

**Disclaimer**

*This document should be read together with the press release of 17 February 2023 “ČSOB Statement to the result of the arbitration proceedings against ICEC-HOLDING, a.s.” and “Explanatory information for FY/4Q 2022 Results” in order for the reader to have a complete view on the 2022 financial results of ČSOB group.*

# **FY/4Q 2022 Results**

## **ČSOB group**

### **Business Unit Czech Republic**

EU IFRS unaudited consolidated  
9 February 2023



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# ČSOB group: Key Figures

# FY/4Q 2022 at a glance

## 1.1 million active users of Smart

The ČSOB Smart mobile application has now **1.1 million active users** after reaching the milestone of one million active clients in September. At the end of 2022, the number of **mobile banking active users** rose +50% Y/Y and the **mobile banking transactions** grew +46% Y/Y.

## Patria launched the new mobile app

With the growing number of clients investing directly with **Patria Finance**, the largest broker on the Czech market, the mobile app user experience was **redesigned, and functionality and services has broadened** as well. The Patria Finance app now offers more responsive economic news, investments tips and analysis, brand new interactive charts and improved search.

## ČSOB Drobné has 160 thousand users

**ČSOB Drobné** is used by more than **160 thousand clients**. ČSOB Drobné is a spare change investing service offering customers the option to round up their transactions and put the difference into **ČSOB Bohatství** mutual fund which is the second largest fund on the Czech market after **ČSOB Premiéra**.

## Virtual assistant Kate

Our personalized virtual assistant is currently able to solve more than **150 situations** and answer the questions related to more than **600 topics**. Kate is available to retail as well as corporate and SME clients. The number of **active users** has grown to **nearly 340ths** by the end of 2022. Kate is now able to work with full text, for example to search for payment transactions by name.

## ČSOB raises awareness of cyber fraud

ČSOB launched **joint advertising campaign with the Police of the Czech Republic** to increase cybersecurity awareness as crime in the online space almost doubled in 2022. The campaign dubbed “**Caller and Clicker**” after the two most common cyber frauds draws attention to the activities of cyber scammers. The campaign was successful, reaching **23 million online readers** and **21.5 million online viewers**. ČSOB’s ongoing commitment to cyber security awareness is also reflected in financial and digital education **training program for schools with 148 schools visited** by ČSOB experts in 2022.

## DoKapsy app has 100 thousand users

DoKapsy lifestyle application from ČSOB already reached a **milestone of 100 thousand users**. The most popular services include **buying public transport tickets** or payment for parking. Users of the app can also choose from the number of discounts or read news from various media including premium content. The application is free and is also available for those who do not have an account in ČSOB.

## ČSOB supports Ukraine

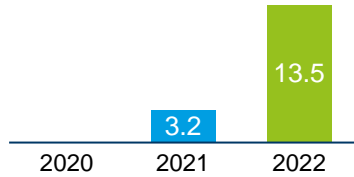
In response to Russia's unjustifiable attack on Ukraine, we launched a charitable fundraiser **SOS Ukraine** in cooperation with our partner organization **People in need**. The SOS Ukraine fundraiser won **1st place in the Employee fundraiser category** in Fórum dárců Awards.

Beside the fundraiser, ČSOB provides financial products and assistance to Ukrainians living in the Czech Republic. **150 thousand** Ukrainians have opened a current account in ČSOB.

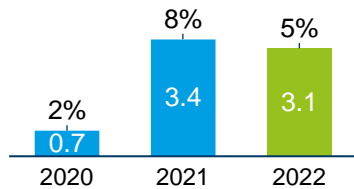


# ČSOB being partner in transition to low emission economy

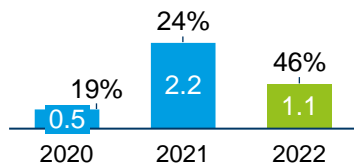
**COR/SME loans financing renewable energy & best energy performing real estate**  
(in CZK bn)



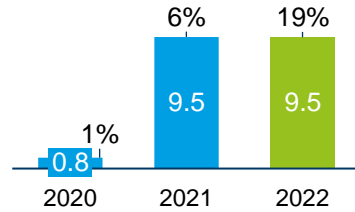
**Responsible investment funds**  
(gross sales in CZK bn, % of total)



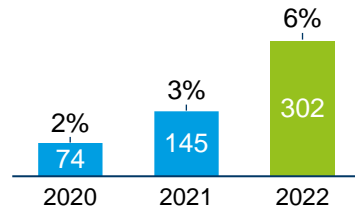
**ESG linked investment certificates**  
(gross sales in CZK bn, % of total)



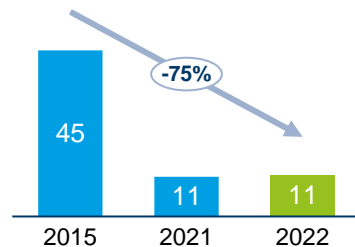
**Loans for economical housing**  
(new sales in CZK bn, % of total)



**Loans for cars w/ clean energy**  
(new sales in CZK m, % of total)



**Own GHG emissions**  
(in ths tons of CO2)



- Corporate and SME segment provided **loans** supporting transition to **low emission economy** financing renewable energy and best energy performing real estate (w/ Energy Performance Certificates A+B) in the amount of **CZK 13.5bn**, of which CZK 0.9bn loans fulfil the EU Taxonomy criteria. In addition, COR/SME clients can use **ČSOB advisory expertise** in area of EU subsidy schemes, ESG transition plans including carbon footprint analysis and decarbonization strategies, ESG reporting, EU Taxonomy alignment.
- Strong interest in **economical housing** (w/ Energy Performance Certificates A+B) was confirmed. Our financing offer for economical housing was extended by **ČSOBS Unsecured Bridging Loan for economical housing** targeting reconstruction from building savings.
- ČSOB Leasing supports the transition to low emission **transportation** by financing **clean energy cars** w/ tail pipe emissions below 50g CO2/km.
- Portfolio of **Responsible investment funds** was enriched with **ČSOB NaMíru responsibly** for very conservative and very dynamic clients. ČSOB follows social trends with introducing **thematic responsible equity funds We move**.
- By investing into **ESG linked structured investments**, clients can participate in nature restoration. Thanks to cooperation with Reforest Action company, **4.8ths trees** were planted in 2022 based on subscribed amount. Moreover, ČSOB created mutual **charity fund** donating **CZK 1.6m** of the revenues to selected charitable activities.
- ČSOB introduced **CO2 footprint calculator** helping retail clients to understand impact of their activities on climate.
- ČSOB is founding partner and active member of Sustainable Finance Committee under ČBA, Climate and Sustainable Leaders and CSRD platforms.
- ČSOB **decreased its GHG emissions by 75% compared to 2015** and our direct footprint was the same as in 2021. All GHG emissions are fully offset.

## Higher net profit thanks to higher income. Continuous robust capital and liquidity

ČSOB group key indicators		2019	2020	2021	2022
Profitability	Net profit (CZK bn)	19.7	8.5	16.2	17.5
	Return on equity	20.7%	8.2%	14.3%	16.3%
Liquidity	Loan to deposit ratio	79.4%	71.6%	71.1%	70.6%
	Net stable funding ratio	161.5%	169.9%	171.3%	171.8%
Capital	CET1 ratio	19.2%	23.7%	22.4%	19.9%
Impairments	Credit cost ratio	0.04%	0.67%	-0.42%	0.12%
Cost efficiency	Cost / income ratio	44.9%	54.6%	55.5%	49.8%
	Cost / income ratio (excl. banking taxes)	42.7%	51.5%	51.8%	46.4%

## Higher net profit thanks to higher income. Robust capital and liquidity. Growth of assets under management and strong increase of mobile banking users.

### Net profit

FY 2022 ČSOB's **net profit** increased to **CZK 17.5bn** (+9% Y/Y) and 4Q 2022 **net profit** declined to **CZK 3.2bn** (-29% Y/Y).

### Business indicators

**Loan portfolio** reached **CZK 874bn** (+5% Y/Y). **Total client deposits** rose to **1,208bn** (+7% Y/Y) and **total deposits** grew to **CZK 1,232bn** (+6% Y/Y). **Assets under management** grew to **CZK 308bn** (+7% Y/Y). Number of **active clients** increased **+96ths** Y/Y. Number of **mobile banking active users** increased **+50%** Y/Y to **1.1m**.

### Operating income

**Operating income** increased to **CZK 44.1bn** in FY 2022 (+24% Y/Y). The increase resulted from higher net interest income driven by NII from deposits and higher net fee and commission income, other income stayed flat Y/Y.

### Liquidity & Capital

ČSOB maintains strong capital position and excellent liquidity ratios. **CET1 ratio** reached **19.9%**. **Loan to deposit ratio** decreased Y/Y to **70.6%**. The **short-term liquidity ratio LCR** increased to **156.2%** and the **long-term liquidity ratio NSFR** was **171.8%**.

### Operating expenses

**Operating expenses excl. banking taxes** grew to **CZK 20.5bn** in FY 2022 (+11% Y/Y). Staff expenses increased +6% Y/Y mainly due to employee bonuses and wage adjustments. General administrative expenses excluding banking taxes grew +16% Y/Y driven by marketing costs. Average number of **FTEs** decreased **-20** Y/Y.

### Sustainability

Financing of **low energy housing** increased +26% Q/Q and **cars with clean energy** +19% Q/Q. The volume of **Responsible investment funds** increased +31% Q/Q.

### Impairments

**Credit cost ratio** in FY 2022 reached **12bps** (+54 bps Y/Y). **Total impairments** amounted to **CZK +1,497m** (net creation). **NPL ratio** declined to **1.69%** but increased Q/Q.

### Awards

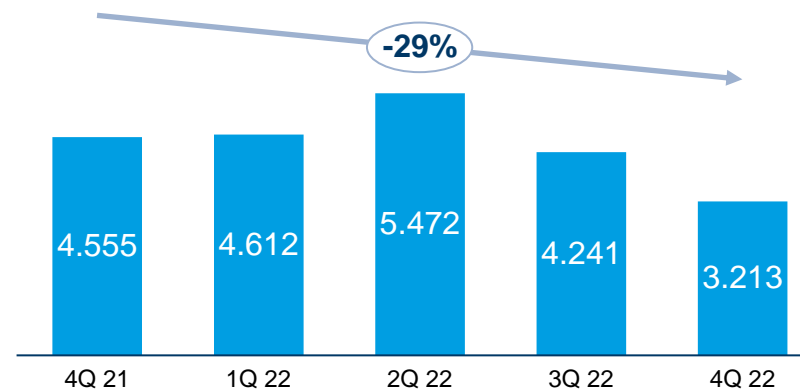
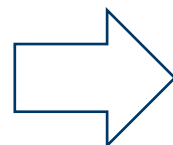
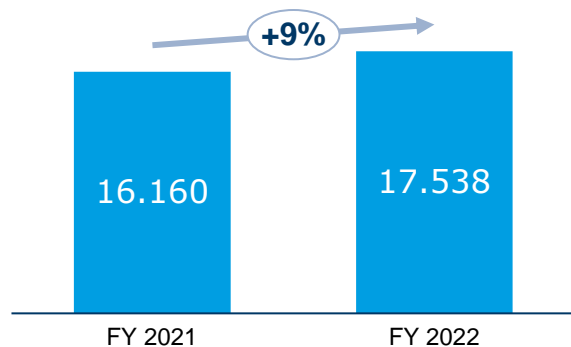
ČSOB was awarded as the **Best Bank** by Global Finance and Euromoney magazines. The Banker magazine awarded ČSOB Private Banking the **Best Private Bank** in the Czech Republic. Moreover, ČSOB Pojišťovna was selected the **Best Non-Life Insurance Company** in Hospodářské noviny Awards and our help to Ukraine was acknowledged by Fórum dárců.

# ČSOB group net profit

## Higher net profit thanks to higher income

### Net profit

CZK bn



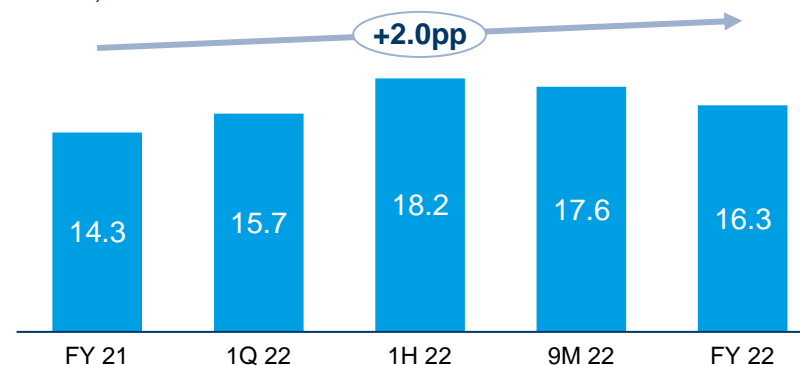
FY 2022 **net profit** increased to **CZK 17.5bn** (+9% Y/Y) as a result of higher net interest income driven by NII from deposits and higher net fee and commission income, partly offset by impairment creation and higher expenses.

4Q 2022 **net profit** declined to **CZK 3.2bn** (-29% Y/Y) driven by loan loss provisions creation in contrast with net impairment release in 4Q 2021, higher general administrative expenses and lower other income, offset in part by higher net interest income and lower staff expenses.

The **return on equity (ROE)** rose to **16.3%** (+2.0pp Y/Y) thanks to higher net profit and lower equity due to the payout of dividend.

