustments to AT1 capital		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	42,977	
45	Tier 1 capital (T1 = CET1 + AT1)	700,019	
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	89,419	CC2-24
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR		
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2		
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	Tier 2 (T2) capital before regulatory adjustments	89,419	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)		
EU-56b	Other regulatory adjustments to T2 capital		
57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	89,419	
59	Total capital (TC = T1 + T2)	789,437	
60	Total Risk exposure amount	4,141,518	

Capital ratios and requirements including buffers		
61	Common Equity Tier 1 capital	15.86%
62	Tier 1 capital	16.90%
63	Total capital	19.06%
64	Institution CET1 overall capital requirements	2.96%
65	of which: capital conservation buffer requirement	2.50%
66	of which: countercyclical capital buffer requirement	0.46%
67	of which: systemic risk buffer requirement	0.00%
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.00%
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.00%
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	4.77%
Amounts below the thresholds for deduction (before risk weighting)		
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	
Applicable caps on the inclusion of provisions in Tier 2		
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)		
80	Current cap on CET1 instruments subject to phase out arrangements	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	
82	Current cap on AT1 instruments subject to phase out arrangements	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	
84	Current cap on T2 instruments subject to phase out arrangements	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	

EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements

	Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
Dec 2025 ('000)	2025	2025	
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements			
1 Cash and balances at central banks	759,069	759,069	
2 Financial assets measured at FVTPL	100,823	100,823	
3 Financial investments	832,896	832,896	
4 Loans and advances to banks	821,604	821,602	
5 Derivative financial instruments	257,425	257,425	
6 Loans and advances to customers	2,961,889	2,961,889	
7 Current tax assets	59	59	
8 Deferred tax assets	15,552	15,552	CC1-10
9 Other assets	31,443	31,432	
10 Property and equipment	33,028	33,028	
11 Investment property	1,028	-	
12 Equity accounted investments	-	1,042	
13 Intangible assets	20,765	20,765	CC1-8
14 Total assets	5,835,581	5,835,581	
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements			
15 Due to banks	479,828	479,828	
16 Derivative financial instruments	233,534	233,534	
17 Due to customers	4,214,853	4,214,853	
18 Current tax liabilities	7,793	7,793	
19 Other liabilities	23,698	23,698	
20 Provisions	10,432	10,432	
21 Deferred tax liabilities	16,587	16,587	
22 Subordinated liabilities	134,977	134,977	CC1-30 & 51
23 Total liabilities	5,121,702	5,121,703	
Shareholders' Equity			
24 Share capital	563,803	563,803	CC1-1
25 Share Premium	163,748	163,748	CC1-1
26 CY P&L	59,946	59,946	
27 Retained Earnings	98,822	98,822	
Revaluation Reserve (incl. tangibles &			
28 Intangibles/hedging/foreign currency translation/Fair value reserves)	(174,391)	(174,391)	CC1-3
29 Equity attributable to shareholders of the parent company	711,927	711,927	
30 Equity attributable to minority interests	1	1	
31 Total shareholders' equity	711,929	711,929	

EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

	Qualitative or quantitative information - Free format	Common Equity Tier I	Tier I	Tier II
1	Issuer		Nexent Bank N.V.*	CEG N.V.*
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)			XS2801944252
2a	Public or private placement		Private	The Irish Stock Exchange plc
3	Governing law(s) of the instrument	Dutch Law	Dutch Law	Dutch Law
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	N/A	N/A
Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules	Common equity tier 1	Additional Tier 1	Tier 2
5	Post-transitional CRR rules			
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo & consolidated	Solo & consolidated	Solo & consolidated
7	Instrument type (types to be specified by each jurisdiction)	AT1 EU 575/2013 art 26	T1 EU 575/2013 art 51	T2 EU 575/2013 art 62
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)			
9	Nominal amount of instrument		50 million USD	105 million USD
EU-9a	Issue price			100%
EU-9b	Redemption price			
10	Accounting classification		Subordinated liabilities	Subordinated liabilities
11	Original date of issuance		18-Dec-2017	24-May-2024
12	Perpetual or dated		Perpetual	Dated
13	Original maturity date			24-May-2034
14	Issuer call subject to prior supervisory approval			
15	Optional call date, contingent call dates and redemption amount		18-Dec-2022	24-May-2029 Regulatory & Tax call (100% nominal amount)
16	Subsequent call dates, if applicable			
Coupons / dividends				
17	Fixed or floating dividend/coupon		Fixed	Fixed
18	Coupon rate and any related index		8.95%	9.75%
19	Existence of a dividend stopper		No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)		Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)		Mandatory	Mandatory
21	Existence of step up or other incentive to redeem		No	No
22	Noncumulative or cumulative		N/A	N/A
23	Convertible or non-convertible		Convertible	Convertible
24	If convertible, conversion trigger(s)		at any time the Common Equity Tier 1 Capital Ratio of the borrower on a solo consolidated, sub consolidated or consolidated basis falls below 5.125%	
25	If convertible, fully or partially		Fully	
26	If convertible, conversion rate			
27	If convertible, mandatory or optional conversion		mandatory	
28	If convertible, specify instrument type convertible into		Convert into Ordinary Share	
29	If convertible, specify issuer of instrument it converts into		Convert into Credit Europe Bank	
30	Write-down features			
31	If write-down, write-down trigger(s)			
32	If write-down, full or partial			
33	If write-down, permanent or temporary			
34	If temporary write-down, description of write-up mechanism			
34a	Type of subordination (only for eligible liabilities)			
EU-34b	Ranking of the instrument in normal insolvency proceedings			
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)			
36	Non-compliant transitioned features			
37	If yes, specify non-compliant features			
37a	Link to the full term and conditions of the instrument (signposting)			

* In June 2025, the Bank officially rebranded from Credit Europe Bank N.V. to Nexent Bank N.V. and Credit Europe Group N.V. to CEG N.V.

6. Countercyclical capital buffers

EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

	General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
	Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures – Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
Dec 2025 ('000)													
Country:													
ROMANIA	359,915	N/A				359,915	20,090			20,090	251,120	8.437680%	1.0%
NETHERLANDS	225,290	N/A				225,290	17,942			17,942	224,272	7.535589%	2.0%
UNITED KINGDOM	164,374	N/A				164,374	14,036			14,036	175,452	5.895216%	2.0%
GERMANY	76,785	N/A				76,785	6,115			6,115	76,443	2.568512%	0.8%
LUXEMBOURG	85,840	N/A				85,840	6,102			6,102	76,278	2.562969%	0.5%
SPAIN	59,938	N/A				59,938	4,787			4,787	59,839	2.010597%	0.5%
AUSTRALIA	43,045	N/A				43,045	3,444			3,444	43,045	1.446335%	1.0%
FRANCE	47,615	N/A				47,615	3,387			3,387	42,341	1.422660%	1.0%
GREECE	39,627	N/A				39,627	3,170			3,170	39,627	1.331476%	0.25%
IRELAND	16,904	N/A				16,904	1,348			1,348	16,854	0.566313%	1.5%
HONG KONG	15,600	N/A				15,600	1,246			1,246	15,570	0.523158%	0.5%
ESTONIA	11,325	N/A				11,325	906			906	11,325	0.380509%	1.5%
LITHUANIA	9,031	N/A				9,031	722			722	9,031	0.303433%	1.0%
SAUDI ARABIA	45,000	N/A				45,000	720			720	9,000	0.302402%	1.0%
CZECH REPUBLIC	7,821	N/A				7,821	626			626	7,821	0.262804%	1.25%
BELGIUM	9,858	N/A				9,858	528			528	6,600	0.221766%	1.0%
POLAND	6,556	N/A				6,556	519			519	6,492	0.218145%	1.0%
CYPRUS	6,517	N/A				6,517	519			519	6,489	0.218017%	1.0%
DENMARK	25	N/A				25	0.4			0.4	5.3	0.000177%	2.5%
HUNGARY	4	N/A				4	0.2			0.2	2.7	0.000089%	1.0%
CROATIA	0.4	N/A				0.4	0.03			0.0	0.3	0.000011%	1.5%
Total	1,231,071					1,231,071	86,209			86,209	1,077,609	36.21%	

EU CCyB2 - Amount of institution-specific countercyclical capital buffer

The countercyclical capital buffer (CCyB) is designed to counter procyclicality in the financial system. When it is determined that cyclical systemic risk is rising, institutions are required to invest in capital to build up buffers that will make the banking industry more resilient when losses do occur. This will lessen the financial cycle's downturn and assist maintain the economy's access to credit. During the financial cycle's upswing, the CCyB can also aid in reducing the expansion of excessive credit.

Dec 2025 ('000)

Total risk exposure amount	4,141,518
Institution specific countercyclical capital buffer rate	0.45989%
Institution specific countercyclical capital buffer requirement	19,046

7. Leverage ratio

EU LRA: Disclosure of LR qualitative information

The leverage ratio measures the level of the Tier 1 Capital compared to its non-risk based exposure defined by the Capital Requirements Regulation, with a minimum requirement at 3%. CEG presents its leverage ratio using the particular EBA templates in accordance with regulatory standards. These EBA templates show the advantage ratio as it was determined in accordance with CCR/CRD specifications.

Throughout 2025, CEG maintained its strong capital ratios. CEG is currently one of the least leveraged banks in the Netherlands.

EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

	Dec 2025 ('000)	Applicable amount
1	Total assets as per published financial statements	7,298,004
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	
4	(Adjustment for temporary exemption of exposures to central bank (if applicable))	
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with point (i) of point (i) of Article 429a(1) CRR)	
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	
7	Adjustment for eligible cash pooling transactions	
8	Adjustments for derivative financial instruments	(169,342)
9	Adjustment for securities financing transactions (SFTs)	6,266
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	(1,116,637)
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	
EU-11a	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)	
EU-11b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with point (j) of Article 429a(1) CRR)	
12	Other adjustments	(83,194)
13	Leverage ratio total exposure measure	5,935,098

EU LR2 - LRCom: Leverage ratio common disclosure

		CRR leverage ratio exposures	
		Dec-25	T-1
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	5,578,156	5,453,250
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	(43,411)	(46,585)
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(36,797)	(67,784)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)		
5	(General credit risk adjustments to on-balance sheet items)		
6	(Asset amounts deducted in determining Tier 1 capital)	(46,397)	(55,188)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	5,451,551	5,283,693
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	65,934	52,964
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach		
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	65,561	81,266
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach		
EU-9b	Exposure determined under Original Exposure Method		
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)		
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)		
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original exposure method)		
11	Adjusted effective notional amount of written credit derivatives		
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
13	Total derivatives exposures	131,495	134,229
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	101,508	
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	(99,523)	
16	Counterparty credit risk exposure for SFT assets	4,281	
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR		
17	Agent transaction exposures		
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)		
18	Total securities financing transaction exposures	6,266	
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	1,462,423	1,390,135
20	(Adjustments for conversion to credit equivalent amounts)	(1,116,637)	(1,073,751)
21	(General provisions associated with off-balance sheet exposures deducted in determining Tier 1 capital)		
22	Off-balance sheet exposures	345,787	316,384

Excluded exposures	
EU-22a	(Exposures excluded from the leverage ratio total exposure measure in accordance with point (c) of Article 429a(1) CRR)
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))
EU-22c	(Excluded exposures of public development banks - Public sector investments) (Excluded promotional loans of public development banks: - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State
EU-22d	(Excluded promotional loans of public development banks: - Promotional loans granted by a public development credit institution - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution) (Excluded passing-through promotional loan exposures by non-public development banks (or units): - Promotional loans granted by a public development credit institution
EU-22e	(Excluded promotional loans of public development banks: - Promotional loans granted by an entity directly set up by the central government, regional governments or local authorities of a Member State - Promotional loans granted by an entity set up by the central government, regional governments or local authorities of a Member State through an intermediate credit institution)
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)
EU-22g	(Excluded excess collateral deposited at triparty agents)
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)
EU-22k	(Total exempted exposures)

Capital and total exposure measure			
23	Tier 1 capital	700,019	663,376
24	Leverage ratio total exposure measure	5,935,098	5,734,306

Leverage ratio			
25	Leverage ratio	11.79%	11.57%
EU-25	Leverage ratio (without the adjustment due to excluded exposures of public development banks - Public sector investments) (%)	11.79%	11.57%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	11.79%	11.57%
26	Regulatory minimum leverage ratio requirement (%)	3%	3%
EU-26	Additional leverage ratio requirements (%)	0%	0%
27	Required leverage buffer (%)	0%	0%

EU LR3 - LRspl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

	Dec 2025 ('000)	CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	5,578,156
EU-2	Trading book exposures	96,206
EU-3	Banking book exposures, of which:	5,481,950
EU-4	Covered bonds	
EU-5	Exposures treated as sovereigns	1,263,864
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	146,390
EU-7	Institutions	921,287
EU-8	Secured by mortgages of immovable properties	408,739
EU-9	Retail exposures	122,983
EU-10	Corporate	2,475,822
EU-11	Exposures in default	30,285
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	112,581

8. Liquidity requirements

EU LIQA - Liquidity risk management

Strategies and processes in management of liquidity risk

CEG has policies, procedures and systems that enable it to identify measure, manage and monitor liquidity risk over different time horizons to ensure that it maintains adequate levels of available liquidity. These systems and controls are tailored for centralized liquidity management.

CEG's key funding principles also form an essential part of its liquidity risk appetite which are further explained in the Funding Plan document:

- (1) Alignment with the asset profile and asset strategy
- (2) Alignment with the liquidity risk appetite
- (3) Minimizing any funding deficit risk by ensuring granular and stable funding
- (4) Support the Bank's overall objective of achieving an investment grade rating
- (5) Satisfy any minimum requirements from regulatory authorities
- (6) Management of asset encumbrance
- (7) Self-funded subsidiary structures

Structure and organisation of the liquidity risk management function (authority, statute, other arrangements)

CEG's Managing Board set strategies regarding the Bank's liquidity risk management framework through the Risk Appetite statement, which is approved and endorsed by the Supervisory Board. Managing Board delegates the execution, monitoring and oversight of the funding and liquidity strategy to the Asset Liability Management Committee (ALCO), a sub-committee of the Managing

Board. This Committee executes the board-approved strategies within the principles outlined in ILAAP. Treasury in CEG is responsible for the operational and day-to-day execution of this strategy. Risk Management Division is segregated from the operational functions and provides independent monitoring function. Risk Management regularly updates the Audit & Risk Committee (a sub-committee of the Supervisory Board) over the Bank's liquidity risk profile, for supervision and oversight of the Managing Board purposes. The checks and balances in the form of segregation of duties between operational departments and the different systems, control procedures, limits monitoring and reconciliations ensure the integrity of the Bank's liquidity risk management. The integrity of liquidity risk management is further safeguarded by the Internal Audit Department and through its independent regular reviews.

The degree of centralisation of liquidity management and interaction between the group's units

CEG applies a centralised approach towards liquidity risk policies, measurement methodologies and monitoring of the group-wide liquidity position. Centralisation covers both the operational functions (Treasury departments) and monitoring functions (Risk Management departments). Therefore, all related functions have dual responsibilities at solo and consolidated levels with respect to liquidity risk management.

In close coordination with local Treasury departments, the Treasury is responsible for day-to-day operations while monitoring the various funding options under the prevailing market conditions. Treasury monitors both solo and consolidated liquidity position and assesses the Group's liquidity position on a daily basis. By taking into account the Bank's cash position, future cash flows and pipeline transactions, settlement activities and margin requirements and intra-group positions, Treasury conducts the day-to-day liquidity operations. The Treasury operates within the boundaries of CEG's liquidity risk appetite and the decisions taken by the ALCO.

Additionally, subsidiaries need to comply with local statutory requirements.

Scope and nature of liquidity risk reporting and measurement systems

CEG's methodologies are designed in view of the Bank's risk appetite and set the boundaries of CEG liquidity risk control through limits. These limits are relevant for all business lines in terms of duration, product, currency and geography. These thresholds are used for day-to-day liquidity management and they ensure that CEG operates under market stress at both solo and group levels without any disruption.

Policies for hedging and mitigating the liquidity risk and strategies and processes for monitoring the continuing effectiveness of hedges and mitigants

CEG ensures that the Bank maintains a 'cushion' of unencumbered liquid assets to be held against potential liquidity stress scenarios. The size and composition of the available liquidity are defined such that the Bank can mobilize these resources in a relatively short time horizon.

CEG takes into account the nature of its activities, concentrations and funding dynamics to design relevant liquidity stress scenarios. CEG targets to maintain adequate 'available liquidity' to offset the impacts of these scenarios.

CEG not only focuses on short-term liquidity generation capacity, but also targets matched asset-liability structure in the medium to longer term. At the solo level, CEG's liquidity risk management framework also takes into account the mismatch between asset and liabilities among group entities. Targeting self-reliant subsidiaries, CEG manages its intra-group exposures with respect to pre-defined limits.

Outline of the bank's contingency funding plans

CEG's crisis communication plan provides the structure applied as well as procedural steps and guidelines for accurate and timely communication within CEG, and between CEG and any entity belonging to CEG, as well as any third party in the event of a potential/actual crisis, including controversial issue.

In order to support timely and decisive action in a stressed situation, CEG has defined a number of early warning indicators that are used to monitor the development of CEG-specific and/or market-wide negative trends. These indicators help in measuring the adequacy of CEG's financial resources with the aim of prompting timely action and avoiding the potential failure of the Bank in a situation of severe financial distress.

The monitoring of the indicators is embedded within CEG's normal operating processes and existing risk management framework.

Stress testing

The Bank uses stress testing to verify that its liquidity buffer is adequate to withstand severe but plausible funding conditions. The outcome of the stress testing shows the Bank the level of required liquidity across different time horizons. In this respect, the design and frequency of the stress test scenarios reveal the Bank's risk appetite and preparedness to withstand a liquidity crisis.

A declaration is approved by the management body on the adequacy of liquidity risk management arrangements of the institution providing assurance that the liquidity risk management systems put in place are adequate with regard to the institution's profile and strategy.

CEG's Supervisory Board approves the strategy and provides guidance over liquidity management in the Bank's Risk Appetite statement. The Asset Liability Management Committee (ALCO) ensures that the Bank operates in line with the Supervisory Board liquidity risk appetite described in CEG's Risk Appetite statement. The governance of the liquidity management process is conducted by the Audit & Risk Committee. The ARC ensures that the ALCO takes the steps necessary to monitor and control liquidity risk. During its quarterly meetings, the Committee is informed by Risk Management regularly over the liquidity risk profile of the Bank and immediately if there are any material changes in the Bank's current or prospective liquidity position.

Any major changes pertaining to the design of the Bank's liquidity risk management oversight or the principles are thoroughly discussed in the Committee and become effective if and when ARC approves those revisions.

A concise liquidity risk statement approved by the management body succinctly describing the institution's overall liquidity risk profile associated with the business strategy. This statement shall include key ratios and figures (other than those already covered in the EU LIQ1 template under this ITS) providing external stakeholders with a comprehensive view of the institution's management of liquidity risk, including how the liquidity risk profile of the institution interacts with the risk tolerance set by the management body.

CEG's liquidity risk appetite is low, and the Bank maintains a large liquidity portfolio with a healthy liquidity buffer. CEG's liquidity risk measurement metrics and all liquidity ratios (LCR and NSFR) are well above regulatory limits and internal targets. CEG ensures that the Bank maintains a 'cushion' of unencumbered liquid assets to be held at all times against potential liquidity stress scenarios. The size and composition of the available liquidity are defined such that the Bank can mobilize these resources in a relatively short time horizon.

