



Annual Report

2025

General information

Business name	Public Limited Company (AS) Coop Pank
Registered	15.03.1992 in Tallinn
Legal address	Maakri 30, Tallinn 15014, Republic of Estonia
Commercial register number	10237832 (Commercial Register of the Republic of Estonia)
Date of first entry	19.08.1997
Phone	+ 372 669 0900
SWIFT/BIC	EKRDEE22
E-mail	info@cooppank.ee
Website	www.cooppank.ee
Auditor	AS PricewaterhouseCoopers
Commercial register number of the auditor	10142876 (Commercial Register of the Republic of Estonia)
Auditor's address	Tatari 1, Tallinn 10116
Balance sheet date of the financial statements	31.12.2025
Beginning and end of the financial year	01.01.2025 - 31.12.2025
Reporting currency	euro (EUR), in thousands

Members of the Supervisory Board:

Rainer Rohtla (Chairman), Viljar Arakas, Jaan Marjundi, Roman Provotorov, Raul Parusk, Silver Kuus

Members of the Management Board:

Arko Kurtmann (Chairman), Paavo Truu, Alvar Pihlapuu, Heikko Mäe , Karel Parve, Lehar Kütt

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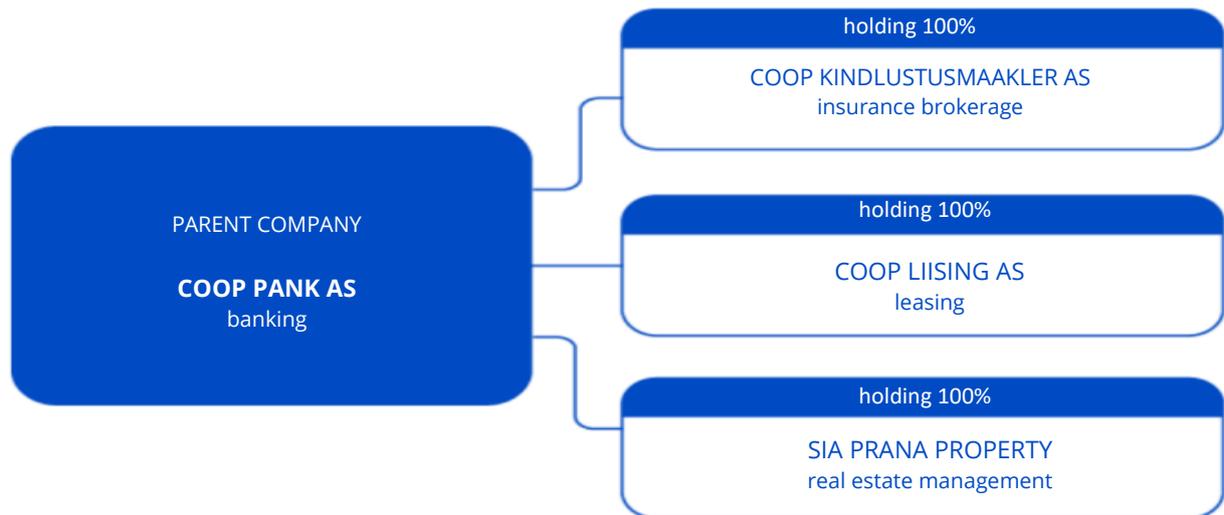
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Management report

Coop Pank was founded in 2017, and since 2019, Coop Pank's shares have been listed on the Nasdaq Tallinn Stock Exchange. The following companies were part of Coop Pank AS group (also used as "consolidation group", "the bank") as at 31.12.2025: Coop Pank AS, Coop Liising AS, Coop Kindlustusmaakler AS and SIA Prana Property. The first four companies are registered in the Commercial Register of Republic of Estonia and SIA Prana Property in the Commercial Register of the Republic of Latvia.

STRUCTURE OF THE GROUP



Strategy

The bank's way of operating for achieving its strategic objectives is as follows:

Estonian bank. Coop Pank is predominantly owned by domestic investors. The bank's customers are mostly residents of Estonia. All our decisions are made in Estonia. Our employees, the Management Board and the Supervisory Board sit at one table, every week if they must. We feel there is public support for domestic capital-based banks. Through its activities, the bank wishes to contribute to the development of Estonian people and companies and thereby support the development of the Estonian economy. In fulfilling this mission, we cooperate proactively with Estonian entrepreneurs who need financial support to implement their business plans in both rural and urban areas. By supporting the development of companies outside the big cities, we contribute to the regional development of Estonia and create opportunities for people to live where they want to in Estonia.

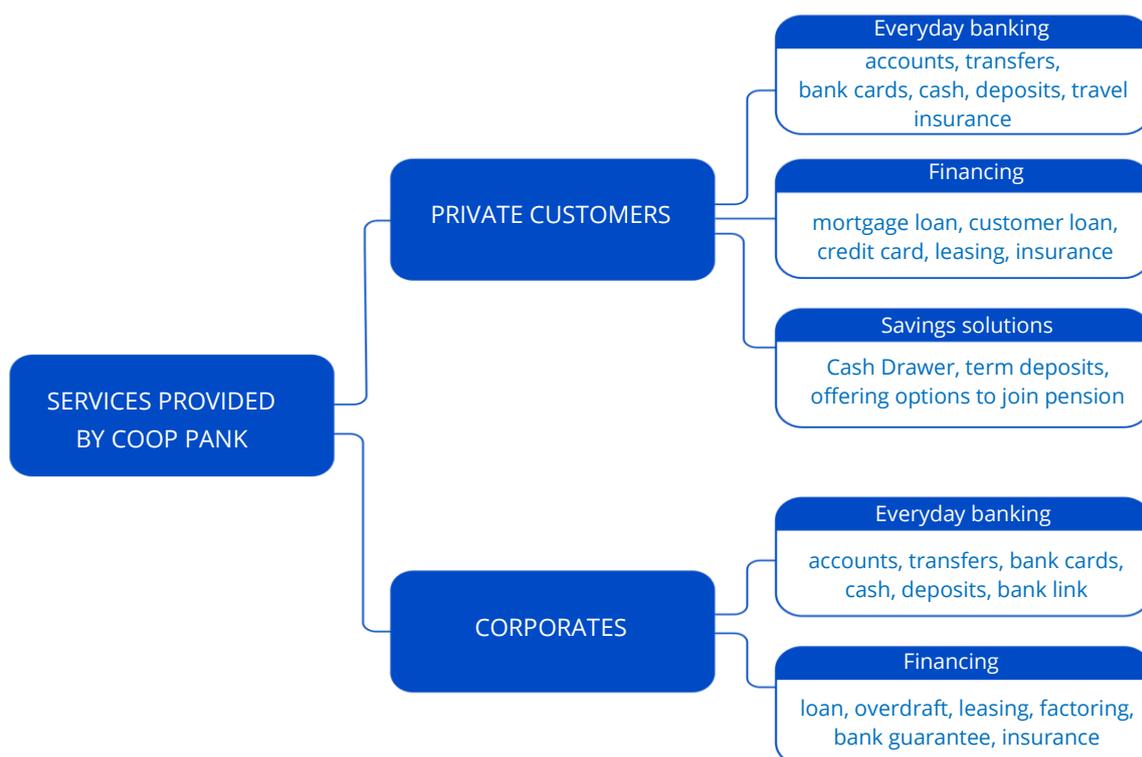
Everyday banking, financing services and saving products. Coop Pank sees its strengths and the resulting growth opportunities primarily in the provision of everyday banking (account, payments, bank card, cash, deposits), financing services (mortgage loan, consumer loan, credit card, business loan, lease financing) and savings products (short term saving, medium term saving into deposits, long term saving in third-party pension funds). In addition, we intermediate the most common property insurance products (motor third party liability insurance, comprehensive insurance, home insurance, travel insurance, purchase insurance) through our insurance broker. Coop Pank has decided to launch investment services in coming years; preparations have begun, but the exact format and scope are yet to be defined.

We're fast. Our way of operating is fast always and everywhere - customer can open an account through electronic channels in about 3 minutes, instant payments are made in seconds, we make a decision on a private customer's small loan or credit card in about 5 minutes and we make a mortgage loan decision or car finance lease receivable decision within one working day.

Digital sales- and service channels and banking with a human face. At a time when the prevailing trend is digitalisation and service on electronic channels, Coop Pank is following the same path, but also differs by offering customers human contact – the bank's customer service advisors are available to assist clients at 16 branches across Estonia.

A bank that suits your life/business. Not the other way around. Coop Pank has an ambition to grow and therefore we strive on behalf of every customer. Our risk appetite is moderately and deliberately above the market average. Having a growth strategy and we see as our strength the will and ability to delve into the wishes of our customers, to approach them personally and to find a solution that suits the customer's wishes. We price everyday banking services on a package basis, allowing for the use of all banking services the customer needs on a daily basis for a fixed monthly fee. We pay interest rates on customer term deposits as well as on demand deposits.

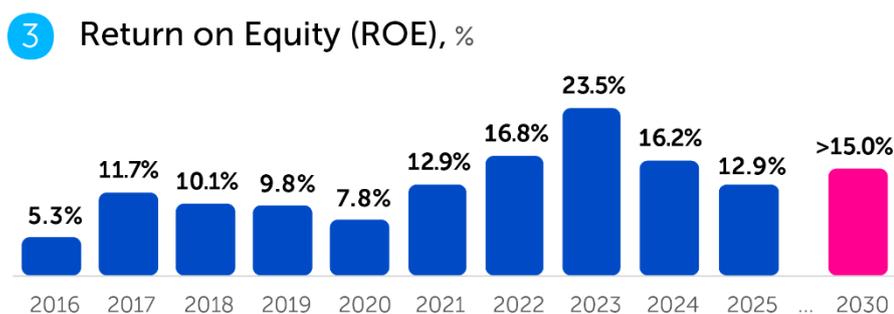
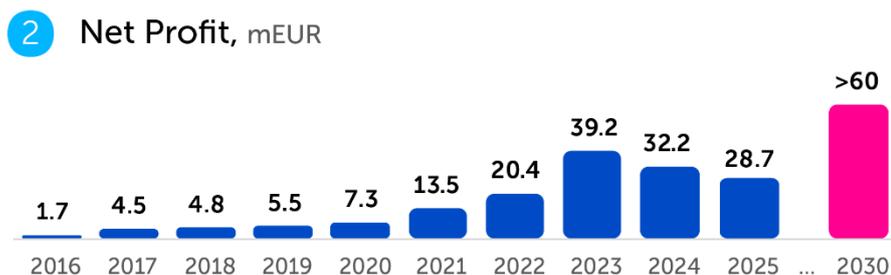
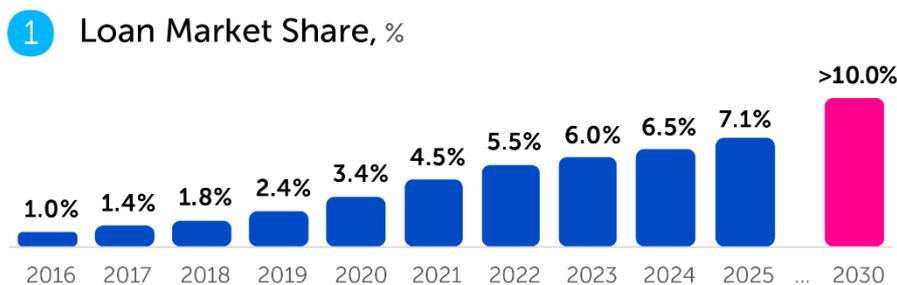
Integration of banking and retail. Thanks to the strategic partnership with Coop Eesti Keskühistu and its 18 member cooperatives, in addition to the usual sales and service channels (offices, internet banking, mobile banking), we can also offer financial services in 320 stores of Coop Eesti Keskühistu member associations all over Estonia. This is expressed through the Coop Sula service, i.e. the possibility to make a cash withdrawal from a bank account or a deposit to a bank account at cash registers of Coop stores. The customer also receives the cheapest prices in Coop Estonia stores when paying for purchases with a Coop Pank card. A customer of Coop Pank's "Kasulik" package also earns a 1% cashback on all purchases made in Coop stores when paying with a Coop Pank debit card, which is transferred to their bank account once a month.



Targets

The mission of Coop Pank is to carry life forward in every corner of Estonia. For this, we give impetus to Estonian companies and help people realise their dreams both in the countryside and in the city. We believe that if Estonian entrepreneurs do well, the Estonian people and Estonia as a whole will do well too, and we want to contribute to that. In recent years, domestic banks have significantly increased their market share, and we see this trend continuing in the future. Coop Pank also has a fast-growing ambition and a willingness to respond quickly and flexibly to customer needs. Since the beginning of operations (2017), we have increased the bank's business volume (number of clients, loan portfolio) 7–10 times.

Over the next five years (by the end of 2030), our strategic goal is to increase the Bank's loan market share in Estonia at least to 10%. The Bank aims to grow annually at a pace 2–3 times faster than the market average, supporting the Bank's ambitious growth strategy. The Bank's objective is to double its profit over the next five years and reach a net profit of at least 60 million euros by 2030. This goal supports the Bank's ability to deliver stable and attractive returns to shareholders. In connection with the growth of business volumes, the Bank sets the objective of continuing to operate with high efficiency (cost to income ratio not exceeding 45%) and offering higher return on equity to shareholders (ROE of at least 15%).



Operating environment

In 2025, the keywords for the economic environment were very modest economic growth in developed countries, receding inflation, declining interest rates, and geopolitical tensions in various regions of the world, including the ongoing war in Ukraine and the military conflict between Israel and Hamas. International economy and geopolitics were dominated by the actions of the President of the United States, including the imposition of trade tariffs at much higher level than seen in decades on various countries and product groups, bringing U.S. geopolitical ambitions to a new level (including in Latin America, in the Middle East, and even Greenland, which belongs to Denmark), as well as direct military intervention in certain regions.

According to the International Monetary Fund (IMF)¹, the global economy grew by 3.2% in 2025, with developed countries' economic growth at only 1.6%. For 2026, global economic growth is forecast at 3.1%, but developed countries are expected to grow by just 1.6%. Throughout 2025, the turbulence created by the U.S. government in international trade and the resulting uncertainty had a significant impact on the global economy. Compared to 2024, inflation decreased significantly, allowing central banks to continue lowering interest rates, which led to a continued decline in all major base rates until the summer of 2025. From summer 2025 until the end of the year, the interest rate environment remained stable, and markets do not expect significant rate cuts or increases from central banks in the near future.

Energy prices were in decline in 2025. For example, the price of Brent crude oil fell from around 70–80 dollars to 60 dollars per barrel over the year. The price of Dutch TTF gas futures, a key indicator for the European gas market, which briefly exceeded 300 euros in 2022, has since fallen sharply and continued to decline in 2025 from 40–45 euros to about 25–30 euros by year-end.

2025 was a very successful year for global stock markets, with major indices rising for the third consecutive year. Key U.S. stock indices saw strong growth: Dow Jones (+13%), S&P 500 (+14%), and Nasdaq Composite (+20%). The German DAX index (+20%) and Japan's Nikkei index (+26%) also grew, despite fundamental problems in these countries' economies and global competitiveness.

The full-scale war between Russia and Ukraine, which began in February 2022, showed no signs of abating by the end of 2025, despite world leaders' efforts to initiate peace talks. Although the course and intensity of the war have not changed, its direct impact on the economic environment is diminishing, as companies have adapted to the new situation shaped by extensive economic sanctions against Russian and Belarusian companies and disrupted supply chains to Russia, Belarus, and Ukraine.

Tensions in the Middle East had not significantly eased by the end of 2025. Although a ceasefire between Israel and Hamas has been in effect since October 10, 2025, real peace in the region has not been achieved. The situation remains tense in other crisis areas in Middle East such as Iran, Yemen, etc.

The euro area's economic environment was characterized by receding inflation and falling interest rates, but also serious problems with the competitiveness of European companies and strained budgets of European countries. Euro area inflation fell steadily to about 2.0% in 2025². For 2026, the European Central Bank (ECB) forecasts³ inflation at 1.9%, which aligns with the ECB's long-term target (2.0%). Since June 2024, the ECB has lowered the deposit facility rate eight times from 4.0% to 2.0%. The last rate cut took place in June 2025. This has also caused other money market instrument rates to fall. For example, the 6-month Euribor, which is linked to most loans of Estonian companies and mortgage loans to individuals, reached a short-term record of 4.1% in October 2023, but fell to 2.1% by the end of 2025. Looking at long-term money market quotations, it can be

¹ <https://www.imf.org/en/publications/weo/issues/2025/10/14/world-economic-outlook-october-2025>

² https://www.ecb.europa.eu/stats/macroeconomic_and_sectoral/hicp/more/html/data.en.html

³ <https://www.ecb.europa.eu/press/projections/html/index.en.html>

said that markets do not expect further rate cuts but rather forecast base rates to remain at around 2.0% or slightly above.

According to the ECB⁴, the average unemployment rate in the euro area was 6.3% in 2025, which is still a very moderate level, and overall, the labor market is not the biggest concern in Europe today. ECB forecasts indicate that the unemployment rate in the euro area will not increase in the coming years, remaining in the range of 5.9–6.1%.

Estonia's real GDP growth in 2025 was 0.7%, according to the Bank of Estonia⁵. Thus, the Estonian economy has emerged from several years of decline, but growth remains very modest. The unemployment rate, which rose moderately during the years of economic downturn, remained stable at 7.6% in 2025. For 2026, the Bank of Estonia forecasts GDP growth at constant prices of 3.6%, inflation at a more moderate 2.9%, and a decrease in the unemployment rate to 6.6%, indicating that the economy is slowly recovering.

The interest rate environment in Estonia is largely determined by ECB actions. Given that euro area inflation has fallen to the desired level, financial markets do not expect further rate cuts from the ECB in 2026. The expectation is that ECB deposit rates will remain at 2.0%. This expectation is already reflected in Euribor rates, bond markets, and long-term swap prices. Bank deposit interest rates, which fell sharply in 2024, continued to decline in the first half of 2025, but have stabilized since summer 2025.

⁴ <https://www.ecb.europa.eu/press/projections/html/index.en.html>

⁵ <https://www.eestipank.ee/press/proгноos-majanduse-elavnemine-tuleb-suurema-riigivola-hinnaga-19122025>

Managing Director's Statement

To evaluate Coop Pank's performance and results in 2025, one must consider the broader context. In 2024, the economic downturn likely reached its lowest point, after which the first signs of a cyclical recovery began to emerge. In 2025, many macroeconomic indicators improved, and we entered the post-recession recovery phase. The decline and subsequent stabilization of interest rates increasingly translated into the loan market, improving confidence among both businesses and households. Confidence was also supported by the predictability of major tax changes for businesses and the stability of energy prices, which provided entrepreneurs with a more favourable planning horizon. As a result, postponed investments began to be carried out once again.

All of this had a positive impact on both Coop Pank's performance and the Estonian banking landscape as a whole – in 2025, the volume of both home and business loans grew by approximately 10% market-wide, which is twice the historical average growth rate of the loan market. Although companies regained investment confidence last year and began to see new growth opportunities, the larger positive effect of these investments on the economy will only become more evident in the second half of 2026 and the first half of 2027.

Coop Pank follows a growth strategy, and in line with this, we continued to grow both our customer base and loan portfolio in 2025. At the heart of all our activities is the customer, and our competitive advantage lies in offering more convenient and faster services. We can only grow if we do something better than our competitors.

The number of Coop Pank customers grew by 19,000 (+9%) in 2025, reaching 227,000 by the end of the year. Increasingly, opening an account is followed by switching to Coop Pank as the customer's main bank for daily banking services. However, growing the number of so-called home bank clients is also one of our biggest forward-looking challenges. Switching one's main bank is what drives the growth of demand deposits and enables us to reduce the cost of funding.

The bank's loan portfolio grew by €340 million (+19%) in 2025. For the first time in Coop Pank's history, our loan portfolio exceeded €2 billion. The loan portfolio's quality remained at a low-risk level throughout the year. The business loan portfolio grew the fastest, increasing by €207 million (+27%). This was followed by growth in the home loan portfolio by €125 million (+17%). Growth in consumer loans and leasing was moderate. Overall, both business and private customer demand for loans remained strong throughout the year. This robust loan demand was also one of the signs of economic revitalization for us.

Coop Pank's net profit amounted to €28.7 million in 2025, decreasing by 11% year-on-year. The decline in net profit compared to the previous year was mainly caused by the lower-interest economic environment, which the 19% growth in business volumes could not offset. While we anticipated net profit decline in 2024 and 2025, our goal is to return to net profit growth in 2026.

In 2025, Coop Pank followed its existing dividend policy and fulfilled the promise made to shareholders by distributing 25% of its 2024 pre-tax profit as dividends. This meant the bank paid out €0.07 per share, transferring a total of €7.2 million in dividends to shareholders.

In the first quarter of 2025, Coop Pank issued covered bonds on the Irish stock exchange for the first time, amounting to €250 million with a four-year maturity. This was the first tranche of a €750 million covered bond program. This initial international issuance provided Coop Pank with an additional long-term and stable funding source, which will be used to finance the growth of businesses operating in Estonia and to improve the availability of long-term loans for Estonian individuals and companies. This stable long-term funding allowed the bank to begin intentionally reducing the volume of more expensive term and foreign deposits.

At the end of the year, Coop Pank entered into a guarantee agreement with the European Investment Bank Group, under which part of the credit risk arising from Coop Pank's loan portfolio will be transferred to EIB Group, thereby providing capital relief to Coop Pank and enabling the bank to issue up to €249 million in new loans to businesses. The new funding will be directed toward projects in Estonia that promote gender equality and environmental sustainability. This is Coop Pank's first synthetic securitization transaction, and also the first such transaction in the Baltics based entirely on the loan portfolio of a single country – Estonia. The capital relief accompanying the agreement enables the bank to issue new loans to Estonian small and medium-sized enterprises (SMEs) and larger mid-cap companies for projects that support gender equality, economic growth, and environmental sustainability.

Additionally, Coop Pank signed a loan agreement at the end of the year with the European Energy Efficiency Fund (EEEF), under which the bank will take an unsecured subordinated loan of €5 million at an interest rate of 6-month Euribor plus 3.25% per annum. The loan is repayable in one lump sum, with the loan term ending on 31 March 2034. The bank has the right to repay the loan early, with the permission of the Finantsinspektsioon (Estonian Financial Supervision and Resolution Authority), after five years from its issuance.

In 2025, the credit rating agency Moody's affirmed Coop Pank's deposit rating at Baa2 with a positive outlook. The confirmation of both the rating and the positive outlook indicates that Coop Pank remains a reliable bank with strong profitability, solid capitalization, and a high-quality credit portfolio. This gives individuals and businesses additional confidence in choosing Coop Pank as their financial partner and keeping their money in a domestic institution.

In 2025, Coop Pank also implemented several product changes to make using a domestic bank even more affordable, flexible, and convenient for customers. For example, the bank introduced a group account feature that allows Coop Pank clients to make payments to government accounts directly from their home bank. As a result, payments are processed internally, making transactions more convenient, faster, and more secure for both the bank's clients and the state. In addition, the bank launched a service enabling merchants to accept payments using an Android smart device, which is an excellent solution for mobile vendors who are constantly on the move.

Coop Pank also elevated its cooperation with Coop retail to a new level – a unique cashback was introduced for joint customers. A customer of Coop Pank's "Kasulik" package now earns 1% cashback on all purchases made in Coop stores when paying with a Coop Pank debit card. The cashback is credited to the customer's bank account once a month. This is the first large-scale loyalty program in Estonia based on cashback rewards. In 2025, Coop Pank paid out over €270,000 in cashback to its customers.

Furthermore, Coop Pank enabled customers to go fully digital by eliminating the need for plastic cards and offering all services via virtual cards. With this, Coop Pank became one of the first banks in Estonia to offer customers full access to virtual cards. Alongside e-services, the bank also increased face-to-face interaction opportunities by opening a branch in the center of Valga, which is regularly open two days a month. Additionally, a larger and more modern branch was opened in Viljandi. Coop Pank has a total of 16 branches across 13 cities in Estonia and boasts the largest cash network in the country.

Among new loan products, the bank introduced a flexible and convenient small business loan for aspiring entrepreneurs – individuals with a clear vision and a desire to realize their business ideas. The bank also lowered the interest rate of its popular Teacher's Home Loan and launched a favourable Home Defender Home Loan product aimed at police officers, rescue workers, active servicemen, and members of the Defence League.

The Teacher's Home Loan was awarded a special prize for inventive communication by the Estonian Public Relations Association (EPRA) and won a Kuldmuna (Golden Egg) in corporate communications from the Estonian

Marketing Association (TULI). In 2025, the Grand Prix for Marketing Act of the Year 2024 was also awarded – it went to the Ministry of Defence's "Will to Defend" project, in which Coop Pank participates through its "Kaardivägi" donation program. The Ministry of Defence also awarded Coop Pank the "Supporter of National Defence" gold-level recognition for the second time, acknowledging the bank's efforts in maintaining income for reservists during exercises and supporting them via the Reservists Fund. Coop Pank is among the top two donors to the Reservists Fund.

Coop Pank also continued to support Estonian sports in 2025, sponsoring top decathletes, both the men's and women's national volleyball teams, and the initiative "Volleyball in Every Estonian School." The bank also provides scholarships, thesis topics, and internship opportunities for TalTech students, helping nurture future financial and technology experts.

In 2025, Coop Pank became the most recommended bank in Estonia, according to a Kantar Emor survey, and achieved first place for phone service and second place for in-branch service in the annual customer survey conducted by Dive. According to Kantar Emor, Coop Pank also ranks among the ten most reputable employers in Estonia. The bank was awarded the Gold Label for Family-Friendly Employer status and retained its Remote Work Leader certification. Kestliku Ettevõtluse Liit KELL (Sustainable Business Association) granted Coop Pank a Gold Label in its Responsible Business Index for the first time.

In the second quarter of 2025, Margus Rink stepped down as Chairman of the Management Board, and in the third quarter, the Supervisory Board appointed Arko Kurtmann as the new Chairman for a three-year term. Kurtmann had served as a member of the Management Board and Head of Business Banking at Coop Pank for the past five years. Following his appointment, the Supervisory Board named Lehar Kütt as the new Head of Business Banking and member of the Management Board. Kütt previously led the business client financing division at the bank for the past four years. As of 1 February 2026, the bank's Chief Information Officer, Alvar Pihlapuu, also joined the Management Board. He joined Coop Pank on 15 September 2025 and has previously worked as Head of the Development Department at the Estonian Tax and Customs Board, CIO at Holm Bank, and IT Development Manager at Eesti Energia and Swedbank.

The bank's strategic goal is to grow its loan portfolio market share in Estonia to 10% by the end of 2030 and to expand annually at a rate two to three times faster than the market average. This target supports the bank's ambitious growth strategy and is achievable thanks to being a local bank with efficient management that offers flexible, fast, and convenient banking services. Coop Pank also aims to double its net profit over the next five years and reach at least €60 million in net profit by 2030. This goal supports the bank's ability to offer shareholders stable and attractive returns. As business volumes grow, the bank aims to operate with high efficiency (cost-to-income ratio below 45%) and deliver an expected return on equity (ROE of at least 15%).

We thank all Coop Pank clients, shareholders, and employees for the year 2025. Our goal is to build a bank that becomes a success story for everyone. A success story for our customers. A success story for our shareholders. A success story for our employees. A success story for society.



Arko Kurtmann

2025 Annual Report



Customers
227,000



+9%

Annual growth



Deposits
€2.05 bn



+9%



Loan portfolio
€2.11 bn



+19%



Profit
€28.7 m



-11%

Increase in the number of customers

By the end of 2025 Coop Pank had 227,000 customers. In a year, the number of customers had increased by 19,000. Of these, 16,000 were private customers and 3,000 were business customers.

Decrease in profit

Coop Pank's profits reached 28.7 million euros in 2025, decreasing 11% over the year.

Increase in loans

Coop Pank's loan portfolio increased by 19% over the year, reaching 2.11 billion euros by the end of 2025.

The growth of the loan portfolio was supported by all business lines engaged in financing.

Increase in deposits

Coop Pank's deposits increased by 9% over the year, reaching 2.05 billion euros by the end of 2025.

Term deposits increased by 8% over the year, while demand deposits increased by 11%.

Cashback and purchase Insurance with Debit and Credit Cards

All Coop Pank personal banking cards double as customer cards for Alexela and Coop stores and come with free purchase insurance, which automatically insures all purchased durable goods up to €2,500 against accidents and theft.

Coop Pank customers can deposit and withdraw cash free of charge at Coop store checkouts directly to or from their bank accounts. Additionally, withdrawing cash from ATMs of all other banks is also free of charge for personal banking clients.

A customer of Coop Pank's "Kasulik" package earns a 1% cashback on all purchases made in Coop stores when paying with a Coop Pank debit card. The cashback is transferred to their bank account once a month.



Insurance Solutions

Coop Kindlustusmaakler continues to provide added value to Coop Pank customers by brokering a wide range of the most common insurance products, such as motor liability, comprehensive, home, and travel insurance.

In addition, it offers loan repayment insurance for personal and home loans, as well as property insurance for small and medium-sized enterprises, and insurance for construction machinery and other equipment.

Coop Kindlustusmaakler is growing rapidly, and insurance contracts can be arranged conveniently and quickly via Coop Pank's website.

New Strategic Focus: solutions for saving and growing money

Coop Pank offers convenient options for saving and growing your money.

In addition to term deposits, customers can save and grow their funds flexibly and effortlessly with the *Rahasahtel* account.

Coop Pank also facilitates access to Tuleva's second and third pillar pension funds.

In addition, the bank has decided to launch investment services in the coming years.



Contribution to Sustainability

In 2025, several important steps were taken to support energy efficiency and renewable energy projects.

In December 2025, Coop Pank signed a new loan agreement with the European Energy Efficiency Fund (co-financed by the European Union) to raise an additional €5 million in subordinated debt, which will be used to finance energy efficiency and renewable energy projects.

Last year, the European Bank for Reconstruction and Development (EBRD) invested €20 million in Coop Pank's covered bonds to support green financing initiatives.

In cooperation with the European Investment Bank Group, a securitization transaction was concluded in December 2025, enabling the provision of up to €249 million in new loans, including at least €49 million for promoting gender equality and €17 million for climate action and environmentally sustainable projects.

Financial results

Statement of profit or loss, in millions of euros	2025	2024	2023	2022	2021
Net interest income	73.3	77.6	81.3	50.7	35.5
Net fee and commission income	4.5	4.3	4.8	3.8	3.1
Net other income	1.5	0.0	-0.9	0.1	0.6
Total net operating income	79.4	81.9	85.2	54.6	39.2
Operating expenses	-41.5	-40.6	-35.1	-27.2	-22.4
Credit loss allowance	-3.3	-4.6	-6.3	-5.2	-2.5
Income tax expense	-5.8	-4.5	-4.6	-1.8	-0.8
Net profit	28.7	32.2	39.2	20.4	13.5

Business volumes, in millions of euros	2025	2024	2023	2022	2021
Net loan portfolio	2,114	1,774	1,491	1,301	953
Customer deposits and loans received	2,125	1,886	1,722	1,508	1,099
Subordinated debt	63	63	50	38	17
Shareholders' equity	235	212	186	149	112

Ratios	2025	2024	2023	2022	2021
Average shareholders' equity, million euros	223	198	167	121	105
Return on equity (ROE) % <i>(net profit / shareholders' equity, average)</i>	12.9	16.2	23.5	16.8	12.9
Total assets, average, million euros	2,446	2,069	1,866	1,446	1,055
Return on assets (ROA), % <i>(net profit / total assets, average)</i>	1.2	1.6	2.1	1.4	1.3
Cash and interest-bearing assets, average, million euros	2,429	2,054	1,857	1,434	1,039
Net interest margin (NIM), % <i>(net interest income / interest-bearing assets, average)</i>	3.0	3.8	4.4	3.5	3.4
Cost to income ratio, % <i>(total operating costs / total net operating income)</i>	52.3	49.6	41.2	49.7	57.2
Loans to borrowed funds ratio, % <i>(net loans / customer deposits, loans received and debt securities)</i>	88.8	94.1	86.6	86.3	86.8
Dividend to net profit ratio, % <i>(net dividend / net profit for the previous period)</i>	22.4	22.7	22.3	20.3	-
Liquidity Coverage Ratio LCR, %	202.3	206.7	293.4	175.8	201.7
Net Stable Funding Ratio NSFR, %	119.6	127.2	134.3	144.1	133.5
Leverage Ratio LR, % <i>(as defined by the CRD IV)</i>	7.9	8.8	8.4	7.4	6.7

Capitalisation and risk positions

The methodology for calculating the capital base for 2025 has been revised in accordance with the new Capital Requirements Regulation (CRR3).