### Return on equity (ROE)

Ytd., %

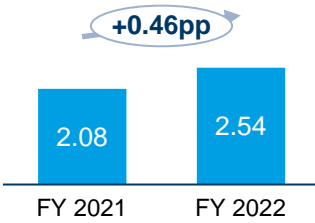




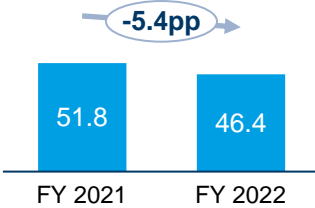
# Increasing net interest margin, excellent loan quality and robust capital position

## Profitability

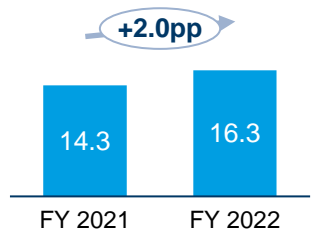
Net interest margin (%)



Cost / income ratio excl. banking taxes (%)

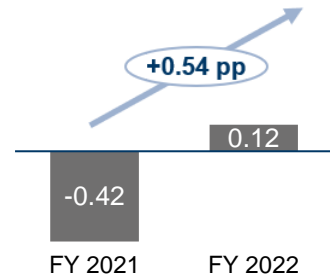


ROE (%)

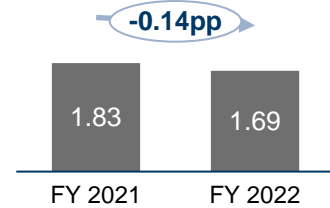


## Loan portfolio quality

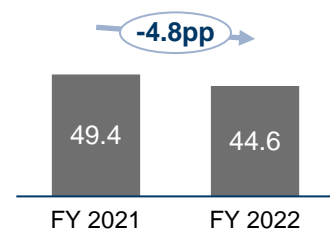
CCR, Ytd. annualized (%)



NPL ratio (%)

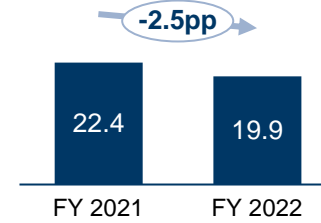


NPL coverage ratio (%)

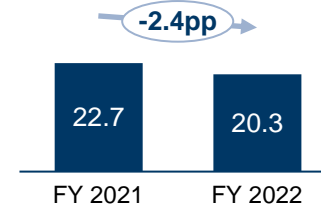


## Capital

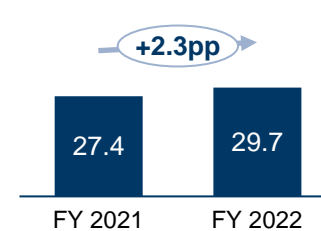
CET 1 ratio (%)



Total capital ratio (%)

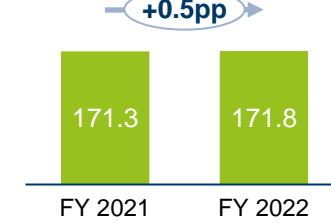


MREL ratio (% of RWA)

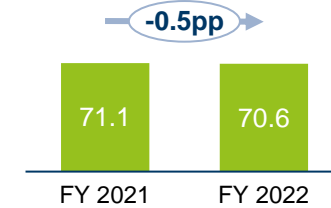


## Liquidity

Net stable funding ratio (%)



Loan to deposit ratio (%)

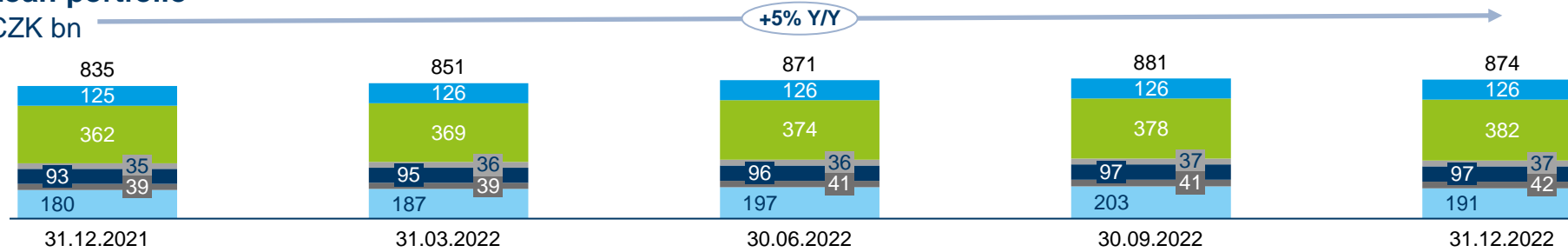


# Loans, deposits and assets under management

## Growth of business volumes

### Loan portfolio<sup>1</sup>

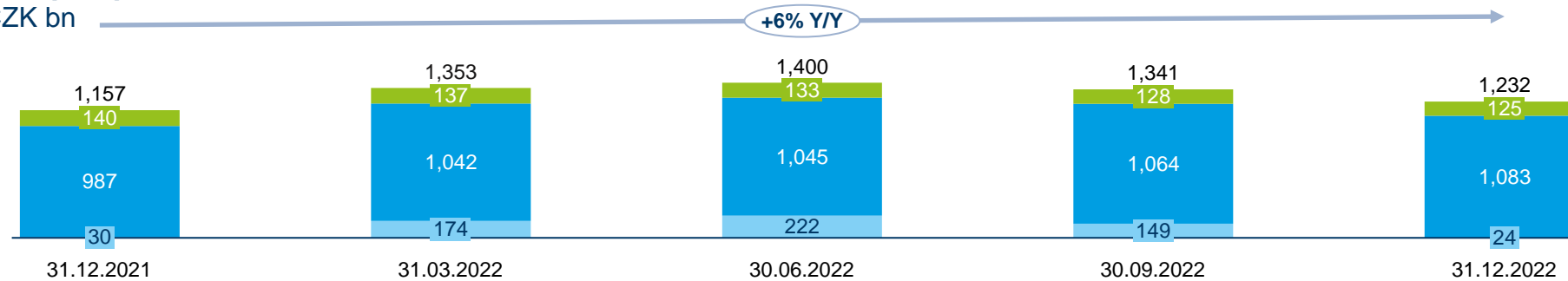
CZK bn



- building savings loans
- mortgages
- consumer finance
- SME
- leasing
- corporate + factoring

### Group deposits<sup>2</sup>

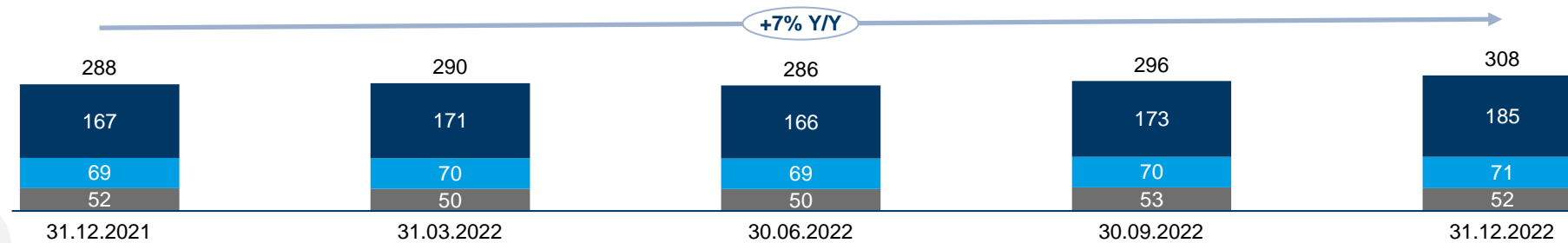
CZK bn



- building savings deposits
- ČSOB bank client deposits
- other deposits

### Total assets under management

CZK bn



- mutual funds
- pension funds
- other asset management

<sup>1</sup> Item Loans and receivables minus exposure to banks from inter-bank transactions and reverse repo operations with ČNB plus credit replacing bonds.

<sup>2</sup> Item Deposits received from other than credit institutions from the consolidated balance sheet.

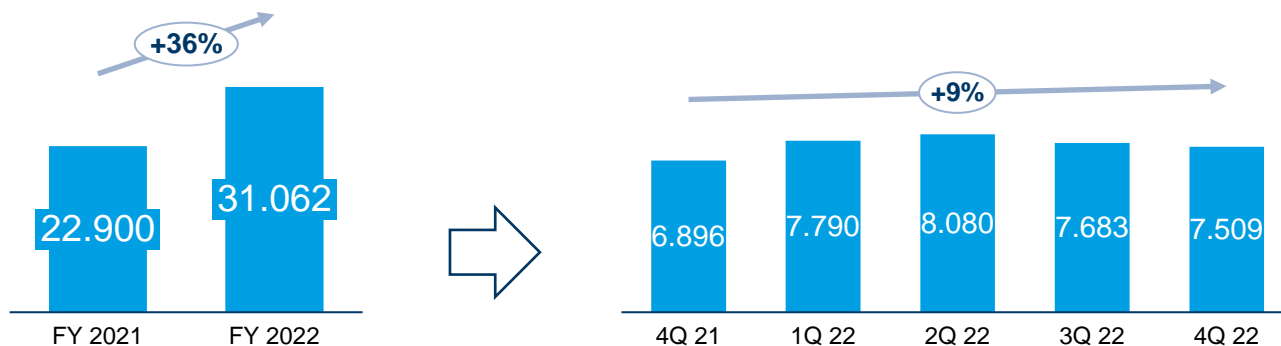
# ČSOB group: Financial Overview

## Net interest income and Net interest margin

# NII increasing compared to lower base in 2021 thanks to NII from deposits

### Net interest income (NII)

CZK bn



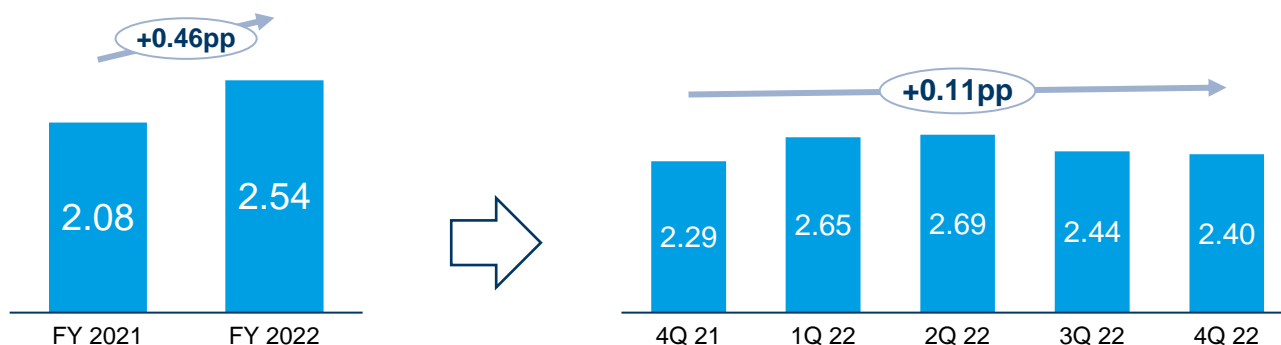
FY/4Q 2022 **net interest income** increased **+36% Y/Y** and **+9% Y/Y** respectively as a result of:

- (+) higher NII from deposits driven by all segments
- (+) other NII
- (-) lower NII from loans driven by building saving loans, consumer finance and mortgages

Q/Q decrease of NII is due to lower deposit NII in Retail and SME.

### Net interest margin (NIM)

%



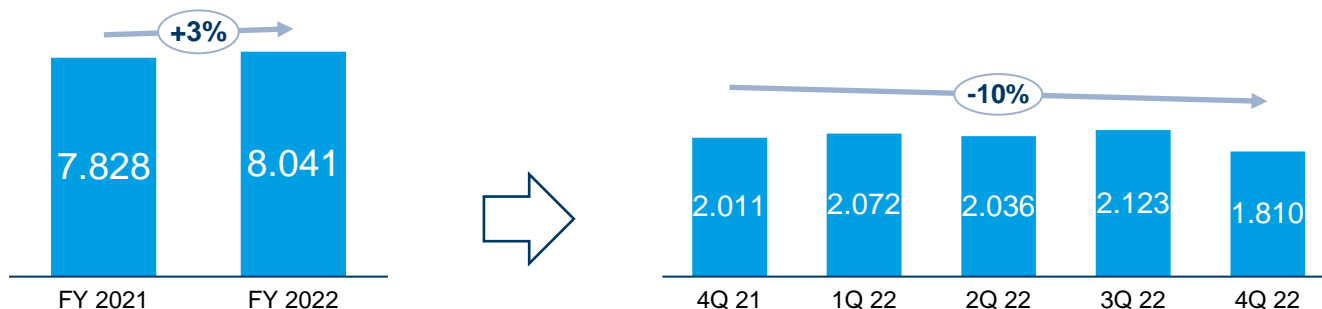
In FY 2022, **net interest margin** reached **2.54%** (+46bps Y/Y) driven mainly by the NII from deposits.

# Net fee and commission income and Other

## FY 2022 NFCI growing

### Net fee and commission income (NFCI)

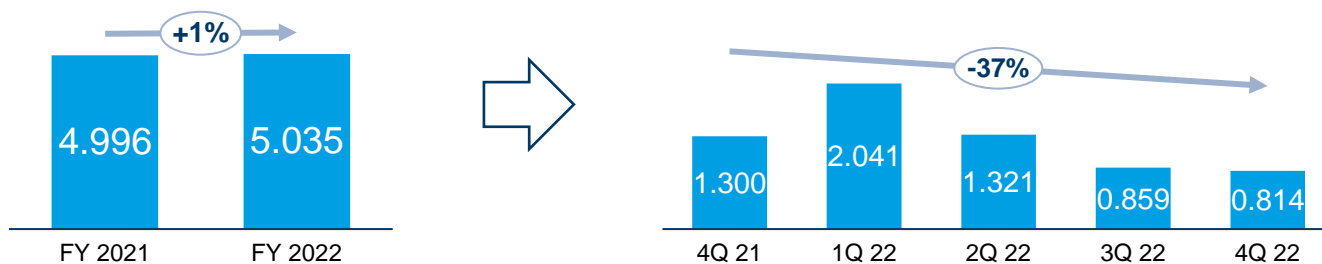
CZK bn



FY 2022 **net fee and commission income** increased **+3% Y/Y** thanks to network income, payment card fees and asset management fees. 4Q 2022 **net fee and commission income** declined **-10% Y/Y** mainly due to fee expenses in Retail.

### Other<sup>1</sup>

CZK bn



FY 2022 **other income** items combined increased **+1% Y/Y** as lower performance of financial markets and lower net gains from financial instruments at FVPL were more than offset by better other operating income.

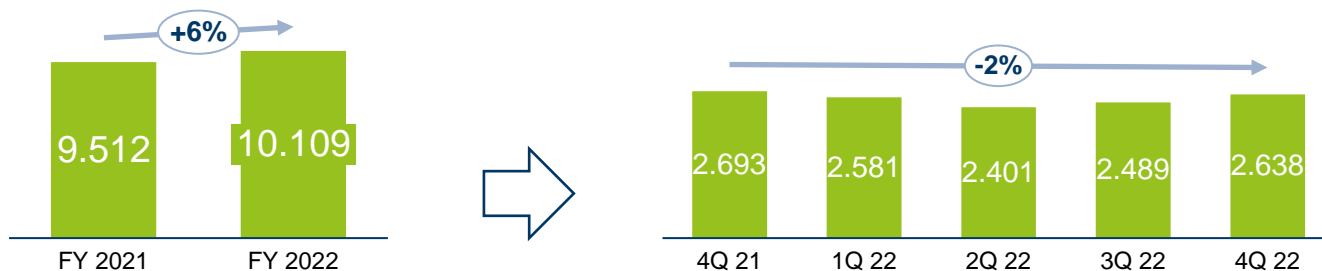
4Q 2022 **other income** decreased **-37% Y/Y** due to lower net gains from financial instruments at FVPL, driven by performance of financial markets and valuation adjustments.

