

Disclosure report pursuant to Part Eight of the Capital Requirements Regulation (CRR)

Erste Bank Hungary Zrt. (as of 31st of December 2023)

The current Pillar 3 Disclosure Report of Erste Bank Hungary Zrt. (hereinafter 'Bank') is made in accordance with the CRR and the Hungarian legislation, specifically Act CCXXXVII of 2013 on Credit Institutions and Financial Enterprises (hereinafter Hpt.).

In accordance with Article 431 (3) of CRR, the Bank declares that it has made the disclosures required under Part Eight of CRR in accordance with the formal policies and internal processes, systems and controls.

This document is required to be published on a regular basis – once a year. The Bank chose the internet to publish the disclosure:

<https://www.erstebank.hu/hu/ebh-nyito/bankunkrol/erste-bank-hungary-zrt/vallalatiranyitas/hivatalalos-kozzetetelek>

Erste Bank Hungary Zrt. is a member of Erste Group (Erste Group Bank AG), listed on the Vienna, Prague and Bucharest Stock Exchanges. The Bank is a limited liability company, incorporated and domiciled in Hungary. As of 31 December 2023, the direct parent and sole shareholder of the Bank was Erste Group Bank AG. In 2023, Erste Group bought back the 15-15% shares of Erste Bank Hungary Zrt., held by Corvinus Nemzetközi Befektetési Zrt. (representing the Hungarian State) and the European Bank for Reconstruction and Development (EBRD).

Based on the institution's audited data of 31 December 2014, the Bank was identified by the central bank of Hungary, acting within its macro-prudential supervisory function, as a systemically important credit institution, and based on the yearly assessment, this classification is still remains. The Bank is subject to a yearly 'Supervisory Review and Evaluation Process' (SREP).

The disclosures are subject to external verification only to the extent that they have been made in the Bank's Financial Statements for the year ended 31 December 2023. The report may include rounding differences. The Disclosure report provides comprehensive disclosure on the risk profile, risk management and capital management of Erste Bank Hungary Zrt. as of 31st December 2023.

The core activities of Erste Bank Hungary Zrt. are savings, investments, loans and credits as well as leasing services. Geographically the Bank focuses primarily on the Hungarian market and offers its services for private individuals, small and medium-sized enterprises, financial institutes as well as for large corporations, municipalities, public sector and for non-profit organisations. Based on the Bank's Business Strategy the key risks for Erste Bank Hungary Zrt. are credit risk, market risk and operational risk.

The capital situation of the Bank is stable. The capital structure exceeds the minimum requirements set out in the CRR. The consolidated solvency ratio was at 24.07% on 31st December 2023, which is significantly above the regulatory minimum. The Bank aims to operate at a level comfortably above the Basel III regulatory requirement. Consolidated leverage ratio of the Bank was 8.80% on 31 December 2023.

Budapest, 26 April 2024.

Krisztina Zsiga
Chief Risk Officer