Capital base, in thousands of euros	31.12.2025	31.12.2024
Tier 1 capital		
Paid-in share capital and share premium	98,771	96,892
Statutory reserve capital	8,424	6,815
Retained earnings excl. profit for the reporting period	96,989	73,629
The accepted profit of the reporting period*	16,449	19,545
Other accumulated comprehensive income/expense**	-104	298
Goodwill as intangible asset (-)	-6,757	-6,757
Intangible assets (-)	-9,212	-12,954
Adjustment of value arising from requirements of reliable measurement (-)	-55	-38
Other deductions from Tier 1 Capital (-)	-1,081	-1,820
Common Equity Tier 1 (CET1)	203,424	175,610
Additional Tier 1 capital	28,148	28,148
Total Tier 1 capital	231,572	203,758
Subordinated debt	35,000	35,000
Tier 2 capital	35,000	35,000
Eligible capital for capital adequacy calculation	266,572	238,758
Risk-weighted assets (RWA)		
Central government and central banks using the standardised approach	0	6,183
Regional governments or local authorities	11	0
Credit institutions, investment companies and local governments using the standardised approach	8,118	2,985
Companies using the standardised approach	279,435	124,619
Retail receivables using the standardised approach	187,554	191,647
Receivables secured by mortgage on real estate using the standardised approach	709,500	638,648
Receivables past due using the standardised approach	8,456	11,217
Acquisition, development and construction (ADC) standardised approach	144,343	131,950
Other assets using the standardised approach	16,976	9,984
Total credit risk and counterparty credit risk	1,354,393	1,117,233
Risk exposure for operational risk (ASA)	78,318	112,728
Risk exposure for credit valuation adjustment (RBA)***	4,863	0
Total risk-weighted assets	1,437,574	1,229,961
CET1 capital ratio %	14.15%	14.28%
Tier 1 capital ratio %	16.11%	16.57%
Capital adequacy ratio %	18.54%	19.41%

* The accepted profit of the reporting period includes profit for the nine-month period ending on 30 September, which was approved by the Financial Supervisory Authority and from which expected dividend payments have been deducted.

** Other accumulated comprehensive income includes revaluation reserve of financial assets at fair value through other comprehensive income.

*** Risk exposure for credit valuation adjustment (CVA) includes the credit valuation adjustment for derivatives held for hedge accounting using reduced basic approach (RBA).

Own funds requirements (31.12.2025)

Core Tier 1 capital ratio	4.50%	Core Tier 1 capital/total risk exposure
Tier 1 capital ratio	6.00%	Tier 1 capital/total risk exposure
Total capital ratio	8.00%	Total capital/total risk exposure
Pillar 2 requirement (P2R)	2.75%	Of total risk exposure
Pillar 2 guidance (P2G)	1.50%	Of total risk exposure
Systematically important banks buffer	0.50%	Of total risk exposure
Capital conservation buffer	2.50%	Of total risk exposure
Countercyclical capital buffer rate	1.50%	Of total risk exposure

As at 31.12.2025, the Group overall capital requirement ratio, incl, Pillar 2 requirement, Pillar 2 guidance and capital buffers, was 16.75%.

The capital conservation buffer of the Group as at 31.12.2025 was 35,939 (31.12.2024: 30,749) thousand euros. The systematically important banks buffer as at 31.12.2025 was 7,188 thousand euros. The countercyclical capital buffer of the Group as at 31.12.2025 was 21,320 (31.12.2024: 18,449) thousand euros. So, the combined buffer of the Group as at 31.12.2025 was 64,448 (31.12.2024: 49,198) thousand euros.

As at 31.12.2025 and also as at 31.12.2024, the Group was in compliance with all regulatory capital requirements.

With its decision of 28.11.2024, Eesti Pank designated Coop Pank AS among systemically important credit institutions. The decision entails an obligation for Coop Pank to maintain an additional capital buffer of 0.5 percent for a systemically important credit institution. The buffer requirement applies to the total risk exposure of the credit institution and must be met by common equity tier 1 own funds (CET1 capital). The aim of the systemically important institutions buffer is to increase the resilience of systemically important market participants. The additional capital buffer obligation for Coop Pank applies from 1 January 2025.

According to the Regulation (EU) number 575/2013 article 392 of the European Parliament and of the Council, an exposure to a client or group of clients is considered as risky concentration where its value is equal to or exceeds 10% of the credit institution's Tier 1 capital (see the table on previous page about capitalisation). According to the EU Regulation number 575/2013 article 400 paragraph 1 the exposures relating to customers as a result of undrawn commitments are exempt from the applicable concentration of exposures limits. In addition, exposures to central governments and central banks which have been assigned a risk weight of 0% are exempt from the applicable concentration of exposures limits.

According to the EU Regulation number 575/2013 article 395 paragraph 1 the value of an exposure to a client or group of clients, after considering the effect of credit risk hedging, may not be more than 25% of the credit institution's Tier 1 capital. As at 31.12.2025 and 31.12.2024, the exposure of any credit institution, client or group of clients did not exceed the risk concentration limits established by Regulation 575/2013.

Group management system

The Coop Pank AS Group acts based on the principle of consolidation, which entails the establishment of collective and coordinated objectives, the sharing of common core values and functioning of competent governing bodies to manage risks across the Group.

The management of Coop Pank AS has three levels, where the governing bodies are the General Meeting of Shareholders, the Supervisory Board and the Management Board. The General Meeting of Shareholders is the highest governing body of Coop Pank AS, which is open to all shareholders and which normally takes place once a year.

The Supervisory Board is appointed by the General Meeting of Shareholders for up to five-year term. Shareholders who hold shares at least 1/10 of the share capital are able to nominate candidates for election of members of the Supervisory Board in the form of a draft resolution of the General Meeting of Shareholders. The candidate for member of the Supervisory Board must have relevant knowledge and experience to participate in the management body of the bank, the composition of the Supervisory Board must be diverse and the Supervisory Board must have sufficient independent members.

The Management Board is appointed by the Supervisory Board for up to five-year term. When appointing members of the Management Board as collegial body, the Supervisory Board ensures that the Management Board that is formed is sufficiently diverse in composition through a profile of knowledge, skills, experience and education in order to make sure that the Management Board has the capability to effectively manage all of the bank's operating segments.

Members of the governing body are appointed based upon requirements applicable to members of governing bodies pursuant to the provisions of the Credit Institutions Act: any appointed individual must have the necessary knowledge, skills, experience, education, professional qualifications and impeccable reputation in business to be able to manage a credit institution. A person whose earlier activities have caused a bankruptcy or compulsory liquidation or revocation of the activity license of a company, or from whom the right to engage in economic activity has been taken away pursuant to law, or whose earlier activities as a manager of a company have shown that he or she is not capable of organising the management of a company such that the interests of the shareholders, members, creditors and clients of the company are adequately protected or whose earlier activities have shown that he or she is not suitable to manage a company for other good reasons cannot be elected or appointed manager of a credit institution. In order to ensure compliance with the aforementioned requirements, the bank has adopted an internal policy for the evaluation of the suitability of a member of its governing body: suitability is evaluated before the individual is appointed member of a governing body and, if necessary, during their term of office as a member. The bank has established a policy for the regular training of members of the management board in order to ensure sustained competency of its management board members.

Management Board



ARKO KURTMANN

Chairman of the Management Board since September 2025

Previously Member of the Management Board and Head of Business Banking at Coop Pank, and prior to that, Head of Corporate Banking at LHV Pank.



PAAVO TRUU

Member of the Management Board since February 2022

Previously CFO at Coop Estonia and Magnum



ALVAR PIHLAPUU

Member of the Management Board since 1 February 2026

Previously Head of the Development Department at the Estonian Tax and Customs Board, CIO at Holm Bank, and IT Development Manager at Eesti Energia and Swedbank.



HEIKKO MÄE

Member of the Management Board since February 2020

Previously CEO at Magnum Veterinary and Head of Energy Trading in Eesti Energia



KAREL PARVE

Member of the Management Board since November 2023

Previously Head of Private Banking at LHV Pank



LEHAR KÜTT

Member of the Management Board since September 2025

Previously Head of Business Client Financing at Coop Pank, and prior to that, Chairman of the Management Board at Estonian Business and Innovation Agency

Supervisory Board



RAINER ROHTLA

Chairman of the Supervisory Board
Member of audit committee
Member of remuneration committee

Chairman of the Management Board of Coop Eesti Keskühistu



VILJAR ARAKAS

Member of the Supervisory Board

Chairman of the Management Board of EFTEN Capital



JAAAN MARJUNDI

Member of the Supervisory Board
Member of remuneration committee

Chairman of the Management Board of Harju Tarbijate Ühistu



RAUL PARUSK

Member of the Supervisory Board
Member of remuneration committee

Member of the Management Board of Kodea



ROMAN PROVOTOROV

Member of the Supervisory Board

Head of Antsla Tarbijate Ühistu



SILVER KUUS

Member of the Supervisory Board
Member of audit committee

Head of development of Agron Halduse
Head of Lorikoru Capital

The structure of the Group is designed and approved by the management board of the bank in accordance with the provisions of legislation, the articles of association and the strategies of the bank and its subsidiaries, as well as by adhering to the instructions provided by the Supervisory Board and the development priorities of the bank. The Group's organisational structure is based on a functional structure. Responsibility for the activities of the bank and its subsidiaries is divided between the members of the bank's management board according to field of activity and function, thereby establishing areas of responsibility. The allocation of areas of responsibility among members of the management board is based on the principle of separation of functions, which ensures the separation of controlling entities from controlled entities.

The strategy, purposes and principles of the risk management of the Group is approved by the Supervisory Board of the bank. The Management Board of the bank and the members of Supervisory Boards of the entities belonging to the Group individually approve the plan of action for every company or business line. The core values stated in the Group's strategy stand for the whole Group. The Group manages risks across the entire Group and the following committees have been established:

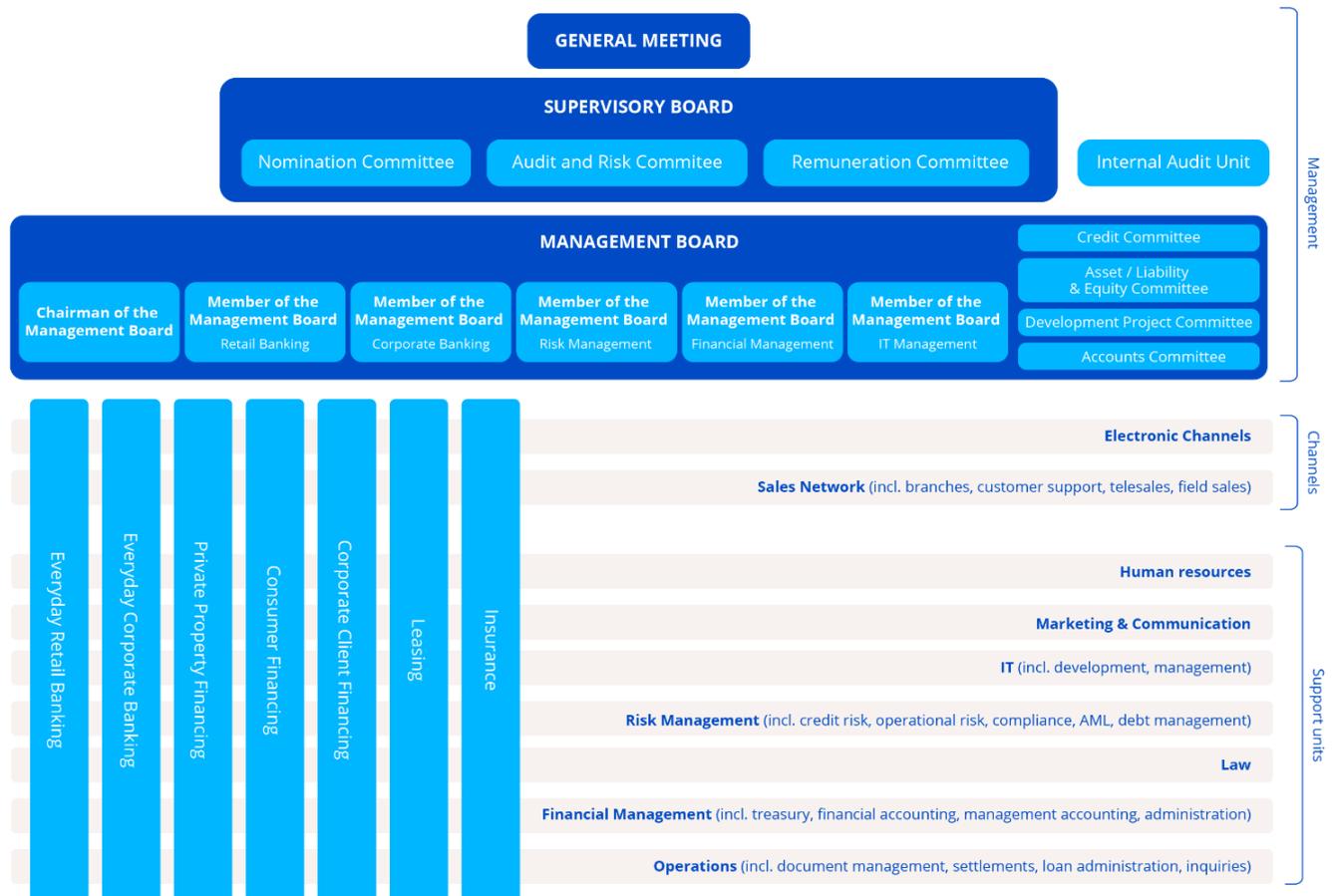
- The Audit and Risk Committee serves as an advisory body in respect of accounting, auditing, risk management, legal compliance, internal control, internal audit and general supervision.
- The Remuneration Committee's role is to evaluate the implementation of remuneration policy and their adherence to the operational objectives of the bank and to evaluate the effect of decisions related to remuneration to compliance with requirements set forth concerning the Group's risk management, own funds and liquidity.
- The Credit Committee is the decision-making body for making credit decisions. The task of the committee is to ensure through their decision-making the adherence to common credit policy across the Group.
- The Asset/Liability Management Committee is a competent body on a group-wide basis for the management of liquidity risk, interest rate risk of the bank portfolio and securities portfolio, designing of the structure of assets and liabilities, management of profitability and management of capital.
- The task of the Account Establishment Committee is to guide through its decisions the establishment and discontinuing of relationships with high-risk clients when necessary.
- The main task of the Investment Projects Committee is to lead different information system developments in order to attain the strategic goals of the Group.

A group-wide internal control system has been implemented by the Group encompassing all operational and management levels for the purposes of ensuring the effectiveness of the Group's operations, reliability of financial reporting, compliance of operations with applicable laws and other legislation, internal regulations approved by governing bodies and the adoption of decisions based on reliable and relevant information. The control is based on a 3-level control system. The first level constitutes internal control that takes place internally within each division. The second level is made up of risk management and compliance functions that operate as autonomous and independent control units. The third level comprises the internal audit unit that exercises control over the entire operations of the Group.

The Group has a uniform remuneration policy. Employees are paid salaries and performance fees according to the market level. In addition to monetary incentives, employees also have many non-monetary benefits such as flexible working hours, the possibility to work from home, different common activities and benefits for health insurance and sports. The Group's employees work under employment contracts, while members of the management board work based on authorisation agreements.

For the bank, employee satisfaction and development are important. To ensure this, various development training and joint events are organised, such as the Gala of the beginning of the year, internal communication events and summer days. Annual and semi-annual interviews are conducted with all staff throughout the year to ensure staff development and that their activities are aligned with the Bank's strategy and common goals.

Group structure



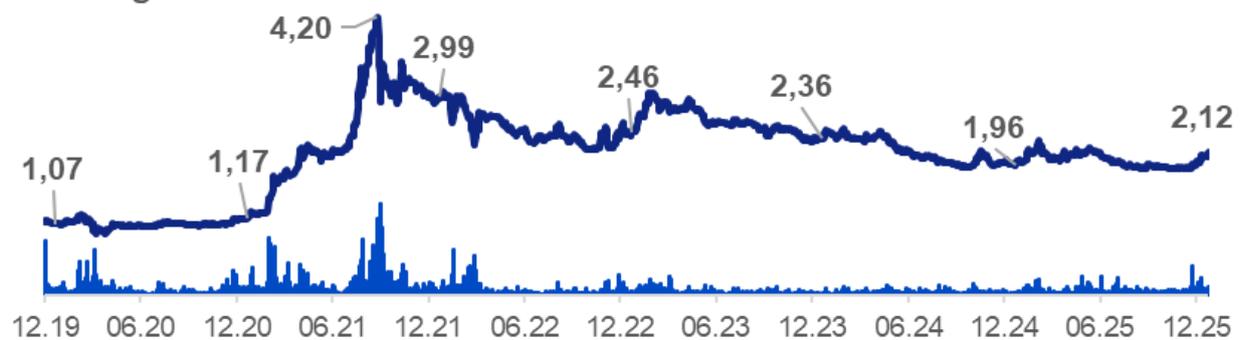
Until February 2026, the Bank's Management Board consisted of five members, and as of February, the Board continues with six members. The Supervisory Board of Coop Pank AS has appointed the bank's Head of IT, Alvar Pihlapuu, as a new Member of the Management Board. In addition, Alvar Pihlapuu has been appointed as a Member of the Supervisory Boards of Coop Pank AS's subsidiaries Coop Liising AS and Coop Kindlustusmaakler AS. His mandate as a Management Board Member and as a Member of the Supervisory Boards of subsidiaries will commence on 1 February 2026 and will last for a term of three years.

Shares

Coop Pank AS has issued ordinary shares, each share giving one voting right. The shares are listed on the main list of Nasdaq Tallinn with ISIN code EE310007857 as of 10.12.2019. The share subscription price during the IPO was 1.15 euros. As of 31.12.2025, the share price was 2.11 euros. In 2025 the lowest tradable price was 1.90 euros and the highest price was 2.35 euros. As of 31.12.2025, the market value of the bank was 219.2 million euros on the basis of the share price. Throughout the year, the turnover of transactions totalled 23,1 million euros and 11.2 million shares changed hands with an average transaction price of 2.05 euros.

The ratio of share price to earnings per share at the end of 2025 was 7.6. The basis for finding the ratio is the market capitalisation of Coop Pank as of 31.12.2025 divided by the net profit of the year. The book value of the share as of 31.12.2025 was 2.26 euros and the ratio of the share price to the book value of the share was 0.93.

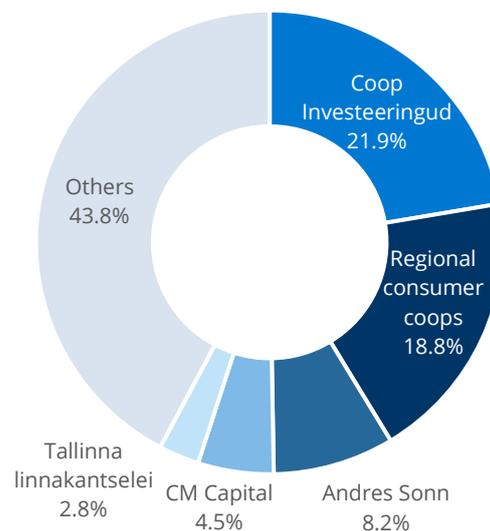
Share price €, trading volume thousand shares



As at 31.12.2025 shareholders with holdings over 5% are:

Coop Investeeringud OÜ	21.86%
Andres Sonn	8.21%

Shareholder distribution as at 31.12.2025



In addition, the member cooperatives of Coop Eesti Keskühistu hold a total of 18.84% of the total amount of shares. Separately, none of them hold over 5%.

The bank has 32,881 shareholders as of 31.12.2025, of which 56 shareholders are institutional investors, i.e. owning at least 100,000 shares.

From all shareholders 32,585 (99.1%) are residents of the Republic of Estonia and 296 (0.9%) shareholders are residents of other countries.

The shares are entitled to a dividend (see chapter 'Dividend policy').

In exercising the share option programmes, the shareholders have delegated the authority to issue new shares to the Supervisory Board.

Dividend policy

At the shareholders' meeting on 08.11.2019 the dividend policy was approved, according to which the consolidation bank aims to pay a dividend of 25% of the annual earnings before taxes (incl. income tax), attributable to shareholders of the Group. Preconditions for dividend payment are:

- compliance with external and internal capital and liquidity requirements;
- the level of capital after dividend payments shall be sustainable and sufficient to ensure business growth and investment needs.

Dividend payments have been made as follows:

On May 7, 2024, Coop Pank paid a dividend of 0.087 euros (net) per share from the profit earned in 2023, in the total net amount of 8,895 thousand euros. Part of the dividends (1/3 from dividends paid out in 2022 and 2023) were taxed at a preferential rate of 14/86 and the remaining part at a rate of 20/80.

On May 6, 2025, Coop Pank paid a dividend of 0.07 euros (net) per share from the profit earned in 2024, in the total net amount of 7,209 thousand euros. The dividend was taxed at an income tax rate of 22/78.

Corporate Governance Report

Coop Pank implements the Corporate Governance Recommendations (hereinafter CGR) approved by the Nasdaq Tallinn Stock Exchange and the Financial Supervision Authority since the listing of Coop Pank AS shares on the Tallinn Stock Exchange main list on 10 December 2019. The report provides an overview of Coop Pank management and compliance with CGR guidelines. Coop Pank AS complies with the recommendations of the Good Corporate Governance, unless otherwise stated in this report.

1. General Meeting

Coop Pank is a public limited company whose management bodies are the General Meeting of Shareholders, the Supervisory Board and the Management Board. The General Meeting is the highest directing body of the Coop Pank, where the shareholders exercise their rights. The competence of the General Meeting is provided by law and the Articles of Association of Coop Pank. For example, the General Meeting is competent to amend the Articles of Association, increase and decrease the share capital, decide on the issue of convertible bonds, elect and extend the term, as well as decide on the early removal of the Supervisory Board members, approve the annual report and distribute the profit, approve the share option programme and appoint and dismiss the auditor.

Every shareholder is entitled to participate in the General Meeting, to speak at the General Meeting on the topics in the agenda and to ask reasonable questions and make proposals. In 2024, no shareholders' questions on agenda topics were raised before the General Meeting. A shareholder may attend the General Meetings and vote at the meeting in person or through a duly authorized representative. The General Meetings are held on business days in Tallinn.

The General Meeting is called by the Management Board. The Annual General Meeting, which approves the annual report, is held at least once a year. The Management Board shall call an Annual General Meeting not later than four months after the end of the financial year. The Management Board shall give the notice of both the Annual and Special General Meetings at least three weeks in advance by publishing the notice of convening the General Meeting through the information system of the Nasdaq Tallinn Stock Exchange as well as on its homepage and at least through one daily national newspaper.

The agenda of the General Meeting, the proposals of the Management Board and the Supervisory Board, the draft resolutions and other relevant materials shall be made available to the shareholders before the General Meeting. In 2025, from the announcement of the General Meeting until the day of the General Meeting, the shareholders had access to the materials and draft resolutions of the General Meeting and other documents required by law on Coop Pank's webpage and at Coop Pank's headquarters on workdays from 09:00-17:00 at Maakri 30, Tallinn. Shareholders are given the opportunity to ask questions on the agenda before the General Meeting.

Following and participation in the General Meeting via means of communication has not been made available (CGC clause 1.3.3), since there has been no demand nor suitable technical solution for that.

In 2025 one General Meetings were held – an Annual General Meeting.

The Annual General Meeting of Shareholders that took place on 16 April 2025 approved the 2024 Annual Report, distributed the profit for the year 2024 and decided to pay dividends. Additionally, the General Meeting approved share option program of the Bank for the period of 2025 – 2026. The General Meeting also decided to exclude the pre-emptive subscription rights of the existing shareholders for the shares issued to option holders in accordance with previous option program.

The General Meeting was held in the Estonian language. The meeting was chaired by Mariann Suik, Head of the Legal Department of Coop Pank, and lawyer Renno Mägi took minutes of the meeting. All Management Board

members of Coop Pank attended the General Meeting as well as Supervisory Board members Rainer Rohtla, Jaan Marjundi, Raul Parusk, Roman Provotorov and Silver Kuus. Also, the auditor of Coop Pank from AS PricewaterhouseCoopers, Jüri Koltsov, attended the meeting.

2. Management Board

2.1. Responsibilities of the Management Board

The Management Board is the governing body of Coop Pank that represents and manages Coop Pank on a daily basis. According to the Articles of Association, any member of the Management Board may represent Coop Pank in all legal acts. The members of the Board are elected and removed by the Supervisory Board. The consent of the Board member is required for their election. According to the Articles of Association of the Bank, the Management Board comprises three to seven members. The term of office of a Management Board member is up to five years. Each member of the Management Board has their own area of responsibility, which is determined by the agreement of the Management Board member. On the basis of the authorisation received from the Supervisory Board, the chairman of the Supervisory Board shall enter into an agreement with the members of the Management Board to perform their duties. According to the restrictions set out in the Credit Institutions Act, until 2021, the members of the Management Board of Coop Pank could not simultaneously participate in the work of the Management Board or Supervisory Board of other companies. Contrary to the above, there was no restriction on work in the management bodies of the Group's companies. From 2021, the members of Coop Pank's Management Board may additionally hold one member of the Management Board and two members of the Supervisory Board, or four members of the Supervisory Board. The positions of head of the group shall be considered as one position.

In accordance with the agreements concluded with the Management Board members, the extension of the term of office of a Management Board member shall be decided 3 months before the expiry of their term of office. The Supervisory Board shall appoint the chairman of the Management Board. The chairman of the Management Board shall organise the work of the Management Board. The Supervisory Board may dismiss a member of the Management Board regardless of the reason. A member of the Management Board may resign from the Management Board regardless of the reason with prior notice to the Supervisory Board. The rights and obligations arising from the agreement, concluded with the member of the Management Board, shall expire in accordance with the agreement.

Persons with sufficient knowledge and experience to participate in the work of Coop Pank's Management Board shall be elected as members of the Management Board. For the selection and evaluation of Coop Pank's Management Board and Supervisory Board members, Coop Pank has adopted the "Suitability assessment policy", which is implemented in conjunction with applicable legislation (the Credit Institutions Act in particular) as well as with the recommendations manual and other relevant guidance documents issued by the Financial Supervision Authority and/or other supervisory agencies.

As of 31.12.2025, the Management Board of the Coop Pank comprised of five members: Arko Kurtmann (chairman), Paavo Truu, Heikko Mäe, Lehar Kütt and Karel Parve. The responsibilities of Management Board members are: Arko Kurtmann – general management, Paavo Truu – financial management, Heikko Mäe – risk management, Lehar Kütt – corporate banking, Karel Parve – retail banking.

Arko Kurtmann graduated with a Master's degree in Economics and Business from the Estonian University of Life Sciences in 2003. Arko Kurtmann has worked for AS LHV Pank as the head of the business banking department and a member of the credit committee in 2012-2019. Arko Kurtmann is a member of the management board of Corby Capital OÜ. Currently, Arko Kurtmann is also a member of the Supervisory Board of Coop Pank subsidiaries, Coop Liising AS and Coop Kindlustusmaakler AS.

Paavo Truu obtained a Bachelor's degree in 1996 from the Faculty of Economics of the University of Tartu, majoring in marketing, finance and banking, and has since participated in several professional further training courses. Paavo Truu worked as a board member and financial director of Coop Eesti Keskühistu from 2018 to 2022. In the years 2013-2018, he was a member of the board of AS Magnum and in the same period was also a member of the supervisory board of several subsidiaries of AS Magnum (Magnum Dental OÜ, AS Magnum Veterinaaria). In 2012-2013, Paavo Truu was the financial director of Alexela Group OÜ and in 2007-2012, a member of the board of Bauhof Grupp. Currently, Paavo Truu is also a member of the supervisory board of Coop Pank's subsidiaries Coop Liising AS and Coop Kindlustusmaakler AS. He is also a member of the management board of Solaris Konsult, the private company he owns.

Heikko Mäe holds a Master of Arts degree in Law from Audentes University (2008). In the period of 2004-2008 Heikko Mäe has worked in AS PricewaterhouseCoopers Advisory as the risk management senior consultant, in 2008-2013 in Eesti Energia AS as Director of the Risk Management and Internal Auditing Unit and in 2013-2015 as Director of Energy Trading in Eesti Energia AS. In the period of 2015-2019 Heikko Mäe worked as the head of AS Magnum Veterinary and in 2016-2020 as Supervisory Board member of TULEVA Fondid AS. Heikko Mäe has been working at the bank as a risk manager since 2019. Currently, Heikko Mäe is also a member of the Supervisory Board of Coop Pank subsidiaries Coop Liising AS and Coop Kindlustusmaakler AS and a member of the board of SIA Prana Property.

Lehar Kütt obtained a higher education degree in Business Administration in 2022 from the Pärnu College of the University of Tartu. In 2007, he earned a Master's degree in Economics from the University of Tartu, and in 2019, a Master's degree in Digital Transformation in Enterprises from Tallinn University of Technology. Lehar Kütt has been Head of the Corporate Finance Business Line at Coop Pank AS since 2021. Previously, among other roles, they served as the Chairman of the Management Board of Estonian Business and Innovation Agency.

Karel Parve holds a Bachelor's degree in International Relations from Bucknell University. Since 2019, he has been working at LHV Pank AS, where he last managed the private banking unit. He has previously worked at Luminor Bank AS and AS Swedbank. Karel Parve is also a member of the Supervisory Board of the Coop Pank subsidiaries Coop Liising AS and Coop Kindlustusmaakler AS.

The Management Board carries out its day-to-day management decisions independently, considering the best interests of the bank and its shareholders, while excluding any personal interests. The members of the Management Board are responsible for the day-to-day management of Coop Pank and for developing and implementing the bank's strategy. The Management Board ensures proper functioning of risk management and internal control considering Coop Pank's area of activity.

2.2. Remuneration principles of managers

The purpose of Coop Pank's remuneration policy is to provide fair, motivating, transparent and legally compliant remuneration. The Supervisory Board has the right to decide on the remuneration of the members of the Management Board. The Remuneration Committee of the bank annually reviews the remuneration principles of the Management Board. When determining the remuneration of a member of the Management Board, the Remuneration Committee shall, in particular, consider the responsibilities of the individual member of the Management Board, their performance, the overall performance of the Management Board, as well as the financial position of the Coop Pank, the current state and future direction of the business in comparison with the corresponding indicators of companies of the same economic sector.

The remuneration of a Management Board member must be such as to motivate the person to act in the best interests of Coop Pank. The basic wage of the Management Board members is agreed in the Management Board member agreement. The remuneration principles of the Management Board members and/or employees exercising internal control and risk management functions must ensure their independence and

objectivity in performing their risk management/internal control tasks. The remuneration of these employees must not depend on the results of the departments controlled and the set objectives must be described at the individual employee level.

Coop Pank applies an annual performance pay, commensurate with achieving the objectives, to all Group employees, plus a long-term option programme for key employees.

Gross remuneration paid to the Management Board members in 2025 in euros:

Gross remuneration paid in 2025	Basic salary	Performance pay	Value of options granted	Total remuneration
Arko Kurtmann	161,205	24,000	92,714	277,919
Paavo Truu	148,000	24,000	92,714	264,714
Heikko Mäe	156,068	24,000	92,714	272,782
Karel Parve	140,000	20,000	77,280	237,280
Lehar Kütt	47,159	0	0	47,159
Margus Rink	202,341	32,000	123,581	357,922

In the event of an extraordinary termination of the Management Board member's agreement by the bank, the Management Board member shall be paid severance pay in the amount of 6 months' remuneration. The severance pay is not payable if the termination is due to significant culpable failure to fulfil official duties or to any other act that seriously damages the bank's reputation. If the term of office of a member of the Management Board is not extended, the Management Board member is entitled to a severance pay in the amount of 3 months' remuneration.

Shares, bonds and share options owned by the Management Board members and their associated persons as at 31.12.2025:

Holder of securities	Shares	Holding	Bonds
Arko Kurtmann (partly by the Corby Capital OÜ)	135,600	0.13%	0
Heikko Mäe	164,070	0.16%	0
Paavo Truu (by the Solaris Konsult OÜ)	76,948	0.07%	100
Lehar Kütt	24,372	0.02%	0

Holder of options	Quantity	Strike price	Subscription term
Arko Kurtmann	47,900	1.526	2026
Heikko Mäe	47,900	1.526	2026
Paavo Truu	41,900	1.526	2026
Margus Rink	71,900	1.526	2026
Arko Kurtmann	86,200	1.875	2027
Heikko Mäe	86,200	1.875	2027
Paavo Truu	86,200	1.875	2027
Karel Parve	42,900	1.875	2027
Margus Rink	120,800	1.875	2027
Arko Kurtmann	83,500	1.053	2028
Heikko Mäe	83,500	1.053	2028
Paavo Truu	83,500	1.053	2028
Karel Parve	69,600	1.053	2028
Margus Rink	111,300	1.053	2028

No significant transactions took place between Coop Pank and the members of the Management Board or persons close to or associated with them in 2025. There are no other benefits and bonuses from Coop Pank to the members of the Management not mentioned in this chapter.