## Staff and General administrative expenses

### Higher expenses due to higher staff expenses and marketing costs

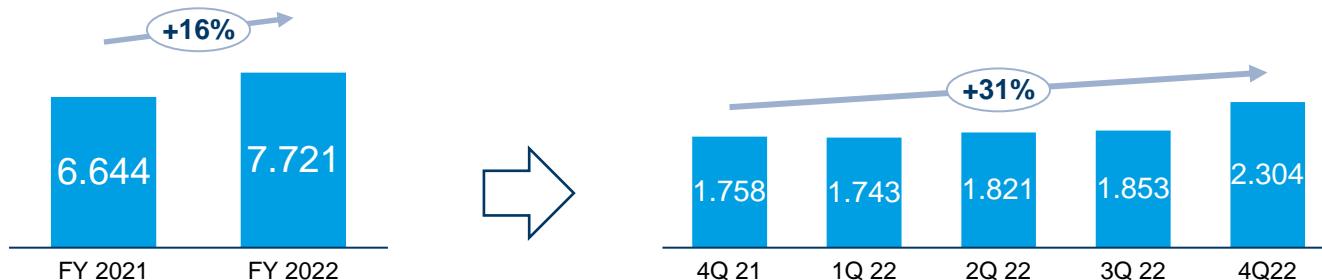
#### Staff expenses

CZK bn



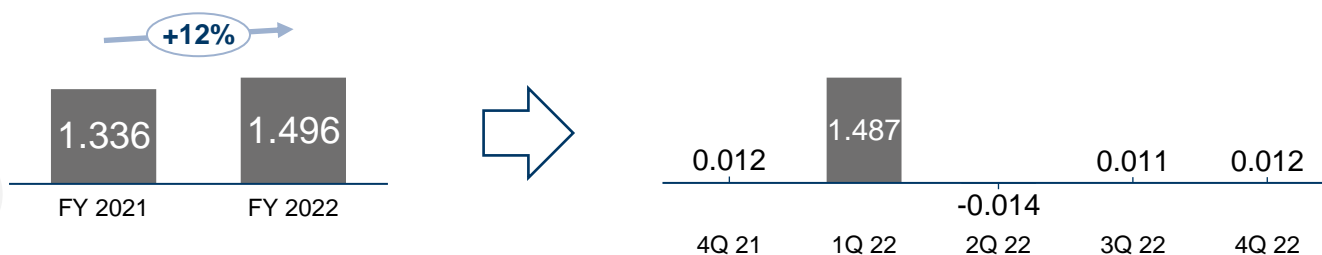
#### General administrative expenses – excl. banking taxes

CZK bn



#### Banking taxes

CZK bn



FY 2022 **total operating expenses excluding banking taxes** increased **+11% Y/Y**. **Total operating expenses including banking taxes** grew **+11% Y/Y**.

FY 2022 **staff expenses** rose **+6% Y/Y** due to exceptional bonus in 1Q 2022 and wage adjustments in May and October. 4Q 2022 staff expenses decreased **-2% Y/Y** due to higher base for bonus accruals in 4Q 2021, partly compensated by wage adjustments. Average number of **FTEs** decreased **-20 Y/Y**.

FY/4Q 2022 **general administrative expenses** increased **+16% Y/Y** and **+31% Y/Y** respectively driven by marketing costs related to rebranding of Poštovní spořitelna, Skip Pay consolidation and ICT costs.

Depreciation and amortization increased **+14% Y/Y**.

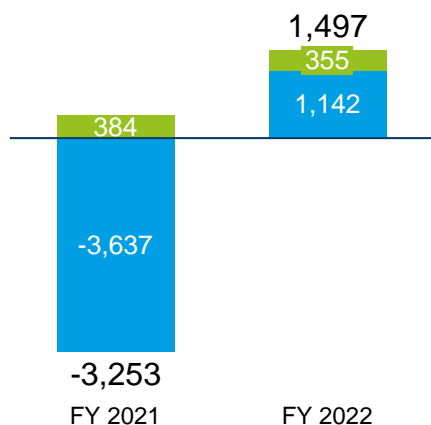
FY 2022 **banking taxes** increased **+12% Y/Y**.

**Cost/income ratio** declined Y/Y to **49.8%** and **cost/income ratio excluding banking taxes** went down Y/Y to **46.4%**.

# Consistent high quality of loan portfolio

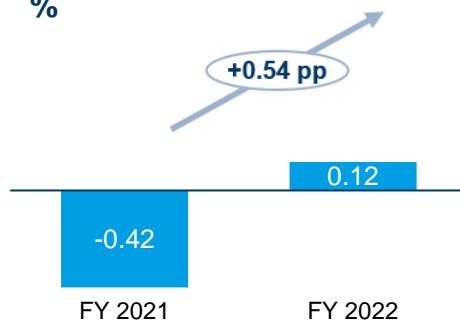
## Total impairments

CZK m



## CCR, Ytd. annualized

%

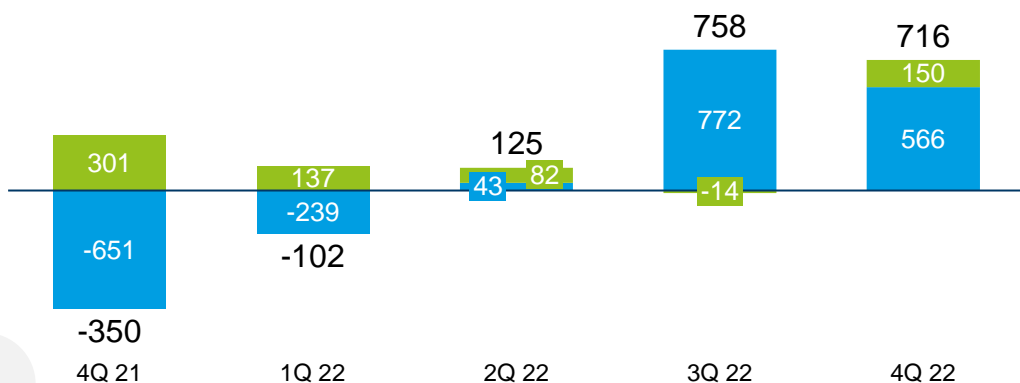


In FY 2022, **loan loss provisions** amounted to net creation of **CZK +1,142m** due to impairment charge to cover credit risk from direct and indirect impact of the military conflict in Ukraine and exposure vulnerable to emerging risks. The increase was supported by credit impairment creation mainly in corporate and SME segments and partly compensated by the release of COVID-19 management overlay.

**Other impairments** increased Y/Y to **CZK 355m** (o/w CZK 116m impairment on goodwill).

**Credit cost ratio** for FY 2022 reached **0.12%** (Ytd., annualized; +54 bps Y/Y).

■ other impairments (see note)  
■ loan loss provisions (impairments on financial assets at amortised cost)



31.12.2022		
IFRS 9 Distribution	Amount (CZK bn)	Share on total loans
Loan portfolio	873.8	100%
Stage 1 - performing	718.2	82%
Stage 2 - underperforming	140.3	16%
Stage 3 - non-performing loans	15.3	2%

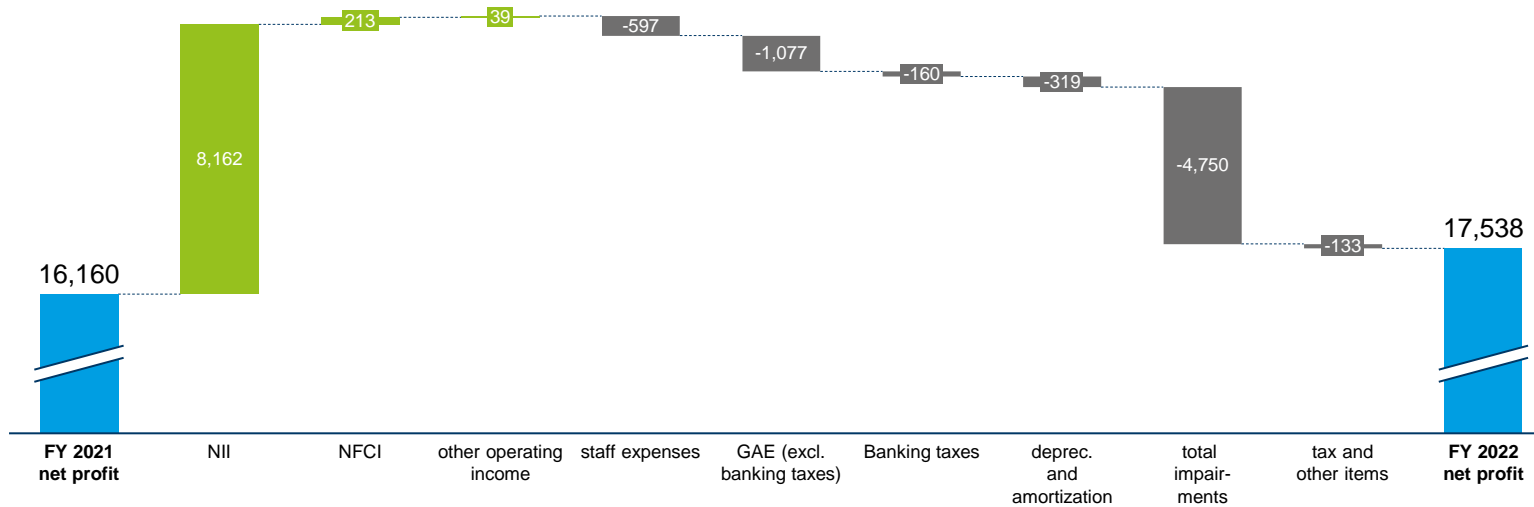
Notes:

Figures in graphs: (+) net creation/cost and (-) net release/revenue.

Other impairments include impairments on tangible and intangible assets and impairments on goodwill.

# Wrap up of net profit drivers

## Net profit (Y/Y) CZK m



The main difference between FY 2022 and FY 2021 net profit was caused by the following drivers:

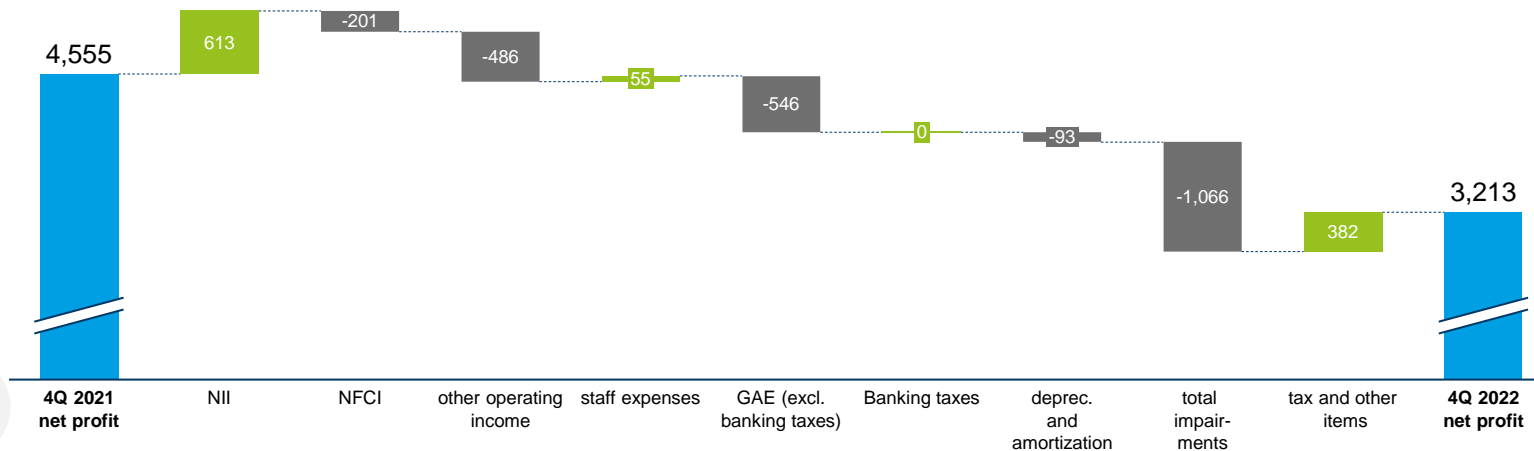
On the **positive side**:

- higher NII driven by NII from deposits
- higher NFCI driven by network income
- slightly higher other income

On the **negative side**:

- loan loss provisions creation in contrast with net impairment release in FY 2021
- higher GAE driven by marketing and ICT costs
- higher staff expenses driven by exceptional bonus in 1Q 2022 and wage adjustments
- depreciation and amortization
- higher banking taxes

## Net profit (Y/Y) CZK m



The main difference between 4Q 2022 and 4Q 2021 net profit was caused by the following drivers:

On the **positive side**:

- higher NII driven by NII from deposits
- lower staff expenses driven by lower accruals for bonuses partly offset by wage adjustments

On the **negative side**:

- loan loss provisions creation in contrast with net impairment release in 4Q 2021
- higher GAE driven by ICT costs
- lower other income due to performance of financial markets and valuation adjustments
- lower NFCI due to fee expenses in Retail



## Capital Strong capital position

Consolidated, CZK m	31.12.2021	31.12.2022
<b>Total regulatory capital</b>	<b>93,555</b>	<b>87,439</b>
- Common Equity Tier 1 (CET1) Capital	92,585	85,793
- Tier 2 Capital	970	1,646
<b>MREL eligible debt</b>	<b>19,439</b>	<b>40,592</b>
<b>Total RWA</b>	<b>412,628</b>	<b>431,153</b>
- Credit risk	347,370	365,152
- Market risk	427	481
- Operational risk	64,830	65,519
<b>Common Equity Tier 1 (CET1) ratio</b>	<b>22.4%</b>	<b>19.9%</b>
<b>Total capital ratio</b>	<b>22.7%</b>	<b>20.3%</b>
<b>Leverage ratio</b>	<b>4.65%</b>	<b>4.48%</b>
<b>Available MREL as a % of RWA</b>	<b>27.4%</b>	<b>29.7%</b>
<b>Available MREL as a % of LRE</b>	<b>5.67%</b>	<b>6.67%</b>

The Y/Y decrease of Common Equity Tier 1 (CET1) capital is due to the payout of dividend.

**MREL ratio** increased in 2022 to **29.7%** of RWA and **6.67%** of LRE as of year-end due to issuance of MREL eligible debt.

Intermediate MREL targets as of 1 January 2023 reached 22.2% of RWA and 5.18% of LRE.

As of 1 January 2024, ČSOB will be required to comply with a MREL equal to 27.7% of RWA and 5.91% of LRE.

Notes:

Total RWA (risk weighted assets) = credit risk RWA + market risk RWA + operational risk RWA

Tier 1 capital = share capital + share premium + legal reserve funds + retained earnings + other comprehensive income – goodwill – intangible assets

Tier 2 capital = subordinated debt weighted by regulatory coefficient + surplus in expected credit losses

Total regulatory capital = Common Equity Tier 1 (CET1) + Tier 2

LRE = leverage ratio exposure = On-balance + Off-balance sheet items + Counterparty exposure for Derivatives and SFT + Add-ons

# ČSOB group: Business Overview

## Increasing market share in total deposits, mutual funds and non-life insurance



Building savings loans <sup>1</sup>	34.5%	↓
Building savings deposits <sup>1</sup>	37.9%	↓

<b>Total Loans<sup>1</sup></b>	<b>20.1%</b>	↓
<b>Total Deposits<sup>1</sup></b>	<b>21.3%</b>	↑
Mortgages <sup>1</sup>	24.5%	↑
Mutual funds <sup>1</sup>	24.7%	↑
Leasing <sup>1</sup>	15.4%	→

Pension funds <sup>2</sup>	14.7%	↓
SME/corporate loans <sup>1</sup>	14.3 %	→
Consumer lending <sup>1,3</sup>	13.6%	→
Factoring <sup>4</sup>	15.5%	↓

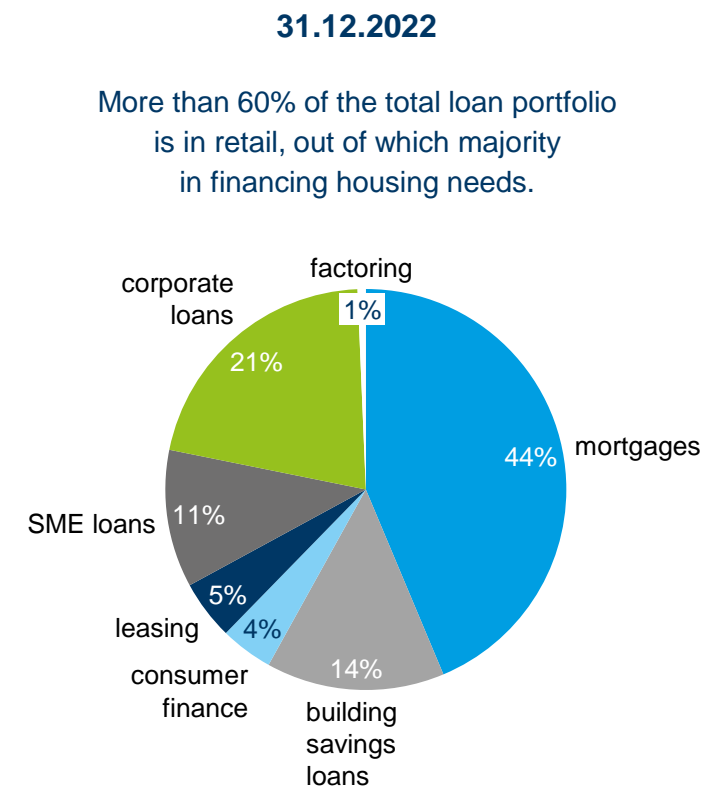
Insurance <sup>5,6</sup> - combined	8.8%	↑
Non-life insurance <sup>5</sup>	9.4%	↑

Arrows show Y/Y change. Market shares as of 31 December, except for mutual funds, pension funds, leasing and factoring which are as of 30 September 2022. The ranking is ČSOB's estimate. Market position in the insurance reflects combined position of the insurers belonging to the same business group.