EU LIQ1 - Quantitative information of LCR

Dec 2025 ('000)		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on	31/12/2025	30/09/2025	30/06/2025	31/03/2025	31/12/2025	30/09/2025	30/06/2025	31/03/2025
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					1,236,604	1,326,502	1,540,754	1,540,124
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	1,187,595	1,198,881	1,217,904	1,156,898	86,024	88,626	92,516	88,968
3	Stable deposits	729,474	706,054	673,370	626,400	36,474	35,303	33,669	31,320
4	Less stable deposits	458,121	492,826	544,534	530,499	49,550	53,324	58,847	57,648
5	Unsecured wholesale funding	1,431,299	1,401,905	1,372,805	1,323,310	765,392	763,912	742,524	708,761
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	1,431,299	1,401,905	1,372,805	1,323,310	765,392	763,912	742,524	708,761
8	Unsecured debt	-	-	-	-	-	-	-	-
9	Secured wholesale funding					1,954	-	176	1,009
10	Additional requirements	399,652	419,681	430,172	425,710	92,418	102,900	109,293	113,675
11	Outflows related to derivative exposures and other collateral requirements	68,717	67,916	67,941	68,866	68,717	67,916	67,941	68,866
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	330,934	351,764	362,231	356,845	23,701	34,984	41,352	44,809
14	Other contractual funding obligations	16,654	12,633	12,216	7,495	16,654	12,633	12,216	7,495
15	Other contingent funding obligations	1,374,076	1,334,882	1,224,957	1,126,959	153,892	171,405	181,330	161,300
16	TOTAL CASH OUTFLOWS					1,116,334	1,139,476	1,138,056	1,081,208
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	98,208	73,846	61,244	42,718	51,171	46,923	43,323	32,450
18	Inflows from fully performing exposures	1,702,778	1,678,723	1,591,021	1,587,314	1,453,673	1,431,657	1,345,748	1,345,515
19	Other cash inflows	15,547	16,701	17,080	16,915	9,811	10,891	11,689	11,419
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	1,816,533	1,769,271	1,669,345	1,646,947	1,514,655	1,489,471	1,400,760	1,389,384
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	-	-	-	-	1,544,088	1,522,144	1,435,827	1,421,738
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					1,236,604	1,326,502	1,540,754	1,540,124
22	TOTAL NET CASH OUTFLOWS					279,083	284,869	284,514	270,302
23	LIQUIDITY COVERAGE RATIO					443%	466%	542%	570%

EU LIQB - Qualitative information on LCR, which complements template EU LIQ1

Main drivers of LCR

The main drivers of LCR are the high-quality liquid assets and the net cash outflows represented by deposits and commitments. The consolidated LCR is 443% at the end of December 2025, based on a 12-month rolling average.

Changes in the LCR over time

The Bank maintained a strong liquidity position based on quarterly averages in 2025, with LCR well above the regulatory requirements. The highest liquidity was in Q2 due to increased buffers. The Q4 level of 443% indicates a solid liquidity profile and a strong capacity to meet short-term obligations under stress.

Concentration of funding sources

CEG maintains at all times an optimal mix of different funding sources such as retail deposits, corporate deposits, funding from other banks, instruments issued via international capital markets and equity. The largest funding source was retail deposits (50%) in Q4.

Composition of the institution's liquidity buffer

CEG's liquid assets buffer consists of assets of extremely high liquidity and credit quality (Level 1 assets in the form of cash, central bank reserves and qualifying unencumbered securities) and assets of high liquidity and credit quality (Level 2 assets) as in the definition of high-quality liquid assets (HQLA) as defined in LCR DA.

Derivative exposures and potential collateral calls

Additional margin calls and collateral requirements are calculated by using the Historical Lookback method according to the definition of EBA's RTS on additional liquidity outflows and are taken into account in LCR.

Currency mismatch in the LCR

CEG steers LCR above 100% in aggregated currencies and also monitors and reports LCR for significant currencies to the regulator. Additionally, CEG reviews its maturity ladders and liquidity mismatches across different currencies and entities, monitors its funding gap in different time buckets as well as the cumulative net liquidity surplus or deficit.

Other items in the LCR calculation

The LCR disclosure template only presents the consolidated LCR. The bank also monitors, reports and steers the LCR on solo level.

EU LIQ2: Net Stable Funding Ratio

Dec 2025 ('000)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	703,816	-	89,419	-	793,234
2	Own funds	703,816	-	89,419	-	793,234
3	Other capital instruments		-	-	-	-
4	Retail deposits		1,463,226	648,922	436,342	2,414,836
5	Stable deposits		1,006,783	544,439	394,244	1,867,905
6	Less stable deposits		456,443	104,483	42,097	546,931
7	Wholesale funding:		2,156,209	56,712	319	751,426
8	Operational deposits		-	-	-	-
9	Other wholesale funding		2,156,209	56,712	319	751,426
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	-	-	-	251,927	251,927
12	NSFR derivative liabilities	-				
13	All other liabilities and capital instruments not included in the above categories		-	-	251,927	251,927
14	Total available stable funding (ASF)					4,211,423
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					1,437
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
	Deposits held at other financial institutions for operational purposes		-	-	-	-
16	Performing loans and securities:		2,984,244	345,141	881,267	1,743,064
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		110,964	2,379	17,084	18,273
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		701,334	158,208	114,962	261,313
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		1,309,664	164,868	606,696	1,379,277
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
22	Performing residential mortgages, of which:		20,282	19,686	142,526	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		-	-	-	-
24	Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products		842,000	-	-	84,200
25	Interdependent assets		-	-	-	-
26	Other assets:		101,441	8,000	486,326	559,553
27	Physical traded commodities					-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs					-
29	NSFR derivative assets					25,126
30	NSFR derivative liabilities before deduction of variation margin posted					778
31	All other assets not included in the above categories		53,485	8,000	40,286	65,557
32	Off-balance sheet items		975,025	96,033	102,829	60,206
33	Total RSF					2,365,038
34	Net Stable Funding Ratio (%)					178%

9. Credit Risk

9.1 Credit risk quality

EU CRA: General qualitative information about credit risk

Credit risk arises from the possibility of losses stemming from the failure of customers or counterparties to meet their financial obligations with CEG. The Group undertakes credit risk by offering loans, guarantees and other credit products. Credit risk is the primary risk factor in the Bank's operations and taking on credit risk is a core activity of the Bank. The Bank has policies and procedures for accepting, measuring and managing credit risk. The objective of credit risk management is to achieve an appropriate balance between risk and return and to minimize potential adverse effects of credit risk on the Bank's financial performance.

The points below define the general approach towards credit risk at CEG:

- Group level policies and procedures to identify, measure, monitor, control and report material risks in all countries.
- Establishment of effective and efficient internal control mechanisms to ensure the integrity of credit processes.
- Group level Credit Risk Management function covers:
Sovereign/Counterparty/Treasury/Corporate-Commercial/Retail and SMEs.
- Control and setting of local Credit Limit powers in all subsidiaries.
- Establish a comprehensive risk appetite framework and ensure credit risks are only accepted and managed within that risk appetite.
- Application of consistent Internal Credit Risk Rating Models in all subsidiaries.
- Establishment and maintenance of a sound internal rating system supported with an adequate number of rating models and processes to ensure its robustness across all lending types.
- Establishment and maintenance of a sound IFRS9 Impairment Calculation Framework supported with an adequate governance and processes to ensure accuracy and robustness of impairment calculations.
- Building a regular cycle of IFRS9 model validation that includes validation of the general framework and periodic monitoring of model performance and stability; and model improvement where necessary.
- Stress testing of loan portfolios under alternative scenarios.
- Standardisation of all product and facility definitions at Group level.
- Regulatory and Internal Concentration Limits are set at the Group level: Country / Single Name / Sector.
- CRR, standards and guidelines published by European Banking Authority (EBA) and DNB regulations.

EU CRB: Additional disclosure related to the credit quality of assets

The Credit Exposure Classification and Treatment Policies for corporate as well as retail clients define the minimum standards for, and establish a single view, on identification and treatment of non-performing corporate credit exposures in CEG N.V. and all of its subsidiaries.

The policies also set minimum standards and explain the processes to be followed for the identification and treatment of obligors whose creditworthiness and repayment capacity of their performing exposures may potentially deteriorate or have already deteriorated, even though their credit exposures are still performing. CEG differentiates between the following categories of assets in the loan portfolio:

- **Fully performing:** Fully performing exposures are defined as credit exposures that are not past-due or exposures past-due up to 30 days, provided that there is no significant increase in credit risk since origination. An exposure is past due when any amount of principal, interest or fee has not been paid at the date it was due.
- **Underperforming:** Underperforming exposures belong to a sub-category of the performing asset class, where the Bank observes a significant increase in credit risk since origination. Underperformance might become evident if an exposure is past-due more than 30 days, subject to forbearance measures, or the assigned PD has increased significantly since the origination of the exposure (applicable for corporate exposures, measured by CEG's internal PD Master Scale).
- **Non-performing:** Non-performing exposures (NPE) are defined as exposures that satisfy either or both of the following criteria:
 - 1) material exposures which are more than 90 days past-due.
 - 2) the obligor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past-due.

An exposure is past-due only if there is a legal obligation to make a payment and this payment is compulsory. The counting of days past-due starts as soon as any amount of principal, interest or fee has not been paid to CEG at the date this obligation was due.

To be able to monitor delinquent corporate loans in a more structured way the Bank developed NPL & forbearance screens on solo level and strive to spread the system across subsidiaries.

Impairment allowances

IFRS 9 introduced forward-looking expected loss model for impairment allowances. Expected credit loss (ECL) amount is calculated on a probability-weighted basis as the difference between the cash flows that are due to the Group in accordance with the contractual terms of a financial instrument and the cash flows that the Group expects to receive. The Group classifies its financial assets in 'three-

stage' model ('general model') for impairment based on changes in credit quality since initial recognition.

Stage 1 includes financial instruments that have not had a significant increase in credit risk since initial recognition. For these assets, 12-month expected credit losses ('ECL') are recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance). 12-month ECL is the expected credit losses that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months.

Stage 2 includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument. Expected credit losses are the weighted average credit losses with the probability of default ('PD') as the weight.

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. In line with the Capital Requirement Regulations (CRR) the Bank defines defaulted exposures as exposures that satisfy either or both of the following criteria:

- material exposures which are more than 90 days past-due
- the obligor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past-due.

The Bank aligns the definition of credit impaired under IFRS 9 (Stage 3) with default definition of CRR. For these assets, lifetime ECL is recognized and interest revenue is calculated on the net carrying amount (that is, net of credit allowance).

The Bank recognizes a loss allowance for expected credit losses on amortized cost financial assets, debt securities classified as at FVOCI, and off-balance sheet loan commitments and financial guarantees in accordance with IFRS9.