2.3. Conflicts of interest

Coop Pank has established a Group-wide "Policy of Management of Conflicts of Interest", under which members of the Group's corporate bodies, heads of departments and client managers are required to submit and annually update their Declaration of Financial Interests and Credibility. Also, a new declaration must be submitted immediately after a change of significant circumstances which constitute or are likely to give rise to a conflict of interest.

Transactions between the bank and the members of the Management Board or persons close to or associated to them shall be subject to the prior approval of the Supervisory Board, except for transactions made on the basis of market prices within the framework of daily economic activity. In 2025, no such transactions took place.

Management Board members are not members of the Management Board or Supervisory Board of other issuers, except Paavo Truu who is a member of the board of a private limited company he owns. The Management Board members of Coop Pank are also the Supervisory Board members of Coop Pank's subsidiaries; the Management Board member, fulfilling the duties of risk manager, is also a Management Board member of real estate management company established in Latvia which are part of the Group.

The Management Board members have no shareholdings above 5% in other companies who are Group's business partners, suppliers, clients or other related companies.

3. Supervisory Board

The Supervisory Board is Coop Pank's governing body, which plans and organises Coop Pank's management and supervises the activities of the Management Board. The Board determines and periodically reviews Coop Pank's strategy, general business plan, principles of risk management and annual budget. The Supervisory Board comprises five to seven members. The term of office of the Supervisory Board members is up to five years. The members of the Supervisory Board shall elect from among themselves the chairman of the Supervisory Board who shall organise the activities of the Supervisory Board.

The Supervisory Board regularly evaluates the activities of the Management Board by implementing Coop Pank's strategy, as well as evaluates the bank's financial position, risk management systems, compliance with prudential regulations and the lawfulness of the activities of the Management Board.

Persons with sufficient knowledge and experience to participate in the work of the bank's Supervisory Board shall be elected as members of the Supervisory Board. For the selection and evaluation of the bank's Management Board and Supervisory Board members, Coop Pank has adopted a "Suitability assessment policy", which is implemented in conjunction with applicable legislation (the Credit Institutions Act in particular) as well as with the recommendations manual and other relevant guidance documents issued by the Financial Supervision Authority and/or other supervisory agencies.

As at 31.12.2025, the Supervisory Board of Coop Pank comprised of six members and they were Rainer Rohtla (chairman, term 12.04.2026), Viljar Arakas (term 12.04.2026), Jaan Marjundi (term 12.04.2026), Roman Provotorov (term 12.04.2026), Raul Parusk (term 12.04.2026) and Silver Kuus (term 12.04.2026). In the meaning of CGR there are three independent members in Coop Pank's Supervisory Board – Viljar Arakas, Raul Parusk and Silver Kuus.

Rainer Rohtla has obtained higher education in logistics management from Jyväskylä university of Applied Sciences, Finland. Rainer Rohtla has worked in top management positions in various logistics management related international enterprises, latest of them from 2019-2022 as General Manager of Via 3L Group. From 2023 February he acts as chairman of the board of Coop Eesti Keskühistu.

Viljar Arakas obtained a Bachelor's degree in business administration from EBS International University in 2003 and has completed his second Bachelor's degree at Hogeschool NOVI in the Netherlands. Viljar Arakas is a founding member and a member of the Management Board and CEO of EfTEN Capital AS, the largest management company focused on commercial real estate in the Baltic States.

Roman Provotorov obtained a higher education in economics and management from the Estonian Agricultural University (currently Estonian University of Life Sciences). Since 1995, he is a head of Antsla Tarbijate Ühistu (Antsla Consumer Association) and, since 2017, member of the Supervisory Board of Coop Pank AS.

Jaan Marjundi obtained a higher education in process engineering from Tallinn Polytechnical Institute (currently TalTech). For years, he has worked in top management positions of retail businesses. In 2007 - 2025, Jaan Marjundi was chairman of the Management board of Harju Tarbijate Ühistu (Harju Consumer Association) and, since 2017, member of the Supervisory Board of Coop Pank AS.

Raul Parusk obtained Master's degrees in political economy from Moscow National University and in business management from Vienna Business School. He has worked in top management positions in different companies, including credit institutions. From 2017 until August 2021, Raul Parusk was a member of the management boards of Forus Grupp OÜ, Forus Security Eesti AS and Forus Haldus OÜ. From March 2022, Raul Parusk has been a member of the board of Kodea OÜ.

Silver Kuus has obtained a Master's degree in international business management from Estonian Business School. Silver Kuus has worked in top management positions in different financial institutions, the latest of them being manager of corporate banking at Luminor Bank AS from 2017-2019. Currently, he is manager of a business consulting company OÜ Lorikori Capital.

The General Meeting of Shareholders has decided to set the gross monthly remuneration of the members of the Supervisory Board at EUR 1,500, the chairman at EUR 2,000. There is no severance pay or other additional benefits for members of the Supervisory Board.

Gross remuneration paid to the Supervisory Board members in 2025 in euros:

	Gross remuneration paid in 2025
Rainer Rohtla	24,000
Viljar Arakas	18,000
Jaan Marjundi	18,000
Roman Provotorov	18,000
Raul Parusk	18,000
Silver Kuus	18,000

Shares and bonds owned by members of Supervisory Board as of 31.12.2025:

	Shares	Holding	Bonds
Viljar Arakas (by the Miemma Holding OÜ)	38,094	0.04%	114
Jaan Marjundi	83,406	0.08%	11
Roman Provotorov	17,000	0.02%	0
Raul Parusk (by the Sulvanus Invest OÜ)	6,201	0.01%	0

As set out in clause 2.3 of this report, the Supervisory Board members shall also submit a declaration of their financial interests and reliability.

No significant transactions took place between Coop Pank and the members of the Supervisory Board or persons close to or associated with them in 2025. There are no other benefits and bonuses from Coop Pank to the members of the Supervisory Board not mentioned in this chapter.

The Supervisory Board members have no shareholdings above 5% in other companies who are Group's business partners, suppliers, clients or other related companies.

In 2025, fifteen Supervisory Board meetings were held and in addition three Supervisory Board decisions were made without convening a meeting. The members of the Supervisory Board participated in all meetings and votes, except for Viljar Arakas who could not attend the voting held in April and Silver Kuus who could not attend the voting held in August and September

The Supervisory Board has formed three committees: the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee. The Committees act under the supervision of the Supervisory Board as advisory bodies to the Supervisory Board.

3.1. Audit and Risk Committee

The Audit and Risk Committee is an advisory body to the Supervisory Board in the areas of accounting, auditing, risk management, internal control and audit, supervision and budgeting and the legality of activities. The activities of the Audit and Risk Committee are primarily based on the Auditors Activities Act, the Credit Institutions Act and the rules of procedure of the Audit and Risk Committee, approved by the Supervisory Board.

The Audit and Risk Committee is responsible, inter alia, for supervision of the audit process of the annual or consolidated accounts and the independence of the sworn auditor. The Audit and Risk Committee also advises the Supervisory Board and the Management Board on risk management principles and supervises risk management. The Audit and Risk Committee makes proposals to the Supervisory Board for the appointment or removal of the external and internal auditor, as well as for changes in risk management principles, elimination of problems in the organisation and compliance with legal acts. At least once a year, the external auditor shall report to the Audit and Risk Committee on the findings of the audit.

The Audit and Risk Committee shall comprise at least two members, elected by the Supervisory Board. As of 31.12.2025 the Audit and Risk Committee comprised of four members and they were Veiko Haavapuu (chairman), Rainer Rohtla, Silver Kuus and Stan Nahkor. No remuneration is paid to the members of the Audit and Risk Committee who are also members of the Supervisory Board. Remuneration for Veiko Haavapuu and Stan Nahkor is 400 euros per meeting.

3.2. Remuneration Committee

The responsibility of the Remuneration Committee is to evaluate the implementation of the Remuneration Principles approved by Coop Pank's Supervisory Board and their consistency with Coop Pank's business objectives, the impact of the remuneration decisions on meeting the requirements set to Coop Pank's risk management, own funds and liquidity. The Remuneration Committee also supervises the remuneration of members of the Management Board and employees subject to increased requirements.

The Remuneration Committee comprises at least two members who are elected by the Supervisory Board. As of 31.12.2025, the Remuneration Committee comprised of four members and they were Rainer Rohtla (chairman), Jaan Marjundi, Raul Parusk and Irja Rae. No remuneration is paid to the members of the Remuneration Committee who are members of the Supervisory Board. Irja Rae's remuneration is 400 euros per meeting.

3.3. Nomination Committee

Nomination Committee is a working body subordinate to the Coop Pank's Supervisory Board, aimed at ensuring transparency in the selection process and objectivity in the suitability evaluation of Members of the Management and Supervisory board.

The Nomination Committee's responsibilities include, among other things,

- Determining the composition of the management and supervisory board based on the Coop Pank's strategy
- Managing the selection process of management and supervisory board members, assessing the balance of candidates' knowledge, skills, and experience
- Evaluating the education, experience, and professional suitability of management and supervisory board members, as well as their collective ability to act, based on the Coop Pank's needs
- Reviewing the principles for ensuring the diversity of the management and supervisory board and assessing their appropriateness
- Setting target levels for the representation of individuals of less represented genders in the management and supervisory board and preparing an action plan on how to increase the number of such individuals to reach the set target level.

The Nomination Committee comprises at least three members who are elected by the Supervisory Board. As of 31.12.2025, the Nomination Committee comprised of three members and they were Rainer Rohtla (chairman), Viljar Arakas and Silver Kuus. No remuneration is paid to the members of the Nomination Committee.

4. Cooperation between the Management Board and the Supervisory Board

The Management Board and the Supervisory Board cooperate closely to protect the best interests of Coop Pank. The Management Board and the Supervisory Board jointly develop Coop Pank's strategy. The Management Board is invited to attend monthly meetings of the Supervisory Board. The Management Board shall regularly inform the Supervisory Board of any material information regarding the bank's planning and conduct of business, operational risks and management of these risks.

5. Implementation of diversity policy

In accordance with section 4 of article 24² of the Accounting Act, a large undertaking whose securities granting voting rights have been admitted for trading on a regulated securities market of Estonia or another Contracting State shall describe in the corporate governance report the diversity policies carried out in the company's management board and senior management and the results of the implementation thereof during the accounting year. If no diversity policies have been implemented during the accounting year, the reasons for this should be explained in the corporate governance report.

In 2025, the bank did not implement a diversity policy, as it always considers the best interests of the Group in the selection of both executives and employees, considering the candidate's education, skills and previous work experience. At the same time, the Group follows the principle of non-discrimination of candidates on the grounds of gender or other status.

In 2025, a Nomination Committee was established, whose tasks include ensuring the existence of diversity principles as well as setting a target level for increasing the number of underrepresented gender and preparing an action plan for achieving it. The diversity principles will be adopted in 2026.

6. Disclosure of information

Coop Pank shall treat all shareholders equally and shall notify all shareholders equally of material circumstances and from 10.12.2019 considers the rules established for listed companies by providing information.

On the Investor section of Coop Pank's website all documents and information will be made available to shareholders in accordance with the Corporate Governance Recommendations. On its website, Coop Pank shall

publish a financial calendar which includes the dates of publication of the Annual Report and Interim Reports. The published information shall also be made available in English.

7. Financial reporting and audit

Once every year, Coop Pank publishes the Annual Report for the previous year. The Annual Report shall be audited by an external auditor, accepted by the Supervisory Board and approved by the General Meeting.

Members of the Supervisory Board do not sign the Annual Report together with the Management Board members (clause 6.1.1 of CGR). The position of the Supervisory Board on the Annual Report is included in the Supervisory Board's written report, approved with the resolution of the Supervisory Board. The bank submits the Annual Report, signed by the Management Board, to the General Meeting of Shareholders (thus Coop Pank does not comply with the requirement to submit the report signed by the members of the Management and Supervisory Board to the shareholders, clause 6.1.1 of CGR). However, a proposal for approval of the Annual Report, prepared by the Supervisory Board, shall be submitted to the General Meeting.

The auditor shall be appointed by the General Meeting of Shareholders, who shall also determine the auditor's remuneration arrangements. The auditor is appointed to perform a single audit or for a period specified by the General Meeting.

In 2025, the auditor has provided contracted services to companies of the consolidation group, including audits of Annual Reports of Group companies and quarterly reviews and other assurance services subject to obligations under the Credit Institutions Act and the Securities Market Act. Also, the auditor has provided other services permitted pursuant to the Republic of Estonia Auditors Activities Act.

In 2025, the fees paid or payable for the services provided by the auditor amounted to 230 thousand euros.

Sustainability Report

The basis for the preparation of the report

On 5 January 2023, the Corporate Sustainability Reporting Directive (CSRD) entered into force, the purpose of which is to regulate ESG (Environmental, Social, and Governance) reporting and move towards a more sustainable economy. The reporting requirement will be implemented gradually. Coop Pank Group's obligation to submit report prepared in accordance with the European Sustainability Reporting Standards (ESRS) in 2026 (for 2025) has been postponed by two years with the Omnibus I amendment proposal. It is important for us to be in compliance with the sustainability reporting requirements and we have already partly structured this sustainability report according to the structure and general requirements of ESRS.

The sustainability report has been prepared on a consolidated basis. The scope of the consolidation is the same as the scope of the financial report. This sustainability report has not been subject to audit.

Management

Management and supervisory bodies

The company's management report provides an overview of the management of Coop Pank (p. 25) and the members of the Supervisory Board and the Management Board (p.19).

Sustainability management

Since 2017, the Coop Pank group's biggest shareholders have been Coop Investeeringud OÜ and the member cooperatives of Coop Eesti Keskühistu (the retail chain Coop Estonia). The link between retail and banking is reflected in our joint mission statement: 'Driving life forward in every corner of the country'. This has exemplified our operations for the last eight years and determines a key focal point of our sustainability.

Enterprising people and pristine nature are Estonia's greatest assets. As an Estonian bank, we spur Estonian companies on every day and help people realise their dreams. We drive life forward in every corner of the country – urban and rural areas alike – by sticking together and valuing our pristine environment.

Coop Bank's mission to foster life in every corner of Estonia is inherently sustainable, and sustainability topics from different angles have been a focus at Coop Bank for years.

We have made the importance of sustainable operations the focus of attention of both our management and supervisory boards and also hired a full-time employee dedicated to sustainability. In 2023, we created an ESG roadmap, which we update annually and according to which we develop the Group's sustainability consistently and systematically.

The Coop Pank group is increasingly environmentally aware in its own operations and follows its green office principles approved in 2021 and updated in 2025 based on the guidelines issued by the Estonian Association for Environmental Management. In issuing loans to companies, the Coop Pank group takes environmental impact into consideration and looks for opportunities to contribute to companies that reduce negative environmental impact.

The Coop Pank group already joined the Responsible Business Forum in 2020 (renamed in 2025 as the Sustainable Business Estonia KELL) and participates in the Responsible Business Index survey, where it has held the gold level label since 2025. The gold level has been achieved gradually, starting from the bronze level. We are also an active member of the Estonian Banking Association's committee on sustainable banking, contributing to growth in the sustainability of banking operations.

From 2022 to 2024, the Group participated as the first Estonian bank in one of the world's leading environmental reporting projects, CDP (Carbon Disclosure Project). On the CDP platform we transparently

disclosed environmental data. At the first year, the Coop Pank group received the rating B-, i.e. the environmental manager level, which is assigned to companies that have demonstrated good management in the field of environmental impact. In 2023, we received the rating C, i.e. the awareness level. The rating for 2024 was D. At the same time, the volume of disclosed information and the Bank's score increased annually, but CDP rating thresholds became stricter. Therefore, no conclusion can be drawn from the change in the Bank's rating that we have become worse in terms of environmental reporting. We are increasingly disclosing information that overlaps with what is published in the CDP platform and making it more accessible to the wider public. Therefore, we have discontinued double reporting and, starting from 2025, will no longer participate in CDP reporting.

In 2022, the Coop Pank group became a member of the financial initiative of the United Nations Environment Program (UNEP FI or United Nations Environment Program Finance Initiative) and affirmed its commitment to achieving sustainability goals. We signed the principles of responsible banking, which bring the bank's business strategy into line with the goals of the UN sustainable development and the Paris climate agreement, and increase the positive impact on society.

In managing and fostering sustainable development, the group is guided by the UN's 17 sustainable development goals (SDGs). Operating within the banking sector, we are able to contribute either directly or indirectly to the following areas of sustainable development:

SDG 8 – Decent Work and Economic Growth

SDG 13 – Climate Action

SDG 11 – Sustainable Cities and Communities

SDG 16 – Peace, Justice and Strong Institutions

SDG 12 – Responsible Consumption and Production

Climate Change

Transition plan to mitigate climate change

We have not yet developed a transition plan to mitigate climate change, but we have consistently taken steps to reduce our negative impact and increase our positive impact.

In August 2021 we moved our head office into the new, more economical, less energy intensive Skyon building, which was constructed and is being maintained in accordance with the requirements of the LEED certificate. LEED (Leadership in Energy and Environmental Design) is one of the most prevalent green building rating systems in the world. In March 2022, the Skyon office building was awarded the LEED Platinum certificate, which is the highest level.

We have introduced the paper-free management of documents in our everyday work: we enter into agreements with our clients and partners electronically and allow clients to join the bank via a simple online solution that was used by 61.4% of our new clients in 2025 (compared to 58.6% in 2024). In the first half of 2024, the Bank launched a pilot project under which we implemented paperless document management in our customer offices. The pilot project has proven successful, and document management in our offices is now primarily paperless.

In 2022, we signed a cooperation agreement with the technology recycling company GreenDice, which deals with the organisation of the technical circulation of IT equipment and directing it to recycling. The GreenDice recycling system helps to valorise our used IT equipment by finding new users for them or directing unusable equipment to be recycled as raw materials. The usage journey of the devices is fully traceable throughout their entire life cycle. We consider the safe and traceable journey of equipment and the positive social impact that the circulation of our used IT equipment offers to be very important. In 2023, GreenDice directed our equipment (18 desktops and 18 monitors donated) to a school's computer lab and a youth center. In 2024, we donated 135 pieces of equipment, to be given a new life, including to the NGO Women's Support and Information Center. In 2025, we handed over 173 devices.

In 2025, we continued to finance the construction of solar parks and wind turbines, reaching a nominal capacity of 81.3 MW by the end of the year. Financing solar and wind parks accounts for about 3.8% of the portfolio of our corporate financing business line. We continue to contribute to making residential buildings more energy-efficient and also offer more favorable conditions for purchasing properties with a higher energy class.

In 2023, we signed an agreement with the European Energy Efficiency Fund (EEEF) to raise 15 million euros, and in 2025 for 5 million euros, for the purpose of financing energy efficiency and renewable energy projects. In 2024, we financed 5 projects via EEEF and in 2025, one additional project was added. The European Bank for Reconstruction and Development invested €20 million last year in Coop Pank covered bonds to support green financing. The European Investment Bank Group and Coop Pank concluded a securitization transaction under which the Bank can offer up to €249 million in new loans, of which at least €49 million is allocated for promoting gender equality and at least €17 million for projects related to climate action and environmental sustainability.

Management of Impacts, Risks, and Opportunities

In 2024, we conducted a double materiality assessment forming the basis of CSRD sustainability reporting and a UNEP FI impact analysis at Coop Bank simultaneously. The goal of the double materiality assessment was to identify significant impacts, risks, and opportunities.

The double materiality assessment was carried out in accordance with the requirements of the ESRS 1 standard and the recommendations of the EFRAG guidelines (the organization responsible for developing sustainability reporting standards). The results were confirmed in January 2025. Four sustainability aspects were assessed as material:

- Climate Change (E1)
- Own Workforce (S1)
- Consumers and End-users (S4)
- Business Ethics (G1)

Under the climate change sustainability aspect, one risk and two opportunities were also assessed as material.

The UNEP FI impact analysis focused on identifying the Bank's most significant positive and negative impacts. As a result of the UNEP FI impact analysis, we identified SDG 8 (Decent Work and Economic Growth) as a positive impact area and SDG 13 (Climate Action) as a negative impact area.

Policies, measures, and objectives related to climate change mitigation and adaptation

The chapter on sustainability management (p. 34) briefly explains the existing policies.

Indicators and objectives

To manage climate-related impacts and risks, we have not yet set targets for reducing greenhouse gases, but we have consistently measured our footprint and made efforts to become more precise in measuring our footprint and assessing the climate impact of our loan portfolio.

Our climate impact

The carbon footprint of the Coop Bank group in 2025 was a total of 212,758 tons of CO₂ equivalent (248,855 in 2024), of which 99.7% (99.8% in 2024) was the impact from the financed emissions (portfolio and leasing) and 0.3% (0.2% in 2024) was impact related to office activities. We have assessed our climate impact since 2021.

To calculate the carbon footprint emission intensity per employee, the office activity carbon footprint was divided by the Group's average number of employees in the previous year (adjusted to full-time equivalents). For calculating emission intensity per net income, net income was used, which corresponds to the net income presented in the Note 4 Operating segments, together with the Bank's total greenhouse gas emissions.

Emission Intensity	2025	2024
Greenhouse Gas (Office Activities) Emission Intensity per Employee (t CO ₂ e/FTE)	1.43	1.27
Greenhouse Gas emission intensity (office operations + financed emissions) per net income (t CO ₂ e/meur)	2,680	3,039

Climate impact from office operations

The climate impact of office operations has been calculated in accordance with the internationally recognized and most widely used greenhouse gas reporting standard, the GHG Protocol (GHG Protocol Corporate Accounting and Reporting Standard). This standard divides emissions into three scopes:

- Scope 1 refers to direct emissions from sources owned or controlled by the Bank.
- Scope 2 refers to indirect emissions resulting from the consumption of purchased electricity, heating, and cooling energy by the Bank.
- Scope 3 consists of 15 different categories across the Bank's entire value chain (including Category 15 – investments, which are separately disclosed in the section 'Financed Emissions').

The assessment of the climate impact from office operations is based on the principle of operational control and uses consumption-based data. To evaluate the impact of employee commuting between home and work, as well as home office activities, an annual survey is conducted among employees.

Greenhouse gas emissions (t CO ₂ e)	2025	2024
Scope 1 emissions	30	37
Scope 2 emissions	129	163
Scope 3 emissions	212,600	248,655
1 Purchased goods and services	25	26
2 Capital goods	219	86
3 Fuel- and energy-related activities	36	60
4 Upstream transportation and distribution	-	-
5 Waste generated in operations	15	1
6 Business travel	26	35
7 Employee commuting	166	144
8 Upstream leased assets	-	-
9 Downstream transportation and distribution	-	-
10 Processing of sold products	-	-
11 Use of sold products	-	-
12 End-of-life treatment of sold products	-	-
13 Downstream leased assets*	25,544	33,183
14 Franchises	-	-
15 Investments (financed emissions)	212,113	248,304
Total	212,758	248,855
Of which office operations emissions	645	551
Of which financed emissions	212,113	248,304

* Under leased assets, we report emissions from the leasing portfolio.

Energy Consumption

Energy consumption represents a significant share of the office operations carbon footprint. Therefore, we disclose in the table below consumption-based information on the amount and type of energy used.

Energy Consumption (MWh)	2025	2024
Renewable electricity (MWh)	389	390
Non-renewable electricity (MWh)	176	181
Heating (MWh)	369	379
Total energy consumption (MWh)	934	950

Financed emissions

Since 2021, we have performed an assessment of the carbon footprint of our organization and of loan portfolio (financed emissions) in accordance with the GHG Protocol. The climate impact of the Coop Pank group's portfolio is calculated based on the standard "The Global GHG Accounting & Reporting Standard for the Financial Industry" of the Partnership for Carbon Accounting Financial (PCAF). The PCAF standard is the only sector-specific standard that allows financial institutions to estimate and disclose greenhouse gas emissions from loans and investments.

The PCAF standard is in line with the GHG Protocol standard and complements the GHG Protocol Corporate Value Chain (scope 3) standard with detailed additional guidance for each asset class. Using the PCAF methodology, Coop Bank assesses financed emissions across seven asset classes: sovereign bonds (from 2025), listed equity and corporate bonds (from 2025), leases, business loans, commercial real estate, renewable energy projects, and residential real estate. For the asset classes, sovereign bonds and listed equity and corporate bonds, we have assessed 100% of the assets in these classes in accordance with the PCAF methodology. The assessed volume primarily depends on data availability and quality, which means it is not possible to assess all asset classes at 100% coverage.

A PCAF data quality score of 1 represents an estimate with the most accurate data quality, and a score of 5 represents an estimate with the lowest data quality. When evaluating the impact of the Group's portfolio in 2021, methodologies corresponding to scores 4 and 5 were used, depending on the availability of data. In assessing the impact of the loan portfolio in 2022, the data quality score was improved, and the new average score was 3.7. In 2023, the new average score was 3.2 and in 2024, 3.1. In 2025, the data quality score was 3.5.

Financed emissions by asset class

The loan portfolio is assessed on the principle of financial control, and leases are assessed on the principle of operational control. For the sovereign bonds asset class, Scope 1 has been assessed both including and excluding the LULUCF sector (Land Use, Land-Use Change, and Forestry). For the asset classes leases, renewable energy projects, commercial real estate, and residential real estate, Scopes 1 and 2 have been assessed. For listed equity and corporate bonds as well as business loans, all three scopes have been assessed. Within the residential real estate asset class, in addition to the purchase and refinancing of residential property, construction and renovation have also been considered, which under the standard may be assessed as zero emissions. As a result, the emissions for this asset class may be considered overstated, since construction and renovation emissions are in our case attributed to the Bank.

Based on the GHG Protocol, leases are classified in the scope 3 category of "leased assets", therefore the impact of leases is typically not included as part of the Group's loan portfolio climate impact. Since the impact of leasing has been significant among all the Group's emissions, the impact resulting from leasing was included in the table for comparison with other asset classes. Regarding leasing, we support reuse, for instance, the majority of our car leasing sales in 2025 were second-hand cars (78% in 2025 compared to ca 81% in 2024).

Asset class	Outstanding amount, MEUR		Scope 1+2, tCO2e		Scope 3, tCO2e		Emission intensity, tCO2e/ MEUR		Measured % of contracts		PCAF score	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Sovereign bonds	48.95	0	7,597	0	0	0	155	0	100	0	1	0
Sovereign bonds (+ LULUCF)	48.95	0	7,276	0	0	0	149	0	100	0	1	0
Listed equity and corporate bonds	14.24	0	47	0	438	0	34	0	100	0	4	0
Leasing	166.88	175.39	25,544	33,183	0	0	153	189	99.89	100	1	1.69
Business loans	968.58	250.97	47,091	21,941	81,887	110,953	133	530	80.17	98.9	4	4.00
Renewable energy projects (avoided emissions)	46.6	49.8	92,975	73,907	0	0	1,995	1,484	99.5	94.1	2.9	2.87
Commercial real estate	397.59	383.64	24,645	40,603	0	0	61.98	106	97.49	100	3	3.63
Residential real estate	669.95	542.63	25,186	41,624	0	0	37.6	77	99.49	100	3	3.53

For renewable energy projects, the avoided emissions have been assessed, meaning the greenhouse gas emissions that do not occur because an environmentally friendlier solution created by the renewable energy project is used instead of a conventional alternative. Avoided emissions are not counted as a reduction in the Group's total emissions.

Renewable energy projects (avoided emissions)	Outstanding amount, MEUR		Avoided emissions, tCO2e		Emission intensity, tCO2e/ MEUR		Measured % of contracts, %		PCAF score	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Solar	34.1	36.1	56,731	64,760	1,665.65	1,793.42	99.65	100	3	3
Wind	6.97	5.52	34,214	6,897	4,907.85	1,248.45	100	100	3	3
Bioenergy	5.61	8.2	2,029	2,029	361.17	247.9	97.71	74.67	2	2

Since 2021, we have improved the data quality score, but we still face a major challenge in enhancing the availability and quality of data for measuring the climate impact of the loan portfolio. The higher the data quality score, the more accurate and reliable the results of climate impact assessment.

We have not established a base year for the assessment of our financed emissions. This is due to the limited availability and uneven quality of data, as well as the fact that we are still refining the assessment processes, which means the results would not be comparable to a base year. In the longer term, we plan to set a base year and adopt a baseline data recalculation protocol to define the circumstances under which recalculation of financed emissions for the base year is necessary, ensuring consistency, comparability, and relevance of financed emissions data reported over time. For these reasons, the comparative figures presented in the tables are not strictly comparable with the previous year's data.

Consumers and end-users

It is important to us that vital products and services are accessible to everyone close to their homes. As an Estonian bank, we bring everyday banking services closer to people so that everyone can enjoy life wherever they want to live. For instance, cash services are available at people's local stores: Coop Pank group clients can make deposits and withdrawals from their accounts at more than 320 Coop stores around the country. We are pleased to see that more people are making use of these services all the time, as can be seen in the table below:

	2025	2024
COOP cash transactions vs ATMs (proportion of total number of transactions)	40.7%	39.5%
COOP cash transactions vs ATMs (proportion of total turnover)	37.9%	35.4%

We also serve clients at 16 branches in 13 towns, making ours one of the biggest networks of bank branches in Estonia.

Our client relationships outside of Tallinn/Harju County can be summarised as follows:

	2025	2024
Everyday banking	63.3%	63.0%
Mortgage loans	38.9%	37.8%
Business loans	36.5%	33.6%
Leasing	44.8%	44.1%

We contribute to improving the financial literacy of the Estonian population by advising people of all ages on how to make smarter choices regarding their finances via our Lihtsalt rahast ('Money Matters Put Simply') podcast and through other channels. We promote saving for retirement and its importance with Tuleva pension funds. We regularly participate in the working groups of the Estonian Banking Association, including the financial literacy working group. We also actively contribute to anti-fraud initiatives both through the Banking Association and independently to help protect the assets of Estonian residents.

The development of products and services in line with responsibility and sustainability objectives is an ongoing process. The Coop Pank group decided some time ago that it would not offer financing for:

- the organisation of gambling and betting activities;
- the manufacturing of tobacco;
- entertainment events;
- exports to countries subject to sanctions;
- aircraft, ships and railway stock;
- the weapons industry or arms trade which is not linked to Estonian national defence or NATO or
- political parties and other political organisations.

As at the end of 2025, our loan portfolio included no loans in any of these areas of activity. Nor do we offer credit services in areas or to companies whose activities are unethical or linked to corruption, violate human rights or have a significant negative impact on the environment. Customers whose activities have an environmental impact are checked in each specific case to ensure that they comply with the applicable environmental protection standards in their activities.

In the pricing of bank services, we are honest and transparent, and in the marketing of services we are guided by principles of responsibility. We observe all the requirements of the Money Laundering and Terrorist Financing Prevention Act. To get to know our clients, we ask them to provide us with detailed information and we monitor their activities, all while observing the requirements of the Personal Data Protection Act. We are guided in our protection of personal data by the principle of integrated data protection, wherein we apply data protection throughout the data-processing life cycle and use only as much data as we need to offer quality banking services.

Professional Conduct

Professional Conduct and Business Culture.

We consider our management culture to be open and modern, the basis of which is that we are guided by regulations and international standards (such as human rights, labour law and the fight against discrimination).

In our operations we are led by best practices in company management and banking, the principles of responsible lending, other guidelines issued by financial supervision authorities and valid legal acts.

The fields of the prevention of money laundering and terrorist financing and the implementation of international sanctions are important to us, and we apply the necessary due diligence measures.

We also monitor our marketing activities to ensure that they are in line with the valid norms. To guarantee ethical behaviour, we have established guidelines for reporting inappropriate behaviour, in accordance with which employees can inform of potential breaches of ethical norms or laws within the group.

We have adopted a procedure for informing of breaches and, in cooperation with a law office, ensure the maximum possible protection for employees who wish to retain their anonymity when passing on information. In our view this lays the groundwork in the best possible way for every employee to be able to inform of any breach pertaining to internal management without having to worry that doing so may affect their working relationship with the company.

To us it is only natural to offer our employees a contemporary working environment, motivating salaries, flexible hours, the option to work remotely, stimulating professional challenges, every opportunity for development and a friendly team that sticks together. We are linked by our shared values. In 2022, we started offering our employees the option of health insurance in addition to sports compensation.

Remuneration report

Coop Pank group applies a single remuneration policy that has been approved by the Supervisory Board of the bank and the effectiveness, adherence to objectives and implementation of the policy is supervised by the Remuneration Committee. In 2025, three Remuneration Committee meetings took place. The remuneration policy applies equally to all employees of the Group.

The compensation structure applicable in the Coop Pank group is comprised of two components:

- basic salary which is fixed pay agreed between the employee and employer within a contract;
- variable pay, which is an additional pay based on the employer's resolution (sales bonus, performance pay, stock option).

Sales bonuses are paid to employees based on achieving monthly or quarterly goals. Performance pay is paid out the following period to employees whose contribution led to the results achieved while adhering to the Group's objectives and values. Performance pay supports efficient risk management and does not encourage taking excessive risks. The amount of pay is determined by the extent of reaching activity goals. The basic salary and performance pay are reasonably balanced.