<sup>1</sup> Outstanding at the given date (including ČSOBS); <sup>2</sup> Number of total clients at the given date; <sup>3</sup> Retail loans excluding mortgages and building savings loans; <sup>4</sup> New business in the year to the given date; <sup>5</sup> New business in the year according to gross written premium; <sup>6</sup> Life insurance market share as of 31 December 2022 was 7.3%. Sources and detailed definitions are provided in Appendix.

## Loan growth driven by corporate loans and mortgages

Gross outstanding volumes, CZK bn	31.12.2021	31.12.2022	Y/Y
<b>Loan portfolio</b>	<b>835.1</b>	<b>873.8</b>	<b>+5%</b>
<b>Retail Segment</b>			
Mortgages	362.1	381.7	+5%
Consumer finance	35.2	37.1	+5%
Building savings loans	125.1	125.7	+1%
<b>SME/Corporate Segment</b>			
Corporate loans <sup>1</sup>	174.8	184.9	+6%
SME loans	93.5	97.0	+4%
Leasing	38.8	41.7	+7%
Factoring	5.6	5.8	+3%
Other <sup>2</sup>	47.5	58.0	+22%
<b>Credit risk: loan portfolio</b>	<b>882.9</b>	<b>931.8</b>	<b>+6%</b>



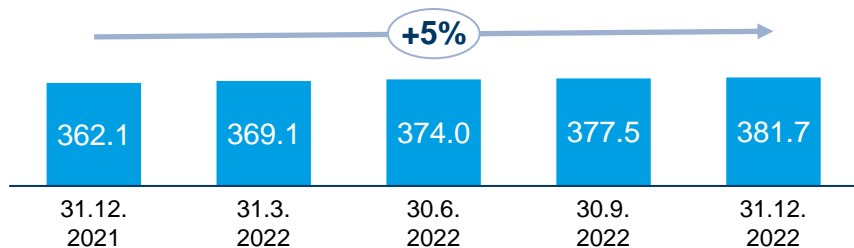
<sup>1</sup> Including credit-replacing bonds.

<sup>2</sup> Including off-balance sheet items and ALM/financial markets exposures.

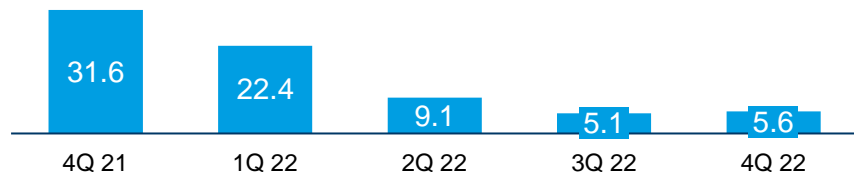
# Mortgage portfolio continues to rise, however new sales of mortgages and building saving loans remain subdued

## Mortgages

Outstanding, CZK bn



New sales\*, CZK bn

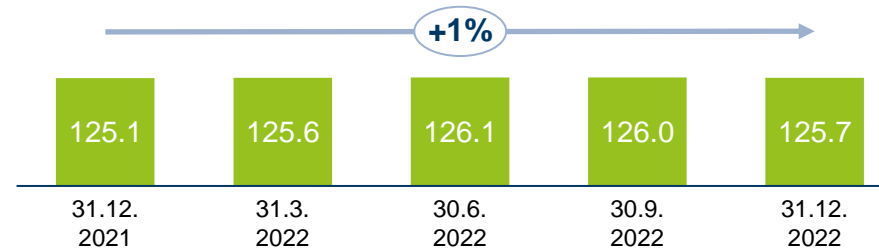


The **outstanding volume of mortgages** increased **+5% Y/Y** thanks to the progressive drawing of loans approved in 2021, while the market grew **+4% Y/Y**.

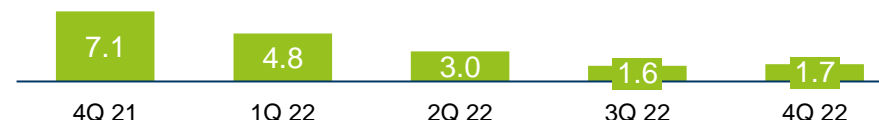
In 4Q 2022, ČSOB provided more than **1.9 thousand new mortgages** (-78% Y/Y) in the total amount of **CZK 5.6bn** (-82% Y/Y). The market of new mortgages decreased -79% Y/Y in the number and -82% Y/Y in the total amount of new mortgages.

## Building saving loans

Outstanding, CZK bn



New sales\*, CZK bn



The outstanding **building savings loan portfolio** increased **+1% Y/Y**, while the market increased **+7% Y/Y**.

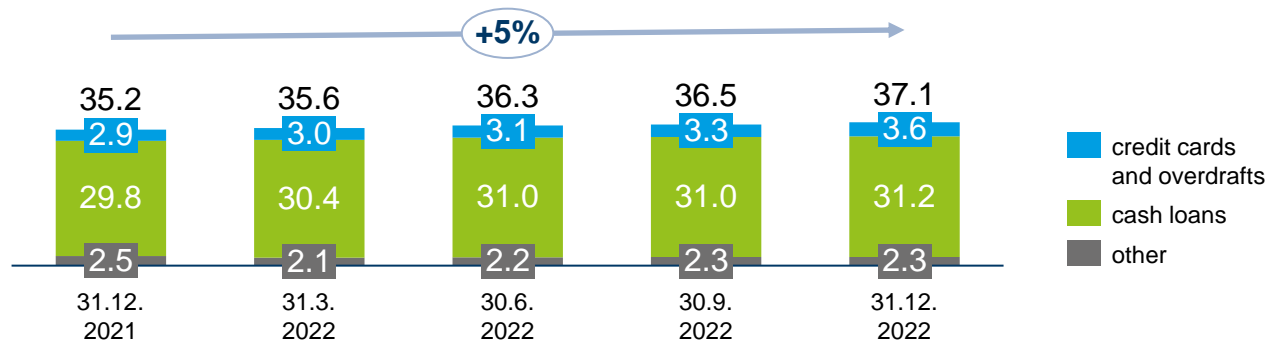
In 4Q 2022, ČSOB provided more than **2.5 thousand new building saving loans** (-38% Y/Y) in the total amount of **CZK 1.7bn** (-78% Y/Y). The market of new building saving loans decreased -43% Y/Y in the number and -75% Y/Y in the total amount of new mortgages.

\* Mortgages: signed contracts, in line with MMR statistics.  
Building savings loans: granted loan limits. Market figures are ČSOB's estimate.

# Consumer finance, SME loans, Leasing

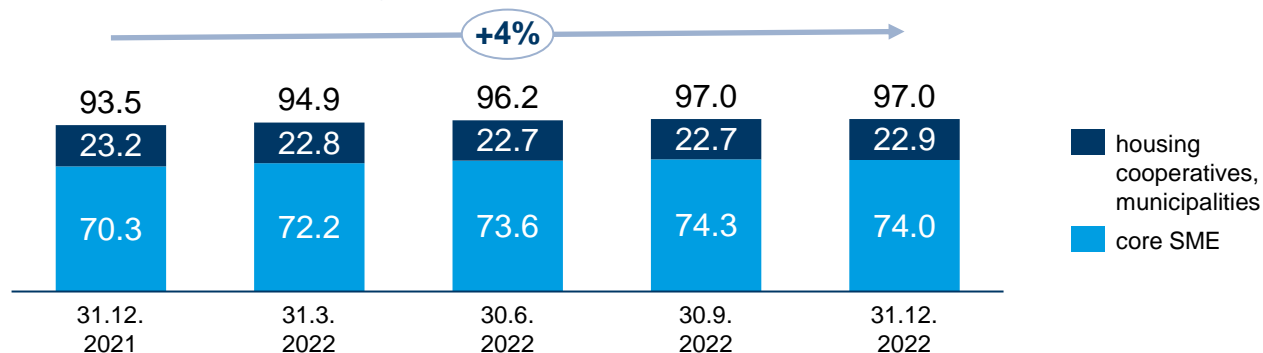
## Increase of outstanding volumes

Consumer finance, outstanding, CZK bn



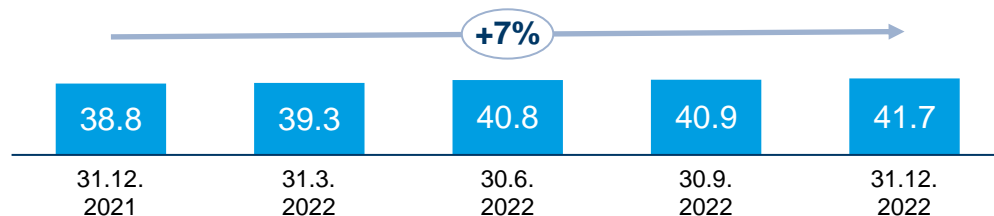
**Consumer finance** grew **+5% Y/Y** due to significant decrease of early and extraordinary repayments and solid new sales.

SME loans, outstanding, CZK bn



**SME loans** increased **+4% Y/Y** thanks to growing core SME lending (micro, small and mid-sized companies).

Leasing, outstanding\*, CZK bn



Outstanding volumes in **ČSOB Leasing** rose **+7% Y/Y** as a result of increase in SME segment.

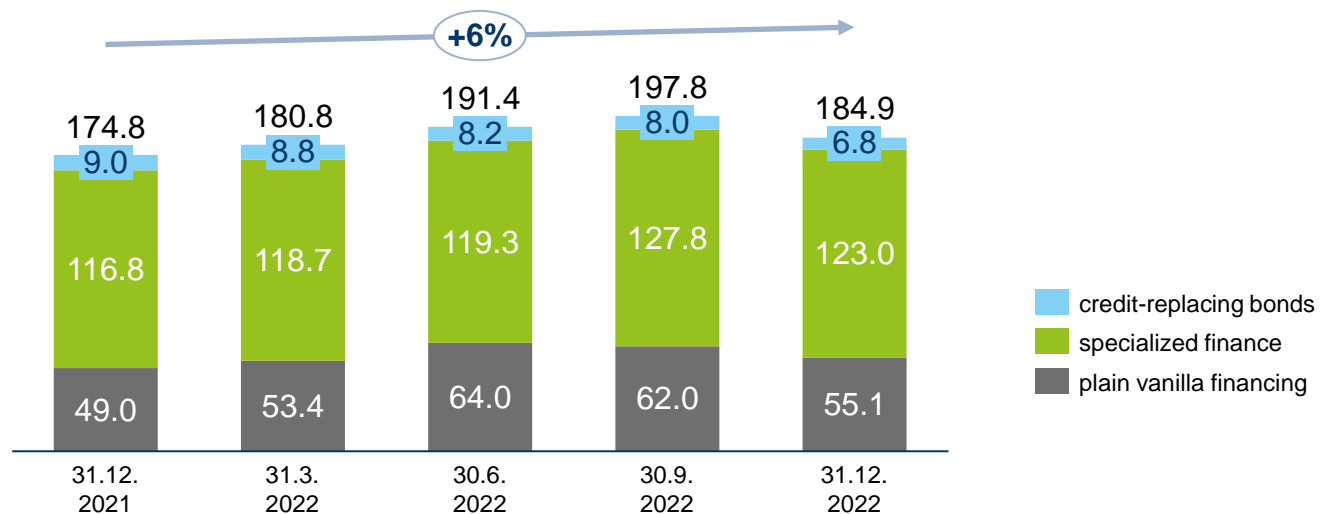
\* Total exposure of ČSOB Leasing, excluding operational leasing.

## Corporate segment

# Growth of corporate loans

### Corporate loans

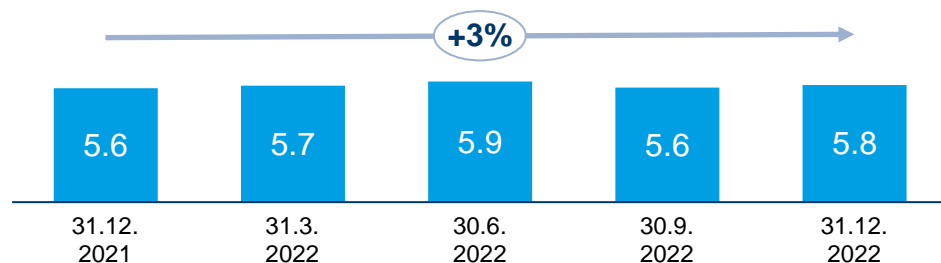
Outstanding, CZK bn



Outstanding volumes of **corporate loans** grew **+6% Y/Y** thanks to increased drawing of working capital loans and new investment loans mainly in real estate sector.

### Factoring

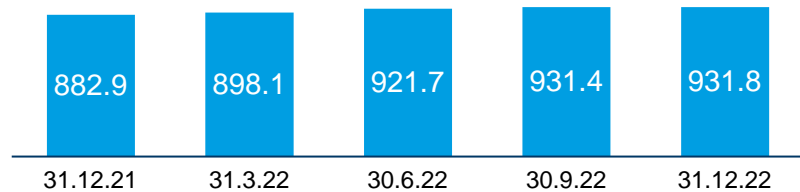
Outstanding, CZK bn



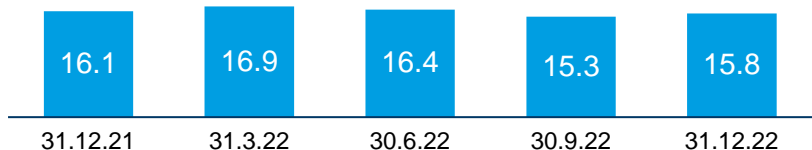
**Factoring** outstanding volumes increased **+3% Y/Y** driven by increasing interest of clients in flexible form of financing connected with management and insurance of receivables.