EU CR1: Performing and non-performing exposures and related provisions

Gross carrying amount/nominal amount

Dec 2025 ('000)	Performing exposures			Non-performing exposures		
	Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3
005 Cash balances at central banks and other demand deposits	826,975	-	-	-	-	-
010 Loans and advances	3,958,249	3,852,675	105,574	47,956	0	47,955
020 <i>Central banks</i>	-	-	-	-	-	-
030 <i>General governments</i>	92,198	92,198	-	-	-	-
040 <i>Credit institutions</i>	922,514	922,514	-	-	-	-
050 <i>Other financial corporations</i>	381,585	381,239	346	-	-	-
060 <i>Non-financial corporations</i>	2,321,383	2,238,905	82,478	21,381	-	21,381
070 <i>Of which SMEs</i>	9,082	2,584	6,498	1,500	-	1,500
080 <i>Households</i>	240,568	217,819	22,749	26,574	0	26,574
090 Debt securities	546,387	546,387	-	-	-	-
100 <i>Central banks</i>	-	-	-	-	-	-
110 <i>General governments</i>	450,914	450,914	-	-	-	-
120 <i>Credit institutions</i>	39,126	39,126	-	-	-	-
130 <i>Other financial corporations</i>	42,931	42,931	-	-	-	-
140 <i>Non-financial corporations</i>	13,416	13,416	-	-	-	-
150 Off-balance-sheet exposures	1,462,423	-	-	1,322	-	-
160 <i>Central banks</i>	-	-	-	-	-	-
170 <i>General governments</i>	3,718	-	-	-	-	-
180 <i>Credit institutions</i>	335,195	-	-	-	-	-
190 <i>Other financial corporations</i>	-	-	-	-	-	-
200 <i>Non-financial corporations</i>	857,589	-	-	-	-	-
210 <i>Households</i>	265,921	-	-	1,322	-	-
220 Total	6,794,035	4,399,063	105,574	49,278	0	47,955

		Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and				On performing exposures	On non-performing exposures
Dec 2025 ('000)		Total	Of which stage 1	Of which stage 2	Total	Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-	-
010	Loans and advances	(9,994)	(7,777)	(2,217)	(17,671)	-	(17,671)	-	-	-
020	Central banks	-	-	-	-	-	-	-	-	-
030	General governments	(20)	(20)	-	-	-	-	-	-	-
040	Credit institutions	(447)	(447)	-	-	-	-	-	-	-
050	Other financial corporations	(660)	(651)	(9)	-	-	-	-	-	-
060	Non-financial corporations	(7,294)	(5,473)	(1,821)	(3,874)	-	(3,874)	-	-	-
070	Of which SMEs	(224)	(16)	(208)	(383)	-	(383)	-	-	-
080	Households	(1,573)	(1,187)	(386)	(13,796)	-	(13,796)	-	-	-
090	Debt securities	-	-	-	-	-	-	-	-	-
100	Central banks									
110	General governments									
120	Credit institutions									
130	Other financial corporations									
140	Non-financial corporations									
150	Off-balance-sheet exposures	-	-	-	-	-	-			
160	Central banks									
170	General governments									
180	Credit institutions									
190	Other financial corporations									
200	Non-financial corporations									
210	Households									
220	Total	(9,994)	(7,777)	(2,217)	(17,671)	-	(17,671)	-	-	-

EU CR1-A: Maturity of exposures

Net exposure value						
Dec 2025 ('000)	On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1 Loans and advances	78,875	2,896,492	551,291	443,886	7,996	3,978,540
2 Debt securities	-	136,181	327,452	82,754	-	546,387
3 Total	78,875	3,032,673	878,742	526,641	7,996	4,524,927

EU CR2: Changes in the stock of non-performing loans and advances

Dec 2025 ('000)	Gross carrying amount
010 Initial stock of non-performing loans and advances	60,171
020 Inflows to non-performing portfolios	7,918
030 Outflows from non-performing portfolios	(20,133)
040 Outflows due to write-offs	(5,176)
050 Outflow due to other situations	(14,957)
060 Final stock of non-performing loans and advances	47,955

EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries

Dec 2025 ('000)	Gross carrying amount	Related net accumulated recoveries
010 Initial stock of non-performing loans and advances	60,171	
020 Inflows to non-performing portfolios	7,918	
030 Outflows from non-performing portfolios	(20,133)	
040 Outflow to performing portfolio	(3,467)	
050 Outflow due to loan repayment, partial or total	(9,876)	
060 Outflow due to collateral liquidations		
070 Outflow due to taking possession of collateral		
080 Outflow due to sale of instruments		
090 Outflow due to risk transfers		
100 Outflows due to write-offs	(5,176)	
110 Outflow due to other situations	(1,614)	
120 Outflow due to reclassification as held for sale	-	
130 Final stock of non-performing loans and advances	47,955	

EU CQ1: Credit quality of forbore exposures

Dec 2025 ('000)	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forbore exposures	
	Non-performing forbore				On performing forbore exposures	On non-performing forbore exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures	
	Performing forbore	Of which defaulted	Of which impaired					
005 Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010 Loans and advances	18,777	27,713	27,713	27,713	(359)	(7,563)	22,425	11,594
020 Central banks	-	-	-	-	-	-	-	-
030 General governments	-	-	-	-	-	-	-	-
040 Credit institutions	-	-	-	-	-	-	-	-
050 Other financial corporations	-	-	-	-	-	-	-	-
060 Non-financial corporations	13,282	18,691	18,691	18,691	(291)	(2,835)	13,325	7,300
070 Households	5,495	9,022	9,022	9,022	(68)	(4,727)	9,100	4,295
080 Debt Securities	-	-	-	-	-	-	-	-
090 Loan commitments given	-	-	-	-	-	-	-	-
100 Total	18,777	27,713	27,713	27,713	(359)	(7,563)	22,425	11,594

CEG's NPE stock has been decreasing steadily. CEG is committed to maintaining an NPL ratio below sector average in line with its risk appetite.

EU CQ2: Quality of forbearance

Dec 2025 ('000)	Gross carrying amount of forbore exposures
010 Loans and advances that have been forbore more than twice	3,295
020 Non-performing forbore loans and advances that failed to meet the non-performing exit criteria	11,220

EU CQ3: Credit quality of performing and non-performing exposures by past due days

		Gross carrying amount/nominal amount											
		Performing exposures				Non-performing exposures							
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
Dec 2025 ('000)													
005	Cash balances at central banks and other demand deposits	826,975	826,976	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	3,958,249	3,954,774	3,474	47,956	21,478	899	508	5,811	13,827	3,610	1,822	47,956
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	92,198	92,198	-	-	-	-	-	-	-	-	-	-
040	Credit institutions	922,514	922,514	-	-	-	-	-	-	-	-	-	-
050	Other financial corporations	381,585	381,585	-	-	-	-	-	-	-	-	-	-
060	Non-financial corporations	2,321,383	2,321,383	-	21,381	15,099	-	-	4,878	1,405	-	-	21,381
070	Of which SMEs	9,082	9,082	-	1,500	199	-	-	1,301	-	-	-	1,500
080	Households	240,568	237,094	3,474	26,574	6,380	899	508	5,811	8,949	2,206	1,822	26,574
090	Debt securities	546,387	546,387										
100	Central banks	-	-										
110	General governments	450,914	450,914										
120	Credit institutions	39,126	39,126										
130	Other financial corporations	42,931	42,931										
140	Non-financial corporations	13,416	13,416										
150	Off-balance-sheet exposures	1,462,423			1,322								1,322
160	Central banks	-											-
170	General governments	3,718											-
180	Credit institutions	335,195											-
190	Other financial corporations	-											-
200	Non-financial corporations	857,589											-
210	Households	265,921			1,322								1,322
220	Total	6,794,035	5,328,137	3,474	49,278	21,478	899	508	5,811	13,827	3,610	1,822	49,278

EU CQ4: Quality of non-performing exposures by geography

Dec 2025 ('000)	Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Total	Of which non-performing		Of which subject to impairment			
		Of which defaulted					
010 On-balance-sheet exposures	5,379,617	47,956	47,956	5,379,617	(27,665)		
020 Netherlands	1,050,226	-	-	1,050,226	(444)		
030 Turkey	658,661	1,416	1,416	658,661	(2,500)		
040 Romania	552,573	30,379	30,379	552,573	(17,227)		
050 Switzerland	644,661	-	-	644,661	(903)		
060 Other Emerging Markets	1,213,851	7,326	7,326	1,213,851	(4,775)		
070 Developed markets	1,259,645	8,835	8,835	1,259,645	(1,817)		
080 Off-balance-sheet exposures	1,462,423	1,322	1,322				
090 Netherlands	1,767	-	-				
100 Turkey	40,294	-	-				
110 Romania	288,874	1,322	1,322				
120 Switzerland	210,713	-	-				
130 Other Emerging Markets	740,796	-	-				
140 Developed markets	179,980	-	-				
150 Total	6,842,041	49,278	49,278	5,379,617	(27,665)		

EU CQ5: Credit quality of loans and advances by industry

Dec 2025 ('000)	Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	Total	Of which non-performing		Of which loans and advances subject to impairment		
			Of which defaulted			
010 Agriculture, forestry and fishing	8,496	-	-	8,496	(2)	
020 Mining and quarrying	-	-	-	-	-	
030 Manufacturing	335,268	8,834	8,834	335,268	(1,151)	
040 Electricity, gas, steam and air conditioning supply	204,127	-	-	204,127	(431)	
050 Water supply	-	-	-	-	-	
060 Construction	10,433	10	10	10,433	(18)	
070 Wholesale and retail trade	1,103,536	4,878	4,878	1,103,536	(2,428)	
080 Transport and storage	126,706	-	-	126,706	(382)	
090 Accommodation and food service activities	79,123	6,254	6,254	79,123	(3,430)	
100 Information and communication	9,503	-	-	9,503	(3)	
110 Financial and insurance activities	34,568	-	-	34,568	(278)	
120 Real estate activities	178,309	-	-	178,309	(919)	
130 Professional, scientific and technical activities	-	-	-	-	-	
140 Administrative and support service activities	229,542	1,405	1,405	229,542	(2,009)	
150 Public administration and defense, compulsory social security	-	-	-	-	-	
160 Education	-	-	-	-	-	
170 Human health services and social work activities	-	-	-	-	-	
180 Arts, entertainment and recreation	-	-	-	-	-	
190 Other services	1,773	-	-	1,773	(117)	
200 Total	2,321,383	21,381	21,381	2,321,383	(11,168)	

EU CQ6: Collateral valuation - loans and advances

		Loans and advances											
		Performing			Non-performing								
		Total	Total Performing	Of which past due > 30 days ≤ 90 days	Total Non-performing	Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days						
Dec 2025 ('000)							Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years	
010	Gross carrying amount	4,002,730	3,954,774	3,474	47,956	21,478	899	508	5,811	13,827	3,610	1,822	47,956
020	Of which secured	1,401,678	1,381,274	2,204	20,404	8,401	12,003	668	369	992	7,640	2,048	287
030	Of which secured with immovable property	440,390	406,890	2,183	33,499	12,637	20,862	899	456	1,632	12,443	3,610	1,822
040	Of which instruments with LTV higher than 60% and lower or equal to 80%	36,737	31,968		4,769	1,285	3,485						
050	Of which instruments with LTV higher than 80% and lower or equal to 100%	273,734	263,342		10,392	7,506	2,886						
060	Of which instruments with LTV higher than 100%	28,661	14,975		13,686	1,748	11,938						
070	Accumulated impairment for secured assets	(17,247)	(3,465)		(13,782)	(4,185)	(9,596)	(231)	(121)	(641)	(5,506)	(1,562)	(1,535)
080	Collateral												
090	Of which value capped at the value of exposure	1,305,391	1,285,644	2,111	19,747	8,401	11,346	668	369	992	6,983	2,048	287
100	Of which immovable property	420,558	400,811	2,095	19,747	8,401	11,346	668	369	992	6,983	2,048	287
110	Of which value above the cap	1,663,394	1,624,408	4,106	38,986	15,225	23,762	-	-	-	-	-	-
120	Of which immovable property	613,811	575,702	3,967	38,109	15,157	22,952	-	-	-	-	-	-
130	Financial guarantees received	96,287	95,630	93	657	-	657	-	-	-	657	-	-
140	Accumulated partial write-off	(54,054)	-	-	(54,054)	-	(54,054)	-	-	-	-	(14,830)	(39,224)