The following is an overview of the average gross monthly remuneration of employees for the last five years, taking into account the basic salary and monetary performance pay for the previous calendar year. For comparison, the profit before corporate income tax per employee for the respective year is presented.

In euros (rounded down to the hundred)	2021	2022	2023	2024	2025
Average monthly gross remuneration	2,800	3,000	3,400	3,600	3,900
Yearly profit before income tax per employee	47,000	63,300	110,500	83,600	75,900

As at 31.12.2025, a total of 2,731,500 options were granted to employees with a maturity date of three years starting from the moment of the issue.

In April 2022, a three-year share option program was confirmed by the shareholders, which allows the issuing of options to employees every year making up to 1% of the total number of shares of the bank. Based on the new share option program the share options issuing can take place between April 2023 and April 2025 based on the Supervisory Board's decision.

In April 2025, the General Meeting approved a new two-year share option program of the Bank for the period of 2025 – 2026, under which options for up to 1% of the Bank's shares may be issued to employees annually. Under this program, options may be issued in period between April 2025 and April 2026 in accordance the decision of the Supervisory Board.

The purpose of the share options programmes is to align long-term interests and goals of Management Board members and employees treated as such with long-term interests of the bank's shareholders. The common interests are expressed in the professional and balanced management of the Group, which ensures the sustainable development and long-term growth of the Group in accordance with the set goals and strategy. The options are issued based both on the results of the Group and results of the person entitled to participate in the option programme in the relevant year. Options can be reduced or cancelled if the employment

relationship is terminated, the person does not meet the performance criteria, the financial results of the group have significantly deteriorated or the risks of the group are not sufficiently covered by own funds.

The total amount of performance bonuses are decided by the Supervisory Board, which also determines the specific amounts of bonuses for members of the Management Board and the internal audit unit. Bonuses for other employees are decided by the Management Board. The establishment of the option programme and its conditions shall be decided by the general meeting of shareholders. The issuance of specific options is decided by the Supervisory Board on the proposal of the Remuneration Committee.

The ratio between performance pay (including value of options granted) and basic salary of the senior management and senior staff responsible for material business units and for management of specific risk categories in 2025 was:

- senior management – 38%;
- staff managing control functions – 16%.

The performance fees and options assigned to the Management Board are in accordance with the remuneration principles and are based on accomplishment of the general objectives of the Bank as well as on the accomplishment of the personal goals of each member of the Management Board. No exceptions have been made for the members of the Management Board and no extraordinary bonuses have been granted. The right to reclaim cash performance fees has not been exercised, but options have been revoked upon the departure of a member of the Management Board. The following is an overview of the five-year remuneration of the members of the Management Board, in euros.

Arko Kurtmann (since Nov 2020)	2021	2022	2023	2024	2025
Basic salary	96,000	96,610	108,000	136,000	161,205
Performance pay	0	24,000	24,000	30,000	24,000
Value of options granted	33,304	72,044	71,966	58,544	92,714
Total remuneration	129,304	192,654	203,966	224,544	277,919
Share of performance pay	26%	50%	47%	39%	42%
Number of options issued	40,000	46,600	47,900	86,200	83,500

Heikko Mäe (since Feb 2020)	2021	2022	2023	2024	2025
Basic salary	84,000	93,000	116,000	136,000	156,068
Performance pay	17,500	21,000	24,000	30,000	24,000
Value of options granted	58,282	63,077	71,966	58,544	92,714
Total remuneration	159,782	177,077	211,966	224,544	272,782
Share of performance pay	47%	47%	45%	39%	43%
Number of options issued	70,000	40,800	47,900	86,200	83,500

Paavo Truu (since Feb 2022)	2021	2022	2023	2024	2025
Basic salary	0	66,971	114,000	136,000	148,000
Performance pay	0	0	21,000	30,000	24,000
Value of options granted	0	35,094	62,952	58,544	92,714
Total remuneration	0	102,065	197,952	224,544	264,714
Share of performance pay	-	34%	42%	39%	44%
Number of options issued	0	22,700	41,900	86,200	83,500

Karel Parve (since Nov 2023)	2021	2022	2023	2024	2025
Basic salary	0	0	20,000	120,000	140,000
Performance pay	0	0	0	0	20,000
Value of options granted	0	0	0	29,136	77,280
Total remuneration	0	0	20,000	149,136	237,280
Share of performance pay	-	-	0%	20%	41%
Number of options issued	0	0	0	42,900	69,600

Lehar Kütt (since Sep 2025)	2021	2022	2023	2024	2025
Basic salary	0	0	0	0	47,159
Performance pay	0	0	0	0	0
Value of options granted	0	0	0	0	0
Total remuneration	0	0	0	0	47,159
Share of performance pay	-	-	-	-	0%
Number of options issued	0	0	0	0	0

Margus Rink (until May 2025)	2021	2022	2023	2024	2025
Basic salary	126,000	139,500	156,000	184,000	202,341
Performance pay	31,500	31,500	36,000	42,000	32,000
Value of options granted	74,934	94,615	108,024	82,043	123,581
Total remuneration	232,434	265,615	300,024	308,043	357,922
Share of performance pay	46%	47%	48%	40%	43%
Number of options issued	90,000	61,200	71,900	120,800	111,300

Rasmus Heinla (until Oct 2023)	2021	2022	2023	2024	2025
Basic salary	84,000	93,000	96,000	0	0
Performance pay	12,500	21,000	32,000	0	0
Value of options granted	58,282	63,077	0	0	0
Total remuneration	154,782	177,077	128,000	0	0
Share of performance pay	46%	47%	25%	0%	0%
Number of options issued	70,000	40,800	0	0	0

Kerli Lõhmus (until Jan 2022)	2021	2022	2023	2024	2025
Basic salary	84,000	12,348	0	0	0
Performance pay	21,000	21,000	0	0	0
Value of options granted	58,282	0	0	0	0
Total remuneration	163,282	33,348	0	0	0
Share of performance pay	49%	63%	-	-	0
Number of options issued	70,000	0	0	0	0

Hans Pajoma (until Oct 2020)	2021	2022	2023	2024	2025
Basic salary	0	0	0	0	0
Performance pay	13,500	0	0	0	0
Value of options granted	0	0	0	0	0
Total remuneration	13,500	0	0	0	0
Share of performance pay	100%	-	-	-	0
Number of options issued	0	0	0	0	0

Consolidated Financial Statements

Consolidated Statement of Profit or Loss and Other Comprehensive Income

in thousands of euros	Note	2025	2024
Interest income calculated using the effective interest method		115,341	125,338
Other income similar to interest		11,003	13,357
Interest and similar expense		-53,075	-61,125
Net interest and similar income	5	73,269	77,570
Fee and commission income		8,358	7,899
Fee and commission expense		-3,813	-3,541
Net fee and commission income	6	4,545	4,358
Change in fair value of investment properties		0	-750
Net gains from non-financial asset realisation		0	53
Net gains from financial assets measured at fair value through other comprehensive income		251	33
Handling of overdue receivables		637	534
Other income		654	85
Net other income		1,542	-45
Payroll expenses	7	-24,406	-23,411
Operating expenses	8	-10,830	-11,713
Depreciation	13	-6,255	-5,452
Total operating expenses		-41,491	-40,576
Profit before loss allowances and tax		37,865	41,307
Credit loss allowance	11	-3,299	-4,643
Profit before tax		34,566	36,664
Income tax expense	25	-5,842	-4,486
Net profit for the financial year	4	28,724	32,178
Other comprehensive income / loss (-)			
Items that may be reclassified subsequently to profit or loss:			
Financial assets at fair value through other comprehensive income		-402	757
Other comprehensive income/ loss (-)		-402	757
Total comprehensive income for the financial year		28,322	32,935
Basic earnings per share (in euros)	24	0.28	0.31
Diluted earnings per share (in euros)	24	0.27	0.31

Notes to the financial statements on pages 49 to 124 are an integral part of the consolidated financial statements.

Consolidated Statement of Financial Position

in thousands of euros	Note	31.12.2025	31.12.2024 (Restated)
Assets			
Cash and cash equivalents	9	469,732	325,362
Mandatory reserve kept in the Central Bank	9	18,985	18,316
Debt securities at fair value through other comprehensive income	10	58,035	37,751
Debt securities at amortized cost	10	4,988	0
Equity instruments at fair value through other comprehensive income	10	13	13
Loans and advances to customers	11	2,114,091	1,774,118
Derivatives	2	3,681	0
Other financial assets	12	741	1,610
Other assets	12	1,718	2,035
Assets held for sale	12	1,256	1,140
Right-of-use assets	13	4,736	5,107
Tangible assets	13	3,539	3,451
Intangible assets	13	14,722	12,954
Goodwill	3	6,757	6,757
Total assets		2,702,994	2,188,614
Liabilities			
Customer deposits*	15	2,047,459	1,877,865
Loans received*	16	77,061	8,280
Debt securities	17	255,203	0
Lease liabilities	14	4,766	5,153
Other financial liabilities	18	13,230	15,443
Other liabilities	18	7,584	7,088
Subordinated debt	19	63,148	63,148
Total liabilities		2,468,451	1,976,977
Shareholders' equity			
Share capital	20	70,638	70,181
Share premium		28,133	26,711
Statutory reserve capital		8,424	6,815
Retained earnings		125,713	105,807
Other reserves and assets revaluations		1,635	2,123
Total shareholder's equity		234,543	211,637
Total liabilities and shareholders' equity		2,702,994	2,188,614

* In 2025, the Group decided to separately present Loans received, which were previously aggregated within Customer deposits and loans received, due to their increased balance. As of 1 January 2024, Loans received would have been 9,682 thousand euros out of the previously presented Customer deposits and loans received of 1,721,765 thousand euros.

Notes to the financial statements on pages 49 to 124 are an integral part of the consolidated financial statements.

Consolidated Statement of Cash Flows

in thousands of euros	Note	2025	2024 (Restated)
Cash flows from operating activities			
Interest and other similar income received		122,703	138,367
Interest paid		-50,245	-64,341
Fees and commissions received		8,358	7,899
Fees and commissions paid		-3,813	-3,541
Other received income		1,293	706
Salaries paid		-24,829	-22,555
Other operating expenses paid		-10,830	-11,576
Advance Income Tax paid	25	-5,494	-5,809
Total cash flows from operating activities before changes in operating assets and liabilities		37,143	39,150
Change in operating assets:			
Loans and advances to customers		-343,217	-287,578
Change of base level of the reserve kept in the Central Bank	9	-669	-1,218
Other assets		1,071	-1,852
Change in operating liabilities:			
Change in customer deposits*		172,885	169,205
Change in loans received*		68,781	-1,402
Other liabilities		-1,727	929
Net cash flows from operating activities		-65,733	-82,766
Cash flows from investing activities			
Acquisition of tangible and intangible assets	13	-7,359	-6,636
Sale of tangible and intangible asset and assets held for sale		2	634
Acquisition of debt securities	10	-40,010	-2,342
Sale and redemption of debt securities	10	15,210	1,253
Total cash flows used in investing activities		-32,157	-7,091
Cash flows from financing activities			
Paid in share capital	20	842	820
Issue of subordinated debt	19	0	15,000
Redemption of subordinated bonds	19	0	-2,000
Dividends paid	20	-7,209	-8,895
Debt securities	17	249,235	0
Repayment of lease liabilities	14	-606	-961
Total cash flows from financing activities		242,262	3,964
Effect on exchange rate changes on cash and cash equivalents		-2	-1
Change in cash and cash equivalents		144,370	-85,894
Cash and cash equivalents at beginning of the period		325,362	411,256
Cash and cash equivalents at the end of the period		469,732	325,362
Cash and cash equivalents balance is comprised of:			
Cash on hand		4,288	1,766
Demand deposits at the Central Bank	9	443,316	299,380
Demand and short-term deposits in credit institutions and other financial institutions		22,128	24,216

* Change in loans received and Change in customer deposits were presented together in the consolidated statements of cash flows for 2024 in the amount of 167,803 thousand euros.

Notes to the financial statements on pages 49 to 124 are an integral part of the consolidated financial statements.

Consolidated Statement of Changes in Equity

in thousands of euros	Share capital	Share premium	Statutory reserve capital	Other reserves	Revaluation reserve	Retained earnings	Total shareholder's equity
Equity as at 31.12.2023	69,673	25,779	4,855	1,493	-459	84,484	185,825
Paid in share capital	508	932	0	-620	0	0	820
Dividends paid	0	0	0	0	0	-8,895	-8,895
Changes in statutory reserve capital	0	0	1,960	0	0	-1,960	0
Share options *	0	0	0	952	0	0	952
Net profit	0	0	0	0	0	32,178	32,178
Other comprehensive income	0	0	0	0	757	0	757
Total comprehensive income	0	0	0	0	757	32,178	32,935
Equity as at 31.12.2024	70,181	26,711	6,815	1,825	298	105,807	211,637
Paid in share capital	457	1,422	0	-1,037	0	0	842
Dividends paid	0	0	0	0	0	-7,209	-7,209
Changes in statutory reserve capital	0	0	1,609	0	0	-1,609	0
Share options *	0	0	0	951	0	0	951
Net profit	0	0	0	0	0	28,724	28,724
Other comprehensive income	0	0	0	0	-402	0	-402
Total comprehensive income	0	0	0	0	-402	28,724	28,322
Equity as at 31.12.2025	70,638	28,133	8,424	1,739	-104	125,713	234,543

*See Note 20

Notes to the financial statements on pages 49 to 124 are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1 Material accounting policy information

Coop Pank AS (Reg. No. 10237832) is a credit institution registered in Tallinn (Estonia) Maakri street 30. The consolidated annual report (incl. consolidated financial statements) of Coop Pank group for the year 2025, which have been prepared on a going concern basis, was confirmed by the Management Board of Coop Pank on 10 March 2026 and approved by the Supervisory Board on 11 March 2026. The authorised for issue consolidated annual report is subject to approval by the shareholders on 08 April 2026.

Functional and presentation currency

The functional currency of the Coop Pank group companies is euro. 2025 consolidated financial statements have been presented in thousands of euros, unless stated otherwise.

1.1 Basis of preparation

These consolidated financial statements of Coop Pank group are prepared in accordance with International Financial Reporting Standards (IFRS Accounting Standards) as adopted by the European Union. The material accounting policy information and significant accounting estimates and judgements applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. These financial statements have been prepared under the historical cost convention, except as disclosed in some of the accounting policies below (i.e. Debt securities and equity instruments at fair value through other comprehensive income and derivatives at fair value hedge). Financial statements have been prepared according to the accrual principle of accounting. The Group classifies its expenses by nature of the expense method. When the presentation or classification of items in the consolidated financial statements is amended, comparative information for the previous period is also reclassified, if not referred differently in the specific accounting principle.

1.2 Critical accounting estimates and judgements

The preparation of the consolidated financial statements in accordance with the International Financial Reporting Standards as adopted by the EU requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Although these estimates are based on the best knowledge and judgement of current events and actions, the actual outcome and the results ultimately may significantly differ from those estimates. A more detailed overview of the estimates made is provided under the accounting principles or disclosures set out below.

Critical estimates are primarily used in the following areas:

- expected credit loss, incl. fair value assessments of collateral (Note 2; Note 11, 12);
- fair value of financial assets and liabilities (Note 2);
- goodwill impairment (Note 3).

The most significant management judgements are related to the application of the IFRS 9 standard. Management has assessed the business model for classifying different financial assets. The commercial purpose of loans to customers as well as debt securities at amortized cost is the collection of contractual cash

flows, while loans and debt securities under this model may also be sold for credit risk mitigation purposes. Financial investments in debt instruments are made for the purpose of investing liquid assets, which is why the commercial purpose of investing in debt instruments is to collect and sell contractual cash flows as needed. In addition, it has been assessed whether the contractual cash flows only include the principal and interest payments, including interest cash flows for the time value of money, credit risk, liquidity risk and, inter alia, cover administrative costs and profit margin. All recognised financial assets meet these criteria.

Management also estimates the expected inputs of the expected credit loss model for financial assets. Models, estimates, and inputs are reviewed regularly by the Group Risk Management function.

Estimates and judgments of the management are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances. Changes in assumptions may have a significant impact on the financial statements in the period assumptions are changed. Management believes that the underlying assumptions are appropriate, and the Group's financial statements therefore present the financial position and results fairly.

1.3 Consolidation

These consolidated financial statements of the Coop Pank group are comprised as at 31.12.2025. The group's entities use uniform accounting policies. The definition of group according to the Regulation (EU) No 575/2013 of the European Parliament and of the Council matches that under IFRS Accounting Standards. The statements of financial position and statement of profit or loss and other comprehensive income of the bank and its subsidiaries are consolidated on a line-by-line basis, eliminating the intercompany balances, revenues, income, expenses and unrealised gains/losses on transactions between group companies.

Structure of the Group	Country	Activity	Holding
Coop Pank AS	Estonia	banking	parent company
Coop Liising AS	Estonia	leasing	100%
Coop Kindlustusmaakler AS	Estonia	insurance brokerage	100%
SIA Prana Property	Latvia	real estate management	100%

Subsidiaries

Subsidiaries are consolidated in the financial statements from the time control arises until it ceases.

In the parent company's separate financial statements investments in subsidiaries are accounted for at cost less any impairment recognised.

1.4. Foreign currency transactions and assets and liabilities denominated in a foreign currency

All other currencies except for the functional currency, the euro, constitute foreign currencies. Foreign currency transactions have been translated to functional currencies based on the foreign currency exchange official rates of the European Central Bank prevailing on the transaction date. Monetary assets and liabilities denominated in a foreign currency have been translated into the functional currency based on the foreign currency exchange rates of the European Central Bank prevailing on the balance sheet date. Foreign exchange gains and losses are recognised in the statement of profit or loss as income or expense of that period. Non-monetary financial assets and liabilities denominated in a foreign currency measured at fair value have been translated into the functional currency based on the foreign currency exchange rates of the European Central Bank prevailing on the fair value measurement date. Non-monetary assets and liabilities that are not measured at fair value (e.g. prepayments, inventories accounted for using the cost method, tangible assets as well as intangible assets) in

a foreign currency are not translated at the balance sheet date but they continue to be reported using the official exchange rate of the European Central Bank prevailing at the date of the transaction.

1.5. Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss) and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The classification made can be seen in the table below:

Measurement category as defined by IFRS9	Financial assets category as defined by the Group	
Financial assets measured at amortised cost (AC)	Balances with central banks	
	Demand and term deposits at credit institutions and other financial institutions	
	Loans and advances to customers	Receivables from private individuals incl. consumers loans incl. lease financing incl. mortgage loans and other loans
		Receivables from legal entities incl. lease financing incl. other loans
	Debt securities at amortised cost	
	Other financial assets	
Financial assets at fair value through profit or loss (FV)	Derivatives	
	Investments in equity instruments	
Financial assets measured at fair value through other comprehensive income (FVOCI)	Investments in debt securities	
	Investments in equity instruments	

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset (i.e. whether the Group's objective is solely to collect the contractual cash flows from the assets, or to collect both the contractual cash flows and also the cash flows from the sale of assets; or is none of the above described two models) and the cash flow characteristics of the asset (i.e. whether the cash flows represent solely payments of principal and interest ("SPPI"), interest including only consideration for credit risk, time value of money, other basic lending risks and profit margin). Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

The Group's debt instruments have been classified into the following measurement categories:

- Amortised cost (AC): Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interests are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income/(expenses). Impairment losses are presented as separate line items in the statement of profit or loss.

The following financial assets of the Group are classified in this category:

- Cash;
 - Balances with central banks;
 - Demand deposits at credit institutions and other financial institutions;
 - Loans and advances to customers;
 - Investments in debt securities;
 - Other financial assets.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling financial assets where the assets' cash flows represent solely payments of principal and interest are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised under "net gains from financial assets measured at fair value through other comprehensive income". Interest income from these financial assets is included in interest income using the effective interest rate method. Impairment losses are presented as separate line items in the statement of profit or loss.

The following financial assets of the Group are measured FVOCI:

- Investments in debt securities.

Equity instruments

The Group subsequently measures equity investments that are listed at FVPL and equity investments that are not listed at FVOCI.

Derivatives and hedge accounting

The Group applies hedge accounting according to IFRS 9 Financial instruments to fair value hedges of covered bond presented as Issued debt securities. Coop Pank enters into interest rate swaps to hedge interest risk at Debt securities issued.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements according to IFRS 9 p. 6.4.1:

- Economic relationship: There is an expectation that the values of the hedged item and hedging instrument will move in opposite directions in response to the same risk.
- Credit risk impact: The change in value of the hedging relationship is not dominated by the effect of credit risk.
- Hedge ratio: The designated ratio of the hedging relationship is the same as that used for actual risk management purposes.

For the fair value hedge relationship that continues to meet the hedge effectiveness requirements, the following accounting rules are applied:

- The gain or loss from changes in fair value of the hedging instrument is recognized in profit or loss.
- The gain or loss on the on the hedged item attributable to the hedged risk (FVH 'basis adjustment') is recognized in profit or loss and in the Statement of Financial Position as a corresponding adjustment to the carrying amount of the hedged item, within Issued debt securities.
- The net interest accruals on the hedging instrument are recognized in profit or loss, within Interest and similar expense.
- The carrying amount of the hedging instrument is recognized in balance sheet, within Derivative financial assets with a positive fair value (above zero) or within Derivative financial liabilities with a negative fair value (below zero).

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

For trade receivables and contract assets without a significant financing component the Group applies a simplified approach permitted by IFRS 9 and measures the allowance for impairment losses at expected lifetime credit losses from initial recognition of the receivables. The Group uses a provision matrix in which allowance for impairment losses is calculated for trade receivables falling into different ageing or overdue periods.

For all other debt instruments, including finance lease receivables, at amortised cost or FVOCI, the Group follows a three- stage model based on changes in credit quality since initial recognition. A more detailed overview of the three-stage model principles is given in Note 2 "Risk management" in part "Measurement of expected credit loss (ECL)".

Debt instruments measured at AC are presented in the consolidated statement of financial position net of the allowance for ECL. For loan commitments and financial guarantees, a separate provision for ECL is recognised as a liability in the consolidated statement of financial position. For debt instruments at FVOCI, changes in amortised cost, net of allowance for ECL, are recognised in profit or loss and other changes in carrying value are recognised in OCI as gains less losses on debt instruments at FVOCI.

For contracts that include both a loan and an undrawn commitment and where the Group cannot separately distinguish the ECL on the undrawn loan component from the loan component, the ECL on the undrawn

commitment is recognised together with the loss allowance for the loan. To the extent that the combined ECLs exceed the gross carrying amount of the loan, they are recognised as a liability.

In a subsequent period, if the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in the statement of profit or loss under "credit loss allowance".

A more detailed overview of the credit risk management principles is given in Note 2 "Risk management". Interest income is recognised in the statement of profit or loss "Interest income calculated using effective interest rate method".

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, demand deposits due from central banks and other credit institutions and term deposits with original maturities of three months or less that are available for use without any significant restrictions and which are subject to an insignificant risk of changes in value. The cash flow statement is presented using the direct method.

Lease receivables

Finance lease transactions are lease transactions under which all significant risks and rights from using the assets are transferred from the Group to the lessee. Legal ownership of assets is transferred to the customer at the end of the lease term. The receivables from the finance lease agreements are recognised at net present value of the minimum lease payments, from which the payments of principal received have been deducted, plus unguaranteed residual value at the end of contract. Lease payments collected are allocated between repayment of principal and finance income. Finance income is recognised over the rental period based on the pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease. The lessor's direct expenses related to the contract are part of effective interest rate and are booked as decrease of income from lease over the period of lease contract. Lease receivables are presented in the statement of financial position net of the loss allowance. A lease receivable from a client is recognised in the statement of financial position as of the moment of delivering the assets that are the subject of the agreement to the client. In case of transactions in which the assets that are the object of the agreement have a long delivery term have not yet been delivered to the client, the payments received from the lessees under these agreements are recognised in the statement of financial position as prepayments of buyers in line "Other financial liabilities".

Factoring and warehouse financing receivables

Factoring transactions are considered to be financing transactions where the Group provides the financial resources to its selling partners through transfer of the rights to the receivables from these sales transactions. The Group acquires the right for the receivables payable by the buyer subject to the sales contract. Factoring is the transfer of receivables. The transaction is booked as financing (i.e. loan secured by a claim), when the Group does not own all the rights related to the receivable (recourse factoring). The receivable is included in the statement of financial position until payment is received or recourse is expired.

Warehouse receipt financing transactions are financing transactions where the lease firm finances its partners by granting them a loan against pledged stock reserves.

Interest income is recognised in the statement of profit or loss using the effective interest rate method, in line with IFRS.

1.6 Tangible and intangible assets

Land, buildings, IT equipment, office equipment and other assets of long-term use are recognised in the statement of financial position as tangible assets. Intangible assets are identifiable, non-monetary assets without physical substance and as at balance sheet date comprise acquired or internally developed software and licences (Note 13).

Tangible and intangible assets are initially recognised at acquisition cost, consisting of the purchase price, non-refundable taxes and other direct costs related to taking the asset into use. Subsequent expenditures related to an item of tangible assets are recognised as an asset if these are in accordance with the definition of tangible assets and meet the criteria for recognition in the statement of financial position (including if it is probable that future economic benefits associated with the item will flow to the entity). Ongoing repairs and maintenance expenditures are expensed during the reporting period in which they are incurred.

Tangible and intangible assets with finite useful lives are subsequently stated at historical cost less depreciation/amortisation and any impairment losses. Depreciation/amortisation is calculated starting from the date the asset is available to use until the asset is fully depreciated. Assets are depreciated/amortised on a straight-line basis. Depreciation/amortisation calculation is based on the useful life of the assets groups, which serves as the basis for forming the depreciation/amortisation rates.

In the case of tangible assets, the annual depreciation rate for buildings is up to 5%, the depreciation rate for vehicles is up to 15% p.a., for improvements of rental space is up to 20% p.a. or until the end of the lease term, whichever is shorter. The annual depreciation rate for computers, office equipment and furniture are up to 25% p.a.

For intangible assets, the annual depreciation rate for the group's core systems is 15% p.a., for user environments is 20% p.a. and for purchased licenses is up to 33% p.a.

Non-current assets with an unlimited useful life (land) are not depreciated. Depreciation of non-current assets is presented in the statement of profit or loss line item "Depreciation".

Gains or losses from sale of non-current assets is determined by comparison of the sales price with the carrying amount. Gain or loss on sale is recognised in the statement of profit or loss in the line items "Net gains from non-financial assets realisation".

Capitalisation of expenses

Leasehold improvements related to the leased space used by the Group are capitalised as tangible assets and expensed on a straight-line basis in accordance with the duration of the lease agreement.

Development costs

If software development expenses result in additional functionality and if they meet the definition of intangible assets and criteria for inclusion in the statement of financial position (incl. expected participation in the generation of future economic benefits), such expenses are recognised as intangible assets. Expenses related to the use of software are expensed as incurred.

Expenditures incurred on advertising and the launch of new products, services and processes are expensed as incurred. Expenditures associated with internally developed trademarks and other such items are expensed as incurred.

Goodwill

Goodwill is recognised in acquisition value, less accumulated impairment losses. The Group tests the value of goodwill at least once a year or immediately if there is any indication that it might be impaired. Goodwill is distributed among cash-generating units or groups of cash-generating units that benefit from the synergy of the business combination. Profit or loss from the termination or sale of cash-generating units where goodwill is allocated consists of the carrying amount of the goodwill allocated to the unit.

1.7 Assets held for sale

Assets held for sale are measured at the balance sheet date and are carried in the balance sheet at the lower of its carrying amount and fair value less costs to sell.

1.8 Leases – the Group as the lessee

The Group leases office premises. At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

Initial measurement

Right-of-use asset are recorded on a separate line in the statement of financial position.

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the lessee's incremental borrowing rate. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

For a contract that contains a lease component and one or more additional non-lease components, as a practical expedient, the Group has elected not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

Subsequent measurement

After the commencement date, the Group measures the right-of-use asset applying a cost model.

After the commencement date, a lessee shall measure the lease liability by:

- a) increasing the carrying amount to reflect interest on the lease liability;
- b) reducing the carrying amount to reflect the lease payments made; and
- c) remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

If there are changes in lease payments, there may be a need to remeasure the lease liability. The Group shall recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, a lessee shall recognise any remaining amount of the remeasurement in profit or loss on the line "Depreciation".

The Group has elected not to apply the requirements of IFRS 16 to short-term leases and leases for which the underlying asset is of low value. Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise of IT equipment and leases, whose market value does not exceed the amount of 5,000 euros.

1.9 Received financial guarantee and credit protection (Synthetic Securitisation)

The Group enters into synthetic securitisation transaction to transfer the credit risk of a specific loan and lease portfolio to the European Investment Fund (EIF). The Group's management has assessed that the primary objective of the transaction is the optimisation of regulatory capital.

As at 31.12.2025, the transaction had not yet become effective and had no impact on the financial results during the reporting period, but the transaction is expected to become effective in 2026, at which point the Bank will begin amortising the associated guarantee fees. In accordance with the terms of the transaction the guaranteed loan portfolio amounts to EUR 200 million. Of this amount, the Bank retains junior tranche of credit risk of approximately EUR 3 million, while credit risk of approximately EUR 197 million is transferred to the EIB Group. Upon the transaction becoming effective, the Bank's risk weighted assets are expected to decrease by approximately EUR 147 million, as the risk weight applicable to the guaranteed exposures will be 0%. The quantitative impacts disclosed above are based on information available at the reporting date and may change upon finalisation of the transaction.

Guarantee fees paid for credit protection are not a part of the effective interest rate (EIR) of the underlying loans, as the transaction is entered into for capital management purposes only. Prepaid guarantee fees will be recognised under "Other Assets" as prepayments. The prepaid asset will be amortised on a straight-line basis to the profit or loss over the shorter of the protection period or the expected life of the protected portfolio. This expense will be recognised in the Statement of Profit or Loss and Other Comprehensive Income under "Net fee and commission income".

The asset will be tested for impairment in accordance with IAS 36 "Impairment of Assets" to ensure that the economic benefits still justify its carrying amount.

Reimbursements from the EIF for realised credit losses will be recognised only when it is virtually certain that the compensation will be received. These reimbursements will be presented in the Statement of Profit or Loss and Other Comprehensive Income as a reduction of the "Credit loss allowance".

1.10 Financial liabilities

The classification made can be seen in the table below:

Category by IFRS9		Category as determined by the Group	
Financial liabilities	Financial liabilities measured at amortised cost	Client deposits and loans received	Private individuals
			Legal entities
			Credit institutions and central banks
		Debt securities	
		Subordinated debt	
		Other financial liabilities	
Contingent liabilities	Loan commitments		
	Financial guarantees		

Deposits from customers

Deposits are recognised in the statement of financial position on their settlement date at fair value net of transaction costs and subsequently measured at amortised cost using the effective interest rate method and presented on the line item "Customer deposits and loans received", accrued interest is included in corresponding liabilities line items. Interest expense is recorded in the statement of profit or loss on the line "Interest and similar expense".

Loans received

Loans received are recognised initially at fair value net of transaction costs (the proceeds received, net of transaction costs incurred). Borrowings are subsequently stated at amortised cost using the effective interest rate method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit or loss over the period of the instrument using the effective interest rate. The effective interest rate is the rate that exactly discounts the expected stream of future cash payments through maturity. The amortisation of the transaction costs is presented in the statement of profit or loss together with the interest expense. The respective interest expense is recorded in the statement of profit or loss on the line "Interest and similar expense".

Loan commitments

The Group issues commitments to provide loans. These commitments are irrevocable or revocable only in response to a material adverse change. Such commitments are initially recognised at their fair value, which is normally evidenced by the amount of fees received. This amount is amortised on a straight line basis over the life of the commitment, except for commitments to originate loans if it is probable that the Group will enter into a specific lending arrangement and does not expect to sell the resulting loan shortly after origination; such loan commitment fees are deferred and included in the carrying value of the loan on initial recognition. At the end of each reporting period, the commitments are measured at the higher of (i) the remaining unamortised balance of the amount at initial recognition, or (ii) the amount of the loss allowance determined based on the expected credit loss model.

1.11 Financial guarantee contracts

Financial guarantees are given to banks, financial institutions, companies and other bodies on behalf of customers to secure loans, other banking facilities and liabilities to other parties.

Financial guarantees are initially recognised in the financial statements at fair value (contract value) on the date the guarantee was given. In the statement of profit or loss the fee income earned on a guarantee is recognised on a straight-line basis over the life of the guarantee. In cases where the fees are charged periodically in respect of an outstanding guarantee, they are recognised as revenue on a time proportion basis over the respective guarantee period. At the end of each reporting period, the guarantees are measured at the higher of (i) the remaining unamortised balance of the amount at initial recognition, or (ii) the amount of the loss allowance determined based on the expected credit loss model. The amounts disbursed to settle the guarantee obligation are recognised in the consolidated statement of financial position on the date it is disbursed.