# Excellent loan portfolio quality

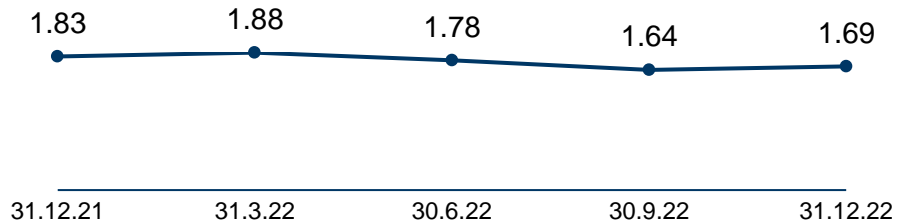
Credit risk: loan portfolio (CZK bn)



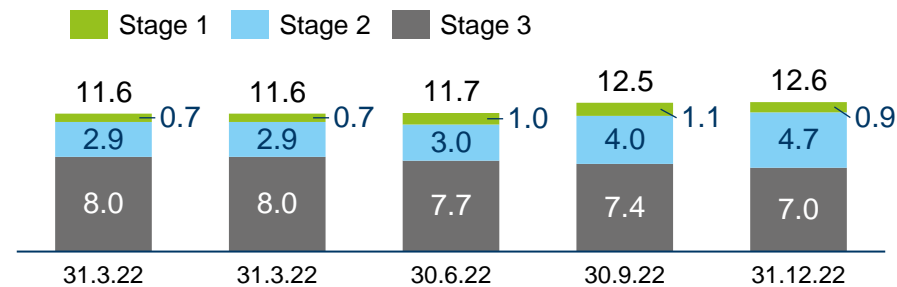
Non-performing loans (CZK bn)



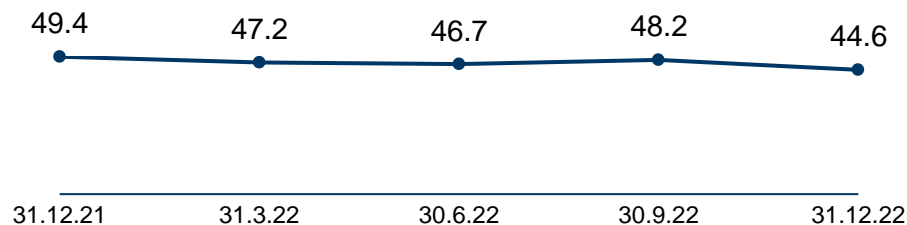
NPL ratio (%)



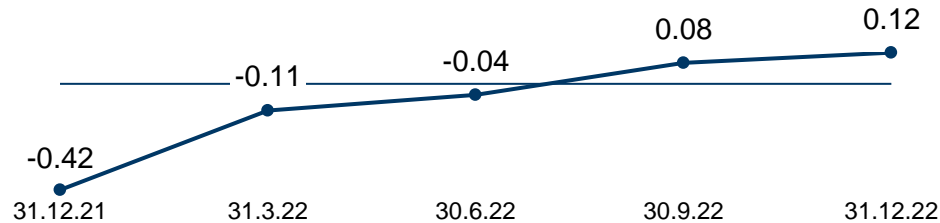
Allowances for loans and leases (CZK bn)



NPL coverage ratio (%)



Credit cost ratio (% , Ytd. annualized)

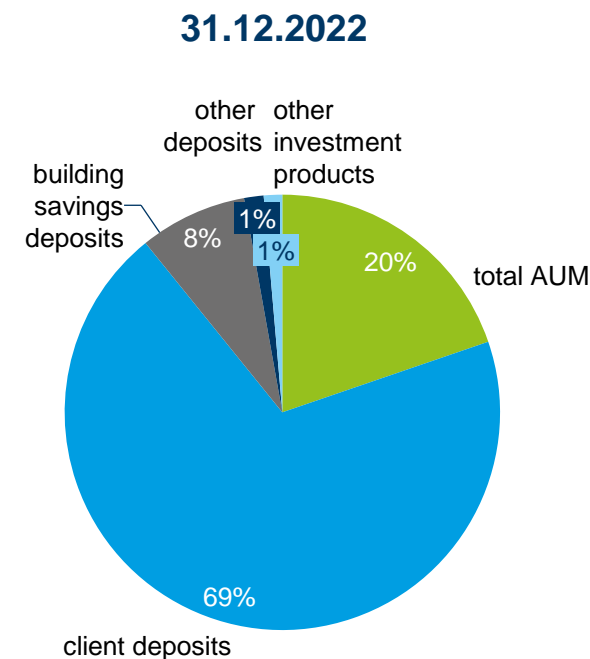




## Group deposits and Total assets under management

### Increase of assets under management, term deposits rising rapidly

Outstanding volumes, CZK bn	31.12.2021	31.12.2022	Y/Y
<b>Group deposits</b>	<b>1,156.9</b>	<b>1,231.8</b>	<b>+6%</b>
<b>Total client deposits</b>	<b>1,126.9</b>	<b>1,208.1</b>	<b>+7%</b>
<b>ČSOB bank client deposits</b>	<b>986.5</b>	<b>1,083.3</b>	<b>+10%</b>
<i>Current accounts</i>	705.0	617.6	-12%
<i>Savings deposits</i>	229.3	234.8	+2%
<i>Term deposits</i>	52.2	230.9	>+100%
<b>Building savings deposits</b>	<b>140.4</b>	<b>124.8</b>	<b>-11%</b>
Other deposits <sup>1</sup>	30.0	23.7	-21%
<b>Total AUM</b>	<b>288.3</b>	<b>308.0</b>	<b>+7%</b>
Pension funds <sup>2</sup>	69.2	71.2	+3%
Mutual funds	167.4	185.0	+10%
Other AM <sup>3</sup>	51.7	51.9	0%
<b>Other investment products <sup>4</sup></b>	<b>18.9</b>	<b>21.4</b>	<b>+13%</b>



<sup>1</sup> Other deposits predominantly consist of repo operations with institutional clients

<sup>2</sup> Liabilities to pension fund policy holders.

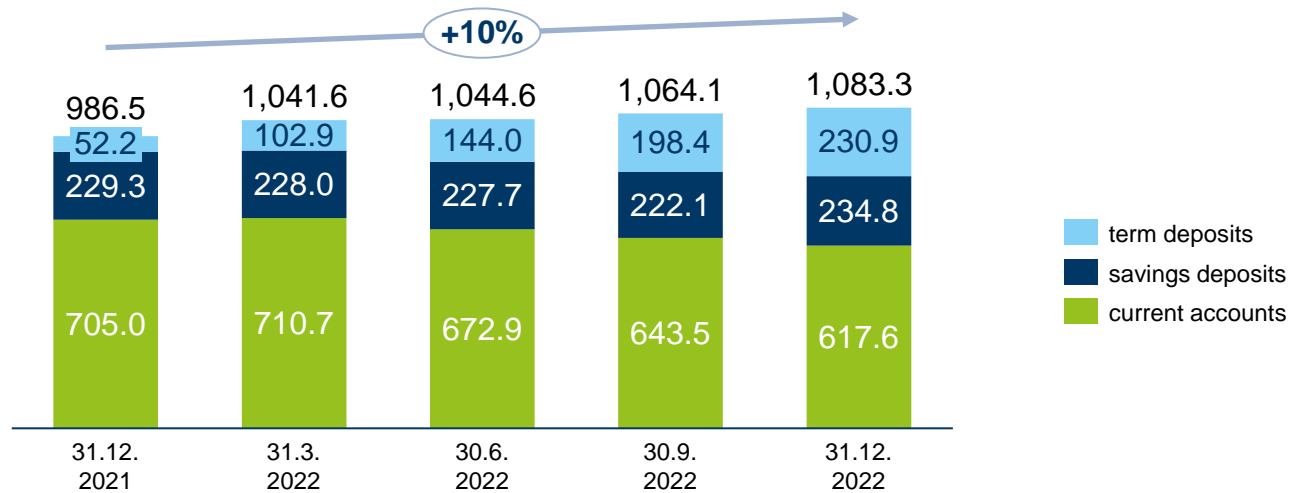
<sup>3</sup> Other AM includes discretionary asset management, qualified investors funds and other group assets

<sup>4</sup> Including bonds, investment certificates and mortgage covered bonds. Not counted in total AUM. See definition in appendix.

## Client deposits and building saving deposits

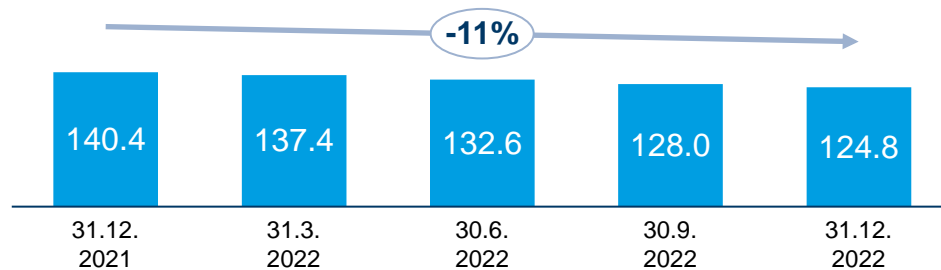
### Sharp growth of term deposits

ČSOB bank client deposits (CZK bn)



ČSOB bank client deposits increased **+10% Y/Y** driven by the growth of **term deposits** (>100%) due to more attractive interest rates, while **current accounts** decreased **-12% Y/Y**. **Saving deposits** increased **+2% Y/Y**.

Building savings deposits (CZK bn)



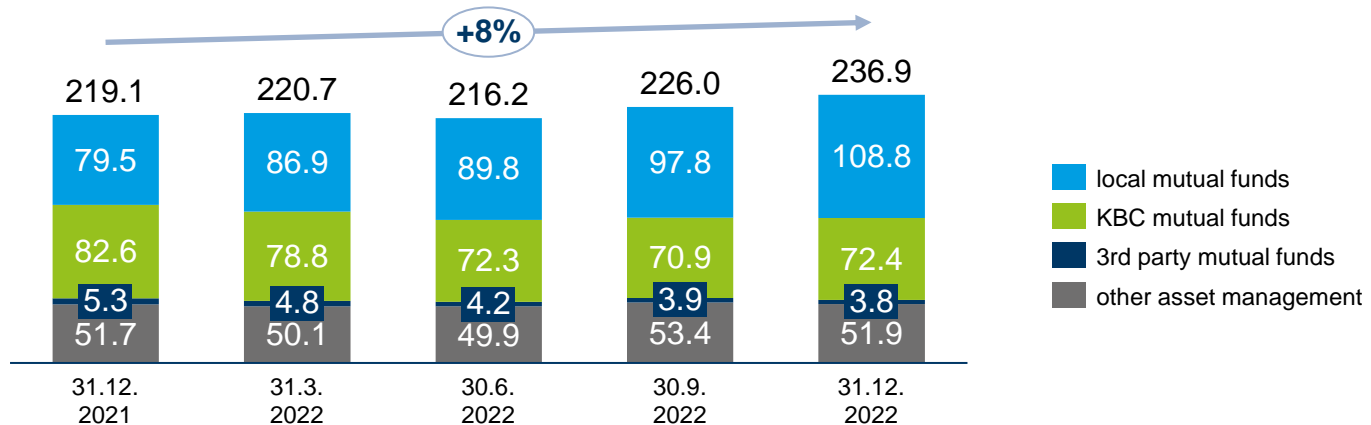
Building savings deposits decreased **-11% Y/Y**.

## Mutual funds, other asset management and pension funds

### Mutual funds increasing thanks to strong gross sales

#### Mutual funds and other AM

Outstanding volumes, CZK bn

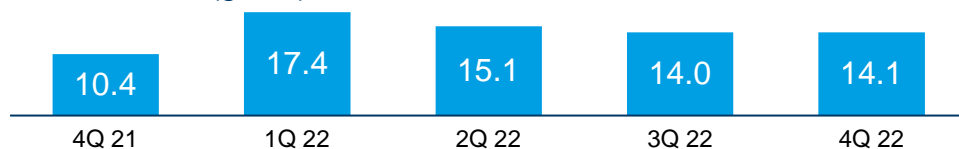


Mutual funds grew **+10% Y/Y** thanks to strong new sales.

Mutual funds and other AM in total rose **+8% Y/Y** to **CZK 236.9 bn.**

#### Mutual funds

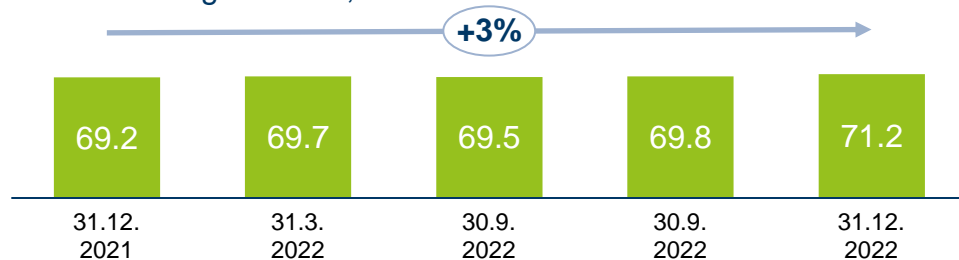
New sales (gross), CZK bn



4Q 2022 new sales of mutual funds increased **+35% Y/Y** dominated by ČSOB Premiéra.

#### Pension funds

Outstanding volumes, CZK bn



The volume of savings in pension funds increased **+3% Y/Y.**

Notes:

Mutual funds include funds managed by ČSOB AM as well as those distributed by the ČSOB group but managed by the KBC AM. Only direct positions are included (the funds bought directly by clients). Other asset management: Discretionary mandates and Qualified Investors Funds. AUM of Pension Funds managed by ČSOB AM are excluded and are shown separately in Pension funds section.

## Increasing number of clients and growing active client base

	31.12.2021	31.12.2022
<b>Clients of ČSOB's group (mil.)</b>	<b>4.225</b>	<b>4.340</b>
<b>ČSOB branches (bank only)</b>	<b>208</b>	<b>201</b>
ČSOB Retail/SME branches	186	181
ČSOB Private Banking branches	11	11
ČSOB Corporate branches	11	9
<b>ČSOB Pojišťovna branches</b>	<b>95</b>	<b>95</b>
<b>Hypoteční banka centers / housing finance branches</b>	<b>19</b>	<b>18</b>
<b>ČSOBS advisory centers</b>	<b>246</b>	<b>215</b>
<b>Leasing branches</b>	<b>6</b>	<b>5</b>
<b>ČSOB PSB outlets of the Czech Post network</b>	<b>ca. 2,500</b>	<b>ca. 2,400</b>
- of which specialized banking counters	234	235
<b>Czech Post franchise outlets</b>	<b>ca. 700</b>	<b>ca. 800</b>
<b>ATMs<sup>1</sup></b>	<b>1,017</b>	<b>1,022</b>
- of which contactless	737	861
- of which deposit	288	307

The **number of clients** increased +115ths Y/Y and the **number of active clients** increased +96ths Y/Y.

At the end of December 2022, clients could use **1,022 ATMs** (+5 Y/Y) of which 861 were contactless (+124 Y/Y), 307 enabled cash deposits (+19 Y/Y) and **1,003** were customized for visually impaired clients.

Due to ongoing optimization of the branch network and strengthening of the self-service platforms, the number of **ČSOB branches** reached 201 (-7 Y/Y) by the end of December.