EU CQ7: Collateral obtained by taking possession and execution processes

Dec 2025 ('000)	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
010 Property, plant and equipment (PP&E)	2,800	(1,823)
020 Other than PP&E	10,661	(2,012)
030 Residential immovable property	6,491	(187)
040 Commercial Immovable property	1,269	(5)
050 Movable property (auto, shipping, etc.)	2,000	(1,820)
060 Equity and debt instruments	-	-
070 Other collateral	902	-
080 Total	13,461	(3,835)

EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown

Dec 2025 ('000)	Debt balance reduction				Total collateral obtained by taking possession							
	Gross carrying amount	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Foreclosed ≤ 2 years				Foreclosed > 2 years ≤ 5 years			
					Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010 Collateral obtained by taking possession classified as PP&E	2,800	(1,823)	2,800	(1,823)								
020 Collateral obtained by taking possession other than that classified as PP&E	37,165	(11,800)	10,661	(2,012)	7,957	(2,007)	1,915	-	789	(5)	-	-
030 Residential immovable property	22,627	(7,184)	6,491	(187)	5,957	(187)	0	-	534	-	-	-
040 Commercial immovable property	4,423	(1,404)	1,269	(5)	-	-	1,014	-	255	(5)	-	-
050 Movable property (auto, shipping, etc.)	6,972	(2,214)	2,000	(1,820)	2,000	(1,820)	-	-	-	-	-	-
060 Equity and debt instruments	-	-	-	-	-	-	-	-	-	-	-	-
070 Other collateral	3,143	(998)	902	-	-	-	902	-	-	-	-	-
080 Total	39,965	(13,623)	13,461	(3,835)	7,957	(2,007)	1,915	-	789	(5)	-	-

10. Credit risk mitigation techniques

EU CRC – Qualitative disclosure requirements related to CRM techniques

It is CEG's policy to ensure that the loan extension process is conducted under strong evidence of a customer's ability to repay the loan. Nevertheless, collaterals are actively used for the purposes of credit-risk mitigation. The Transactions and Collateral Management Department is organized as a separate department for collateral management of all types of lending. Transactional lending especially relies heavily upon collaterals and documentation.

Valuation reports, survey report updates and insurance policies are followed up systematically. Mainly related to trade finance, Collateral Management Agreements and Collateral Monitoring Agreements are also outsourced to expert collateral management agents who have management and reporting capabilities at the site of the collateral. As a principal, the value of the collateral should not have a material positive correlation with the credit quality of the provider for the risk mitigation effect to be considered.

Due to the application of Standardised Approach, not all available collaterals can be considered for solvency testing. Currently CEG applies Financial Collateral Comprehensive Approach to assess the value of collateral for risk mitigation purposes.

For funded credit protections, following collaterals are recognized as eligible:

- cash on deposit with, or cash-assimilated instruments held by, a lending credit institution;
- debt securities issued by central governments or central banks which securities have a credit assessment that is associated with credit quality step 4 or above;
- debt securities issued by institutions or other entities which securities have a credit assessment that is associated with credit quality step 3 or above;
- debt securities with a short-term credit assessment that is associated with credit quality step 3 or above;
- equities or convertible bonds that are included in a main index or listed on a recognized stock exchange;
- gold;

To reflect the possible fluctuations in the collateral value CEG applies supervisory haircuts set by the Dutch Central Bank, CEG strictly ensures that there is a proper documentation in place which legally enforces the pledge of the collateral to the exposure. Otherwise the collateral is not accepted for risk mitigation purposes. The main documents ensuring that CEG has the right to liquidate collateral in case the customer does not fulfill its credit obligations are Deed of Pledge and Framework Credit Agreements. The next tables show the carrying amount of collateralized exposure broken down by type of collateral obtained.

EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

Dec 2025 ('000)	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
1 Loans and advances	3,958,249	1,401,678	1,401,678	96,287	
2 Debt securities	546,387	-	-	-	
3 Total	4,504,636	1,401,678	1,401,678	96,287	
4 <i>Of which non-performing exposures</i>	47,956	20,404	20,404	657	
5 <i>Of which defaulted</i>	47,956	20,404			

11. Standardised approach

EU CRD – Qualitative disclosure requirements related to standardised model

For calculating its minimum capital requirements, CEG applies standardised approach for credit risk calculation following methodology as laid down in CRR. Risk exposures is weighted with the designated risk weight. The risk weight is influenced by the external rating issued by eligible credit assessment institutions (ECAIs) and type of the counterparty and is determined separately for each transaction.

According to CRR, CEG uses default long-term credit assessment provided by ECAI from Moody's, Standards & Poor's and Fitch and applies the second-best rating among three ECAI as the final credit assessment to assign the risk weight. ECAIs are usually available for the exposure classes Central Governments or Central Banks, and Institutions. CEG ensures to use the credit assessment in a continuous and consistent way over time.

EU CR4 – standardised approach – Credit risk exposure and CRM effects

Dec 2025 ('000)

Exposure classes		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet amount	RWAs	RWAs density (%)
1	Central governments or central banks	1,252,419	1,500	1,252,419	750	121,718	10%
2	Non-central government public sector entities	63,502	2,218	63,502	887	16,663	26%
EU 2a	Regional government or local authorities	38,523	2,218	38,523	887	4,173	11%
EU 2b	Public sector entities	24,980	-	24,980	-	12,490	50%
3	Multilateral development banks	82,887	84,074	82,887	42,037	30,835	25%
EU 3a	International organisations	-	-	-	-	-	-
4	Institutions	921,287	251,121	740,813	63,937	532,685	66%
5	Covered bonds	-	-	-	-	-	-
6	Corporates	2,475,822	857,589	2,282,776	191,277	2,483,984	100%
6.1	Of which: Specialised Lending	1,176,966	600,124	1,053,203	123,383	1,191,034	101%
7	Subordinated debt exposures and equity	15,147	-	15,147	-	15,147	100%
EU 7a	Subordinated debt exposures	-	-	-	-	-	-
EU 7b	Equity	15,147	-	15,147	-	15,147	100%
8	Retail	122,983	264,599	122,983	4,099	87,774	69%
9	Secured by mortgages on immovable property and ADC exposures	408,739	-	407,739	-	300,128	74%
9.1	Secured by mortgages on residential immovable property - non IPRE	112,780	-	112,780	-	37,578	33%
9.2	Secured by mortgages on residential immovable property - IPRE	10,006	-	10,006	-	3,002	30%
9.3	Secured by mortgages on commercial immovable property - non IPRE	33,492	-	32,492	-	28,988	89%
9.4	Secured by mortgages on commercial immovable property - IPRE	200,278	-	200,278	-	152,285	76%
9.5	Acquisition, Development and Construction (ADC)	52,184	-	52,184	-	78,275	150%
10	Exposures in default	26,938	1,322	26,938	-	33,432	124%
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-
EU 10c	Other items	65,829	-	65,829	-	55,709	85%
11	not applicable	-	-	-	-	-	-
12	TOTAL	5,435,553	1,462,423	5,061,034	302,987	3,678,075	69%

EU CR5 – standardised approach

Exposure classes		Risk weight																			Total		
		0%	2%	4%	10%	20%	30%	35%	45%	50%	60%	70%	75%	90%	100%	130%	150%	250%	370%	1250%		Others	
1	Central governments or central banks	1,136,806	-	-	-	-	-	-	-	22,203	-	-	-	-	65,964	-	25,838	2,359	-	-	-	1,253,169	
2	Non-central government public sector entities	18,543	-	-	-	20,867	-	-	-	24,980	-	-	-	-	-	-	-	-	-	-	-	64,389	
EU 2a	Regional government or local authorities	18,543	-	-	-	20,867	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,410	
EU 2b	Public sector entities	-	-	-	-	-	-	-	-	24,980	-	-	-	-	-	-	-	-	-	-	-	24,980	
3	Multilateral development banks	57,000	-	-	-	4,258	9,250	-	-	54,416	-	-	-	-	-	-	-	-	-	-	-	124,924	
EU 3a	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Institutions	-	1,294	-	-	353,950	24,882	-	-	105,287	-	-	21,202	-	336,240	-	33,080	-	-	-	-	875,934	
5	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Corporates	-	-	-	-	66,290	-	-	-	13,503	-	-	2,873	-	2,385,399	48,160	9,208	-	-	-	-	2,525,434	
6.1	Of which: Specialised Lending	-	-	-	-	-	-	-	-	-	-	-	-	-	1,128,426	48,160	-	-	-	-	-	1,176,586	
7	Subordinated debt exposures and equity	-	-	-	-	-	-	-	-	-	-	-	-	-	15,147	-	-	-	-	-	-	15,147	
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
EU 7b	Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	15,147	-	-	-	-	-	-	15,147	
8	Retail	-	-	-	-	-	-	-	22,256	-	-	-	104,825	-	-	-	-	-	-	-	-	127,082	
9	Secured by mortgages on immovable property and ADC exposures	-	-	-	-	94,638	10,006	-	-	-	9,393	139,826	19,150	60,452	22,091	-	52,184	-	-	-	-	407,739	
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	-	-	94,638	-	-	-	-	-	-	18,142	-	-	-	-	-	-	-	-	112,780	
9.1.1	no loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	2,219	-	-	-	-	-	-	-	-	-	
9.1.2	loan splitting applied (secured)	-	-	-	-	94,638	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9.1.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-	-	-	15,922	-	-	-	-	-	-	-	-	-	
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	10,006	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,006	
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	-	-	-	-	-	-	-	-	9,393	-	1,008	-	22,091	-	-	-	-	-	-	32,492	
9.3.1	no loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	308	-	18,131	-	-	-	-	-	-	-	
9.3.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-	9,393	-	-	-	-	-	-	-	-	-	-	-	
9.3.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-	-	-	700	-	3,960	-	-	-	-	-	-	-	
9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	-	-	-	-	-	139,826	-	60,452	-	-	-	-	-	-	-	-	200,278	
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	52,184	-	-	-	-	52,184	
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	17,010	-	9,929	-	-	-	-	26,938	
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
EU 10c	Other items	10,120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	not applicable	-	-	-	-	-	-	-	-	-	-	-	-	-	55,709	-	-	-	-	-	-	65,829	
12	TOTAL	1,222,468	1,294	-	-	540,003	44,138	-	-	22,256	220,388	9,393	139,826	148,050	60,452	2,897,559	48,160	130,238	2,359	-	-	-	5,486,588

12. Counterparty credit risk

EU CCRA – Qualitative disclosure related to CCR

Counterparty credit risk (CCR) is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows. CEG's Counterparty credit risk arises primarily from activities such as over the counter (OTC) derivatives and securities financing transactions.