1.12 Payables to employees

Payables to employees include unpaid salary accruals, accruals for bonuses together with social security and unemployment insurance tax and a vacation pay accrual calculated in accordance with employment contracts and the laws of the Republic of Estonia in force as at the balance sheet date. The liability related to the payment of a vacation pay accrual together with social security and unemployment insurance premiums is included within current liabilities in the balance sheet and as payroll expenses in the consolidated statement of profit or loss. Social tax includes payments to the state pension fund.

The Group has no existing legal or constructive obligations to make pension payments or similar payments supplementary to social tax.

1.13 Share-based payments

The Group has established a share-based option programme, under which the Group issues options to employees to buy shares of Coop Pank AS in return for their services. The fair value of options issued is recognised as an expense over the term of the option programme as an increase in the Group's payroll expenses and an increase in equity (other reserves). The total cost is determined by the fair value of the options at the time they are issued. The fair value of the options is determined taking into account the market conditions affecting the option price, including the share price of Coop Pank AS. At the end of each reporting period, the Group estimates how many options are likely to become exercisable. Changes compared to initial estimates are recognised in the statement of profit or loss and with a correspondent adjustment to equity. When the options are exercised, Coop Pank AS issues new shares. According to the terms and conditions of the share options, there are no social tax expenses when exercising options after 3 years.

1.14 Revenue and expense recognition

Interest income and expense is recognised in the consolidated statement of profit or loss for all interest-earning financial assets and interest-bearing financial liabilities carried at amortised cost (AC) and debt financial assets at fair value through other comprehensive income (FVOCI) using the effective interest rate method.

When calculating the effective interest rate, the Group estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all significant fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for

- (i) financial assets that have become credit impaired (Stage 3), for which interest income is calculated by applying the effective interest rate to their amortised cost, net of the expected credit loss provision, and

- (ii) financial assets that are purchased or originated credit impaired, for which the original credit adjusted effective interest rate is applied to the amortised cost.

If the credit risk on the financial asset classified in Stage 3 subsequently improves so that the asset is no longer credit-impaired and the improvement can be related objectively to an event occurring after the asset had been determined as credit-impaired (i.e. the asset becomes cured), the asset is reclassified from stage 3 and the interest revenue is calculated by applying the effective interest rate to the gross carrying amount. The additional interest income, which was previously not recognised in profit and loss due to the asset being in stage 3 but is now expected to be received following the asset's curing, is recognised as a reversal of impairment.

Other similar income to interest income also includes income on interest bearing financial instruments classified at fair value through profit or loss.

Fee and commission income

The recognition of revenue from contracts with customers is reported as fee and commission income. This does not apply for revenue from leasing contracts or financial instruments and other contractual obligations within the scope of IFRS 9 Financial Instruments. Credit issuance fees for loans/leases are deferred and recognised as an adjustment to the effective interest rate on the credit.

Fee and commission income are recognised when incurred. Such income includes recurring fees for account servicing. Variable fees are recognised only to the extent that management determines that it is highly probable that a significant reversal will not occur.

Other fee and commission income is recognised at a point in time when the Group satisfies its performance obligation, usually upon execution of the underlying transaction. The amount of fee or commission received or receivable represents the transaction price for the services identified as distinct performance obligations. Such income includes fees for arranging a sale or purchase of foreign currencies on behalf of a customer, fees for processing payment transactions, fees for cash settlements, collection or cash disbursements,

Revenue from sale of assets

Revenue from sale of assets, except for tangible assets, is recognised at transaction price. Transaction price is the total consideration that the Group is entitled to receive for the transfer of promised goods or services to customer less amounts collected on behalf of third parties. The Group recognises revenue from sale of goods when the control over the goods or services is transferred to the customer.

Dividend income

Dividends are recognised in the statement of profit or loss when the entity's right to receive payment is established.

1.15 Statutory reserve capital

The Group forms the statutory reserve capital from annual net profit allocations to comply with the requirements of the Commercial Code. In each financial year the Group transfers at least one-twentieth of the net profit to the statutory reserve, until the reserve reaches one-tenth of share capital.

Note 2 Risk management

Principles of risk management

The Group defines risk as possible negative deviation from the expected result. Risk management is a process aimed at efficiency, sustainability and profitability of operations that would meet the expectations of shareholders identified in the strategy. As risks are associated with all business activities on all levels of activity, risk management involves all the Group's employees through the internal control system. The tasks of risk management are the identification and measurement of business-related risks, implementation of measures necessary for controlling risks and reporting on risk management performance.

In essence, the Group measures risks by:

- i) quantifying or assessing the potential magnitude of the risk through a change in the financial volume; or
- ii) qualitatively taking into account the operational control environment based on expert judgment of the magnitude of the risk and the likelihood of its occurrence.

We have implemented risk appetite and tolerance metrics that help us identify trends in risk movement and prepare for actions required for better control or mitigation. Depending on the risk category, either monthly or quarterly reports are prepared. The quarterly risk report is a summary report that reaches top management level.

Structure and responsibility of risk management

The Group's risk management system is centralised at management level - policies and principles of risk management are established at Group level by the Bank's Supervisory Board or Management Board to ensure implementation of common risk management principles in AS Coop Pank and its subsidiaries as well as rapid and effective response to changes in the economic environment or in the Group's business model. Risk management procedures must comply with existing legislative regulations and standards.

The Bank's Management Board is responsible for the implementation of risk management, control and risk management policies and methods and the effectiveness of risk management. In organising risk management, the Management Board may in limited degree delegate risk taking, control and monitoring to collegial decision-making bodies with limited decision-making competence set up by the Management Board.

The Bank's Management Board has set up the following committees and commissions with limited decision-making competence:

The tasks, composition and activities of the **Asset/Liability Management Committee** are defined by its rules. The committee's task is to monitor, control, analyse and evaluate risks, make decisions and implement them in the following areas of responsibility:

- assessment and management of the Bank's and Group's liquidity risk and short- and long-term liquidity position;
- monitoring of the maturity structure of the Bank's assets and liabilities;
- planning of the balance of interest income and expenses and management of interest rate risk;
- introducing limits on term and volume measures related to counterparties;
- debt securities portfolio management.

The Credit Committee is the Bank's highest body for making credit decisions, a workgroup responsible for risk management formed in accordance with the Credit Institutions Act and the Bank's statutes for ensuring that the Bank's credit policy is implemented through the adoption of credit decisions and compliance assessment of collateral.

The Credit Commission performs the functions of the Credit Committee in adopting decisions on lower-risk credit.

The Account Establishment Committee manages and controls the establishment of customer relationships and monitoring and, if necessary, termination of customer relationships through its decisions with clients with a higher risk of money laundering and terrorist financing prevention.

For effective implementation of risk management, the Group uses a 3-level control system in accordance with the principles of an internal control system approved by the Supervisory Board.

Structural units with direct risk control functions:

First line of defence

The first level constitutes sales and support divisions and subsidiaries. The first line of defence is to ensure that risks related to the activities, products, and processes in its area of responsibility are identified, assessed and that measures necessary for controlling risks are implemented.

Second line of defence

The role of the second line of defence is performed by risk managers and analysts in the Risk Management Department and Credit Risk Department.

The main functions of the second line of defence are:

- a group-wide view of regular identification, assessment and monitoring of risks;
- stress testing for liquidity, credit and market risks and drawing up relevant risk reports;
- the notification of the Management and Supervisory Board of risks;
- development of risk management methodology, first line of defence counselling in risk management;
- conducting training in the field of risk management;
- control and monitoring of compliance with internal rules and legislation;
- conducting scheduled and emergency internal controls within the organisation.

Third line of defence

Internal Audit Unit

The Internal Audit Unit audits the compliance of the Group's activities with legislation and instructions, the operation and efficiency of the business processes and internal control system, the compliance of the Bank's structural units with the decisions taken by the Bank's competent body, as well as compliance with the established rules, limits and other internal regulations. The activities of the Internal Audit Unit are aimed at protecting the interests of the Bank's shareholders, depositors and other creditors.

Capital management

The Group uses risk-based capital planning which ensures that all risks are adequately covered by own funds at any given time. Eligible capital is defined as the Group's own funds which consist of Tier 1 and Tier 2 capital. An overview of the regulatory capital is provided in the following table:

Capital base	31.12.2025	31.12.2024
Tier 1 capital		
Paid-in share capital and share premium	98,771	96,892
Statutory reserve capital	8,424	6,815
Retained earnings excl. profit for the reporting period	96,989	73,629
The accepted profit of the reporting period*	16,449	19,545
Other accumulated comprehensive income/expense**	-104	298
Goodwill as intangible asset (-)	-6,757	-6,757
Intangible assets (-)	-9,212	-12,954
Adjustment of value arising from requirements of reliable measurement (-)	-55	-38
Other deductions from Tier 1 Capital (-)	-1,081	-1,820
Common Equity Tier 1 (CET1)	203,424	175,610
Additional Tier 1 capital	28,148	28,148
Total Tier 1 capital	231,572	203,758
Subordinated debt	35,000	35,000
Tier 2 capital	35,000	35,000
Eligible capital for capital adequacy calculation	266,572	238,758

* Includes profit for the nine-month period ending on 30 September, which is included as approved by the Financial Supervisory Authority.

** Includes revaluation reserve of financial assets at fair value through other comprehensive income.

Capital planning is conducted on the basis of financial position and profit and loss forecasts that take into account the Group's strategy, future expectations, risk profile and risk appetite. Capital planning is the responsibility of the Bank's Management Board.

The internal capital adequacy assessment (ICAAP) is an ongoing process which aims to assess the Group's risk profile and the corresponding need for capital. ICAAP is the basis for regular capital planning in the Group.

The planning and forecasting of capital requirements take place on the basis of calculating regulatory capital adequacy that takes into account capital requirements and guidance arising from ICAAP and supervisory assessment of the Financial Supervisory Authority (SREP).

The Group's risk profile is assessed in particular by the following risks: credit risk, concentration risk, liquidity risk, market risk, including pricerisk exposure from the portfolio of financial investments, the Bank's portfolio of interest rate risk, operational risk, strategic risk, reputation risk.

The recommended minimum capital adequacy level is the minimum required capital adequacy level determined in the SREP assessment plus the need-based reserve required for increasing business volumes, implementing strategy plans and ensuring a stable financial position in accordance with the Group's current operating strategy and balance sheet forecasts.

The financial position and profit and loss forecasts are reviewed regularly and approved by the Bank's Management Board. It also takes into account the possible impact of strategic and reputation risk to the Group's business success, and determines the necessary equity buffer to ensure the desired internal capital adequacy level if alternative and risk scenarios materialise. Overview of the development of capital adequacy including the capital requirements arising from the SREP assessment are presented to the Bank's Management Board and the Supervisory Board on a quarterly basis.

As at 31.12.2025 and also as at 31.12.2024, the Group was in compliance with all regulatory capital requirements.

Credit risk management

Credit risk is the risk of suffering financial loss, should any of the Group's customers or counterparties fail to fulfil their contractual obligations to the Group.

The Group follows the standard method of calculating credit risk capital requirements. In calculating capital requirements, the Group uses ratings of accepted rating agencies according to the procedure established by the Financial Supervisory Authority.

Credit risk management is based on the Group's credit policy. The main objectives of credit policy are to sustainably achieve the rate of return on the Group's assets from credit activities required by shareholders, adhering to the prudence and risk diversification principles and taking moderate risks that can be evaluated and managed.

Credit risk arises from the following financial instruments:

- Cash, cash balances at central banks and other deposits, Note 9);
- Debt securities (Note 10);
- Loans and advances to customers (Note 11);
- Derivatives (Note 2);
- Other financial assets (Note 12).

The cash placements to credit institutions and financial investments into debt securities are done within the counterparty transaction limits imposed by the Assets and Liabilities Committee (ALCO). When assessing the counterparty creditworthiness and credit limit, the counterparty's domicile, financial position, management, legal status and market position are taken into consideration. Additionally, for investments into debt securities the liquidity and rating are assessed.

Credit risk measurement

The Group uses internal credit risk gradings that reflect its assessment of the probability of default of the individual counterparties.

The Group evaluates corporate customers' creditworthiness using a rating model that considers both their financial and economic status as well as their payment history, categorising them into 12 different risk classes. Statistical scoring models, first implemented in 2025 for retail customers, are used to assess the probability of default (PD) for individual loan agreements. The transition to the new models from the previously used rating models did not materially affect the size of impairments (the total impairment for retail customers decreased by an estimated 3%). Separate models are used to determine the loss-given-default (LGD) resulting from default.

The Group's credit exposures are classified and grouped once per month. Credit risk classes for credit exposures apply to private and corporate customers. Depending on the borrower's payment discipline, financial-economic condition and other factors increasing credit risk, the risk classes are as follows:

Risk class	PD	Comparable S&P rating	Description
1	<0,2%	A... AAA	The obligor's capacity to meet its financial commitment on the obligation is very strong
2	>0,2% - 0,5%	BBB	The obligor's capacity to meet its financial commitment on the obligation is adequate. Adverse economic conditions or changing circumstances are likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation
3	>0,5% - 1,0%	BB+	The obligor's capacity to meet its financial commitment on the obligation is adequate in the short-term perspective. Adverse business, financial, or economic conditions could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.
4	>1,0% - 1,5%	BB	
5	>1,5% - 2,5%	BB-	
6	>2,5% - 5,0%	B+	The obligor's capacity to meet its financial commitment on the obligation is adequate in the short-term perspective. Adverse business, financial, or economic conditions will likely impair the obligor's capacity to meet its financial commitment on the obligation.
7	>5,0% - 7,5%	B	
8	>7,5% - 10,0%	B-	
9	>10,0% - 20,0%	CCC	The obligor's capacity to meet its financial commitment on the obligation is questionable and is dependent upon favourable business, financial, or economic conditions for the obligor to meet its financial commitment on the obligation. Probable payment delays.
10	>20,0% - 60,0%	CC	The obligor's capacity to meet its financial commitment on the obligation is probably insufficient. Payment delays.
11	>60,0% - 99,99%	C	The obligor's capacity to meet its financial commitment on the obligation is insufficient. Payment delays.
12	100,0%	D	The obligor is in default.

In 2025 uncertainty in the economy continued. There are several factors influencing the macroeconomic situation starting from, the ongoing war in Ukraine, U.S. trade and foreign policy developments, and the economic challenges faced by key trading partners such as Finland and Germany etc. Despite falling inflation levels and EURIBOR rates and a low unemployment, the confidence level of consumers has not improved. Nevertheless, the effects on the credit portfolio are not noticeable, the overdue debt level is continuously very

low, there is very limited demand for payment holidays and the collateral values have not been affected yet. The Group follows closely the changes in overall market conditions and has adapted its general credit risk evaluation, processes and models according to the changed economic environment and outlook. Clients whose activities could pose an environmental risk are checked on a case-by-case basis to ensure that their activities are in line with all valid norms of environmental protection.

Measurement of expected credit loss (ECL)

The impairment requirements are based on a three-stage expected credit loss (ECL) model, which considers changes in credit quality since initial recognition. The Group uses internally developed models which take into account external macroeconomic indicators.

In accordance with IFRS 9 the financial instruments are classified into three stages based on the number of days of past due, the financial position of the legal entity and other changes in the quality of the receivable, either as a performing receivable (stage 1), an under-performing receivable (significant increase in credit risk, stage 2) or a non-performing receivable (default, stage 3). The allowance rate for Stage 1 receivables is based on the 12-month expected credit loss. The allowance rate for Stage 2 and Stage 3 receivables is determined on the basis of lifetime expected credit losses; the latter assumes default of the financial instruments.

Expected credit loss is calculated based on probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted to present day. For assessment of loan losses, the expected collections from the loan and interest payments over the coming periods are considered, as well as expected collections and anticipated proceeds from the realisation of collateral, sale of the loan or future payments arising from the solvency, discounted at the financial asset's original effective interest rate or the interest rate set out in EBA guidelines, which together form a recoverable amount of the loan.

Explanation of inputs, assumptions and modelling techniques

PD models

For corporate customers, PD is determined using a rating model based on historical portfolio behaviour and internal expert judgment. Inputs include an assessment of the customer's financial-economic condition and payment behaviour. The assessment of the financial-economic condition evaluates various financial ratios and provides a final rating on a 10-point scale. The rating model assigns customers to 12 risk classes, each with associated 12-month and lifetime PDs, used depending on the loan stage.

For retail customers, the initial 12-month probability of default is estimated based on applicant and application characteristics. A logistic regression formula is used for the calculation, incorporating both the main effects and interactions of the key variables. The model was derived using a machine-learning method based on historical data, optimizing the model's AIC (Akaike Information Criterion) value. The 12-month model includes a macroeconomic adjustment. To achieve the highest possible accuracy, different models use different features that are important for the specific loan type. Separate models cover among others consumer loans, mortgages and leases.

The initial PD is adjusted monthly using a behavioural PD model. The probability that a properly serviced loan will default decreases over time, therefore, the probability of default is adjusted downward using a function specific to the loan type. For loans with significantly increased credit-risk (Stage 2) lifetime behavioural PD model is used and Stage 3 loans are assigned PD of 100%.

Coefficients for lifetime PD models are estimated from historical data according to remaining loan maturity.

LGD models

LGD models are based on actual historical loss data from the Group. The debt amounts of defaulted agreements and post-default recoveries from customers and collateral sales have been used. Results are discounted to defaulting time and aggregated by product group. To compensate for data limitations and possible inaccuracies, conservatism margins are added to LGD estimates.

Forward-looking information incorporated in ECL model

Forward-looking information is included in ECL measurement by estimating the expected impact of changes in macroeconomic indicators on the share of defaulted consumer, mortgage and corporate loans within the loan portfolio.

Time-series models are used; macroeconomic variables are included with appropriate lags. A separate model is found for each loan type. Forecasting takes place with the corresponding final model and is forecasted step by step for one month.

Of the macroeconomic indicators, the Group uses a mix of indicators which, according to performed analysis, proved to be statistically relevant for different product groups:

Consumer loans – previous consumer loan debt ratios, unemployment rate 17 months ago, consumer price index 13 months ago, EUR/USD exchange rate 21 months ago;

Mortgage loans – previous mortgage loan debt ratios, GDP 5 months and 6 months ago, consumer price index 7 months ago;

Corporate loans – previous corporate loan debt ratios, GDP 18 months ago, Brent oil price as per the same month.

The regression analysis was made between Estonia's overdue loans and macro indicators. Forecasts of macro indicators are based on the latest available analysis of the Bank of Estonia on macroeconomic trends. The weighted impact on the probability of default is calculated using a weighting of 60% for the baseline scenario, 10% for a positive scenario and 30% for a negative scenario for all product groups, where expert opinions have been used to determine the weights. Compared to 2024, the weights remained unchanged.

Individual and collective assessment, grouping

Loans are individually assessed where the total risk of the client (on-balance plus off-balance amount) exceeds 500 thousand euros and has been assigned to loan stage 3. Loans to watchlist clients exceeding 500 thousand euros are also individually assessed.

Credit receivables are assessed on a collective or individual basis, based on the classification and grouping results. The purpose of grouping receivables is to collect receivables with similar credit risk to assess them on a collective basis, considering the type of loan, loan collateral and credit rating. The prerequisite for grouping is the availability of sufficient and statistically reliable information. The calculation of the characteristics and allowance rates of groups of receivables is based on the analysis of the statistical behaviour of the loan portfolio, changes in the actual loss events and the general economic situation, macroeconomic forecasts and the impact of the respective macro indicators on the solvency of the customers and collateral values.

Frequency of receivable assessments:

- collective assessment is performed on a monthly basis;
- individual assessment is performed quarterly and the results are approved by the Bank's Credit Committee.

Significant increase in credit risk

The Group considers a financial instrument to have a significant increase in credit risk where one or more of the following criteria have been met:

- the customer's contractual payments have been past due over 30 days at least once in the past three months or repeatedly in past year;
- one of the customer's receivables is restructured due to payment difficulties or has been repeatedly restructured due to payment difficulties;
- corporate borrower has significant payment defaults to other creditors;
- in the case of claims secured by real estate of a private customer, the loan amount exceeds the value of the collateral;
- the customer is on the watchlist.

All receivables from the same corporate borrower are valued in the same category as the lowest risk category and loan stage. In determining past due obligations in risk classification the Group uses materiality thresholds set by capital regulation No 575/2013.

Signs that indicate the potential need to include customers to the watchlist are:

- negative macroeconomic events that affect the customer or the industry etc.;
- adverse changes in the financial condition of the customer that can significantly affect their ability to service the debt;
- some of the claims of the customer are restructured;
- customer's weakened payment behaviour and >30 overdues;
- customer is in breach with financial covenants in the extent that indicates the limited possibilities to correctly service the debt;
- adverse changes in collateral values and position;
- legal actions and measures that can result in a significant impact on the customer's financial condition;
- remarks brought out by the external auditors;
- other factors that indicate potentially increased credit risk.

Definition of default and credit-impaired assets

The Group defines financial assets as default, which is fully aligned with the definition of credit-impaired, based on the following qualitative or quantitative criteria:

Quantitative criteria:

- at least one of the loans issued to the customer is more than 90 days past due on its contractual payments (principal or interest) or has been repeatedly more than 90 days past due on its contractual payments and overdue debt exceeds materiality threshold; or
- customer's receivables have been more than three times restructured due to payment difficulties.

Qualitative criteria:

- significant deterioration in the company's financial position to the extent that the customer is unable to service and repay the loan;
- infringement of financial or other covenants to an extent that materially affects the customer's solvency and ability to repay the loans;
- unintentional use of the funding received compared to what was agreed in the loan agreement to an extent that substantially affects the customer's solvency and ability to repay the loans;
- the client has filed (or filed against) a bankruptcy petition or a similar application for legal protection (e.g. reorganisation);

- the client's cash flow/income is insufficient to fully meet their obligations and the client's collateral has been settled in enforcement or bankruptcy proceedings;
- the net present value of receivable has been reduced more than 1% of the receivable amount in the course of restructuring due to payment difficulties and the characteristics of the restructuring due to payment difficulties remain;
- credit exposure has been restructured multiple times and it is probable that the customer is not able to service and repay the loans according to agreed terms;
- a private customer has died, and the receivable has not been re-written to a new borrower (such as an heir);
- the customer has committed fraud.

If the loan that is restructured due to payment difficulties has been properly serviced for at least 12 months and none of the above criteria is present (default criteria or signs of significant increase in credit risk), the loan can be classified as performing receivable.

Sensitivity analysis

When conducting sensitivity analysis, the Group uses changes in macro indicators which, according to performed analyses, proved to be statistically relevant and have more effect on the changes in probability of customers default and thereby allowances. Actual levels of macro indicators published by Bank of Estonia, Statistics Estonia and Land Board and forecasts made by the Ministry of Finance, Bank of Estonia and the Group were used in the analysis. A sensitivity analysis shows impact on the Group's ECL if different macro indicator values are used in ECL calculations.

During analysis in addition to the main forecast, which is called base scenario, a confidence interval was also calculated, which is used as the positive and the negative scenario. The weighted impact on probability of default is calculated using weighting of 60% for a base scenario, 10% for a positive scenario and 30% for a negative scenario for all the loan categories. The weights were not changed in 2025.

The table below shows the impact of changes in the base scenario weights on the Group's loan portfolio as at 31.12.2025.

Change in the weights of the scenario (base-positive-negative)	Impact on ECL in thousands of euros
60%-0%-40%	36
60%-20%-20%	57

As at 31.12.2024, the impact of changes in the base scenario weights were the following:

Change in the weights of the scenario (base-positive-negative)	Impact on ECL in thousands of euros
60%-0%-40%	390
60%-20%-20%	-352

This table shows the Group's ECL change as of 31.12.2025, if the following changes had occurred in macroeconomic indicators relative to the base scenario. The model used in the Group has significantly improved compared to the previous version. In 2025, a time-series model was introduced, where the dependent variable itself is an important input and the structure of input data has also changed. As a result, the estimated impact of macroeconomic indicators differs from that of the previous model.

in thousands of euros	Impact of increase	Impact of decrease
Unemployment rate +/-1%	56	-76
Consumer price index +/- 2%	135	-109
Brent oil price +/- 10%	108	-125
GDP growth change +/-2%	-39	3

This table shows the Group's ECL change as of 31.12.2024, if the following changes had occurred in macroeconomic indicators relative to the base scenario:

in thousands of euros	Impact of increase	Impact of decrease
Average wages and salaries +/-5%	-33	13
Unemployment rate +/-1%	693	-542
Business loan interest margin +/-0.5%	0	-33
Mortgage loan interest margin +/-0.5%	112	-137
6 months EURIBOR +/-0.5%	575	-474
Real estate price index +/-2%	-33	13
Employment rate +/-1%	-33	13
GDP growth change +/-2%	-350	558

Maximum exposure to credit risk

The derivatives maximum exposure to credit risk, without taking collateral into account, corresponds to its carrying amount and is 3,681 thousand euros as at 31 December 2025. The Company has entered into a derivative contract with a counterparty that is subject to a cash collateral exchange agreement (Credit Support Annex). Under this agreement, the Company has received from the counterparty a cash deposit provided as collateral in the amount of 3,540 thousand euros. The collateral is enforceable or eligible for set off in the event of counterparty default. In the Company's assessment, the cash deposit of 3,540 thousand euros received from the counterparty significantly reduces the actual credit risk, as the collateral is fully enforceable or available for set off before any potential losses arise. Accordingly, while the maximum exposure to credit risk remains equal to the carrying amount of 3,681 thousand euros, the existence of the collateral materially reduces the Company's net exposure which is in the amount of 141 thousand euros.

The Group's maximum exposure to credit risk from financial instruments subjected to impairment:

31.12.2025	Stage 1	Stage 2	Stage 3	Total
Cash balances at central banks and other deposits	484,429	0	0	484,429
Debt securities at fair value through other comprehensive income	58,035	0	0	58,035
Debt securities at amortized cost	4,988	0	0	4,988
Loans to private individuals	1,023,188	32,238	6,360	1,061,786
Consumer loans	95,447	5,722	2,010	103,179
Finance lease receivables	93,677	1,536	216	95,429
Mortgage and other private loans	834,064	24,980	4,134	863,178
Loans to legal entities	1,042,230	21,837	7,659	1,071,726
Finance lease receivables	82,276	2,981	454	85,711
Investment loan, overdraft facility and other business loans	959,954	18,856	7,205	986,015
Total loans	2,065,418	54,075	14,019	2,133,512
Loss allowance	-10,854	-3,197	-5,370	-19,421
Total of net loans	2,054,564	50,878	8,649	2,114,091
Other financial assets	741	0	0	741
Total net on-balance sheet exposures	2,602,757	50,878	8,649	2,662,284
Exposures related to off-balance sheet items				
Financial guarantees	29,245	294	0	29,539
Unused credit limits	39,975	256	40	40,271
Unused overdrafts	172,240	326	4	172,570
Total off-balance sheet exposures	241,460	876	44	242,380
Loss allowance	-811	-13	-4	-828
Total net off-balance sheet exposures	240,649	863	40	241,552

31.12.2024	Stage 1	Stage 2	Stage 3	Total
Cash balances at central banks and other deposits	341,912	0	0	341,912
Debt securities at fair value through other comprehensive income	37,351	0	0	37,351
Loans to private individuals	897,353	28,409	6,138	931,900
Consumer loans	101,672	4,313	2,161	108,146
Finance lease receivables	94,222	1,542	139	95,903
Mortgage and other private loans	701,459	22,554	3,838	727,851
Loans to legal entities	828,200	23,885	8,684	860,769
Finance lease receivables	94,987	3,069	767	98,823
Investment loan, overdraft facility and other business loans	733,213	20,816	7,917	761,946
Total loans	1,725,553	52,294	14,822	1,792,669
Loss allowance	-9,570	-3,951	-5,030	-18,551
Total of net loans	1,715,983	48,343	9,792	1,774,118
Other financial assets	1,610	0	0	1,610
Total net on-balance sheet exposures	2,096,856	48,343	9,792	2,154,991
Exposures related to off-balance sheet items				
Financial guarantees	18,379	101	18	18,498
Unused credit limits	39,899	490	24	40,413
Unused overdrafts	91,748	922	7	92,677
Total off-balance sheet exposures	150,026	1,513	49	151,588
Loss allowance	-444	-34	-5	-483
Total net off-balance sheet exposures	149,582	1,479	44	151,105

As of 31.12.2024 Coop stores client card for private customers was classified under consumer loans in the amount of 10,211 thousand euros, starting from 2025 this is classified under mortgage loans and other private loans to ensure a more consistent approach to product management and more accurate allocation of costs and revenues. The comparatives have not been reclassified due to the lack of readily available historical data and the impracticability of obtaining it.

As of 31.12.2024, warehouse financing for leasing business customers was classified under lease financing in the amount of 16,600 thousand euros, starting from 2025 this is classified under other business loans to ensure consistent product management in alignment with a unified business strategy, while also enabling improved oversight of risk positions. The comparatives have not been reclassified due to the lack of readily available historical data and the impracticability of obtaining it.

These changes are described as „Reclassification in operating segment“ in the following tables, where relevant.

Receivables from credit institutions and financial investments in securities, breakdown by credit quality:

31.12.2025	AA- and higher	A- to A+	BBB- to BBB+	BB- to BB+	B- to B+	CCC-D	Total
Risk class	1	1	2	3 to 5	6 to 8	9 to 12	
Base level of the mandatory reserve kept in the Central Bank	18,985	0	0	0	0	0	18,985
Demand deposits at the Central Bank	443,316	0	0	0	0	0	443,316
Receivables from credit institutions and other financial institutions*	990	21,138	0	0	0	0	22,128
Debt securities at fair value through other comprehensive income	0	48,647	5,752	3,636	0	0	58,035
Debt securities at amortized cost	0	0	0	4,988	0	0	4,988

31.12.2024	AA- and higher	A- to A+	BBB- to BBB+	BB- to BB+	B- to B+	CCC-D	Total
Risk class	1	1	2	3 to 5	6 to 8	9 to 12	
Base level of the mandatory reserve kept in the Central Bank	18,316	0	0	0	0	0	18,316
Demand deposits at the Central Bank	299,380	0	0	0	0	0	299,380
Receivables from credit institutions and other financial institutions*	3,193	21,023	0	0	0	0	24,216
Debt securities at fair value through other comprehensive income	0	30,912	3,711	3,128	0	0	37,751

On assessing the credit quality, the Group uses credit ratings from rating agencies Fitch, Moody's and Standard & Poor's according to the recitals of European Parliament and of the Council (EC) No. 575/2013 Article 138.

According to Article 114 of the mentioned regulation, receivables from the European Central Bank have the highest credit quality level, and receivables from the national central banks of member states have also the highest credit quality level, if these receivables are nominated in euros.

Coop Pank cash on hand is not exposed to counterparty credit risk, as the balance of this position belongs to the bank itself, while a third-party cash management service provider is used for handling the physical cash.

Coop Pank high-quality receivables from the central bank (The Bank of Estonia) are not rated but can be classified as AA- or higher credit quality.

The management has estimated that credit institutions' receivables carry low credit risk and that their expected credit losses are insignificant, given their strong credit rating, financial condition and short-term economic outlook.

Other non-rated receivables from credit institutions and other financial institutions are of good quality and there is no indication of impairment.

Debt securities at fair value through other comprehensive income are predominantly liquid, which is why their expected credit losses are also considered insignificant.

Debt securities at amortised cost that do not have an international credit rating (Fitch, Moody's, or S&P) are assessed based on internal methodology. For these instruments, the Group applies assessment principles and risk class assignments consistent with those used for loan customers (see section "Credit risk measurement").

The credit quality is evaluated taking into account the issuer's payment discipline, financial-economic condition, and other factors increasing credit risk.