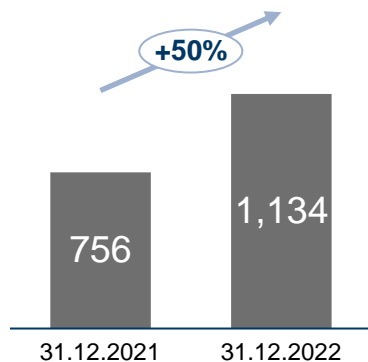
Extended portfolio of bank-insurance services at Czech Post is provided at **235 specialized banking counters**.

Note:

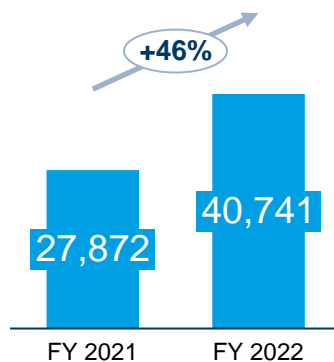
The multi-channel distribution platform of the ČSOB group includes also a wide agent network of over 5,000 agents, incl. ČSOBS tied agents, intermediaries and individual brokers for Hypoteční banka, ČSOB Leasing's dealers and ČSOB Pojišťovna's tied agents, multi-agents and individual brokers.

## Number of mobile banking active users and transactions rapidly increasing

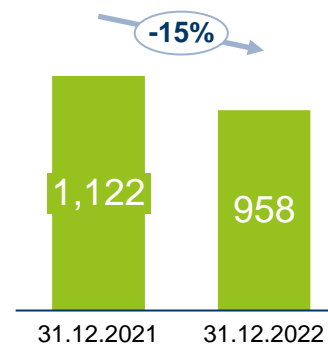
Mobile banking active users<sup>1</sup>  
(ths)



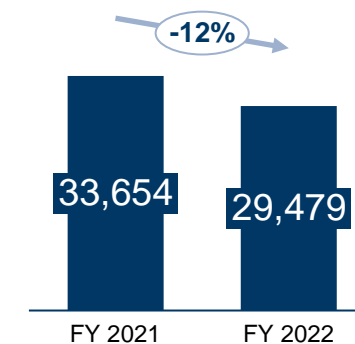
Mobile banking transactions<sup>2</sup>  
(ths)



Internet banking active users<sup>3</sup>  
(ths)



Internet banking transactions<sup>2</sup>  
(ths)



As of 31 December 2022, the number of mobile banking **active users** increased +50% Y/Y. In FY 2022, the number of **transactions** via mobile banking rose +46% Y/Y.

As of 31 December 2022, the number of internet banking **active users** decreased -15% Y/Y. In FY 2022, the number of **transactions** via internet banking declined -12% Y/Y.

<sup>1</sup> Mobile banking active users are clients who at least once during the last 3 months used mobile banking.

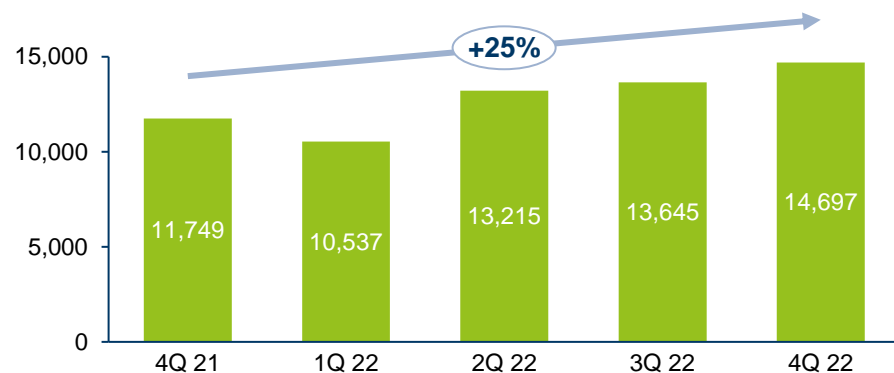
<sup>2</sup> Only transactions of retail and private banking clients are included. Transactions from standing payment orders are excluded.

<sup>3</sup> Internet banking active users are clients who at least once during the last 3 months used internet banking.

## Online initiated sales rising significantly, outstanding online sales of saving accounts

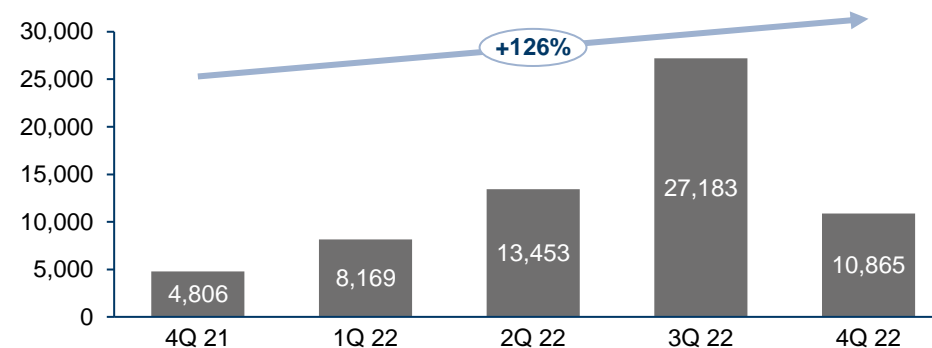
### Consumer finance

(pcs)



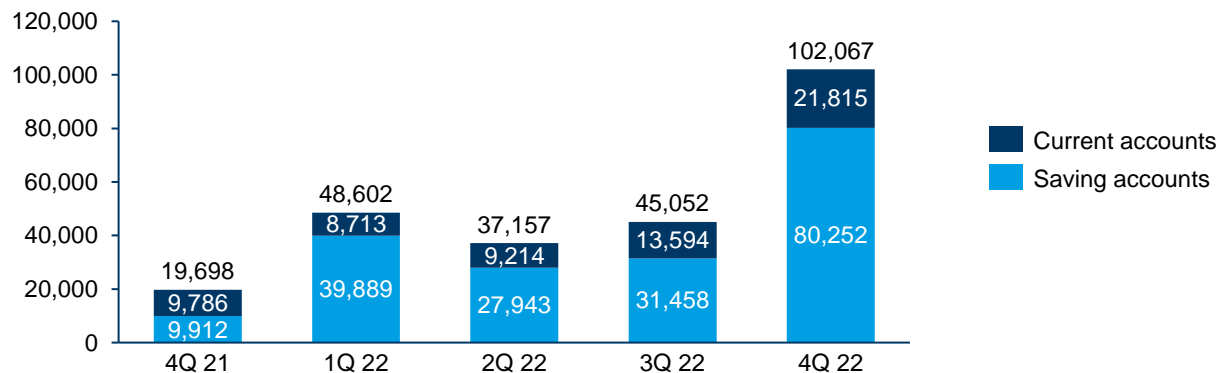
### Travel insurance

(pcs)



### Current and saving accounts

(pcs)



Number of online initiated **current and saving accounts** increased **more than 5 times** thanks to a successful digital campaign focused on current accounts and the exclusive digital offer for opening saving accounts in Smart.

In 4Q 2022 more than 14 thousand **consumer finance products** were initiated online, up **+25% Y/Y**.

Online sales of **travel insurance** grew thanks to the rebound in international travel.

## ČSOB awarded for sustainability and helping Ukraine

### Global Finance: Best Bank

The US-based magazine **Global Finance** selected ČSOB as the **Best Bank** of 2022 in the Czech Republic.

### Global Finance: Sustainable Finance Awards

ČSOB was awarded in 4 categories in prestigious **Sustainable Finance Awards** by **Global Finance** magazine. ČSOB received the titles of an **Outstanding Leader in ESG-Related Loans**, a **Financial Leader in Sustaining Communities**, an **Outstanding Leader in Sustainability Transparency in CEE** and **The Best Bank for Sustainable Finance** in the Czech Republic for 2022.

### Hospodářské noviny Awards

ČSOB Bank ranked **2nd** in the **Best bank** and the **Most Client-Friendly Bank** categories. ČSOB Pojišťovna was awarded as the **Best Non-life Insurance Company** and the **Most Client-Friendly Non-life Insurance Company**.

### Fórum dárců Awards

ČSOB won **1st place** in the **Employee fundraiser category** for the SOS Ukraine and **1st place** in the **Charitable communication project category**. Furthermore, ČSOB placed 3rd in the Annual Report category for 2021 Annual Report on Social Responsibility and Sustainability and received a **Special Recognition for quick and effective assistance to Ukraine**.

### Zlatá koruna Awards

In the annual **Zlatá koruna Awards**, the ČSOB Group managed to be awarded eight times. ČSOB won the **1st place** in the **Leasing for entrepreneurs category** and was ranked **2nd in 5 categories** including credit cards and mortgages. We reached the 3rd place twice and received the bronze medal in the **Public Award category** for **ČSOB Smart** using virtual assistant Kate.

### Mastercard Bank of the Year

ČSOB bank won **2nd place** in the **Corporate Bank of the Year category** and placed **3rd in four categories** (Private Bank of the Year, Responsible Bank of the Year, Bank without Barriers, Mortgage of the Year). ČSOB Pojišťovna won in the **Insurance Company of Clients** category and ranked 3rd in the Insurance Company of the Year and Insurance Company without Barriers categories.

### Euromoney: Best Bank

The **Euromoney** magazine named ČSOB the **Best Bank** in the Czech Republic for 2022. ČSOB received the award for the **12th time**.

### The Banker: Global Private Banking Awards

ČSOB Private Banking won an award for the **Best Private Bank** in the Czech Republic. ČSOB received the award for the **8th time**.

### Global Finance: Best SME Bank

**Global Finance** magazine selected ČSOB as the **Best SME Bank** of 2023 in the Czech Republic.

### Forbes: ESG Rating

ČSOB received another award in the field of sustainability and was ranked in the **TOP 10 in the ESG rating in Forbes magazine** (Large Companies category). The rating was created by the international CEMS program for the Association of Social Responsibility.

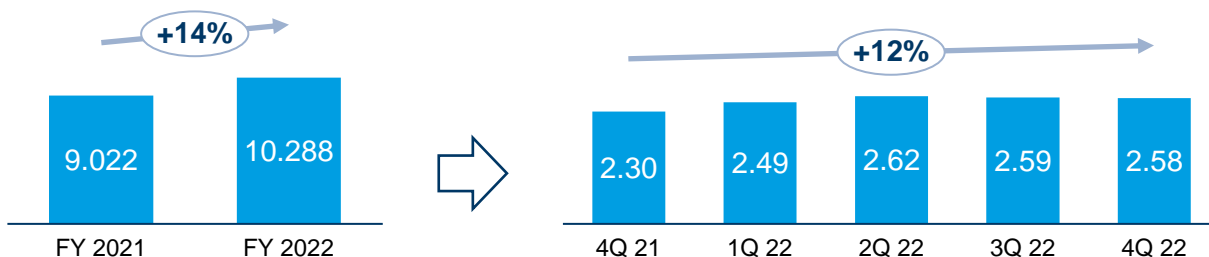
# ČSOB Pojišťovna: Key Figures



# Growth in non-life gross written premium in all major business lines

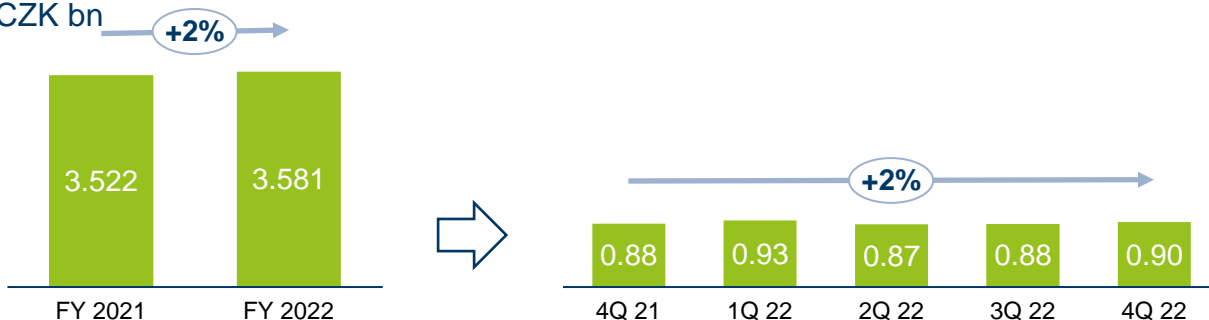
## Non-life insurance - gross written premium (GWP)

CZK bn



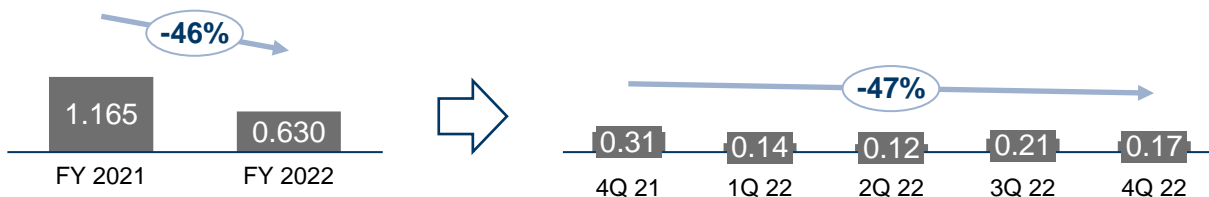
## Life insurance – regular paid gross written premium

CZK bn



## Life insurance – single paid gross written premium

CZK bn



Market shares	FY 2022	Market position
Non-life insurance	↑ 12.4%	4 <sup>th</sup>
Life insurance	↓ 7.3%	6 <sup>th</sup>

Arrows show Y/Y change.

### Non-life insurance

FY/4Q 2022 non-life gross written premium increased **+14% Y/Y** and **+12% Y/Y** respectively thanks to industrial risk, motor segment, house & households and travel insurance.

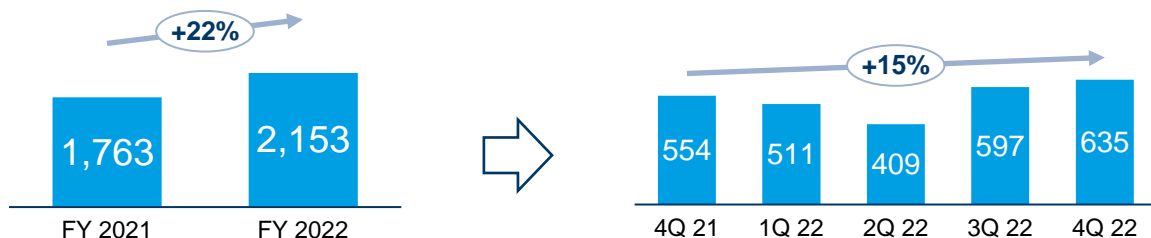
### Life insurance

FY/4Q 2022 **regular paid** gross written premium increased **+2% Y/Y** due to new business increase.