OTC derivative instruments

CEG incurs OTC Derivatives mainly in two activities: 1) held for trading derivatives and 2) derivatives held as economic hedge and hedge accounting derivatives held as economic hedges

Held for Trading Derivatives are closely related to facilitating the needs of our clients. When CEG NV offers transactions in these products, it acts solely as a distributor. As a result, a significant portion of the derivatives in our trading portfolio support clients' risk management needs, such as hedging currency or interest rate exposures. In addition, CEG NV also offers other financial market products that are traded on exchanges.

Derivatives Held as Economic Hedge and Hedge Accounting Derivatives held as economic hedges (i.e. asset-liability management) include transactions that are entered into in accordance with the Bank's hedging objectives but do not qualify for hedge accounting. Derivatives held for economic hedge purposes are measured at fair value in the statement of financial position. Interest income and expenses arising on derivatives held as economic hedge but not designated in a hedge accounting relationship are presented under net interest income. All other gains and losses arising on these transactions are presented under 'valuation results and net trading income'. The Bank designates certain derivatives held for risk management purposes as hedging instruments in qualifying hedge accounting relationships.

On initial designation of the hedge, the Bank formally documents the relationship between the hedging instrument(s) and hedged item(s), including the risk management objective and strategy in undertaking the hedge transaction, together with the method that will be used to assess the effectiveness of the hedging relationship. The Bank makes an assessment, both at the inception of the hedge accounting relationship as well as an ongoing basis, of whether the hedging instrument(s) is (are) expected to be highly effective in offsetting the changes.

Repurchase Transactions and Reverse Repo Transactions

Transactions where financial instruments, such as loans and securities, are sold under a commitment to repurchase (repos) at a predetermined price or are purchased under a commitment to resell (reverse repo) are treated as collateralised borrowing and lending transactions.

Limit setting

The setting of limits for positions exposed to counterparty credit risk is covered under CEG's Trading and banking book policy for Treasury products. This policy outlines the principles for establishing specific risk limits for each derivative portfolio and individual counterparty as well as its governing structure.

Counterparty credit risk calculation approach

CEG calculated its regulatory capital requirements for OTC derivative transactions in accordance with the standardised approach for Counterparty Credit Risk (SA-CCR) as set out in the CRR. Under the SA-CCR, the Exposure at Default captures both current exposure and potential future exposure, providing a comprehensive assessment of counterparty credit risk. To calculate exposures arising from collateral and securities financing transactions (SFTs), CEG applies the financial collateral comprehensive method. Contractual cross-product netting is not used. Additionally, Credit Valuation Adjustments (CVA) are applied to account for the cost of the risk that a counterparty may fail to fulfil its contractual obligations with CEG.

EU CCR1 – Analysis of CCR exposure by approach

	Dec 2025 ('000)	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU1	EU - Original Exposure Method (for derivatives)				1.4				
EU2	EU - Simplified SA-CCR (for derivatives)				1.4				
1	SA-CCR (for derivatives)	22,522	60,548		1.4	184,092	116,299	116,299	70,588
2	IMM (for derivatives and SFTs)								
2a	Of which securities financing transactions netting sets								
2b	Of which derivatives and long settlement transactions netting sets								
2c	Of which from contractual cross-product netting sets								
3	Financial collateral simple method (for SFTs)					105,789	6,266	6,266	1,253
4	Financial collateral comprehensive method (for SFTs)								
5	VaR for SFTs								
6	Total					289,881	122,564	122,564	71,841

EU CCR2 – Transactions subject to own funds requirements for CVA risk

The valuation of financial OTC trades carried out by CEG as part of its trading activities includes credit value adjustments (CVAs). CVA is an adjustment of the trading portfolio valuation to take into account the counterparty credit risk. CVA is the fair value of any expected loss arising from counterparty exposure based on the potential positive value of the portfolio, the counterparty default probability and the estimated recovery rate at default. The following table shows the value adjustment for counterparty credit risk (Credit Value Adjustment or CVA):

	Dec 2025 ('000)	Exposure value	RWEA
1	Total transactions subject to the Advanced method		
2	(i) VaR component (including the 3× multiplier)		
3	(ii) stressed VaR component (including the 3× multiplier)		
4	Transactions subject to the Standardised method	66,708	28,669
EU4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)		
5	Total transactions subject to own funds requirements for CVA risk	66,708	28,669

EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

Dec 2025 ('000)		Risk weight											Total exposure value
Exposure classes		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1 Central governments or central banks													
2 Regional government or local authorities													
3 Public sector entities													
4 Multilateral development banks													
5 International organisations													
6 Institutions			1,294			61,078	8,812			43,755	7,625		71,183
7 Corporates													51,381
8 Retail													
9 Institutions and corporates with a short-term credit assessment													
10 Other items													
11 Total exposure value			1,294			61,078	8,812			43,755	7,625		122,564

EU CCR5 – Composition of collateral for CCR exposures

Dec 2025 ('000)		Collateral used in derivative transactions				Collateral used in SFTs			
Collateral type		Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
		Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1 Cash – domestic currency			29,879		18,750				
2 Cash – other currencies			16,418		18,047				
3 Domestic sovereign debt							-		54,792
4 Other sovereign debt							176,530		21,783
5 Government agency debt							-		-
6 Corporate bonds							54,135		24,933
7 Equity securities									
8 Other collateral									
9 Total		-	46,296	-	36,797	-	230,665	-	101,508

EU CCR6 – Credit derivatives exposures

Dec 2025 ('000)		Protection bought	Protection sold
Notionals			
1 Single-name credit default swaps		22,142	
2 Index credit default swaps			
3 Total return swaps			
4 Credit options			
5 Other credit derivatives			
6 Total notionals		22,142	
Fair values			
7 Positive fair value (asset)		31	-
8 Negative fair value (liability)			

EU CCR8 – Exposures to CCPs

Dec 2025 ('000)		Exposure value	RWEA
1	Exposures to QCCPs (total)		26
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	1,294	26
3	(i) OTC derivatives	1,294	26
4	(ii) Exchange-traded derivatives		
5	(iii) SFTs		
6	(iv) Netting sets where cross-product netting has been approved		
7	Segregated initial margin		
8	Non-segregated initial margin		
9	Prefunded default fund contributions		
10	Unfunded default fund contributions		
11	Exposures to non-QCCPs (total)		
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which		
13	(i) OTC derivatives		
14	(ii) Exchange-traded derivatives		
15	(iii) SFTs		
16	(iv) Netting sets where cross-product netting has been approved		
17	Segregated initial margin		
18	Non-segregated initial margin		
19	Prefunded default fund contributions		
20	Unfunded default fund contributions		

Disclosure of credit valuation adjustment risk

EU CVAA - Qualitative disclosure requirements related to credit valuation adjustment risk

Given the Bank's limited use of derivative instruments and the absence of a trading book, CVA risk is currently assessed as a non-material risk relative to the Bank's overall risk profile. Nevertheless, NXT maintains appropriate governance, monitoring and control processes to ensure that any CVA risk arising from derivative activities remains within the Bank's approved risk appetite and regulatory requirements.

CEG did not meet all conditions set out in Art 273a(2), therefore CEG has chosen to calculate the own funds requirements for CVA risk using the simplified approach set out in Art 385

EU CVA 2 – Credit valuation adjustment risk under the Full Basic Approach

		Own funds requirements	Notional of CVA hedge:
1	BACVA ^{csr-unhedged}	2,294	
2	BACVA ^{csr-hedged}		
3	Total	2,294	
EU 4	Single-name CDS		
EU 5	Index CDS		
EU 6	Total		

13. Market risk

EU MRA: Qualitative disclosure requirements related to market risk

Market risk is defined as the current or prospective threat to the Bank's earnings and capital because of adverse market movements in market prices (security and derivative prices, as well as interest rates and foreign exchange rates) or in parameters such as volatility and correlations.

CEG draws the regulatory boundary between the 'Trading Book' and the 'Banking Book' (i.e. the non-trading book) in line with the Trading Book definition provided in Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (CRR), Article 4 (85) and (86). In this respect, CEG classifies all positions in financial instruments held with trading intent, or in order to hedge those trading positions in its 'Trading book'. CEG has established portfolio-level limit structure per the trading book and the banking book. For the trading book, nominal, PV01, holding period, equity, FX, Value at Risk, capital and stop-loss limits are in place; and for the banking book, nominal, PV01, remaining maturity, capital structure, equity, FX, capital and stop-loss limits are in place. Any breach of the mentioned limits is clearly marked and demonstrated in ALCO package. Treasury is expected to provide explanation and the reasoning of the limit breach and in certain cases the time required to eliminate the limit breach.

Certain type of limit breaches are instantly directed to Managing Board level, such as the exceedance of nominal limits (i.e. bonds or FX). For other type of limit breaches, particularly "sensitivity-based" metrics such as PV01 or VaR limits and maximum holding period, CRO or Head of Financial Risk Management has the authority to grant a grace period of ten working days to Treasury to correct the limit breach. In case the issue is not resolved within the grace period, the limit breach is directly escalated to Managing Board.

CEG's market risk policy is subject to the approval of CEG's Managing Board and reviewed annually by Risk Management Division. CEG's Audit & Risk Committee is informed about the level of limits and utilization at least on a quarterly basis. Being the owner of the policy, Managing Board determines the main pillars of CEG's trading book and banking book management. The ALCO bears the responsibility to monitor and control the composition, characteristics and diversification of the Bank's regulatory books in line with the overall strategic objectives, and it monitors the current limit utilization and compliance with the limits. The Risk Management Division establishes and maintains systems and controls to manage the risks associated with the regulatory books, it monitors all the limits defined in the market risk policy are complied with, and it builds and maintains efficient and accurate risk measurement systems for risk monitoring and ICAAP purposes. Treasury Department follows the principles laid down in the market risk policy during the assignment of financial instruments to regulatory books and in coordination with Risk Management, it ensures that all trading and banking book positions are within the limits.