Loans to customers divided by stage and credit quality in different loan classes is presented in the following tables:

	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	210,863	235	0	211,098	4,422	47	0	4,469
II credit quality class	524,188	399	0	524,587	711,587	133	0	711,720
III credit quality class	286,949	3,438	0	290,387	233,518	1,137	0	234,655
IV credit quality class	226,822	5,598	0	232,420	180,707	1,323	0	182,030
V credit quality class	528,913	10,675	0	539,588	296,538	2,623	0	299,161
VI credit quality class	179,707	6,155	0	185,862	222,437	2,339	0	224,776
VII credit quality class	69,450	3,160	0	72,610	69,698	1,112	0	70,810
Specific monitoring								
VIII credit quality class	28,200	2,065	0	30,265	5,226	25,162	0	30,388
IX credit quality class	10,324	14,882	0	25,206	1,420	12,642	0	14,062
X credit quality class	2	3,546	0	3,548	0	5,405	0	5,405
Non-performing loans								
XI credit quality class	0	3,922	0	3,922	0	350	0	350
XII credit quality class	0	0	14,019	14,019	0	21	14,822	14,843
Total	2,065,418	54,075	14,019	2,133,512	1,725,553	52,294	14,822	1,792,669
Loss allowance	-10,854	-3,197	-5,370	-19,421	-9,570	-3,951	-5,030	-18,551
Carrying amount	2,054,564	50,878	8,649	2,114,091	1,715,983	48,343	9,792	1,774,118

Consumer loans	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	18	0	0	18	19	0	0	19
II credit quality class	0	0	0	0	0	0	0	0
III credit quality class	33,536	0	0	33,536	0	0	0	0
IV credit quality class	12,293	153	0	12,446	9,906	0	0	9,906
V credit quality class	15,245	229	0	15,474	0	0	0	0
VI credit quality class	19,857	384	0	20,241	90,402	0	0	90,402
VII credit quality class	6,539	311	0	6,850	61	0	0	61
Specific monitoring								
VIII credit quality class	3,136	242	0	3,378	0	0	0	0
IX credit quality class	4,823	566	0	5,389	1,284	128	0	1,412
X credit quality class	0	1,436	0	1,436	0	3,835	0	3,835
Non-performing loans								
XI credit quality class	0	2,401	0	2,401	0	350	0	350
XII credit quality class	0	0	2,010	2,010	0	0	2,161	2,161
Total	95,447	5,722	2,010	103,179	101,672	4,313	2,161	108,146
Loss allowance	-1,505	-1,561	-1,698	-4,764	-1,909	-1,148	-1,860	-4,917
Carrying amount	93,942	4,161	312	98,415	99,763	3,165	301	103,229

Finance lease receivables to private customers	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	949	0	0	949	4	0	0	4
II credit quality class	58,633	0	0	58,633	32	0	0	32
III credit quality class	26,153	237	0	26,390	93,669	0	0	93,669
IV credit quality class	3,222	325	0	3,547	162	0	0	162
V credit quality class	2,530	396	0	2,926	73	1,281	0	1,354
VI credit quality class	1,780	271	0	2,051	278	0	0	278
VII credit quality class	153	137	0	290	0	256	0	256
Specific monitoring								
VIII credit quality class	153	61	0	214	4	0	0	4
IX credit quality class	104	57	0	161	0	0	0	0
X credit quality class	0	0	0	0	0	5	0	5
Non-performing loans								
XI credit quality class	0	52	0	52	0	0	0	0
XII credit quality class	0	0	216	216	0	0	139	139
Total	93,677	1,536	216	95,429	94,222	1,542	139	95,903
Loss allowance	-114	-18	-44	-176	-127	-9	-28	-164
Carrying amount	93,563	1,518	172	95,253	94,095	1,533	111	95,739

Mortgage and other private loans	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	207,045	0	0	207,045	74	0	0	74
II credit quality class	410,802	51	0	410,853	691,639	0	0	691,639
III credit quality class	66,067	1,791	0	67,858	1,249	0	0	1,249
IV credit quality class	50,095	4,293	0	54,388	7,370	0	0	7,370
V credit quality class	61,138	6,819	0	67,957	662	0	0	662
VI credit quality class	23,993	3,986	0	27,979	320	0	0	320
VII credit quality class	6,591	1,034	0	7,625	31	0	0	31
Specific monitoring								
VIII credit quality class	2,960	857	0	3,817	114	22,427	0	22,541
IX credit quality class	5,373	2,913	0	8,286	0	44	0	44
X credit quality class	0	1,767	0	1,767	0	83	0	83
Non-performing loans								
XI credit quality class	0	1,469	0	1,469	0	0	0	0
XII credit quality class	0	0	4,134	4,134	0	0	3,838	3,838
Total	834,064	24,980	4,134	863,178	701,459	22,554	3,838	727,851
Loss allowance	-965	-376	-904	-2,245	-338	-765	-711	-1,814
Carrying amount	833,099	24,604	3,230	860,933	701,121	21,789	3,127	726,037

Finance lease receivables to legal entities	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	2,271	235	0	2,506	3,407	47	0	3,454
II credit quality class	4,732	150	0	4,882	6,530	118	0	6,648
III credit quality class	12,559	443	0	13,002	14,202	397	0	14,599
IV credit quality class	16,897	175	0	17,072	35,433	125	0	35,558
V credit quality class	24,456	83	0	24,539	16,568	113	0	16,681
VI credit quality class	19,046	706	0	19,752	15,515	225	0	15,740
VII credit quality class	1,426	35	0	1,461	2,617	462	0	3,079
Specific monitoring								
VIII credit quality class	863	59	0	922	687	1,431	0	2,118
IX credit quality class	24	1,095	0	1,119	28	120	0	148
X credit quality class	2	0	0	2	0	10	0	10
Non-performing loans								
XI credit quality class	0	0	0	0	0	0	0	0
XII credit quality class	0	0	454	454	0	21	767	788
Total	82,276	2,981	454	85,711	94,987	3,069	767	98,823
Loss allowance	-389	-78	-115	-582	-415	-54	-246	-715
Carrying amount	81,887	2,903	339	85,129	94,572	3,015	521	98,108

Investment loan, overdraft facility and other business loans	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	580	0	0	580	918	0	0	918
II credit quality class	50,021	198	0	50,219	13,386	15	0	13,401
III credit quality class	148,634	967	0	149,601	124,398	740	0	125,138
IV credit quality class	144,315	652	0	144,967	127,836	1,198	0	129,034
V credit quality class	425,544	3,148	0	428,692	279,235	1,229	0	280,464
VI credit quality class	115,031	808	0	115,839	115,922	2,114	0	118,036
VII credit quality class	54,741	1,643	0	56,384	66,989	394	0	67,383
Specific monitoring								
VIII credit quality class	21,088	846	0	21,934	4,421	1,304	0	5,725
IX credit quality class	0	10,251	0	10,251	108	12,350	0	12,458
X credit quality class	0	343	0	343	0	1,472	0	1,472
Non-performing loans								
XI credit quality class	0	0	0	0	0	0	0	0
XII credit quality class	0	0	7,205	7,205	0	0	7,917	7,917
Total	959,954	18,856	7,205	986,015	733,213	20,816	7,917	761,946
Loss allowance	-7,881	-1,164	-2,609	-11,654	-6,781	-1,975	-2,185	-10,941
Carrying amount	952,073	17,692	4,596	974,361	726,432	18,841	5,732	751,005

Off-balance exposures of credit lines and overdraft facilities	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	300	0	0	300	107	0	0	107
II credit quality class	12,382	0	0	12,382	9,992	0	0	9,992
III credit quality class	23,104	5	0	23,109	16,468	55	0	16,523
IV credit quality class	44,904	0	0	44,904	47,038	100	0	47,138
V credit quality class	82,722	22	0	82,744	42,303	4	0	42,307
VI credit quality class	36,988	6	0	36,994	7,787	0	0	7,787
VII credit quality class	10,473	23	0	10,496	7,827	0	0	7,827
Specific monitoring								
VIII credit quality class	1,130	196	0	1,326	125	452	0	577
IX credit quality class	212	314	0	526	0	800	0	800
X credit quality class	0	16	0	16	0	1	0	1
Non-performing loans								
XI credit quality class	0	0	0	0	0	0	0	0
XII credit quality class	0	0	44	44	0	0	31	31
Total	212,215	582	44	212,841	131,647	1,412	31	133,090
Loss allowance	-763	-10	-4	-777	-421	-33	-4	-458
Carrying amount	211,452	572	40	212,064	131,226	1,379	27	132,632

Off-balance exposures of financial guarantees	31.12.2025				31.12.2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Normal monitoring								
I credit quality class	11	0	0	11	36	0	0	36
II credit quality class	551	0	0	551	602	0	0	602
III credit quality class	10,395	14	0	10,409	937	0	0	937
IV credit quality class	5,508	0	0	5,508	2,947	0	0	2,947
V credit quality class	3,318	21	0	3,339	11,561	0	0	11,561
VI credit quality class	3,189	59	0	3,248	170	0	0	170
VII credit quality class	6,273	0	0	6,273	1,858	59	0	1,917
Specific monitoring								
VIII credit quality class	0	0	0	0	268	24	0	292
IX credit quality class	0	200	0	200	0	18	0	18
X credit quality class	0	0	0	0	0	0	0	0
Non-performing loans								
XI credit quality class	0	0	0	0	0	0	0	0
XII credit quality class	0	0	0	0	0	0	18	18
Total	29,245	294	0	29,539	18,379	101	18	18,498
Loss allowance	-48	-3	0	-51	-23	-1	-1	-25
Carrying amount	29,197	291	0	29,488	18,356	100	17	18,473

Allocation of past due loans (gross carrying amount)

31.12.2025						
	Loans to private individuals			Loans to legal entities		
	Consumer loans	Finance lease	Mortgage loans and other loans	Finance lease	Investment loan, overdraft facility and other business loans	Total
1-30 days	3,833	2,471	13,507	2,014	3,418	25,243
31-60 days	886	618	3,535	212	682	5,933
61-90 days	512	162	1,698	0	5	2,377
Over 90 days	1,898	7	1,485	0	2,041	5,431
Total	7,129	3,258	20,225	2,226	6,146	38,984

31.12.2024						
	Loans to private individuals			Loans to legal entities		
	Consumer loans	Finance lease	Mortgage loans and other loans	Finance lease	Investment loan, overdraft facility and other business loans	Total
1-30 days	4,713	2,105	11,709	2,420	2,834	23,781
31-60 days	1,292	381	2,697	95	1,632	6,097
61-90 days	593	172	701	120	105	1,691
Over 90 days	2,141	27	1,735	226	2,544	6,673
Total	8,739	2,685	16,842	2,861	7,115	38,242

Collaterals of financial assets

The Group evaluates the value of collateral both during the loan application process and subsequently. The Group has internal rules for the maximum acceptance value of different types of collateral at the time of applying for a loan. Estimates of the market value of collateral are based on the prudence principle and take into account the type, location, liquidity and probability of realisation of collateral. Expert assessments are used to assess immovables. Individual valuations of commercial real estate are updated at least once a year. In the case of residential and other homogenous types of real estate, statistical indexing models are also used for regular revaluation.

The main types of loan collaterals are:

- real estate (mortgage on property);
- rights of claims;
- commercial pledge;
- machinery and equipment;
- guarantee of Estonian Business and Innovation Agency (EIS) or Rural Development Foundation;
- a surety or guarantee from a private person or legal entity;
- bank deposit;
- pledge of shares;
- traded securities.

Collaterals with a low correlation between the customer's payment risk and the market value of the collateral are preferred. Assets pledged as collateral must be insured, the life of the collateral must be longer than the loan repayment term and the market value of the collateral must exceed the loan balance.

Unsecured loans are issued to private individuals to a limited extent. Legal persons are only granted unsecured loans if the client's credit risk is very low, the solvency is high, and the cash flow forecast is stable.

During the reporting period, the Group's internal rules regarding collateral have not changed significantly and there has also been no significant change in the overall quality of collateral. Compared to the year 2024, in 2025, collateral values were allocated pro-rata to the respective loan amounts they secure. An overview of the over and under-collateralised loans to customers are given in the tables below.

31.12.2025	Over-collateralised loans		Under-collateralised loans	
	Gross carrying amount	Fair value of the collateral	Gross carrying amount	Fair value of the collateral
Loans to private individuals				
Consumer loans	0	0	103,179	0
Finance lease receivables	68,034	134,057	27,395	23,656
Mortgage and other private loans	835,893	1,238,952	27,285	8,174
Total	903,927	1,373,009	157,859	31,830
Loans to legal entities				
Finance lease receivables	77,505	209,412	8,206	7,452
Investment loan, overdraft facility and other business loans	960,673	2,324,542	25,342	16,752
Total	1,038,178	2,533,954	33,548	24,204

31.12.2024	Over-collateralised loans		Under-collateralised loans	
	Gross carrying amount	Fair value of the collateral	Gross carrying amount	Fair value of the collateral
Loans to private individuals				
Consumer loans	0	0	108,146	0
Finance lease receivables	93,563	148,636	2,340	752
Mortgage and other private loans	716,409	1,678,131	11,442	3,988
Total	809,972	1,826,767	121,928	4,740
Loans to legal entities				
Finance lease receivables	96,877	200,645	1,946	1,330
Investment loan, overdraft facility and other business loans	744,475	4,670,017	17,471	10,473
Total	841,352	4,870,662	19,417	11,803

The loan risk level is also expressed by the market value of the collateral relative to the loan amount, i.e. the LTV (loan to value) ratio. The financial impact of the collateral is important for loans and receivables that are unlikely to be serviced by the customer's primary cash flows, which is evidenced in stage 3 customers.

The breakdown of the non-performing (stage 3) over and under-collateralised loans are given in the tables below.

31.12.2025	Over-collateralised loans		Under-collateralised loans	
	Gross carrying amount	Fair value of the collateral	Gross carrying amount	Fair value of the collateral
Loans to private individuals				
Consumer loans	0	0	2,010	0
Finance lease receivables	82	183	133	100
Mortgage and other private loans	3,374	6,232	760	295
Total	3,456	6,415	2,903	395
Loans to legal entities				
Finance lease receivables	454	1,782	0	0
Investment loan, overdraft facility and other business loans	5,143	14,056	2,062	1,428
Total	5,597	15,838	2,062	1,428

31.12.2024	Over-collateralised loans		Under-collateralised loans	
	Gross carrying amount	Fair value of the collateral	Gross carrying amount	Fair value of the collateral
Loans to private individuals				
Consumer loans	0	0	2,161	0
Finance lease receivables	137	318	2	0
Mortgage and other private loans	3,542	11,589	296	9
Total	3,679	11,907	2,459	9
Loans to legal entities				
Finance lease receivables	766	2,650	1	0
Investment loan, overdraft facility and other business loans	7,156	30,379	761	678
Total	7,922	33,029	762	678

Loans and advances to customers by types of collateral

Private individuals	31.12.2025	31.12.2024
Loans secured by mortgage	841,449	718,770
Leased assets	95,274	95,688
Unsecured loans	120,730	114,878
Personal sureties, guarantees	3,986	2,258
Other	347	306
Total	1,061,786	931,900
Loss allowance	-7,185	-6,895
Total of net loans	1,054,601	925,005

Legal entities	31.12.2025	31.12.2024
Loans secured by mortgage	859,219	673,195
Leased assets	104,832	98,823
Unsecured loans	434	591
Personal sureties, guarantees	4,671	5,088
Other	102,569	83,072
Total	1,071,725	860,769
Loss allowance	-12,236	-11,656

Total of net loans	1,059,489	849,113
Impairment losses on financial assets		

Loan allowances during the reporting period are impacted by various factors:

- Movements between stages 1, 2 and 3 due to significant increase (or decrease) in the credit risk of a financial instrument or due to default, followed by moving from a 12-month to a lifetime expected credit loss model (or vice versa);
- Impairment allowance on new financial instruments recognised in the reporting period, as well as decrease in impairment due to derecognition;
- Regular review of risk parameters and resulting changes in ECL due to changes in probability of default (PD), exposure at default (EAD) and loss given default (LGD);
- Effects of model and assumption changes on the ECL model;
- The effect of discounting on the ECL model as the ECL is measured at present value;
- Loans and related write-downs written off during the reporting period.

The following table analyses the movement of allowances and gross carrying values between stages during the reporting period. Net impact from movements between stages is included in the line "Recalculations of allowances".

2025	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2025	-9,570	-3,951	-5,030	-18,551	1,725,553	52,294	14,822	1,792,669
Transfer to stage 1	-960	769	191	0	15,512	-15,004	-508	0
Transfer to stage 2	671	-829	158	0	-28,887	29,445	-558	0
Transfer to stage 3	79	708	-787	0	-16,793	-4,926	21,719	0
Recalculations of allowances	1,751	-292	-2,116	-657	0	0	0	0
Derecognised and repaid	821	498	1,283	2,602	-219,373	-11,454	-21,619	-252,446
Originated or purchased*	-3,735	-688	-609	-5,032	589,644	5,299	1,803	596,746
Total net P&L charge during the period	-1,373	166	-1,880	-3,087	340,103	3,360	837	344,300
<i>Other movements with no P&L impact</i>								
Write-offs	21	21	231	273	-15	-42	-264	-321
Assignments	68	567	1309	1944	-223	-1537	-1376	-3,136
Balance as at 31.12.2025	-10,854	-3,197	-5,370	-19,421	2,065,418	54,075	14,019	2,133,512

* Stage 3 in this table includes solely repurchased credit impaired loans (POCI). Once classified as POCI a loan remains in POCI category until derecognition

2024	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2024	-6,820	-5,516	-4,058	-16,394	1,427,290	67,632	12,345	1,507,267
Transfer to stage 1	-2,843	2,629	214	0	23,724	-22,847	-877	0
Transfer to stage 2	126	-560	434	0	-18,103	19,756	-1,653	0
Transfer to stage 3	76	274	-350	0	-6,224	-3,544	9,768	0
Recalculations of allowances	1,787	-2,639	-3,435	-4,287	0	0	0	0
Derecognised and repaid	522	648	865	2,035	-224,947	-11,463	-3,132	-239,542
Originated or purchased*	-2,558	-109	-12	-2,679	524,222	4,871	43	529,136
Total net P&L charge during the period	-2,890	243	-2,284	-4,931	298,672	-13,227	4,149	289,594
<i>Other movements with no P&L impact</i>								
Write-offs	64	86	53	203	-64	-86	-57	-207
Assignments	76	1236	1259	2571	-345	-2025	-1615	-3,985
Balance as at 31.12.2024	-9,570	-3,951	-5,030	-18,551	1,725,553	52,294	14,822	1,792,669

The following tables analyses the movement of allowances and gross carrying values during the reporting period by product.

Consumer loans 2025	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2025	-1,909	-1,148	-1,860	-4,917	101,672	4,313	2,161	108,146
Reclassification in operating segment	69	15	78	162	-9,987	-142	-82	-10,211
Transfer to stage 1	-424	347	77	0	1,390	-1,305	-85	0
Transfer to stage 2	118	-185	67	0	-3,621	3,700	-79	0
Transfer to stage 3	34	252	-286	0	-1,000	-886	1,886	0
Recalculations of allowances	1,271	-950	-1,150	-829	0	0	0	0
Derecognised and repaid	297	231	124	652	-31,990	-1,515	-648	-34,153
Originated or purchased	-967	-660	-56	-1,683	39,074	3,032	232	42,338
Total net P&L charge during the period	329	-965	-1,224	-1,860	3,853	3,026	1,306	8,185
<i>Other movements with no P&L impact</i>								
Write-offs	0	0	0	0	0	0	0	0
Assignments	6	537	1,308	1,851	-91	-1,475	-1,375	-2,941
Balance as at 31.12.2025	-1,505	-1,561	-1,698	-4,764	95,447	5,722	2,010	103,179

Consumer loans 2024	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2024	-1,960	-1,080	-1,604	-4,644	93,695	4,449	1,919	100,063
Transfer to stage 1	-256	244	12	0	1,060	-1,038	-22	0
Transfer to stage 2	68	-79	11	0	-1,955	1,976	-21	0
Transfer to stage 3	23	132	-155	0	-909	-1,032	1,941	0
Recalculations of allowances	948	-2,046	-1,591	-2,689	0	0	0	0
Derecognised and repaid	165	445	208	818	-33,518	-279	-41	-33,838
Originated or purchased	-973	0	0	-973	43,644	2,262	0	45,906
Total net P&L charge during the period	-25	-1,304	-1,515	-2,844	8,322	1,889	1,857	12,068
<i>Other movements with no P&L impact</i>								
Write-offs	0	0	0	0	0	0	0	0
Assignments	76	1,236	1,259	2,571	-345	-2,025	-1,615	-3,985
Balance as at 31.12.2024	-1,909	-1,148	-1,860	-4,917	101,672	4,313	2,161	108,146

Finance lease receivables to private individuals 2025	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2025	-127	-9	-28	-164	94,222	1,542	139	95,903
Transfer to stage 1	-11	3	8	0	473	-433	-40	0
Transfer to stage 2	1	-9	8	0	-1,221	1,259	-38	0
Transfer to stage 3	0	2	-2	0	-183	-235	418	0
Recalculations of allowances	47	-5	-47	-5	0	0	0	0
Derecognised and repaid	14	1	15	30	-25,218	-671	-238	-26,127
Originated or purchased	-38	-1	-1	-40	25,604	74	5	25,683
Total net P&L charge during the period	13	-9	-19	-15	-545	-6	107	-444
<i>Other movements with no P&L impact</i>								
Write-offs	0	0	3	3	0	0	-30	-30
Assignments	0	0	0	0	0	0	0	0
Balance as at 31.12.2025	-114	-18	-44	-176	93,677	1,536	216	95,429

Finance lease receivables to private individuals 2024	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2024	-100	-6	-14	-120	71,725	1,125	70	72,920
Transfer to stage 1	-5	1	4	0	153	-131	-22	0
Transfer to stage 2	2	-6	4	0	-1,175	1,193	-18	0
Transfer to stage 3	0	0	0	0	-66	-102	168	0
Recalculations of allowances	20	0	-51	-31	0	0	0	0
Derecognised and repaid	17	2	12	31	-23,250	-560	-42	-23,852
Originated or purchased	-67	0	0	-67	46,841	17	0	46,858
Total net P&L charge during the period	-33	-3	-31	-67	22,503	417	86	23,006
<i>Other movements with no P&L impact</i>								
Write-offs	6	0	17	23	-6	0	-17	-23
Assignments	0	0	0	0	0	0	0	0
Balance as at 31.12.2024	-127	-9	-28	-164	94,222	1,542	139	95,903

Mortgage and other private loans 2025	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2025	-338	-765	-711	-1814	701,459	22,554	3,838	727,851
Reclassification in operating segment	-69	-15	-78	-162	9,987	142	82	10,211
Transfer to stage 1	-375	353	22	0	10,111	-9,951	-160	0
Transfer to stage 2	12	-45	33	0	-13,886	14,173	-287	0
Transfer to stage 3	3	25	-28	0	-1,065	-729	1,794	0
Recalculations of allowances	-74	-40	-490	-604	0	0	0	0
Derecognised and repaid	27	84	159	270	-64,763	-2,833	-1,093	-68,689
Originated or purchased	-234	-24	-3	-261	192,368	1,710	89	194,167
Total net P&L charge during the period	-641	353	-307	-595	122,765	2,370	343	125,478
<i>Other movements with no P&L impact</i>								
Write-offs	21	21	191	233	-15	-24	-128	-167
Assignments	62	30	1	93	-132	-62	-1	-195
Balance as at 31.12.2025	-965	-376	-904	-2245	834,064	24,980	4,134	863,178

Mortgage and other private loans 2024	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2024	-274	-511	-522	-1307	584,492	16,025	2,583	603,100
Transfer to stage 1	-197	42	155	0	1,642	-1,188	-454	0
Transfer to stage 2	5	-26	21	0	-9,662	9,795	-133	0
Transfer to stage 3	2	38	-40	0	-1,271	-716	1,987	0
Recalculations of allowances	112	-454	-451	-793	0	0	0	0
Derecognised and repaid	20	73	110	203	-57,377	-1,496	-124	-58,997
Originated or purchased	-64	-1	-1	-66	183,693	208	0	183,901
Total net P&L charge during the period	-122	-328	-206	-656	117,025	6,603	1,276	124,904
<i>Other movements with no P&L impact</i>								
Write-offs	58	74	17	149	-58	-74	-21	-153
Assignments	0	0	0	0	0	0	0	0
Balance as at 31.12.2024	-338	-765	-711	-1814	701,459	22,554	3,838	727,851

Finance lease receivables to legal entities 2025	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2025	-415	-54	-246	-715	94,987	3,069	767	98,823
Reclassification in operating segment	96	2	154	252	-15,957	-225	-419	-16,601
Transfer to stage 1	-7	6	1	0	246	-242	-4	0
Transfer to stage 2	12	-22	10	0	-2,288	2,336	-48	0
Transfer to stage 3	34	8	-42	0	-13,515	-352	13,867	0
Recalculations of allowances	52	-29	-63	-40	0	0	0	0
Derecognised and repaid	46	11	35	92	-16,948	-1,750	-13,690	-32,388
Originated or purchased	-207	0	-1	-208	35,751	163	87	36,001
Total net P&L charge during the period	-70	-26	-60	-156	3,246	155	212	3,613
<i>Other movements with no P&L impact</i>								
Write-offs	0	0	37	37	0	-18	-106	-124
Assignments	0	0	0	0	0	0	0	0
Balance as at 31.12.2025	-389	-78	-115	-582	82,276	2,981	454	85,711

Finance lease receivables to legal entities 2024	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12 month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2024	-421	-103	-108	-632	95,457	2,278	660	98,395
Transfer to stage 1	-11	10	1	0	295	-284	-11	0
Transfer to stage 2	11	-18	7	0	-2,462	2,531	-69	0
Transfer to stage 3	2	67	-69	0	-298	-596	894	0
Recalculations of allowances	194	28	-387	-165	0	0	0	0
Derecognised and repaid	62	8	293	363	-38,655	-967	-690	-40,312
Originated or purchased	-252	-58	0	-310	40,650	119	0	40,769
Total net P&L charge during the period	6	37	-155	-112	-470	803	124	457
<i>Other movements with no P&L impact</i>								
Write-offs	0	12	17	29	0	-12	-17	-29
Assignments	0	0	0	0	0	0	0	0
Balance as at 31.12.2024	-415	-54	-246	-715	94,987	3,069	767	98,823

Investment loan, overdraft facility and other business loans 2025	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2025	-6,781	-1,975	-2,185	-10,941	733,213	20,816	7,917	761,946
Reclassification in operating segment	-96	-2	-154	-252	15,957	225	419	16,601
Transfer to stage 1	-143	60	83	0	3,292	-3,073	-219	0
Transfer to stage 2	528	-568	40	0	-7,871	7,977	-106	0
Transfer to stage 3	8	421	-429	0	-1,030	-2,724	3,754	0
Recalculations of allowances	455	732	-366	821	0	0	0	0
Derecognised and repaid	437	171	950	1,558	-80,454	-4,685	-5,950	-91,089
Originated or purchased	-2,289	-3	-548	-2,840	296,847	320	1,390	298,557
Total net P&L charge during the period	-1004	813	-270	-461	210,784	-2,185	-1,131	207,468
<i>Other movements with no P&L impact</i>								
Write-offs	0	0	0	0	0	0	0	0
Assignments	0	0	0	0	0	0	0	0
Balance as at 31.12.2025	-7,881	-1,164	-2,609	-11,654	959,954	18,856	7,205	986,015

Investment loan, overdraft facility and other business loans 2024	ECL				Gross carrying amount			
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total
Balance as at 01.01.2024	-4,065	-3,816	-1,810	-9,691	581,921	43,755	7,113	632,789
Transfer to stage 1	-2,374	2,332	42	0	20,574	-20,206	-368	0
Transfer to stage 2	40	-431	391	0	-2,849	4,261	-1,412	0
Transfer to stage 3	49	37	-86	0	-3,680	-1,098	4,778	0
Recalculations of allowances	513	-167	-955	-609	0	0	0	0
Derecognised and repaid	258	120	242	620	-72,147	-8,161	-2,235	-82,543
Originated or purchased	-1,202	-50	-11	-1,263	209,394	2,265	43	211,702
Total net P&L charge during the period	-2716	1,841	-377	-1,252	151,292	-22,939	806	129,159
<i>Other movements with no P&L impact</i>								
Write-offs	0	0	2	2	0	0	-2	-2
Assignments	0	0	0	0	0	0	0	0
Balance as at 31.12.2024	-6,781	-1,975	-2,185	-10,941	733,213	20,816	7,917	761,946

The following tables analyse the movements of allowances and gross carrying values of off-balance sheet loan commitments and financial guarantees during the reporting period.

2025 Off-balance exposures of credit lines and overdraft facilities	ECL				Total	Gross carrying amount
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)			
Balance as at 01.01.2025	-421	-33	-4	-458	133,090	
Transfer to stage 1	-31	31	0	0	0	
Transfer to stage 2	2	-2	0	0	0	
Transfer to stage 3	0	0	0	0	0	
Recalculations of allowances	80	-8	0	72	0	
Derecognised and repaid	114	2	0	116	-56,755	
Originated or purchased	-507	0	0	-507	136,506	
Total net P&L charge during the period	-342	23	0	-319	79,751	
Balance as at 31.12.2025	-763	-10	-4	-777	212,841	

2024 Off-balance exposures of credit lines and overdraft facilities	ECL				Total	Gross carrying amount
	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)			
Balance as at 01.01.2024	-352	-83	-2	-437	128,491	
Transfer to stage 1	-64	64	0	0	0	
Transfer to stage 2	10	-10	0	0	0	
Transfer to stage 3	0	0	0	0	0	
Recalculations of allowances	45	-21	-3	21	0	
Derecognised and repaid	233	18	1	252	-72,061	
Originated or purchased	-293	-1	0	-294	76,660	
Total net P&L charge during the period	-69	50	-2	-21	4,599	
Balance as at 31.12.2024	-421	-33	-4	-458	133,090	

2025	ECL				Gross carrying amount
Off-balance exposures of financial guarantees	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	
Balance as at 01.01.2025	-23	-1	-1	-25	18,498
Transfer to stage 1	0	0	0	0	
Transfer to stage 2	1	-1	0	0	0
Transfer to stage 3	0	0	0	0	0
Recalculations of allowances	3	-1	-1	1	0
Derecognised and repaid	8	0	2	10	-5,255
Originated or purchased	-37	0	0	-37	16,296
Total net P&L charge during the period	-25	-2	1	-26	11,041
Balance as at 31.12.2025	-48	-3	0	-51	29,539

2024	ECL				Gross carrying amount
Off-balance exposures of financial guarantees	Stage 1 (12month ECL)	Stage 2 (lifetime ECL)	Stage 3 (lifetime ECL)	Total	
Balance as at 01.01.2024	-19	-5	0	-24	16,292
Transfer to stage 1	-3	3	0	0	0
Transfer to stage 2	0	0	0	0	0
Transfer to stage 3	0	0	0	0	0
Recalculations of allowances	3	-1	-1	1	0
Derecognised and repaid	13	3	0	16	-9,191
Originated or purchased	-17	-1	0	-18	11,397
Total net P&L charge during the period	-4	4	-1	-1	2,206
Balance as at 31.12.2024	-23	-1	-1	-25	18,498

Write-offs of financial assets

The write-off of the receivables, i.e. the removal of the financial asset from the statement of financial position, occurs in part or in full when the Group has implemented all possible recovery measures and it has been concluded that there is no reasonable expectation of further recoveries. The write-off indicator may be the termination of the recovery procedure or, in the case of a secured loan, the realisation of the collateral, but the proceeds from the disposal have not been sufficient to cover the carrying amount of the receivable. Termination of the recovery procedure may be conditional on the death of the client, bankruptcy, criminal proceedings or a court-approved debt restructuring plan, under which the receivable is reduced.

Modification of financial assets

The Group may renegotiate loans and modify contractual terms. In order to modify financial assets, loan agreements are restructured either due to commercial negotiations or payment difficulties, during which the payment term is extended, payment holidays or other restructuring measures are granted. Restructuring practices are based on management estimates that payments by the customer are expected to continue. The Group monitors the subsequent operation of the modified assets. The Group may decide that, after the restructuring, the credit risk has significantly improved so that the assets are moved from Stage 3 to Stage 2 or Stage 1. For the claim to be reclassified, a minimum of 12 months of verified and consistently compliant payment behavior must be established.

Concentration of risks

The Group adheres to the principle of diversification of credit risk according to economic sector, geographical area, product and counterparties. A summary of exposures by economic sector and geographical areas has been provided in the tables below.

In economic sector K, cash balances and other deposits are in the amount of 488,717 (31.12.2024: 343,678) in thousands of euros and debt securities are in the amount of 3,934 (31.12.2024: 3,489) in thousands of euros. In other sectors, debt securities are in the amount of 59,089 (31.12.2024: 34,262) in thousands of euros and other financial assets are in the amount of 741 (31.12.2024: 1,610) in thousands of euros.

The lending activity of the Group is focused on providing financing to the local market. 50% of loans and advances to customers are granted to private individuals (31.12.2024: 52%). The portfolio of loans granted to legal entities is diversified between various economic sectors to avoid high levels of concentration.

The distribution of loans and advances to customers according to credit product is provided in Note 11.