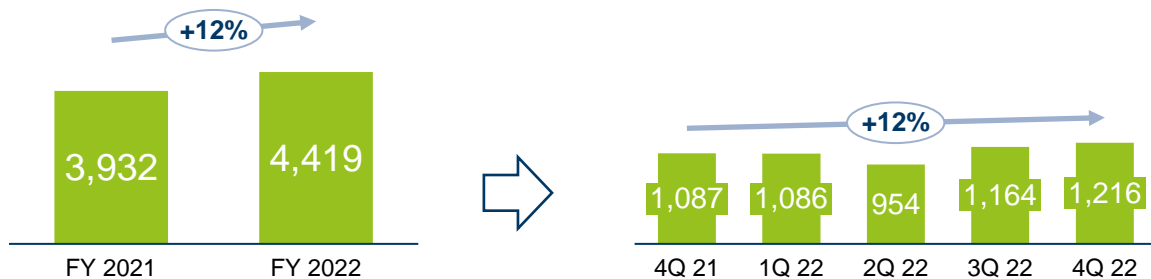
FY/4Q 2022 **single paid** gross written premium decreased **-46% Y/Y** and **-47% Y/Y** respectively.

# Higher net profit thanks to higher operating income

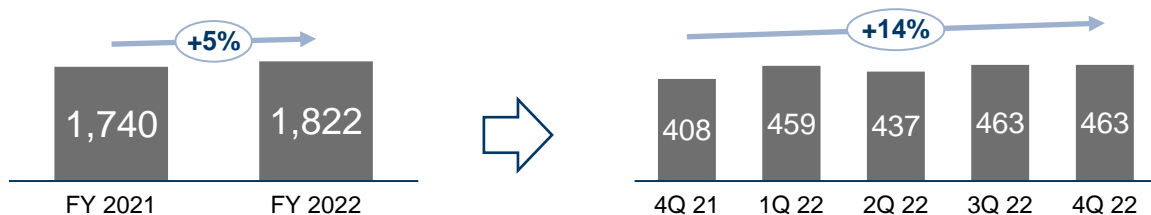
**Net profit**  
CZK m



**Operating income**  
CZK m



**Operating expenses**  
CZK m



FY/4Q 2022 **net profit** increased to **CZK 2,153m** (+22% Y/Y) and **CZK 635m** (+15% Y/Y) respectively as a result of total income increase and cost control.

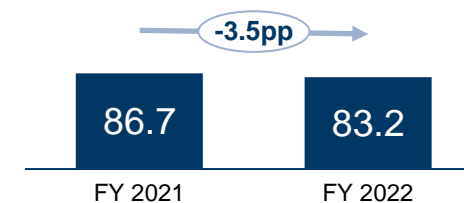
FY/4Q 2022 **operating income** grew to **CZK 4,419m** (+12% Y/Y) and **CZK 1,216m** (+12% Y/Y) respectively thanks to better non-life profitability and supported by life contribution.

FY/4Q 2022 **operating expenses** increased to **CZK 1,822m** (+5% Y/Y) and **CZK 463m** (+14% Y/Y) respectively driven by higher number of FTEs (to support insurance growth), wage growth and inflation pressure.

**Non-life combined ratio** reached **83.2%**.

Note that the technical charges Life and Non-life in 3Q 2022 include a release of technical provisions as a result of reassessing the confidence level of the technical provisions.

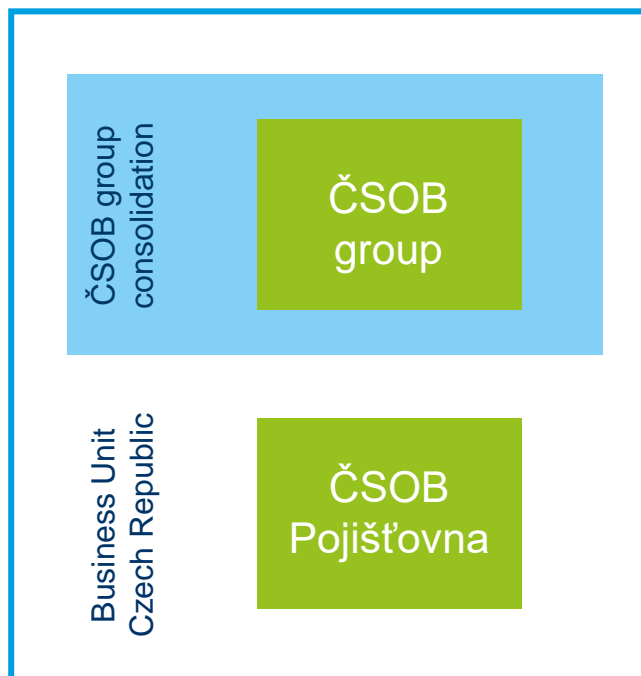
**Non-life combined ratio (%)**



# Business Unit Czech Republic

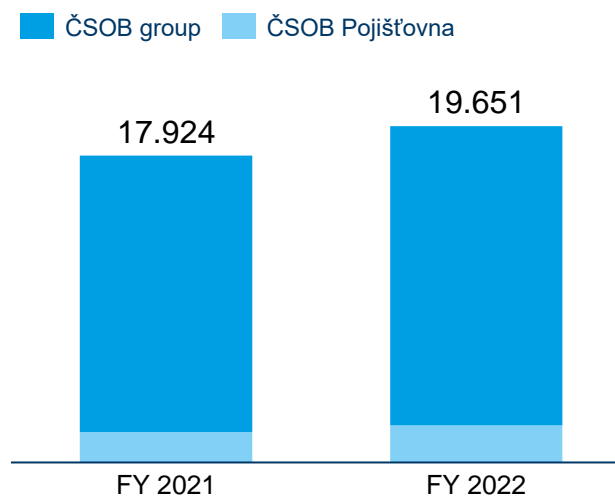


# Business Unit Czech Republic FY 2022 net profit



## Net profit of the Business Unit Czech Republic

CZK bn



The FY 2022 net profit of the Business Unit Czech Republic reached **CZK 19.7bn** (+10% Y/Y).

The Business Unit Czech Republic contains all KBC's operations in the Czech Republic, namely the ČSOB group, and full ownership of ČSOB Pojišťovna.

Net profit (CZK bn)	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	4Q/4Q	FY 2021	FY 2022	FY/FY
BU Czech Republic	5.043	5.099	5.826	4.847	3.879	-23%	17.924	19.651	+10%
o/w ČSOB Pojišťovna	0.554	0.511	0.409	0.597	0.635	+15%	1.763	2.153	+22%

# Appendix

## We aim to build better community through innovative solutions and services

### For Business

We actively support the Czech economy and **help start-up entrepreneurs** and small companies.

In 2022 we:

- supported **14 start-ups**,
- launched a new **Start it @UNI** program aimed at university students,
- helped **110 budding entrepreneurs** obtain funding from the Budding Entrepreneurs Program.

### For Education

A unique **ČSOB financial and digital education** training program for schools continued in 2022. Last year, a total of more than **500 ambassadors** from among our employees participated in **400 teaching hours** for more than **10ths pupils and students** from the 148 schools visited. Furthermore, we organized the 2nd year of the **Filip's Cup of Financial Literacy**, in which 232 schools applied. 14 teams from all over the Czech Republic took part in the final round in the building of the Czech National Bank.

Our daily activities are increasingly moving into the digital environment, therefore we teach children **how to stay safe on the Internet**. We prepared thematically focused courses on online safety "Your way #online" in **cooperation with the Police of the Czech Republic**.

### For Longevity

ČSOB focuses on seniors:

- All elderly clients are offered preferential account management, which includes not only an **unlimited number of free payment orders** entered at the Czech Post, but also **free delivery of cash** to the selected address.
- We operate a **helpline for seniors** that connects them to a team of specially trained operators. In 2022, our call center colleagues handled **81ths calls** on the helpline for seniors.

ČSOB aims to become a barrier-less bank therefore all our branches have been audited by CZEPA (Czech association of paraplegics).

# Ratios and other indicators

Ratio / Indicator	31.12.2019	31.12.2020	31.12.2021	31.12.2022
<b>Net interest margin</b> (Ytd., annualized, %)	3.02	2.31	2.08	2.54
<b>Cost / income ratio</b> (%)	44.9	54.6	55.5	49.8
<b>Cost / income ratio excl. bank. taxes</b> (%)	42.7	51.5	51.8	46.4
<b>RoE</b> (Ytd., %)	20.7	8.2	14.3	16.3
<b>RoA</b> (Ytd., %)	1.20	0.49	0.88	0.88
<b>RoAC, BU Czech Republic</b> (Ytd., %) <sup>1</sup>	46.7	21.7	39.2	38.5
<b>Credit cost ratio</b> (Ytd., annualized, %) <sup>2</sup>	0.04	0.67	-0.42	0.12
<b>NPL ratio</b> (%) <sup>2</sup>	2.24	2.26	1.83	1.69
<b>NPL coverage ratio</b> (%) <sup>2</sup>	47.3	48.7	49.4	44.6
<b>Common Equity Tier 1 (CET1) ratio</b> (%)	19.2	23.7	22.4	19.9
<b>Total capital ratio</b> (%)	19.2	24.2	22.7	20.3
<b>Leverage ratio</b> (Basel III, %)	4.04	5.02	4.65	4.48
<b>Available MREL of RWA</b> (%)	n.a.	n.a.	27.4	29.7
<b>Available MREL of LRE</b> (%)	n.a.	n.a.	5.67	6.67
<b>Net stable funding ratio</b> (Basel III, %) <sup>3</sup>	161.5	169.9	171.3	171.8
<b>Liquidity coverage ratio</b> (Basel III, %)	130.9	137.7	143.5	156.2
<b>Loan to deposit ratio</b> (%)	79.4	71.6	71.1	70.6

<sup>1</sup> Fully-loaded

<sup>2</sup> The loan quality ratios have been restated to reflect inclusion of 100% of ČSOBS loans in Credit risk: loan portfolio. The originally reported ratios are in brackets.

<sup>3</sup> As of 1Q 2021 change in methodology, previous periods were not restated

# Profit and loss statement

(CZK m)	4Q 2021	3Q 2022	4Q 2022	Y/Y	Q/Q	FY 2021	FY 2022	Y/Y
Net interest income	6,896	7,683	7,509	+9%	-2%	22,900	31,062	+36%
<i>Interest income</i>	12,109	29,731	30,854	>+100%	+4%	36,975	107,288	>+100%
<i>Interest expense</i>	-5,213	-22,048	-23,345	>+100%	+6%	-14,075	-76,226	>+100%
Net fee and commission income	2,011	2,123	1,810	-10%	-15%	7,828	8,041	+3%
Net gains from financial instruments at FVPL <sup>1</sup>	1,190	680	359	-70%	-47%	3,699	3,607	-2%
Other operating income <sup>2</sup>	110	179	455	>+100%	>+100%	1,297	1,428	+10%
<b>Operating income</b>	<b>10,208</b>	<b>10,665</b>	<b>10,133</b>	<b>-1%</b>	<b>-5%</b>	<b>35,724</b>	<b>44,138</b>	<b>+24%</b>
Staff expenses	-2,693	-2,489	-2,638	-2%	+6%	-9,512	-10,109	+6%
General administrative expenses	-1,770	-1,864	-2,316	+31%	+24%	-7,980	-9,217	+16%
<i>General administrative expenses (excl. banking taxes)</i>	-1,758	-1,853	-2,304	+31%	+24%	-6,644	-7,721	+16%
<i>Banking taxes</i>	-12	-11	-12	-2%	+3%	-1,336	-1,496	+12%
Depreciation and amortisation	-626	-687	-719	+15%	+5%	-2,342	-2,661	+14%
<b>Operating expenses</b>	<b>-5,089</b>	<b>-5,040</b>	<b>-5,673</b>	<b>+11%</b>	<b>+13%</b>	<b>-19,834</b>	<b>-21,987</b>	<b>+11%</b>
Impairment losses	350	-758	-716	-/+	-6%	3,253	-1,497	-/+
<i>Impairment on financial assets at amortised cost</i>	651	-772	-566	-/+	-27%	3,637	-1,142	-/+
<i>Impairment on goodwill</i>	-181	0	-116	-36%	n/a	-181	-116	-36%
<i>Impairment on other assets</i>	-120	14	-34	-72%	-/+	-203	-239	+18%
Share of profit of associates	-28	-1	-6	-79%	>+100%	-64	-30	-53%
<b>Profit before tax</b>	<b>5,441</b>	<b>4,866</b>	<b>3,738</b>	<b>-31%</b>	<b>-23%</b>	<b>19,079</b>	<b>20,624</b>	<b>+8%</b>
Income tax expense	-886	-625	-525	-41%	-16%	-2,919	-3,086	+6%
<b>Profit for the period</b>	<b>4,555</b>	<b>4,241</b>	<b>3,213</b>	<b>-29%</b>	<b>-24%</b>	<b>16,160</b>	<b>17,538</b>	<b>+9%</b>
Attributable to:	0	0	0					
<b>Owners of the parent</b>	<b>4,555</b>	<b>4,241</b>	<b>3,213</b>	<b>-29%</b>	<b>-24%</b>	<b>16,160</b>	<b>17,538</b>	<b>+9%</b>
Non-controlling interests	0	0	0	n/a	n/a	0	0	n/a

<sup>1</sup> FVPL = fair value through profit and loss.

<sup>2</sup> Other operating income = Net realised gains from financial instruments at fair value through other comprehensive income (OCI), dividend income, income and expense from operating lease, other net income.

In 2022, ČSOB made a change in reporting policy that affected 'Net interest income' and 'Net gains from financial instruments at FVPL' in Profit and loss statement. The change did not affect total Operating income. The change has been applied retrospectively and consequently ČSOB restated 2021 consolidated Profit and loss statement.