Market Risk Capital Component

From a regulatory perspective, market risk stems from all the positions included in banks' trading book as well as from commodity and foreign exchange risk positions in the whole balance sheet. The standardised approach is used to calculate capital requirements for market risk as shown below.

EU MR1 - Market risk under the standardised approach

Dec 2025 ('000)		RWEAs
Outright products		
1	Interest rate risk (general and specific)	124,522
2	Equity risk (general and specific)	-
3	Foreign exchange risk	19,416
4	Commodity risk	36
Options		
5	Simplified approach	
6	Delta-plus approach	
7	Scenario approach	
8	Securitisation (specific risk)	
9	Total	143,974

Market Risk – Internal Models (VaR)

The Bank measures the market risk of its trading book and the foreign-exchange risk of its banking book by using an internal historical simulation method, based on VaR methodology. VaR defines the maximum loss not exceeded with a given probability over a given period under normal market conditions.

The internal historical simulation method of VaR model is used for risk-monitoring purposes and whereas regulatory capital for market risk is calculated and reported quarterly according to the Standard Approach, as specified in the DNB's market-risk regulations.

The internal historical simulation method is used starting from January 2013. The last 250 historical daily returns of market risk factors are used to stress the current trading positions to estimate possible fluctuations caused by market movements while keeping the portfolio fixed.

The internal limit for the 10-day VaR of trading FX positions and treasury products, measured at 99% confidence interval, is EUR 4 million. This implies that diversified VaR from foreign-exchange risk and interest-rate risk in the trading book should not exceed this level.

The Bank also measures the market risk of its loan trading portfolio in the trading book via the internal historical simulation method, based also on VaR methodology, since March 2021. As of December, 31 2025, VaR has been calculated as EUR 0.5 million for the loan trading portfolio in the trading book.

The internal limit for the 10-day VaR of the loan trading portfolio, measured at 99% confidence interval, is EUR 2 million.

Other market risks such as liquidity, re-pricing and interest-rate risk on the banking book are measured and monitored through sensitivity and gap analyses.

Value-at-risk figures - Trading FX positions and treasury products (2025)	Total	Diversification effect	Interest-rate risk	Foreign-exchange risk
Average	1,949	100%	1,165	784
Maximum	2,459	100%	1,930	1,902
Minimum	676	100%	398	178
Year-end	676	100%	398	279

Interest-rate risk in the banking book

One of the Bank's major risks under Pillar II is the interest-rate risk on the banking book. The Bank defines interest rate risk as the current or prospective risk to earnings and capital arising from adverse movements in interest rates. The trading book is also subject to interest-rate risk, but this type of risk is dealt with under the Market Risk: Value-at-Risk section. The Bank has a 'limited' risk appetite towards interest-rate risk in its banking book.

The Bank's interest-rate risk is monitored for the banking book by means of static re-pricing gap and interest rate sensitivity analyses once a month at all levels and for each major currency in use. Interest-rate sensitivity in the banking book is calculated according to the economic-value approach. All future cash flows, arising solely from on- and off-balance sheet assets and liabilities are discounted back to their present values with zero-coupon yield curves to see the impact of interest-rate changes on the economic value of the Bank. The impact of the curve with the maximum net gain or loss compared to a benchmark curve is then analysed.

The Bank applies six interest rate shock scenarios according to EBA guidelines to capture parallel and nonparallel gap risks for Economic Value of Equity (EVE). The capital requirement is based on the maximum EVE impact under all these scenarios. As of December 31, 2025, EVE drops by EUR 11.7 million in case of a parallel down scenario (2024: EUR 4.4 million in case of a parallel down scenario).

Additionally, the Bank calculates the projected net interest income for parallel up and down shifts of the yield curve. As of 31 December 2025, NII drops by EUR 9 million in case of parallel down scenario. (2024: EUR 5.9 million in case of parallel down scenario)

Credit Spread Risk in the Banking Book

In line with the European Banking Authority (EBA) Guidelines (EBA/GL/2022/14) on the management of interest rate risk and the assessment and monitoring of credit spread risk arising from non-trading book activities, CEG defines Credit Spread Risk in the Banking Book (CSRBB) as the risk driven by changes in the market price of credit risk, liquidity, and other characteristics of credit-risky instruments that are not captured by other prudential frameworks such as Interest Rate Risk in the Banking Book (IRRBB) or expected credit/(jump-to-) default risk. CSRBB specifically reflects the movement of credit spreads while assuming the same level of creditworthiness (i.e., changes within a given rating or probability of default (PD) range).

CSRBB captures two primary components:

- i) the changes of the “market credit spread” or “market price of credit risk” representing the credit risk premium required by market participants for a given credit quality and,
- ii) the changes of the “market liquidity spread” representing the liquidity premium that sparks market appetite for investments and presence of willing buyers and sellers.

Idiosyncratic elements are included in the scope of CSRBB in line with option 2 in the EBA guideline for the following reasons:

- Idiosyncratic components may not be entirely accounted for in other risk models, making their partial inclusion beneficial for a more conservative assessment.
- It is often challenging to fully disentangle the idiosyncratic portion from the overall spread movements, and their inclusion ensures a more holistic view of credit spread risk.
- Given the structure of our balance sheet, segmentation based on counterparty type (sovereign, corporate, retail, and banks) is particularly relevant, as spread behavior and sensitivity differ significantly across these categories.

CEG is committed to ensuring that its CSRBB framework aligns with regulatory expectations and industry best practices. CSRBB is measured using Economic Value of Equity (EVE) approach. EVE sensitivity measures changes in the net present value of instruments sensitive to credit spread fluctuations over their remaining life. It excludes equity from cash flows and reflects the present value of a bank’s assets minus the present value of its liabilities. CEG uses historical market data to calibrate credit spread shocks. CSRBB shock levels have been defined based on rating, currency, and counterparty segments, with a specific credit spread shock determined for each category.

As of 31 December 2025, the maximum EVE sensitivity of CEG is EUR 1 million corresponding to 0.1% of Tier1 capital.

14. Operational risk

EU ORA - Qualitative information on operational risk

Operational risk management

The Bank has an Operational Risk Management (ORM) function, the goal of which is to enhance the operational risk culture of the Bank by promoting awareness of the Bank’s operational risk management framework and providing oversight of its execution in line with the three lines of defense model.

ORM act as the second line of defense, providing the business line and other functions across the Bank, with support related to the implementation of the identification, assessment, measurement, mitigation, monitoring and reporting of operational risks, which together form a framework for managing the Bank’s exposure to operational risk losses.

Operational risk appetite, categorized by business and subsidiary-specific thresholds, is subject to quarterly monitoring by ORM. The presence of early warning limits for operational risk metrics serves to intensify risk monitoring efforts. Additionally, ORM conducts quarterly assessments of a comprehensive set of Key Risk Indicators (KRIs), which were enhanced in 2023.

Operational risk events and significant control incidents are reported and analysed through the Operational Risk Incident Management framework. The effectiveness of the Bank's controls are assessed through the annual Internal Control Framework evaluations and the execution of Risk Control Self-Assessments. The risks identified as being above risk appetite, were reported to Managing Board for further risk mitigation, acceptance for a limited period, transfer or avoidance. Furthermore, in order to:

- Strengthen the front-line responsibility for operational risk management and assess the effectiveness of key controls

Since 2023, ORM has enhanced the list of key controls and initiated independent control testing to further strengthen the process. Operational risk thresholds, along with the results of KRI assessments, RCSA, and Control Testing, are reported to both the Non-Financial Risk Committee and the Audit Risk Committee. New products, or changes to existing products, are subject to the Product Approval and Review Process. Key Risk Indicators are established and regularly monitored. In addition, regular training and awareness sessions are provided to employees to ensure that operational risk management continues to be embedded in the Bank's day-to-day operations.

Calculation of operational risk

CEG applies new standardised approach for operational risk calculation since 2025. The own funds requirement for operational risk under the new framework is the business indicator component ("BIC"), which is calculated by multiplying the business indicator ("BI") by a set of regulatorily determined marginal coefficients. The BI is a financial statement-based proxy for operational risk, consisting of three elements, each calculated as the average over a period of three years:

- ILDC: An interest, leases and dividend component;
- SC: A services component;
- FC: A financial component.

All credit institutions are required to have an operational risk management framework. In addition, credit institutions with a BI equal to or above EUR 750 million will be required to maintain a loss data set and to calculate their annual operational risk losses for disclosure purposes.

CEG's BI is below the EUR 750 million threshold.

EU OR2 - Business Indicator, components and subcomponents

BI and its subcomponents(In '000)		2025	2024	2023	Average value
1	Interest, lease and dividend component (ILDC)				125,801
EU 1	ILDC related to the individual institution/consolidated Group (excluding entities considered by Article 314(3))				125,801
1a	Interest and lease income	583,269	600,943	320,418	501,543
1b	Interest and lease expense	441,362	438,367	207,506	362,412
1c	Total assets/Asset component	5,737,298	5,518,946	5,421,256	5,559,166
1d	Dividend income/ dividend component	815.95	798.58	590.16	735
2	Services component (SC)				54,446
2a	Fee and commission income	45,731	51,265	49,615	48,870
2b	Fee and commission expense	5,536	4,817	3,987	4,780
2c	Other operating income	2,826	6,735	2,327	3,963
2d	Other operating expense	6,845	1,796	8,086	5,576
3	Financial component (FC)				13,620
3a	Net profit or loss applicable to trading book (TB)	12,528	5,766	10,802	9,699
3b	Net profit or loss applicable to banking book (BB)	5,680	3,611	2,474	3,922
EU 3c	Approach followed to determine the TB/BB boundary (PBA or accounting approach)				
4	Business Indicator (BI)				193,867
5	Business indicator component (BIC)				23,264

EU OR3 - Operational risk own funds requirements and risk exposure amounts

(Dec 2025 '000)

1	Business Indicator Component (BIC)	23,264
EU 1	Alternative Standardised Approach (ASA) Own Funds Requirements (OROF) under Article 314(4)	
2	<i>Not applicable</i>	
3	Minimum Required Operational Risk Own Funds Requirements (OROF)	23,264
4	Operational Risk Exposure Amounts (REA)	290,801

15. Remuneration policy

EU REMA - Remuneration policy

CEG's Group Remuneration Policy is in line with national and international regulations. The policy applies to CEG and its subsidiaries. It also covers the remuneration of Managing Board members of CEG and its subsidiaries. Through its conservative remuneration policy, CEG promotes a sound remuneration culture with a long-term focus. The Group Remuneration Policy is reviewed and approved by amongst others the Supervisory Board. The Supervisory Board monitors the proper implementation of the policy by the Managing Board. Annually the compliance to the rules and procedures under the policy is reviewed in line with the Control Functions Remuneration Monitoring Procedure. The HR & Remuneration Committee meets at least each quarter and prepares the decision-

making process for the Supervisory Board, taking into account the long-term interests of all stakeholders of CEG.