Loans and advances to customers by economic sector	Stage 1	Stage 2	Stage 3	Loss allowance	31.12.2025	%
Private individuals	1,023,188	32,238	6,360	-7,185	1,054,601	49.88%
L – activities related to real estate	460,483	8,971	1,597	-4,888	466,163	22.05%
C – manufacturing	96,624	3,336	1,050	-1,301	99,709	4.72%
G – wholesale and retail	97,248	2,365	1,439	-1,915	99,137	4.69%
K – finance and insurance activities	92,758	0	0	-610	92,148	4.36%
F – construction	68,307	412	1,201	-704	69,216	3.27%
D – power and heat generation	50,687	0	0	-481	50,206	2.37%
H – transportation and storage	37,992	133	122	-325	37,922	1.79%
M – professional, scientific and technical activities	28,017	3,307	0	-518	30,806	1.46%
N – administrative and support services	26,581	395	13	-169	26,820	1.27%
A – agriculture, forestry and fishing	23,576	1,446	1,296	-569	25,749	1.22%
I – hospitality and food service	16,798	562	844	-421	17,783	0.84%
S – other services	2,732	116	0	-15	2,833	0.13%
Other	40,426	795	97	-320	40,998	1.94%
Total	2,065,417	54,076	14,019	-19,421	2,114,091	100.00%

Loans and advances to customers by economic sector	Stage 1	Stage 2	Stage 3	Loss allowance	31.12.2024	%
Private individuals	897,353	28,409	6,138	-6,895	925,005	52.14%
L – activities related to real estate	370,672	12,658	291	-5,211	378,410	21.33%
G – wholesale and retail	103,540	4,067	1,670	-1,712	107,565	6.06%
C – manufacturing	73,789	1,325	1,347	-988	75,473	4.25%
K – finance and insurance activities	66,147	0	0	-374	65,773	3.71%
D – power and heat generation	44,884	0	2,126	-984	46,026	2.59%
F – construction	33,558	1,353	75	-331	34,655	1.95%
H – transportation and storage	32,617	257	253	-331	32,796	1.85%
M – professional, scientific and technical activities	31,302	69	0	-613	30,758	1.73%
A – agriculture, forestry and fishing	18,370	3,075	2,179	-504	23,120	1.30%
N – administrative and support services	12,682	198	20	-92	12,808	0.72%
I – hospitality and food service	6,521	519	341	-181	7,200	0.41%
S – other services	3,268	236	0	-15	3,489	0.20%
Other	30,851	127	382	-320	31,040	1.75%
Total	1,725,554	52,293	14,822	-18,551	1,774,118	100.00%

Financial assets by geographical classification

31.12.2025	EE	FR	LT	CH	LV	Other	Total
Cash, cash balances at central banks and other deposits	467,360	20,052	0	0	2	1,303	488,717
Debt securities at fair value through other comprehensive income	14,681	0	23,670	0	16,680	3,004	58,035
Debt securities at amortized cost	4,988	0	0	0	0	0	4,988
Loans and advances to customers	2,099,170	0	0	12,645	0	2,276	2,114,091
Equity instruments at fair value through other comprehensive income	0	0	0	0	0	13	13
Derivatives	0	0	0	0	0	3,681	3,681
Other financial assets	741	0	0	0	0	0	741
Total	2,586,940	20,052	23,670	12,645	16,682	10,277	2,670,266

31.12.2024	EE	FR	LT	CH	LV	Other	Total
Cash, cash balances at central banks and other deposits	320,511	19,638	0	0	1	3,528	343,678
Debt securities at fair value through other comprehensive income	4,944	0	18,572	0	11,264	2,971	37,751
Loans and advances to customers	1,760,087	0	0	12,177	35	1,819	1,774,118
Equity instruments at fair value through other comprehensive income	0	0	0	0	0	13	13
Other financial assets	1,610	0	0	0	0	0	1,610
Total	2,087,152	19,638	18,572	12,177	11,300	8,331	2,157,170

Liquidity risk management

Liquidity risk is defined as the risk of insufficient solvency on behalf of Coop Pank to perform its contractual obligations on a timely basis - i.e. the bank's failure to finance various assets in a timely and sustainable manner, or to liquidate its positions in order to perform contractual obligations. Liquidity risk is managed based on the liquidity management policy. The objective of liquidity management in Coop Pank is to guarantee, at any given moment, the timely and complete performance of the obligations assumed by the Group while optimising the liquidity risk in such a manner as to achieve maximum and stable profitability on investments with different maturities.

The Bank's main liquidity management body is the Assets and Liabilities Committee (ALCO). The functions and areas of responsibility of ALCO in the management of liquidity are:

- to plan short-term and long-term liquidity of the Group, and to design and implement the measures to be used;
- to analyse and summarise information concerning the Group's assets and liabilities, interest income and expenses, management of liquidity and investments, and, if necessary, to prepare the adoption of strategic decisions by the Board;
- to optimise the ratio of the maturities, profitability and instruments of the Group's assets and liabilities in order to achieve the bank's strategic objectives;
- to regulate the Group's required liquidity level as well the level of the risk of change in the acceptable interest rate risk and the acceptable value of assets and liabilities.

The following bodies are regularly informed of the bank's liquidity position: the Management Board, the Council, ALCO and the Credit Committee. The bank maintains a sufficient level of liquidity in order to ensure timely performance of its obligations.

Coop Pank group uses an approach based on the analysis of the duration gap between the maturities of assets and liabilities for the management of Coop Pank group's liquidity position. An overview of the division of assets and liabilities by maturities has been provided in the following table. Limits have been established for all major liquidity indicators. The following indicators are used for the measurement of liquidity risk:

- Liquidity Coverage Ratio (LCR);
- maintenance period in a liquidity crisis situation;
- financing concentration;
- ratio of liquid assets to demand deposits;
- ratio of non-current liabilities to investments requiring stable funding.

The Group's total duration gap in the period of up to 12 months is negative. This indicates that the Group has more liabilities with a duration of up to 12 months compared to receivables with the corresponding duration. The management of the duration gap risk is based on estimates concerning forecast cash flows arising from liabilities - demand deposits are usually a rather stable source of funding and up to 12-month term deposits are often prolonged - therefore the behavioural nature of these deposits is longer than 12 months. The Group ensures an adequate amount of liquidity buffers in order to meet the net outflow of liabilities as they become due.

The liquidity policy of the Group is built upon the principle of prudence and established liquidity buffers are sufficient to cover even a large-scale outflow of deposits. The Group has established a business continuity and recovery plan for conduct in a liquidity crisis, specifying the actions to be taken for covering a cash flow deficit even in extraordinary circumstances. An overview of the Group's financial assets and financial liabilities by residual maturity (undiscounted cash flows) is provided in the following table.

31.12.2025	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
Assets					
Cash, cash balances at central banks and other deposits	488,717	0	0	0	488,717
Debt securities at fair value through other comprehensive income	53	6,227	33,850	25,899	66,029
Debt securities at amortized cost	95	303	6,008	0	6,406
Loans and advances to customers	102,754	343,908	1,273,290	1,105,113	2,825,065
Equity instruments at fair value through other comprehensive income	0	0	0	13	13
Derivatives	3,827	-2,681	5,162	0	6,308
incl. inflows	6,450	0	18,420	0	24,870
incl. outflows	-2,623	-2,681	-13,258	0	-18,561
Other financial assets	700	38	0	3	741
Total financial assets	596,146	347,795	1,318,310	1,131,028	3,393,279
Liabilities					
Customer deposits	1,239,093	786,943	33,873	358	2,060,267
Loans received	72,718	1,511	2,969		77,198
Debt securities	7,791	0	272,519	0	280,310
Lease liabilities	260	778	3,894	287	5,219
Other financial liabilities	13,230	0	0	0	13,230
Subordinated debt	11,003	3,458	58,271	0	72,732
Total financial liabilities	1,344,095	792,690	371,526	645	2,508,956
Off-balance sheet liabilities					
Undrawn lines of credit and overdraft facilities	212,841	0	0	0	212,841
Financial guarantees by contractual amounts	29,539	0	0	0	29,539
Total on-balance-sheet and off-balance-sheet liabilities	1,586,475	792,690	371,526	645	2,751,336
Duration gap of financial assets and financial liabilities	-990,329	-444,895	946,784	1,130,383	641,943
31.12.2024					
	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
Assets					
Cash, cash balances at central banks and other deposits	343,678	0	0	0	343,678
Debt securities at fair value through other comprehensive income	905	6,136	32,716	2,553	42,310
Loans and advances to customers	83,105	296,754	1,124,704	1,026,390	2,530,953
Equity instruments at fair value through other comprehensive income	0	0	0	13	13
Other financial assets	1,590	20	0	0	1,610
Total financial assets	429,278	302,910	1,157,420	1,028,956	2,918,564
Liabilities					
Customer deposits	996,901	808,010	86,623	1,756	1,893,290
Loans received	62	721	6,331	1,333	8,447
Lease liabilities	248	744	3,866	1,119	5,977
Other financial liabilities	15,443	0	0	0	15,443
Subordinated debt	1,240	3,732	14,017	68,515	87,504
Total financial liabilities	1,013,894	813,207	110,837	72,723	2,010,661
Off-balance sheet liabilities					
Undrawn lines of credit and overdraft facilities	133,090	0	0	0	133,090
Financial guarantees by contractual amounts	18,498	0	0	0	18,498
Total on-balance-sheet and off-balance-sheet liabilities	1,165,482	813,207	110,837	72,723	2,162,249
Duration gap of financial assets and financial liabilities	-736,204	-510,297	1,046,583	956,233	756,315

* As of 31.12.2025 and 31.12.2024 28,100 thousand euros of principal amount of subordinated perpetual bonds (Tier 1) is included in this maturity bucket. Presented in Note 19.

**Undiscounted cash flows as at 31 December 2024 have been updated compared to those disclosed in the 2024 report by the amount of interest.

The following table provides information on assets and liabilities, presented in order of their liquidity:

Liquidity gap	31.12.2025			31.12.2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Cash, cash balances at central banks and other deposits	488,717	0	488,717	343,678	0	343,678
Debt securities at fair value through other comprehensive income	5,121	52,914	58,035	5,487	32,264	37,751
Debt securities at amortized cost	0	4,988	4,988	0	0	0
Loans and advances to customers	325,567	1,788,524	2,114,091	261,346	1,512,772	1,774,118
Equity instruments at fair value through other comprehensive income	0	13	13	0	13	13
Derivatives	3,681	0	3,681	0	0	0
incl. inflows	5,138	0	5,138	0	0	0
incl. outflows	-1,457	0	-1,457	0	0	0
Other financial assets	738	3	741	1,610	0	1,610
Other assets	1,718	0	1,718	2,035	0	2,035
Assets held for sale	1,256	0	1,256	1,140	0	1,140
Right-of-use assets	0	4,736	4,736	0	5,107	5,107
Tangible assets	0	3,539	3,539	0	3,451	3,451
Intangible assets	0	14,722	14,722	0	12,954	12,954
Goodwill	0	6,757	6,757	0	6,757	6,757
Total assets	826,798	1,876,196	2,702,994	615,296	1,573,318	2,188,614
Liabilities						
Customer deposits	2,014,216	33,243	2,047,459	1,792,439	85,426	1,877,865
Loans received	74,124	2,937	77,061	693	7,587	8,280
Debt securities	6,121	249,082	255,203	0	0	0
Lease liabilities	883	3,883	4,766	875	4,278	5,153
Other financial liabilities	13,230	0	13,230	15,443	0	15,443
Subordinated debt	10,048	53,100	63,148	48	63,100	63,148
Other liabilities	5,986	1,598	7,584	7,088	0	7,088
Total liabilities	2,124,608	343,843	2,468,451	1,816,586	160,391	1,976,977

Market risk management

Market risk arises from the Group's trading and investment activities in the interest, currency and equity markets, as well as from mismatches between the currencies or interest rates of assets and liabilities. Market risk arises from changes in interest rates, currency exchange rates and prices of financial assets. The acceptance of market risk is controlled by using risk limits. Different factors influencing market risks are monitored on a daily basis.

Interest rate and foreign exchange risks are monitored and managed on a Group level, taking into account the impact of all assets and liabilities. In 2025, the Bank implemented an interest rate swap to hedge the interest rate risk arising from a long-term fixed-rate covered bond. The Bank takes into account the combined effect of the covered bond and the interest rate swap in the Group's overall interest rate risk calculation, and additionally monitors separately the effectiveness of the hedge between the covered bond and the interest rate swap.

Market risk arising from the investments in debt securities is monitored separately. The volume of the debt securities portfolio increased in total in 2025, a more detailed overview is given in Note 10. The average maturity of the portfolio has decreased. The market risk of the portfolio of debt securities is mainly caused by the maturity date and possible change in interest rates. The interest rate sensitivity of the financial investments portfolio is calculated regularly. The sensitivity of the debt securities portfolio given a 100 bp increase in interest rates as at 31.12.2025 was -5,046 (31.12.2024: -1,153) thousand euros.

Currency risk is defined defined as a risk arising from the differences in the currency structure of the Group's assets and liabilities. Changes in currency exchange rates cause changes in the value of assets and liabilities, as well as the amount of income and expenses measured in the functional currency. The Group generally maintains minimum foreign currency positions required for the provision of services to customers. All foreign currency positions are continually monitored and marked to market. The total amount of open currency positions in the consolidated statement of financial position as at 31.12.2025 was 198 (31.12.2024: 162) thousand euros. The sensitivity analysis has been carried out with the justified effects of possible exchange rate changes (5% on average) on the statement of profit or loss remaining constant for all other variables, the impact amount is 9 (31.12.2024: 12) thousand euros.

Data on the structure of assets and liabilities by currency positions and respective net currency positions have been presented in the following table.

31.12.2025	EUR	USD	SEK	Other	Total
Assets					
Cash, cash balances at central banks and other deposits	486,857	915	779	166	488,717
Debt securities at fair value through other comprehensive income	58,035	0	0	0	58,035
Debt securities at amortized cost	4,988	0	0	0	4,988
Loans and advances to customers	2,114,091	0	0	0	2,114,091
Equity instruments at fair value through other comprehensive income	13	0	0	0	13
Derivatives	3,681	0	0	0	3,681
Other financial assets	741	0	0	0	741
Total financial assets	2,668,406	915	779	166	2,670,266
Liabilities					
Customer deposits	2,045,833	844	688	94	2,047,459
Loans received	77,061	0	0	0	77,061
Subordinated debt	63,148	0	0	0	63,148
Debt securities	255,203	0	0	0	255,203
Lease liabilities	4,766	0	0	0	4,766
Other financial liabilities	13,194	22	5	9	13,230
Total financial liabilities	2,459,205	866	693	103	2,460,867
Net position	209,201	49	86	63	209,399

31.12.2024	EUR	USD	SEK	Other	Total
Assets					
Cash, cash balances at central banks and other deposits	339,301	1,035	3,119	223	343,678
Debt securities at fair value through other comprehensive income	37,751	0	0	0	37,751
Loans and advances to customers	1,774,118	0	0	0	1,774,118
Equity instruments at fair value through other comprehensive income	13	0	0	0	13
Other financial assets	1,610	0	0	0	1,610
Total financial assets	2,152,793	1,035	3,119	223	2,157,170
Liabilities					
Customer deposits	1,875,179	1,008	1,528	150	1,877,865
Loans received	8,280	0	0	0	8,280
Subordinated debt	63,148	0	0	0	63,148
Lease liabilities	5,153	0	0	0	5,153
Other financial liabilities	13,914	25	1,504	0	15,443
Total financial liabilities	1,965,674	1,033	3,032	150	1,969,889
Net position	187,119	2	87	73	187,281

Interest rate risk is defined as a risk of unexpected unfavourable changes in interest rates that might affect the revenue generated by the Group. The Group is exposed to interest rate risk if the due payment dates of its main assets and liabilities are different, if the structure of assets and liabilities varies in different currencies or if the interest rates of assets and liabilities can be adjusted at different time intervals.

The volume of floating rate loans that are EURIBOR-related as of 31.12.2025 was 1,922,148 (31.12.2024: 1,601,539) in thousands of euros. The Group has no loans related with other benchmarks.

Interest-bearing financial assets and financial liabilities by next interest rate repricing period

31.12.2025	Up to 3 months	3-12 months	1-5 years	Over 5 years	Principal	Accrued interest	Loss allowance	Total
Financial assets exposed to interest rate risk								
Balances with central banks	462,301	0	0	0	462,301	0	0	462,301
Loans and advances to credit institutions	22,128	0	0	0	22,128	0	0	22,128
Debt securities at fair value through other comprehensive income	0	2,826	27,931	26,694	57,451	605	-21	58,035
Debt securities at amortized cost	0	0	4,535	472	5,007	4	-23	4,988
Loans and advances to customers	1,134,320	991,357	846	0	2,126,523	6,989	-19,421	2,114,091
Derivatives	0	0	3,681	0	3,681	0	0	3,681
Total financial assets exposed to interest rate risk	1,618,749	994,183	36,993	27,166	2,677,091	7,598	-19,465	2,665,224
Financial liabilities exposed to interest rate risk								
Customer deposits	1,231,349	769,284	29,492	5,328	2,035,453	12,006	0	2,047,459
Loans received	72,000	848	4,158	0	77,006	55	0	77,061
Debt securities	6,122	0	249,081	0	255,203	0	0	255,203
Subordinated debt	0	15,000	0	48,100	63,100	48	0	63,148
Total financial liabilities exposed to interest rate risk	1,309,471	785,132	282,731	53,428	2,430,762	12,109	0	2,442,871
Exposure to interest rate risk duration gap	309,278	209,051	-245,738	-26,262	246,329	-4,511	-19,465	222,353
31.12.2024								
Financial assets exposed to interest rate risk								
Balances with central banks	317,696	0	0	0	317,696	0	0	317,696
Loans and advances to credit institutions	24,214	0	0	0	24,214	0	0	24,214
Debt securities at fair value through other comprehensive income	500	4,958	29,144	2,781	37,383	368	0	37,751
Loans and advances to customers	926,977	857,713	1,045	0	1,785,735	6,934	-18,551	1,774,118
Total financial assets exposed to interest rate risk	1,269,387	862,671	30,189	2,781	2,165,028	7,302	-18,551	2,153,779
Financial liabilities exposed to interest rate risk								
Customer deposits	996,311	785,507	74,562	6,103	1,862,483	15,382	0	1,877,865
Loans received	0	662	6,253	1,333	8,248	32	0	8,280
Subordinated debt	0	15,000	0	48,100	63,100	48	0	63,148
Total financial liabilities exposed to interest rate risk	996,311	801,169	80,815	55,536	1,933,831	15,462	0	1,949,293
Exposure to interest rate risk duration gap	273,076	61,502	-50,626	-52,755	231,197	-8,160	-18,551	204,486

Interest rate risk management entails the analysis of the interest rate risk of all the Group's assets and liabilities and the management of duration. The bank measures interest rate risk daily according to the European Commission Delegated Regulation (EU) 2024/857 requirements on the management of interest rate risk arising from non-trading book activities. To measure and stress test the interest rate risk of the banking book, the parallel shift of the risk-free interest rate curve and other possible changes in the interest rate curve are taken into account, including changes in slope and shape, that affect the Group's net interest income and the economic value of equity.

The bank assesses the following stress scenarios:

1. The effect of the risk-free interest rate curve parallel shift from -200bp to + 200bp on the group's net interest income over 12 months and on the economic value of equity is assessed.
2. The effect of the change in the shape and slope of the interest rate curve on the economic value of the Group's equity is assessed by changing interest rates between + 250bp and -250bp across maturity curves, including short-term and long-term interest rate movements in the opposite direction.
3. Changes in the slope of the interest rate curve:
 - rise and fall in short-term interest rates;
 - increase in short-term interest rates, decrease in long-term interest rates;
 - decrease in short-term interest rates, increase in long-term interest rates

The table below specifies the estimates regarding the annual impact of a parallel shifts in the yield curve on the Group's economic value of equity according to beforementioned calculations with simplified standardised methodology:

Change in Economic Value of Equity (EVE)	31.12.2025	31.12.2024
EVE under parallel shock up	1,750	5,839
EVE under parallel shock down	-13,112	-15,558
EVE under steepener shock	-2,175	-2,670
EVE under flattener shock	797	2,298
EVE under short rates shock up	1,241	3,879
EVE under short rates shock down	-7,982	-9,531

The table below specifies the estimates with regard to the annual impact of a parallel shifts in the yield curve on the net interest income according to aforementioned calculations with simplified standardised methodology:

Change in Net Interest Income (NII)	31.12.2025	31.12.2024
NII under parallel shock up	1,910	6,748
NII under parallel shock down	-5,390	-9,689

Interest risk management is made through limiting due dates of assets and liabilities of different currencies that are open to interest risk, balancing the structure of due dates of assets and liabilities and the use of derivative instruments when needed.

Derivatives

Derivatives are only used as a designated hedging instruments and not as speculative investments. The full fair value of hedging derivatives is classified as an asset or liability.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and the hedging instrument. The group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount.

Interest rate swap	31.12.2025
Fair value	3,681
Notional amount	250,000
Maturity date	2029
Hedge ratio	1:1
Accumulated fair value changes of hedging instrument	327
Accumulated fair value changes of hedged item	-327

In 2025, the Bank used an interest rate swap fixing derivative transaction to hedge the interest rate risk arising from the issuance of covered bonds. The notional amount of the transaction is EUR 250,000 thousand, with a maturity date of 20 March 2029, corresponding to the terms of the issued covered bond. The reference rate of the interest rate derivative transaction is the 6-month EURIBOR, which also represents the primary reference rate base of the Bank's loan portfolio. The interest rate derivative transaction forms part of the Bank's interest rate risk position and is included in the calculation of interest rate risk in the banking book and stress testing, in accordance with Commission Delegated Regulation (EU) 2024/857.

Operational risk management

Operational risk is the risk that arises from disruptions or deficiencies in the Group's information systems, personnel, processes or external factors, causing damage or disruption to the Group's day-to-day business. Operational risk includes information systems risk, information security risk, compliance risk (including money laundering and terrorist financing risk), process risk, personnel risk, legal risk, physical security risk, work environment risk, external risk and asset destruction risk. The Group follows the operational risk policy established in the management of operational risk.

Operational risk is treated and managed in the Group as a separate area of risk management for which the necessary resources have been allocated. Operational risk management is integrated into the Group's day-to-day operations and is primarily aimed at activities that prevent and control the realisation of risk. Awareness of the nature, impact and need for control of operational risk must take place at the level of each employee in the group. The most important sub-risks - information security and compliance risks – are managed separately.

The assessment of operational risks in the Group is primarily qualitative. Operational risk cases are registered in the case database together with the amount of damage that has occurred. The Group monitors the quantitative dynamics of operational risk by analysing the main risk indicators at least quarterly. The Management Board conducts regular quarterly reviews of the main risk indicators of operational risk and incidents. The Group conducts regular operational risk self- assessment. The Group uses the basic approach to calculate the capital requirement for operational risk.

Environmental, social and governance risk management

Environmental, social and governance (ESG)-related risks are expressed in the effects of the Group's operations and business activities on the environment, society and related stakeholders, as well as on the Group itself, which may lead to a deterioration of the Group's financial condition, an increase in costs, damage to resources, or significant financial loss. ESG risk management is, among other things, integrated with the management of other risk categories such as credit risk, compliance risk, operational risk, and strategic and reputational risk. The Group tries to avoid conscious risks, which may be accompanied by the realization of ESG risks.

The Chief Risk Officer is responsible for the sustainability area among the members of the Management Board. The Supervisory Board has examined the ESG approach in the context of renewing business strategy. Coop Pank have recognized the existence of climate and environmental risks and have excluded financing that has a significant negative impact on the environment. In addition, we try to avoid creating a negative impact on society, for example, we do not offer financing for certain areas of activity that are not in line with the goals of responsibility and sustainability.

From the Group's point of view, ESG risks can be divided into two categories. In the first case, we are dealing with ESG risks of the Coop Pank AS as an organization, and in the second case, with the risks of the Group's loan portfolio. Today, we have become aware of the main organization-specific risks as:

Environmental risks – mainly related to our office operations and server parks (for instance, floods). When managing these risks, it is important to consider that our offices are located on leased premises and we do not bear significant property damage in the case of physical risks (except possible property damage to our IT equipment, furniture, etc., but we have insured against this risk). In the event of a physical adverse event, most employees will be able to continue working in the home office.

Social risks – the main risks are related to employee relations, human rights, working conditions, equal opportunities, and diversity. The HR department and the management actively deal with social risk management to ensure continuous improvement of the working environment, prevention of undesirable events and creation of various benefits and opportunities for employees.

Risks related to governance – the main risks are regulatory and related to the transparency of the bank's governance. Risks are managed through the fact that we are a listed company, and we are subject to significantly stricter frameworks and supervision requirements than ordinary companies. It is also the task of the legal department and the compliance control unit to ensure that the bank's operations comply with the applicable legal regulations.

ESG risks of the bank's loan portfolio

When it comes to the ESG risks of the Group's loan portfolio, we approach from the principle of double materiality, paying attention to both, factors that are influenced by the bank and aspects that affect the bank. To clarify the main points of influence of Coop Pank's loan portfolio, we have conducted an impact analysis based on the UNEP FI methodology.

Leasing – leasing is most affected in the context of ESG by the fact that the global car market is increasingly moving towards electric cars, thus providing an opportunity to finance them. We also follow the principle that an important aspect of leasing portfolio's ESG risk management is to finance a significant volume of the already

produced car fleet and not to focus only on financing new vehicles. The share of used car financing in our portfolio continues to grow.

Consumer financing – the main risk is social risk, i.e. responsible lending. The risk is managed by assessing the loan servicing capacity on a customer-by-customer basis in accordance with current regulations and performing follow-up checks accordingly. Corresponding IT solutions are constantly being developed so that the realisation of the risk is minimised.

Private client real estate financing – the main risk is environmental risk. In cooperation with the Estonian Banking Association and the Estonian Association of Appraisers, a common ESG assessment has been developed, which will be used in the assessment of collateral assets. To date, the bank has mitigated the environmental risk through the fact that insurance is required for all guarantees.

Corporate client financing – all ESG-related risks occur here, similarly to the bank's ESG risks as an organisation, as well as collateral asset risks (see private client real estate financing). To manage the accompanying risks, the bank has decided not to finance areas of activity that have a negative social or environmental impact. According to the internal procedures, during 2024 and 2025 it has been recommended to assess ESG risks separately for clients who are CSRD obligated (in addition so-called large companies, clients with a significant environmental impact due to their field of activity, and clients whose potential loan position is greater than 10% of the bank's Tier 1 capital). Based on assessments, we have so far made qualitative conclusions about the possible increase in credit risk.

Considering the current development of ESG risk management both at the Bank and at the regulatory level, the level of ESG risks in 2025 has not been considered as an input in our ECL models. As an indirect effect, we can point out that since according to our credit policy (since 2017) it is not allowed to finance projects with either a significant environmental impact or a negative social impact, our ECL rates have been based on a portfolio in which significant ESG risk has been consciously avoided.

To successfully manage and mitigate risks, we consider it important to get to know them better.

Fair value of assets and liabilities

The Group estimates the fair value of financial assets and financial liabilities that are not measured at fair value in the statement of financial position of the Group. Assets not measured at fair value are primarily loans and advances to customers and liabilities not measured at fair value are mainly deposits.

IFRS 13 determines a hierarchy for fair value measurements that is based on whether inputs are observable or unobservable. Observable inputs reflect market information obtained from independent sources; unobservable inputs reflect assumptions that are not available in a market. The following hierarchy for fair value measurement has been established based on these two categories of inputs:

Level 1 – (unadjusted) quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. This level includes publicly quoted equity-related securities and debt instruments listed on exchanges, as well as instruments quoted by market participants.

Level 2 – inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (in the form of prices) or indirectly (derived from prices). Sources for input parameters (for example euro debt securities yield curve or counterparty credit risk) are Bloomberg and Reuters.

Level 3 – inputs for assets or liabilities that are not based on observable market information (unobservable inputs).

The fair value of loans and advances as at 31.12.2025 was 0,08% higher (1,779 thousand euros) than their carrying amount. The fair value of deposits as at 31.12.2025 was -0.03% lower (-644 thousand euros) than their carrying amount.

31.12.2025	IFRS 9 measurement	Level 1	Level 2	Level 3	Fair value	Carrying value
Financial assets						
Cash, cash balances at central banks and other deposits	AC	0	488,717	0	488,717	488,717
Debt securities	FVOCI	55,209	0	2,826	58,035	58,035
Debt securities	AC	0	0	4,988	4,988	4,988
Equity instruments	FVOCI	0	13	0	13	13
Loans and advances to customers	AC	0	0	2,115,870	2,115,870	2,114,091
Incl. receivables from private individuals	AC	0	0	1,055,529	1,055,529	1,054,601
Incl. receivables from legal entities	AC	0	0	1,060,341	1,060,341	1,059,490
Derivatives	FVPL	0	3,681	0	3,681	3,681
Other financial assets	AC	0	741	0	741	741
Total financial assets		55,209	493,152	2,123,684	2,672,045	2,670,266
Financial liabilities						
Customer deposits	AC	0	2,046,816	0	2,046,816	2,047,459
incl. private individuals	AC	0	1,056,335	0	1,056,335	1,056,702
incl. legal entities	AC	0	983,906	0	983,906	984,182
incl. credit institutions	AC	0	6,575	0	6,575	6,575
Loans received	AC	0	77,046	0	77,046	77,061
incl. legal entities	AC	0	5,007	0	5,007	5,022
incl. central banks	AC	0	72,039	0	72,039	72,039
Debt securities	AC	0	255,203	0	255,203	255,203
Other financial liabilities	AC	0	13,230	0	13,230	13,230
Subordinated debt	AC	0	63,148	0	63,148	63,148
Total financial liabilities		0	2,455,443	0	2,455,443	2,456,101

The fair value of loans and advances as at 31.12.2024 was 0.25% higher (4,456 thousand euros) than their carrying amount. The fair value of deposits as at 31.12.2024 was -0.13% lower (-2,372 thousand euros) than their carrying amount.

31.12.2024	IFRS 9 measurement	Level 1	Level 2	Level 3	Fair value	Carrying value
Financial assets						
Cash, cash balances at central banks and other deposits	AC	0	343,678	0	343,678	343,678
Debt securities	FVOCI	37,751	0	0	37,751	37,751
Equity instruments	FVOCI	0	13	0	13	13
Loans and advances to customers	AC	0	0	1,778,574	1,778,574	1,774,118
Incl. receivables from private individuals	AC	0	0	928,956	928,956	925,005
Incl. receivables from legal entities	AC	0	0	849,618	849,618	849,113
Other financial assets	AC	0	1,610	0	1,610	1,610
Total financial assets		37,751	345,301	1,778,574	2,161,626	2,157,170
Financial liabilities						
Customer deposits	AC	0	1,875,449	0	1,875,449	1,877,865
incl. private individuals	AC	0	966,481	0	966,481	967,891
incl. legal entities	AC	0	906,417	0	906,417	907,423
incl. credit institutions	AC	0	2,551	0	2,551	2,551
Loans received	AC	0	8,324	0	8,324	8,280
incl. legal entities	AC	0	8,324	0	8,324	8,280
Other financial liabilities	AC	0	15,443	0	15,443	15,443
Subordinated debt	AC	0	63,148	0	63,148	63,148
Total financial liabilities		0	1,962,364	0	1,962,364	1,964,736

The Group discounts cash flows using the market rate as a basis in order to estimate the fair value of financial assets and financial liabilities. The market rate for loans is the average interest rate used in the Group in the last 6 months prior to the balance sheet date. When determining the fair value of the deposits, the current deposit balances are discounted using the deposit interest rates offered to new deposits included in the analysis.

Note 3 Subsidiaries and goodwill

In the spring of 2024, Coop Finants AS merged with its parent company Coop Pank AS. With registration of the merger in the Estonian Commercial Registry, all the assets, rights and obligations of Coop Finants AS were transferred to Coop Pank AS, incl. goodwill recognised from the subsidiary Coop Finants AS acquisition in May 2017. Goodwill includes synergies and intangible assets that were not separately identified. The goodwill is primarily attributable to the profitability of the acquired business, the significant synergies and combined cost savings expected to arise. Goodwill is allocated to the segment of consumer financing. Goodwill as at 31.12.2025 was 6,757 thousand euros (31.12.2024: 6,757 thousand euros).

As at 31.12.2025 and 31.12.2024 goodwill was tested for impairment. Value-in-use calculations are based on the following assumptions:

- forecast period 5 years (2024: 6 years)
- estimated growth in the volume of loan portfolio is 13-15% per year (2024: 8-11%)
- average increase in net income is 14% per year (2024: 9%)
- average increase in expenses is 5% per year (2024: 5%)
- average loan impairment loss is 2.4% per year (2024: 2.4%)
- weighted average cost of capital of 9% is used as cash flow discount rate (2024: 9%)
- terminal growth rate used is 2% (2024: 2%)

While using these key assumptions, management relied on their best estimation of probable expectations. The value-in-use test indicated that the recoverable value of the cash-generating unit exceeds the carrying amount and consequently no impairment losses have been recognised. Based on the assessment of reasonably possible changes for key assumptions, the management has not identified any instances that could cause the carrying amount of cash-generating unit to exceed its recoverable value.

Note 4 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. Profitability of the segments is measured by profit before income tax. The chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments, is the management board of the Parent Company.

The Group divides its business into segments based on the legal structure and the product- and customer-specific distribution within the Bank. According to the legal structure, the Group has a leasing and insurance brokerage segment that provides leasing products and insurance brokerage services to both private and corporate customers, respectively. The leasing segment earns interest income from lending. Insurance brokerage earns revenue on intermediating insurance contracts.