## Balance sheet - assets

(CZK m)	31/12 2021	31/12 2022	Y/Y
Cash and balances with central banks and other demand deposits	39,762	62,121	+56%
Financial assets held for trading	44,087	71,746	+63%
Financial assets held for trading pledged as collateral	0	0	n/a
Financial assets designated at fair value through P/L	0	0	n/a
Non-trading financial assets mandatorily at fair value through profit or loss	1,410	1,322	-6%
Financial assets at fair value through other comprehensive income (OCI)	18,566	15,585	-16%
Financial assets at fair value through OCI pledged as collateral	221	72	-67%
Financial assets at amortised cost - net	1,624,653	1,574,761	-3%
<i>Financial assets at amortised cost - debt securities (gross)</i>	201,526	249,225	+24%
<i>Financial assets at amortised cost - loans to credit institutions (gross)</i>	606,356	465,010	-23%
<i>Financial assets at amortised cost - loans to other than credit institutions (gross)</i>	828,414	872,429	5%
<i>Financial assets at amortised cost - provisions</i>	-11,643	-11,903	+2%
Financial assets at amortised cost pledged as collateral	33,904	24,721	-27%
Fair value adjustments of the hedged items in portfolio hedge	-18,223	-25,639	+41%
Derivatives used for hedging	30,276	48,425	+60%
Current tax assets	1,020	70	-93%
Deferred tax assets	1,324	1,818	+37%
Investments in associates and joint ventures	97	66	-32%
Property and equipment	13,643	12,917	-5%
Goodwill and other intangible assets	11,164	11,659	+4%
Non-current assets held-for-sale	20	41	>+100%
Other assets	3,555	5,236	+47%
<b>Total assets</b>	<b>1,805,479</b>	<b>1,804,921</b>	<b>0%</b>

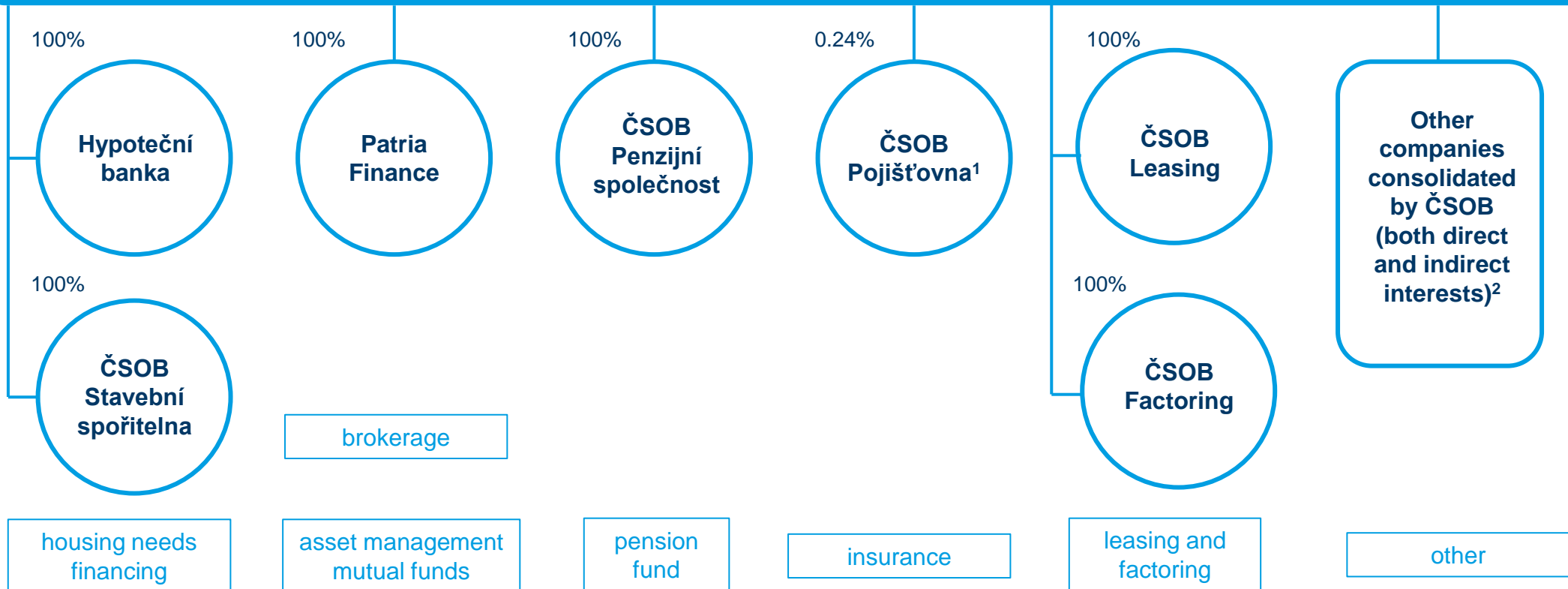
## Balance sheet – liabilities and equity

(CZK m)	31/12 2021	31/12 2022	Y/Y
Financial liabilities held for trading	44,686	73,506	+64%
Financial liabilities at fair value through P/L	24,544	23,839	-3%
Financial liabilities at amortised cost	1,605,831	1,583,056	-1%
<i>of which Deposits received from central banks</i>	0	0	n/a
<i>of which Deposits received from credit institutions</i>	25,057	43,708	+74%
<i>of which Deposits received from other than credit institut.</i>	1,156,902	1,231,800	+6%
<i>of which Debt securities in issue</i>	402,164	264,915	-34%
<i>of which Subordinated liabilities</i>	19,439	40,592	>+100%
<i>of which Lease liabilities</i>	2,269	2,041	-10%
Fair value adjustments of the hedged items in portfolio hedge	-23,280	-32,441	+39%
Derivatives used for hedging	28,346	42,039	+48%
Current tax liabilities	80	659	>+100%
Deferred tax liabilities	943	1,035	+10%
Provisions	540	879	+63%
Other liabilities	6,411	8,404	+31%
<b>Total liabilities</b>	<b>1,688,101</b>	<b>1,700,976</b>	<b>+1%</b>
Share capital	5,855	5,855	0%
Share premium	20,929	20,929	0%
Statutory reserve	18,687	18,687	0%
Retained earnings	73,091	60,740	-17%
Financial assets at fair value through OCI - revaluation reserve	-22	-663	>+100%
Cash flow hedge reserve	-1,140	-1,578	+38%
<b>Parent shareholders' equity</b>	<b>117,378</b>	<b>103,945</b>	<b>-11%</b>
Minority interest	0	0	n/a
<b>Total equity</b>	<b>117,378</b>	<b>103 945</b>	<b>-11%</b>
<b>Total liabilities and equity</b>	<b>1,805,479</b>	<b>1,804,921</b>	<b>0%</b>

# The ČSOB group in the Czech Republic

## Československá obchodní banka, a. s.

banking services



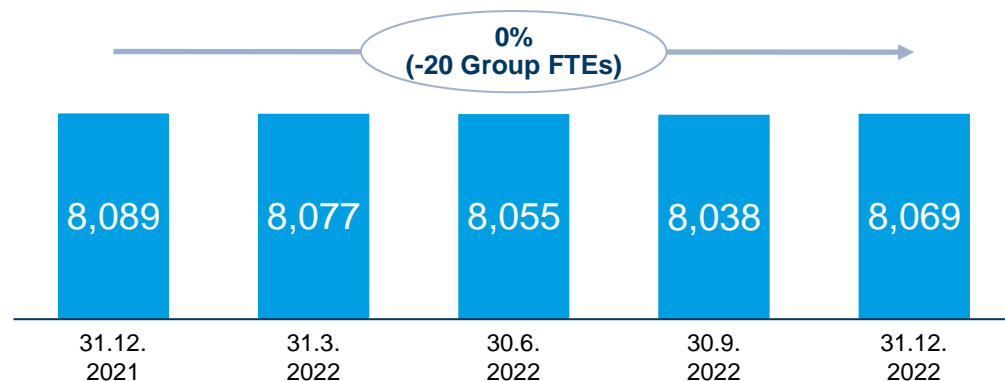
Percentages show ČSOB's ownership interests on company's equity as of 31 December 2022.

<sup>1</sup> 99.76% of shares owned by KBC Insurance; by the equity method consolidation.

<sup>2</sup> A complete list of companies consolidated by ČSOB is stated in ČSOB Annual Report.

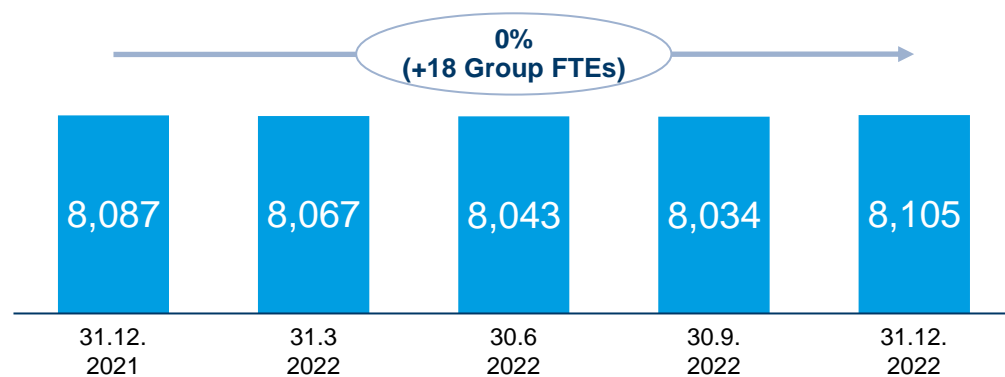
# Employees

## Number of FTEs – average



The average number of **Group FTEs** stayed flat (-20 FTEs Y/Y) as the saving from digitalization and robotization was compensated by the internalization in IT and digital.

## Number of FTEs – end of the period



■ Group FTE<sup>1</sup>

The number of **Group FTEs** at the end of the period increased +18 Y/Y.

# Market shares definitions and sources

Item	Definition	Source
Building savings deposits	Deposits of buildings savings clients, ČSOBS 100%.	ČNB, Data Series System (ARAD); ČSOBS
Building savings loans	Outstanding volumes of building savings loans, ČSOBS 100%.	ČNB, Data Series System (ARAD); ČSOBS
Consumer loans	Outstanding volume of cash loans, credit cards, overdrafts, consumer loans on real estate and American mortgages.	ČNB, Data Series System (ARAD); ČSOB
Factoring	Volume of new business.	Association of Leasing and Factoring Companies ČR (ČLFA)
Insurance	New business in the year according to gross written premium. Market position reflects combined position of the insurers belonging to the same business group.	Czech Association of Insurance Companies (ČAP)
Leasing	Outstanding volume (leasing of movables, commercial loans and consumer loans); related to the relevant market comprising both banks and non-banking institutions.	Association of Leasing and Factoring Companies ČR (ČLFA)
Mortgages	Outstanding volumes; mortgages for private individuals excl. American mortgages and mortgages for non-housing real estate purposes, consumer loans for house purchase, according to ČNB definition.	ČNB, Data Series System (ARAD); ČSOB; HB
Mutual funds	AUM in both Czech and foreign funds at the given date, including institutional funds and third parties funds; according to AKAT methodology.	Association for Capital Market (AKAT)
Pension funds	Total number of clients at the given date.	The Association of Pension Funds of the Czech Republic (APS)
SME/corporate loans	Remaining loans that are not reported in any of the retail loans categories (loans to other than households).	ČNB, Data Series System (ARAD); ČSOB
Total deposits	Total bank deposits including building savings deposits (ČSOBS), excluding repo and including unmarketable bills of exchange.	ČNB, Data Series System (ARAD); ČSOB
Total loans	Outstanding volumes of consumer loans and other retail loans + mortgages for private individuals + building savings loans (ČSOBS) + SME/corporate loans (gross).	ČNB, Data Series System (ARAD); ČSOB; ČSOBS

## Glossary - ratios

Available MREL as a % of LRE (MREL leverage ratio)	$(\text{Total regulatory capital} + \text{Eligible liabilities}) / (\text{On-balance} + \text{Off-balance sheet items} + \text{Counterparty exposure for Derivatives and SFT} + \text{Add-ons})$ (according to CRR)
Available MREL as a % of RWA (MREL ratio)	$(\text{Total regulatory capital} + \text{Eligible liabilities}) / \text{Total RWA}$ (according to CRR)
Common Equity Tier 1 (CET1) ratio	Tier 1 capital (CET1) / Total RWA (according to CRR)
C/I (cost/income ratio)	Operating expenses / operating income, Ytd.
CCR (credit-cost ratio)	Total credit costs / average Credit risk: loan portfolio in the year (simple average of previous year end and reported period end balances); Ytd., annualized (management overlay was excluded from annualization of CCR in 1H and 9M 2020 in order to avoid an overestimation of CCR).
Leverage ratio	Tier 1 capital / (On-balance + Off-balance sheet items + Counterparty exposure for Derivatives and SFT + Add-ons) (according to CRR)
Liquidity coverage ratio	High quality liquid assets (unencumbered and convertible into cash) to liquidity needs (outflow – inflow) for a 30 calendar days time horizon under specified significant stress scenario (according to CRR)
Loan to deposit ratio	IFRS 9: Financial assets at amortised cost - loans to other than credit institutions (net) / Deposits received from other than credit institutions at amortised cost minus repo operations with non-banking financial institutions
Net stable funding ratio (NSFR)	Available amount of stable funding / required amount of stable funding (according to CRR)
NIM (net interest margin)	Net interest income excl. volatile short-term assets used for liquidity management / average interest earnings assets excl. volatile short-term assets used for liquidity management ; Qtd./Ytd., annualized
Non-life combined ratio	(Technical insurance charges, incl. the internal cost of settling claims / earned insurance premiums) + (operating expenses / written insurance premiums) (after reinsurance in each case, according to KBC group methodology)
NPL (non-performing loans) ratio	Outstanding amount of non-performing loans (incl. off-balance sheet items) / Credit risk: loan portfolio
NPL coverage ratio	Specific allowances for loans and leases (incl. off-balance sheet items) / non-performing loans (incl. off-balance sheet items)
ROA (return on assets)	Net profit for the year / average of total assets; Ytd., annualized
ROAC, BU Czech Republic (return on allocated capital)	Result after tax (including minority interests) of the ČSOB group, adjusted to take account of allocated capital instead of actual capital / average allocated capital of the ČSOB group (KBC group methodology)
ROE (return on equity)	Net profit for the year / average of total shareholders' equity; Ytd., annualized
Total capital ratio	Total regulatory capital / Total RWA (according to CRR)

# Glossary – other definitions

Assets under management	Including pension funds, mutual funds (assets under management in structured/capital protected funds and other mutual funds), other asset management and assets under management products and assets under management of Slovak local funds managed in the Czech Republic.
Banking taxes	Including contribution to the Resolution Fund, Deposit insurance premium and Securities Traders Guarantee Fund.
Building savings deposits	All ČSOBS financial liabilities at amortized cost minus deposits received from other than credit institutions.
Building savings loans	All customer lending granted by ČSOBS in book values. Gross.
Consumer finance	Loan portfolio granted by ČSOB's retail network (ČSOB and PSB brand) in book values. Gross.
Corporate loans	Loan portfolio granted by ČSOB's corporate banking network in book values, including credit-replacing bonds. Gross.
Credit risk: loan portfolio	Including all payment credit, guarantee credit, standby credit and credit derivatives, granted by ČSOB to private persons, companies, governments and banks. Bonds held in the investment portfolio are included if they are corporate- or bank-issued, hence government bonds and trading book exposure are not included.
Group deposits	Item Deposits received from other than credit institutions from the consolidated balance sheet (incl. ČSOBS/building savings deposits).
Loan portfolio	Loans and receivables to other than credit institutions (incl. ČSOBS/building savings loans) plus loans and receivables to credit institutions minus exposure to banks from inter-bank transactions plus credit replacing bonds (in FVOCI portfolio).
Leverage ratio exposure (LRE)	On-balance + Off-balance sheet items + Counterparty exposure for Derivatives and SFT + Add-ons (denominator of leverage ratio; according to CRR)
Mortgages	All loans booked in Hypoteční banka, including home equity loans and mortgage loans to legal entities, excluding intra-group loans. Gross.
MREL	Minimum requirement for own funds and eligible liabilities.
Other investment products	Including bonds, mortgage covered bonds and investment certificates issued by ČSOB or Hypoteční banka held by clients of Retail and Private banking which are reported either as Financial liabilities at fair value through P/L or as Financial liabilities at amortised cost - Debt securities in issue.
SME loans	Loan portfolio granted by ČSOB's SME network in book values. Gross.
COR/SME green loans	Loans to our COR/SME customers in line with EU Taxonomy.
Loans for economical housing	Mortgages, bridging loans with Energy Performance Certificate A or B submitted by client.
Own GHG emissions	The total amount of CO <sub>2</sub> production (in tons) covering all legal entities in ČSOB Group. Direct emissions arising from activities that fall under our control. Indirect emissions are associated with the consumption of purchased energy which do not arise directly from our business but are the result of the company's activities.
Responsible investments	Responsible investment funds (RI F) are collective investment instruments that choose the assets that make up the portfolio based on environmental, social and governance (ESG) criteria.
Total risk weighted assets (RWA)	Credit risk RWA + Market risk RWA + Operational risk RWA (according to CRR)

# Contacts

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**ČSOB group Czech Republic**

**Member of the KBC Group**