The Supervisory Board determines the level of remuneration for the members of the Managing Board in line with the principles of the Group Remuneration Policy. The remuneration received by the members of the Supervisory Board is not dependent on the (financial) results of the Bank. Each Supervisory Board member receives an appropriate amount of compensation taking into account the total number of hours spent for the tasks and the compensation paid to Supervisory Board members of companies of comparable size and business. The Bank's Remuneration Report is included in the Governance & Leadership section of the annual report and is also made available on the Bank's website. The main elements of the agreement of a Managing Board member with the Bank are not published on the Bank's website as CEG holds the view that sufficient information is disclosed in the Bank's Remuneration Report.

Template EU REM1 - Remuneration awarded for the financial year

(Dec 2025 '000)		MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Number of identified staff	5	3		18
2	Total fixed remuneration	857	1,850		4,817
3	Of which: cash-based	857	1,788		4,510
4	(Not applicable in the EU)				
	Of which: shares or equivalent				
EU-4a	Fixed remuneration				
	ownership interests				
5	Of which: share-linked instruments or				
	equivalent non-cash instruments				
EU-5x	Of which: other instruments				
6	(Not applicable in the EU)				
7	Of which: other forms		62		307
8	(Not applicable in the EU)				
9	Number of identified staff		2		11
10	Total variable remuneration		871		872
11	Of which: cash-based		349		437
12	Of which: deferred		87		73
	Of which: shares or equivalent				
EU-13a	ownership interests				
EU-14a	Variable remuneration				
	Of which: deferred				
	Of which: share-linked instruments or				
EU-13b	equivalent non-cash instruments		523		435
EU-14b	Of which: deferred		131		109
EU-14x	Of which: other instruments				
EU-14y	Of which: deferred				
15	Of which: other forms				
16	Of which: deferred				
17	Total remuneration (2 + 10)	857	2,721		5,690

Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)

		MB Supervisory function	MB Management function	Other senior management	Other identified staff
(Dec 2025 '000)					
Guaranteed variable remuneration awards					
1	Guaranteed variable remuneration awards - Number of identified staff				
2	Guaranteed variable remuneration awards -Total amount				
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
Severance payments awarded in previous periods, that have been paid out during the financial year					
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff				
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
Severance payments awarded during the financial year					
6	Severance payments awarded during the financial year - Number of identified staff				1
7	Severance payments awarded during the financial year - Total amount				152
8	Of which paid during the financial year				
9	Of which deferred				
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap				
11	Of which highest payment that has been awarded to a single person				

Template EU REM3 - Deferred remuneration

Deferred and retained remuneration (Dec 2025 '000)	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1 MB Supervisory function								
2 Cash-based								
3 Shares or equivalent ownership interests								
4 Share-linked instruments or equivalent non-cash instruments								
5 Other instruments								
6 Other forms								
7 MB Management function	949	700	249			261	629	147
8 Cash-based	161	72	89				72	
9 Shares or equivalent ownership interests								
10 Share-linked instruments or equivalent non-cash instruments	788	628	160			261	557	147
11 Other instruments								
12 Other forms								
13 Other senior management								
14 Cash-based								
15 Shares or equivalent ownership interests								
16 Share-linked instruments or equivalent non-cash instruments								
17 Other instruments								
18 Other forms								
19 Other identified staff	711	527	184			194	539	115
20 Cash-based	122	57	66				57	
21 Shares or equivalent ownership interests								
22 Share-linked instruments or equivalent non-cash instruments	589	470	118			194	482	115
23 Other instruments								
24 Other forms								
25 Total amount	1,660	1,227	433			454	1,168	262

Template EU REM4 - Remuneration of 1 million EUR or more per year

EUR		Identified staff that are high earners as set out in Article 450(i) CRR	
	Dec-25		
1	1 000 000 to below 1 500 000		1
2	1 500 000 to below 2 000 000		
3	2 000 000 to below 2 500 000		
4	2 500 000 to below 3 000 000		
5	3 000 000 to below 3 500 000		
6	3 500 000 to below 4 000 000		
7	4 000 000 to below 4 500 000		
8	4 500 000 to below 5 000 000		
9	5 000 000 to below 6 000 000		
10	6 000 000 to below 7 000 000		
11	7 000 000 to below 8 000 000		
x	To be extended as appropriate, if further payment bands are needed.		

Template EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

Management body remuneration				Business areas						
	MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
(Dec 2025 '000)										
1	Total number of identified staff	5	3	8	9		4		5	26
2	Of which: members of the MB	5	3	8						
3	Of which: other senior management									
4	Of which: other identified staff				9		4		5	18
5	Total remuneration of identified staff	857	2,828	3,685	3,508		1,159		1,642	9,994
6	Of which: variable remuneration		871	871	785		88			1,744
7	Of which: fixed remuneration	857	1,957	2,814	2,724		1,072		1,642	8,251

16. Encumbered and unencumbered assets

EU AE4 - Accompanying narrative information

Encumbered Assets are assets that have been pledged or if it is subject to any form of arrangement to secure, collateralize or credit enhance any transaction from which it cannot be freely withdrawn. CEG's encumbered assets consist primarily of securities designated for the guaranteed deposit protection fund and securities pledged for repurchase agreement. The total amount of encumbered assets represents securities pledged for guaranteed deposit protections.

EU AE1 - Encumbered and unencumbered assets

	Carrying amount of encumbe d assets	of which notionally eligible EHQLA and HQLA	Fair value of encumbered assets	of which notionally eligible EHQLA and HQLA	Carrying amount of unencumbe red assets	of which EHQLA and HQLA	Fair value of unencumbe red assets	of which EHQLA and HQLA
(Dec 2025 '000)								
010 Assets of the reporting institution	191,587	76,575			5,643,995	338,382		
030 Equity instruments								
040 Debt securities	101,508	76,575	101,508	76,575	446,478	338,382	446,478	338,382
050 of which: covered bonds	-	-	-	-	-	-	-	-
060 of which: securitisations	-	-	-	-	-	-	-	-
070 of which: issued by general governments	76,575	76,575	76,575	76,575	374,339	338,382	374,339	338,382
080 of which: issued by financial corporations	24,933	-	24,933	-	58,723	-	58,723	-
090 of which: issued by non-financial corporations	-	-	-	-	13,416	-	13,416	-
120 Other assets	90,079	-			5,197,516	-		

EU AE2 - Collateral received and own debt securities issued

		Fair value of encumbered collateral received or own debt securities issued		Unencumbered Fair value of collateral received or own debt securities issued available for encumbrance	
		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA	
(Dec 2025 '000)		010	030	040	060
130	Collateral received by the reporting institution			230,665	171,300
140	Loans on demand				
150	Equity instruments				
160	Debt securities			230,665	171,300
170	of which: covered bonds				
180	of which: securitisations				
190	of which: issued by general governments			166,353	142,969
200	of which: issued by financial corporations			46,158	10,177
210	of which: issued by non-financial corporations			18,154	18,154
220	Loans and advances other than loans on demand				
230	Other collateral received				
240	Own debt securities issued other than own covered bonds or securitisations				
241	Own covered bonds and asset-backed securities issued and not yet pledged				
250	TOTAL ASSETS, COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED				

EU AE3 - Sources of encumbrance

(Dec 2025 '000)		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
010	Carrying amount of selected financial liabilities	136,682	138,304

17. ESG and Climate Risk Management

This section provides an overview of the ESG (Environmental, Social, and Governance) risk assessment methodology and climate-related risk practices of the Bank in 2024, emphasizing the integration of materiality, risk classification, and disclosure standards consistent with regulatory requirements.

Qualitative information on Environmental, Social and Governance (ESG) risk

ESG Risk Assessment Framework

- **Risk Identification and Classification:** The Bank systematically assesses clients for ESG risks through sectoral risk grading, ESG questionnaires, and ongoing monitoring, ensuring that exposures to environmental and social risks are identified, measured, and categorized.
- **Materiality Assessment:** The Bank applies thresholds for materiality in line with EU expectations. Financial impacts are considered material if they exceed predefined internal thresholds across short, medium and long-term horizons. Non-material risks are nonetheless documented and monitored for regulatory compliance.

- Risk Grading and Mitigation: ESG risk grades are assigned by combining sector risk grades and the results of client ESG questionnaires, with the possibility of adjustments for mitigating factors. Clients with high ESG risk grades are subject to enhanced monitoring and required to undertake remedial actions.

Climate-Related Risk Integration

- Climate Risk Assessment: The Bank evaluates both physical (e.g., extreme weather) and transition (e.g., regulatory change) climate-related risks at the client and portfolio level.
- Portfolio Coverage: Climate risk analysis currently includes trade finance, marine finance, and commercial real estate, with expansion underway to cover the full credit portfolio.
- Financial Impact Measurement: The impact of climate risk on credit risk is calculated using the Expected Credit Loss (ECL) metric, incorporating macroeconomic and client-specific data. Changes in ECL resulting from climate risk are aggregated and disclosed as per Pillar 3 requirements.
- Resilience and Stress Testing: The Bank uses a combination of scenario analysis and risk heatmaps to assess resilience and ensure alignment with regulatory guidance, such as the ECB Guide on climate-related and environmental risks.

Governance and Disclosure Practices

- Governance Framework: Escalation procedures ensure that material and exceptional ESG risks are reviewed at the appropriate management and committee levels, supporting transparency and accountability.
- Disclosure: The Bank commits to regular, transparent disclosure of ESG and climate-related risks, processes, exposures, and materiality decisions in its reports. This includes the methodology for risk identification and grading, materiality thresholds, and the outcomes of climate risk and environmental materiality assessments.
- Review Cycles: ESG risk assessments are updated on a risk-sensitive schedule: every 5 years (low risk), 3 years (medium), and annually (increased/high risk), with disclosures updated accordingly.