Due to the Bank's product-based division, the Group distinguishes the consumer financing segment. The consumer financing segment provides consumer loans and hire-purchase cards to private customers. The segment earns interest incomes from lending and fee commissions from issuing hire-purchase cards.

Due to the Bank's customer-based division, the Group has both corporate banking (legal entities) and retail banking (private individuals) segments. Both segments offer money transferring products and loan products to customers, as well as gathering deposits. The segments earn interest income from lending and commissions fees from settlement of payments and bank card transactions.

Segments are the basis for regular monitoring of business results by the Group's management and Supervisory Boards, and separate financial data is available for the segments. According to the Group's structure, the Group also divides the corporate banking and retail banking segments into more detailed business lines of loans and everyday banking (deposits, settlements). The Group also uses business lines for planning and budgeting, but business lines are not defined as separate segments.

Revenue reported by a segment consists of revenue from external customers and additional interest income or interest expense on intersegment borrowing, which is based on the internal transfer pricing model in the Group and is shown as elimination in the tables below. The Group does not have any customers whose income would account for more than 10% of the respective type of income. The geographical breakdown of interest income is shown in Note 5. The geographical breakdown of commission fees is shown in Note 6.

Segment profits in 2025, in thousands of euros	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	60,534	44,383	13,650	10,008	24,713	-26,944	126,344
Incl. external income	54,187	38,032	13,650	10,008	10,467	0	126,344
Incl. internal income	6,347	6,351	0	0	14,246	-26,944	0
Interest expenses	-24,926	-22,799	-2,899	-5,202	-24,193	26,944	-53,075
Net interest income	35,608	21,584	10,751	4,806	520	0	73,269
Fee and commission income	2,063	4,495	481	184	1,135	0	8,358
Fee and commission expense	-683	-3,010	-40	-6	-74	0	-3,813
Net commission income	1,380	1,485	441	178	1,061	0	4,545
Net other income	138	351	204	657	192	0	1,542
Net income	37,126	23,420	11,396	5,641	1,773	0	79,356
Payroll expenses	-9,011	-9,061	-2,635	-2,248	-1,451	0	-24,406
Operating expenses	-3,378	-4,102	-1,593	-1,106	-651	0	-10,830
Depreciation	-1,981	-2,362	-1,145	-606	-161	0	-6,255
Total operating expenses	-14,370	-15,525	-5,373	-3,960	-2,263	0	-41,491
Profit before loss allowances and tax	22,756	7,895	6,023	1,681	-490	0	37,865
Credit loss allowance	-746	-268	-2,064	-221	0	0	-3,299
Profit before tax	22,010	7,627	3,959	1,460	-490	0	34,566
Income tax expense	-3,847	-1,326	-668	0	-1	0	-5,842
Net profit	18,163	6,301	3,291	1,460	-491	0	28,724

Fee and commission income allocation 2025, in thousands of euros	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Fees from cards	476	2,926	1	0	0	0	3,403
Monthly account fees and transaction fees	352	1,205	0	0	0	0	1,557
Insurance brokerage commission	0	0	480	0	1,083	0	1,563
Foreign exchange transactions	35	4	0	0	38	0	77
Other fee and commission income	1,200	360	0	184	14	0	1,758
Total fee and commission income	2,063	4,495	481	184	1,135	0	8,358

Assets and liabilities as at 31.12.2025, in millions of euros	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Loan portfolio	977	854	103	180	665	-665	2,114
Other assets	235	206	34	45	69	0	589
Total assets	1,212	1,060	137	225	734	-665	2,703
Total liabilities	1106	969	125	205	728	-665	2,468

*Other includes treasury, subsidiaries Prana Property and Coop Kindlustusmaakler. The distribution of interest income and commission income by products is presented in Note 5 and 6.

Segment profits in 2024, in thousands of euros	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	60,573	49,466	13,998	12,172	25,403	-22,917	138,695
Incl. external income	54,455	42,228	13,998	12,172	15,842	0	138,695
Incl. internal income	6,118	7,238	0	0	9,561	-22,917	0
Interest expenses	-25,425	-24,471	-3,511	-6,224	-24,411	22,917	-61,125
Net interest income	35,148	24,995	10,487	5,948	992	0	77,570
Fee and commission income	1,640	4,107	767	268	1,117	0	7,899
Fee and commission expense	-675	-2,696	-111	-6	-53	0	-3,541
Net commission income	965	1,411	656	262	1,064	0	4,358
Net other income	95	250	222	157	-769	0	-45
Net income	36,208	26,656	11,365	6,367	1,287	0	81,883
Payroll expenses	-8505	-8646	-2688	-2297	-1275	0	-23,411
Operating expenses	-3416	-4390	-1988	-1242	-677	0	-11,713
Depreciation	-1654	-2099	-1063	-520	-116	0	-5,452
Total operating expenses	-13,575	-15,135	-5,739	-4,059	-2,068	0	-40,576
Profit before loss allowances and tax	22,633	11,521	5,626	2,308	-781	0	41,307
Credit loss allowance	-1,231	-525	-2,704	-183	0	0	-4,643
Profit before tax	21,402	10,996	2,922	2,125	-781	0	36,664
Income tax expense	-2,715	-1,398	-360	0	-13	0	-4,486
Net profit	18,687	9,598	2,562	2,125	-794	0	32,178

Fee and commission income allocation 2024, in thousands of euros	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Fees from cards	477	2,419	323	0	0	0	3,219
Monthly account fees and transaction fees	277	1,214	0	0	0	0	1,491
Insurance brokerage commission	0	0	444	0	1,061	0	1,505
Foreign exchange transactions	41	2	0	0	45	0	88
Other fee and commission income	845	472	0	268	11	0	1,596
Total fee and commission income	1,640	4,107	767	268	1,117	0	7,899

Assets and liabilities as at 31.12.2024, in millions of euros	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Loan portfolio	872	729	98	178	427	-530	1,774
Other assets	158	149	28	36	44	0	415
Total assets	1,030	878	126	214	471	-530	2,189
Total liabilities	940	794	114	193	466	-530	1,977

*Other includes treasury, subsidiaries CP Varad, Prana Property and Coop Kindlustusmaakler. The distribution of interest income and commission income by products is presented in Note 5 and 6.

Note 5 Net interest income

	Note	2025	2024
Interest income calculated using effective interest method:			
Loans to legal entities	11	52,836	53,244
Consumer loans and hire-purchase loans	11	13,725	14,047
Other loans to private individuals	11	37,957	42,087
Bonds	10	1,916	1,385
Other assets	9	8,907	14,575
		115,341	125,338
Other similar interest income:			
Leasing	11	11,003	13,357
Total interest income and income similar to interest		126,344	138,695
Customer deposits	15	-41,487	-55,617
Loans received	16	-236	-240
Subordinated debt	19	-4,934	-5,022
Debt securities	17	-6,425	0
Derivatives - fair value hedging	2	226	0
Lease liabilities	14	-219	-246
Total interest expenses		-53,075	-61,125
Net interest income		73,269	77,570

In 2025, the Group earned 98% of interest income from Estonian residents and 2% from residents of other countries (mostly EU countries). This ratio remains unchanged YoY.

The distribution of interest income by operating segments is presented in Note 4.

Loan portfolio is presented in Note 11.

Note 6 Fee and commission income

	2025	2024
Fees from cards	3,403	3,219
Monthly account fees and transaction fees	1,557	1,491
Insurance brokerage commission	1,563	1,505
Foreign exchange transactions	77	88
Other fee and commission income	1,758	1,596
Total fee and commission income	8,358	7,899
Expenses related to cards	-2,556	-2,449
Transaction costs	-290	-257
Other fee and commission expense	-967	-835
Total fee and commission expense	-3,813	-3,541
Net fee and commission income	4,545	4,358

The distribution of fee and commission income by operating segments is presented in Note 4.

In 2025, the Group earned 83% of fee and commission income from Estonian residents and 17% from residents of other countries (mostly EU countries). In 2024, the Group earned 86% of fee and commission income from Estonian residents and 14% from residents of other countries (mostly EU countries). All fee and commission income are recognised point in time.

Note 7 Payroll expenses

	2025	2024
Wages and salaries	-17,115	-16,481
Social tax, unemployment insurance premiums	-7,291	-6,930
Total	-24,406	-23,411

Social security tax payments include a contribution to state pension funds in amount 531 (2024: 266) thousand euros. Group has no legal or factual obligation to make pension or similar payments beyond social security tax. In 2025, the average number of employees of the Group (reduced to full-time equivalents) was approximately 452 (2024: 433).

Note 8 Operating expenses

	Note	2025	2024
Administration of information systems		-2,788	-2,486
Marketing expenses		-1,856	-2,690
Contributions to Deposit Guarantee Fund		-1,473	-1,899
Training and travel expenses		-595	-656
Office expenses		-862	-840
Services purchased		-451	-504
Utilities of leased premises		-210	-216
Financial supervision fee instalments		-442	-401
Auditor services		-230	-196
Short-term and low value leases	14	-209	-291
Legal services, state fees		-900	-582
Insurance		-82	-107
Membership fees		-51	-54
Transport expenses		-38	-57
Other operating expenses		-643	-733
Total		-10,830	-11,713

Note 9 Cash, cash balances at central banks and other deposits

	31.12.2025	31.12.2024
Cash on hand	4,288	1,766
Demand deposits at the Central Bank	443,316	299,380
Demand deposits at credit institutions and other financial institutions	22,128	24,216
Cash and cash equivalents	469,732	325,362
Base level of the mandatory reserve kept in the Central Bank*	18,985	18,316
Total	488,717	343,678

* Not included in cash and cash equivalents in the consolidated statement of cash flows.

Mandatory reserve at the Central Bank is the minimum amount that the bank must hold and this amount is not freely usable. The base rate of mandatory reserve kept at the Central Bank as of 31.12.2025 was 1% (31.12.2024: 1%) of all financing sources (deposits from customers and loans received). The reserve requirement is to be fulfilled as a monthly average in euros or in foreign securities preapproved by the Central Bank.

Note 10 Financial investments

	31.12.2025	31.12.2024
Government debt securities	51,746	30,912
Credit institutions	3,934	3,489
Debt securities of other non-financial companies	7,343	3,350
Total of debt securities	63,023	37,751
Shares of other non-financial companies	13	13
Total of equity instruments	13	13
Total of financial investments	63,036	37,764

As of 31.12.2025 debt securities of other non-financial companies in the amount of 4,517 thousand euros and debt securities of credit institutions in the amount of 471 thousand euros are recognized at amortized cost value. The remaining debt securities in the amount of 58,035 thousand euros and equity instruments in the amount of 13 thousand euros are recognized at fair value through changes in other comprehensive income.

As of 31.12.2024 all debt securities and equity instruments were recognized at fair value through changes in other comprehensive income.

Note 11 Loans and advances to customers

	31.12.2025	31.12.2024
Total receivables from private individuals	1,061,786	931,900
incl. consumer loans	103,179	108,146
incl. lease financing	95,429	95,903
incl. mortgage loans and other private loans	863,178	727,851
Total receivables from legal entities	1,071,726	860,769
incl. lease financing	85,711	98,823
incl. investment loan, overdraft facility and other business loans	986,015	761,946
Total receivables	2,133,512	1,792,669
Loss allowances of loans and advances	-19,421	-18,551
Total	2,114,091	1,774,118

The Bank uses segment-based classification when classifying loan products.

Finance lease receivables	31.12.2025	31.12.2024
Gross investment – lease payments receivable, incl.	202,129	223,499
up to 1 year	55,963	61,020
1-2 years	43,227	48,320
2-3 years	36,382	40,253
3-4 years	41,032	33,620
4-5 years	20,499	31,002
over 5 years	5,026	9,284
Future interest income	-20,398	-28,134
up to 1 year	-7,467	-10,491
1-2 years	-5,731	-7,589
2-3 years	-3,966	-5,174
3-4 years	-2,301	-3,165
4-5 years	-773	-1,410
over 5 years	-160	-305
Finance lease net investment *	181,731	195,365
up to 1 year	48,496	50,529
1-2 years	37,496	40,731
2-3 years	32,416	35,079
3-4 years	38,731	30,455
4-5 years	19,726	29,592
over 5 years	4,866	8,979

* Finance lease receivables gross investment includes accrued interest in the amount of 418 (31.12.2024: 570) thousand euros and contract fees in the amount of -1,010 (31.12.2024: -1,208) thousand euros.

Loan allowances	31.12.2025	31.12.2024
Balance at the beginning of the reporting period	-18,551	-16,394
Loss allowances during the reporting period*	-3,087	-4,914
Derecognised during reporting period due to sale or write-off of loans	2,217	2,757
Balance of allowance at the end of the reporting period	-19,421	-18,551

* Loss allowances on the loan portfolio during the reporting period differ from the credit loss allowance recognised in the statement of profit or loss. The difference is due to such receipts of past due loans written off earlier as uncollectible claims, which were received in the amount of 164 (2024: 148) thousand euros during the reporting period; due to loss allowances in the amount of -345 (2024: -22) thousand euros from the exposures related to the off-balance sheet and due to loss allowances related to the Investments in debt securities.

For credit risk exposures and loan collateral, see Credit Risk management section in Note 2.
 Distribution of loans granted by currencies is disclosed in Market Risk management in Note 2.
 Distribution of loans granted by maturity is disclosed in Liquidity Risk management in Note 2.
 The geographical distribution of loans granted is disclosed in Concentration of Risk in Note 2.
 For interest income on loans granted, see Note 5.

Note 12 Other financial assets and other assets

	31.12.2025	31.12.2024
Financial assets		
Security deposits	20	20
Amounts receivable	546	533
Other financial assets	175	1,057
Total financial assets*	741	1,610
Other assets		
Settlements with the Tax and Customs Board	1	299
Other prepayments**	1,717	1,736
Total other assets	1,718	2,035
Assets held for sale		
Real estate acquired for sale and properties under construction	1,190	1,099
Other assets	66	41
Total assets held for sale	1,256	1,140

*Financial assets have a good credit quality and there are no indications of impairment.

** Other prepayments include insurance, communication services, periodicals, training and other similar prepayments.

Note 13 Tangible and intangible assets

	Right-of-use assets	Land and properties	Other tangible assets	Internal developments related to banking software	External developments and licences related to banking software	Total
Carrying amount 31.12.2023	5,380	118	3,628	6,374	4,465	19,965
Acquisition and additions	464	0	787	4,717	1,132	7,100
Termination of lease contracts	-13	0	0	0	0	-13
Adjustments	-6	0	0	-10	-20	-36
Sale at carrying amount	0	0	-52	0	0	-52
Depreciation charged	-718	-2	-1028	-2231	-1473	-5,452
Carrying amount at 31.12.2024						
Incl. acquisition cost	9,253	136	7,573	13,946	13,214	44,122
Incl. depreciation	-4,146	-20	-4,238	-5,096	-9,110	-22,610
Carrying amount 31.12.2024	5,107	116	3,335	8,850	4,104	21,512
Acquisition and additions	0	0	1,128	5,236	995	7,359
Termination of lease contracts	0	0	0	0	0	0
Adjustments	402	0	-4	0	-16	382
Sale at carrying amount	0	0	-1	0	0	-1
Depreciation charged	-773	-3	-1032	-2,968	-1,479	-6,255
Carrying amount 31.12.2025						
Incl. acquisition cost	9,655	136	8,469	19,179	14,193	51,632
Incl. depreciation	-4,919	-23	-5,043	-8,061	-10,589	-28,635
Carrying amount 31.12.2025	4,736	113	3,426	11,118	3,604	22,997

Right-of-use assets include leases of property and real estate. Land and properties include office premises owned by the group. Other tangible assets include computer technology and office equipment, furniture and capitalised costs of office renovation.

Note 14 Lease liabilities

The Group rents various office spaces. Leases usually have a term of up to 5 years and the head office rental agreement is 10 years, but they usually include options for renewal and termination. Lease terms are agreed upon on a contract-by-contract basis and may include a variety of different terms. Rent agreements are recognised as right-of-use assets and liabilities. The maturity analysis of lease liabilities are disclosed in Note 2 Liquidity risk management.

	2025	2024
Beginning balance 01.01	5,153	5,417
Cash flows*	-606	-961
Interest expense	219	246
New leases	0	464
Terminated leases	0	-13
Ending balance 31.12	4,766	5,153

*In 2025, rent payments for several leased premises (including payments for leased premises in the Skyon commercial building) were indexed in accordance with the lease agreements.

In the statement of profit or loss, the following amounts are recognised in relation to lease agreements:

	2025	2024
Interest expense relating to leases (included in interest expenses) (Note 5)	219	246
Expense relating to short-term leases (included in operating expenses)	177	179
Expense relating to leases of low-value assets (included in operating expenses)	32	112

Note 15 Customer deposits

	31.12.2025	31.12.2024
Private individuals	1,056,702	967,891
Legal entities	984,182	907,423
Credit institutions	6,575	2,551
Total	2,047,459	1,877,865
Demand deposits	637,205	571,865
Term deposits	1,410,254	1,306,000
Total	2,047,459	1,877,865

Note 16 Loans received

	31.12.2025	31.12.2024
Legal entities	5,022	8,280
Central banks	72,039	0
Total	77,061	8,280

Note 17 Issued Debt Securities

On 13 March 2025, Coop Pank issued covered bonds with a total nominal value of EUR 250 million and a maturity of four years. This issuance represented the first series of covered bonds issued under Coop Pank's EUR 750 million covered bond programme. The covered bonds were issued in order to diversify funding sources. The covered bonds were listed on the Irish Stock Exchange. The credit rating agency Moody's confirmed the rating of Coop Pank's covered bonds at the level of Aa1.

in thousand euros	Year of issue	Interest rate	Maturity date	Amount
Covered bonds	2025	3.125%	20.03.2029	250,000
Cash flows from financing activities				249,235
Accrued interest				6,122
The amortised cost adjustments, incl. transaction costs				173
Fair value hedge adjustment				-327
Issued debt securities as at 31 December 2025				255,203
Interest expenses calculated during 2025 (Note 5)				-6,129
of which interest expense on issued debt securities				-6,355
of which net result of hedging derivative instruments				226

In the second half of 2025, Coop Pank issued retained covered bonds to its own portfolio in a total amount of EUR 200,000 thousand, with a maturity date of 14 June 2030 and based on interest index of 6-month EURIBOR + 50 basis points. This position is retained in the Bank's own holdings. Retained covered bonds are eligible as collateral (including with the central bank) and may be used in liquidity-providing operations.

Note 18 Other financial liabilities and other liabilities

	31.12.2025	31.12.2024
Financial liabilities		
Cash in transit	3,148	8,754
Customer advances	2,303	2,642
Card clearing	77	128
Balance of terminated customer contracts	5,952	1,479
Trade payables	859	850
Settlements with cooperatives	199	579
Other financial liabilities	692	1,011
Total financial liabilities	13,230	15,443
Other liabilities		
Payables to employees	3,338	3,675
Tax liabilities	2,598	2,042
Provisions for ECL on commitments and guarantees	828	483
Deferred liabilities	764	474
Other advance payments	56	414
Total other liabilities	7,584	7,088
Total	20,814	22,531

Note 19 Subordinated debt

The Coop Pank group has issued subordinated bonds and entered into a subordinated loan agreement in order to increase long-term capital. In the case of default of the Group, the subordinated debt is repayable after all other debts have been paid, but before debts to shareholders are paid. The balances of subordinated debt as at the end of each reporting period is disclosed in the table below.

	Year of issue	Interest rate	Maturity date	Amount
Subordinated bond	2019	7.58%	29.03.2029	2,000
Subordinated bond	2021	5.50%	31.03.2031	10,000
Subordinated bond	2022	5.00%	10.03.2032	10,000
Subordinated bond (Tier 1)	2022	10.00%	perpetual*	16,100
Subordinated bond (Tier 1)	2023	12.00%	perpetual*	12,000
Cash flows from financing activities				50,100
Subordinated debt as at 31.12.2023				50,100
Subordinated bond redeemed**	2019	7.58%	29.03.2029	-2,000
Subordinated loan agreement (Tier 2)	2024	3.25%+6m EURIBOR	12.01.2034	15,000
Cash flows from financing activities				13,000
Subordinated debt as at 31.12.2024				63,100
Cash flows from financing activities				0
Subordinated debt as at 31.12.2025				63,100
Subordinated debt accrued interest as at 31.12.2023				87
Interest expenses calculated during 2024 (Note 5)				5,022
Paid out interest expense during 2024				-5,061
Subordinated debt accrued interest as at 31.12.2024				48
Interest expenses calculated during 2025 (Note 5)				4,934
Paid out interest expense during 2025				-4,934
Subordinated debt accrued interest as at 31.12.2025				48

* Bonds have no fixed redemption date, but the Issuer has the right to redeem them in accordance with the conditions set out in CRR being met and not before five years from issuance.

**The Bank has used the call option and redeemed the subordinated bond in full after the respective approval of the Financial Supervisory Authority in accordance with the Tier 2 Requirements.

Accrued interest liabilities of subordinated debt are accounted in the statement of financial position using the effective interest rate.

Note 20 Equity

Equity	Time	Number of shares	Strike price, in euros	Share capital, in thousands of euros	Share premium, in thousands of euros
Share capital as at 31.12.2023		102,241,307		69,673	25,779
Paid in share capital	May 2024	745,000	1.10	508	932
Share capital as at 31.12.2024		102,986,307		70,181	26,711
Paid in share capital	June 2025	670,900	1.255	457	1,422
Share capital as at 31.12.2025		103,657,207		70,638	28,133

The share capital issue in 2025 and 2024 was related only to the exercising of employee share options. As at 31.12.2025 the share capital of the bank is 70,638 (31.12.2024: 70,181) in thousands of euros, which was divided into 103,675,207 (31.12.2024: 102,986,307) ordinary shares of no par value. The carrying value of one share is 0.6815 euros (31.12.2024: 0.6815).

According to the articles of association, share capital can be increased to 160 million euros without any amendment to the articles of association. In 2025 Coop Pank AS used the right to increase the share capital by 457 in thousands of euros in connection with the option programme, i.e. from the amount 70,181 in thousands of euros up to the amount 70,638 in thousands of euros. The total proceeds of the subscription were 842 thousand euros. The issue price was 1.255 euros per share, of which 0.6815 euros is the book value and 0.5735 euros is the share premium. In 2024 Coop Pank AS used the right to increase the share capital by 508 in thousands of euros in connection with the option programme, i.e. from the amount 69,673 in thousands of euros up to the amount 70,181 in thousands of euros. Shares were paid for fully in cash. The total proceeds of the subscription were 820 thousand euros. The issue price was 1.10 euros per share, of which 0.6815 euros is the book value and 0.4185 euros is the share premium.

In the spring of 2024, Coop Pank paid dividends to shareholders at a rate of 0.087 euros (net) per share from the profit of the year 2023, in the total net amount of 8,895 in thousands of euros. Part of the dividends (1/3 from dividends paid out in 2022 and 2023) were taxed at a preferential rate of 14/86 and the remaining part at a rate of 20/80.

In the spring of 2025, Coop Pank paid dividends to shareholders at a rate of 0.07 euros (net) per share from the profit of the year 2024, in the total net amount of 7,209 in thousands of euros and additionally tax on net dividends with tax rate 22/78 in total amount of 2,033 thousands of euros was paid.

As of 31.12.2025 according to the dividend policy it is possible to pay out dividends to shareholders at a rate of 0.065 euros (net) per share in the total net amount of 6,738 thousand euros. The potential dividends would be taxed at a rate of 22/78.

Income tax expense information is presented in Note 25.

The bank grants share options to members of the management board, department managers and key employees. The vesting period of the options is 3 years and the issue of shares will be decided in the Annual General Meeting of Shareholders or Meeting of the Shareholders close to the vesting date. The reserve of options granted as of 31.12.2024 amounted to 1,739 (2024: 1,825) thousand euros. Related expenses in the statement of profit and loss in 2025 were 951 (2024: 952) thousand euros and 1,037 (2024: 620) thousand euros were transferred from reserve to share premium in relation to exercising the options. The fair value of options

is calculated using the Black-Scholes model, which uses the share price of the bank, strike price, volatility and risk-free interest rate as inputs. In case of options issued in 2025 the main input values used are: share price of the bank 2.105 (2024: 2.3856) euros, strike price 1.053 (2024: 1.875) euros volatility 11% (2024: 15%) and risk-free interest rate 1.9% (2024: 2.6%). Employees do not have the possibility to take the specified amount in cash in lieu of the share options. Share options cannot be exchanged, sold, pledged or encumbered. Share options can be inherited. The contract of share options will expire if the employee is leaving the company before the vesting period, but the Supervisory Board can decide otherwise. In 2025, the options for 670,900 shares were exercised with strike price 1.255 euros per share (2024: 745,000 shares with strike price 1.10 euros). The actual share price on the date when the options were exercised was 2.14 euros (2024: 2.27 euros). The bank may issue share options for the results of 2025.

Transactions with options	Number of options
As at 31.12.2023	2,256,500
Granted	1,022,000
Exercised	-745,000
Forfeited	-53,200
As at 31.12.2024	2,480,300
Granted	953,800
Exercised	-670,900
Forfeited	-31,700
As at 31.12.2025	2,731,500

Valid options as of 31.12.2025 are subject to exercising.

Date of issue	Expiry date	Share price	Number of options
April 2023	April 2026	1.5260	785,800
April 2024	April 2027	1.8750	991,900
April 2025	April 2028	1.0530	953,800
Total options to be exercised		1.4876	2,731,500

According to the requirements of § 336 of the Commercial Code, during each financial year, at least 1/20 of the net profit shall be transferred to the statutory reserve, until the statutory reserve reaches 1/10 of the share capital. Once the statutory reserve capital reaches the amount specified in the Commercial Code, no more transfers on account of the net profit will be made to the statutory reserve capital. On a basis of a decision of the general meetings of shareholders, statutory reserve capital may be used to cover losses, as well as to increase share capital. Distributions to shareholders from the statutory reserve capital are not permitted.

Note 21 Financial guarantees and loan commitments

	31.12.2025	31.12.2024
Financial guarantees	29,539	18,498
Lines of credit and overdraft facilities	212,841	133,090
Total	242,380	151,588

The Group applies the expected credit loss model for contingent liabilities, see Note 2. As of 31.12.2025, 828 (31.12.2024: 483) thousand euros was accounted for as ECL provision for financial guarantees and loan commitments (Note 18).

The tax authorities may at any time inspect the books and records of the company within 5 years subsequent to the reported tax year and may as a result of their inspection impose additional tax assessments and penalties. The management is not aware of any circumstances which may give rise to a potential material liability in this respect.

Note 22 Litigations

In 2025, there were 12 lawsuits pending in courts against the Group (i.e., where the Group company is in the role of defendant or involved as a third party on the defendant's side). Several disputes are related to the termination of payment service agreements, and in some cases, the parties are contesting the ownership or size of a property. One dispute concerns a claim by a debt collection company for the re-transfer of unsecured loan agreements that were previously assigned to it by the Group. According to management's assessment, the potential impact of these disputes is not material.

Note 23 Related parties

The following persons or entities have been considered as related parties for the purpose of preparing the consolidated financial statements:

- Shareholders of the parent company that have significant influence over the Group;
- The Management of the Group that includes members of the Management Board and the Supervisory Board of the parent company and entities related to them;
- Close relatives of the above persons, who have the same economic interest and entities related to them.

The terms of the loans granted to related parties do not differ from the loans granted to other customers with regard to interest rates. Interest rates on loans are in the range of 3.59-6.60%, on leasings in the range of 3.41-4.66% and on credit cards around 18%. Interest rates on deposits are in the range of 0.01-3.35%. Transactions with related parties are based on the price list and/or are carried out at market value. There were no transactions with the biggest shareholder Coop Investeeringud OÜ, who holds 21.86% of shares.

Balances	31.12.2025	31.12.2024
Shareholders:		
Deposits	14,117	11,162
Members of the Management Board and Supervisory Board:		
Loans	658	252
Deposits	763	867
The persons or entities related to the Management:		
Loans	6,725	1,889
Deposits	9,011	8,748

Related party receivables have not been written down during the reporting period.

Transactions	2025	2024
Shareholders:		
Interest expense	149	439
Members of the Management Board and Supervisory Board:		
Interest income	25	7
Interest expense	19	26
Sale of other goods and services	0	2
Salaries and other remunerations paid	1,093	958
The persons or entities related to the Management:		
Interest income	266	110
Interest expense	292	334

Maximum termination benefits payable to members of the Management Board on a contingent basis is 492 thousand euros (31.12.2024: 372). The Group does not have any other long-term or post-employment benefits to the members of the Management Board and the Supervisory Board.

The share options issued to members of the Management Board are provided in the tables below.

Transactions with options	Number of options
As at 31.12.2023	691,700
Granted	422,300
Exercised	-270,000
Forfeited	0
As at 31.12.2024	844,000
Granted	431,400
Exercised	-212,100
Forfeited	0
As at 31.12.2025	1,063,300

Valid share options issued to members of the Management Board as of 31.12.2025 are subject to exercising.

Date of issue	Expiry date	Share price	Number of options
April 2023	April 2026	1.5260	209,600
April 2024	April 2027	1.8750	422,300
April 2025	April 2028	1.0530	431,400
Total options to be exercised		1.4727	1,063,300

Note 24 Basic earnings and diluted earnings per share

In order to calculate basic earnings per share, net profit attributable to owners of the parent has been divided by the weighted average number of shares issued. In order to calculate diluted earnings per share, net profit attributable to owners of the parent has been divided by the diluted weighted average number of shares, taking into account the potential shares covered by options contracts.

	31.12.2025	31.12.2024
Profit attributable to the owners of the parent (in thousands of euros)	28,724	32,178
Weighted average number of shares (in thousands of units)	103,389	102,688
Basic earnings per share (euros)	0.28	0.31
Adjustments for calculation of diluted earnings per share – share options (in thousands of units)	2,632	2,401
Weighted average number of shares used for calculating the diluted earnings per share (in thousands of units)	106,021	105,089
Diluted earnings per share (euros)	0.27	0.31

Note 25 Income tax expense

The annual profit earned by enterprises is not taxed in Estonia and thus there are no temporary differences between the tax bases and carrying values of assets and liabilities and no deferred tax assets or liabilities arise (except for recognising a deferred tax liability for all taxable differences associated with investments in subsidiaries, associates and branches, unless it is probable that the temporary difference will not reverse in the foreseeable future).

In connection to the amendments to the Income Tax Act, starting from 2018 credit institutions are obliged to pay an advance income tax on previous quarter net income before income tax. The tax rate was 14% until the end of 2024, increasing to 18% starting from the first quarter of 2025. Income tax is calculated based on unconsolidated profit of the credit institution, which is the parent company. Advance income tax does not apply to the profits of subsidiaries and are presented as non-taxable income in the table below. Advance income tax paid can be taken into account on the distribution of profits and the calculation of the related income tax liability. In calculating income tax, the profit is reduced by the dividends received and the profit attributed to the permanent establishment to which the exemption method is applied in order to avoid double taxation. Secondly, the profits will be reduced by losses earned in the previous quarters.

Income tax is recognised in the consolidated statement of profit or loss as income tax expense in the period in which the basis for calculating the income tax is calculated, regardless of when the income tax is paid.

Income tax expense	2025	2024
Profit before tax	34,566	36,664
incl. non-taxable income	2,113	4,623
Advance income tax for credit institutions	-5,842	-4,658
Effective tax rate	17%	12%

Income tax liabilities	2025	2024
Balance as at 01.01	957	2,280
Accrual income tax recognised	5,842	4,486
Paid income tax	-5,494	-5,809
Balance as at 31.12	1,305	957

In 2025 the bank had paid advance income tax for credit institutions in the amount of 5,494 (2024: 5,809) thousand euros.

On May 6, 2024, Coop Pank paid dividends from the profit of the year 2023 in the total net amount of 8,895 thousand euros. Part of the dividend (1/3 from dividends paid out in 2022 and 1/3 from dividends paid out in 2023) was taxed at a preferential rate of 14/86 in the amount of 396 thousand euros and the remaining part at a tax rate of 20/80 in the amount 1,615 thousand euros. The total related income tax charge on dividends was 2,011 thousand euros. The income tax liability calculated on net dividends was offset against the advanced income tax for credit institutions paid by the bank.

On May 6, 2025, Coop Pank paid a dividend of 0.07 euros (net) per share from the profit earned in 2024, in the total net amount of 7,209 thousand euros. The dividend was taxed at an income tax rate of 22/78 in the amount of 2,033 thousand euros. The income tax liability calculated on net dividends was offset against the advanced income tax for credit institutions paid by the bank.

According to the dividend policy as of 31.12.2025 it is possible to pay out dividends to shareholders in the net amount of 6,738 thousand euros from the profit of the 2025 financial year, that would be taxed at an income tax rate of 22/78 in the amount of 1,900 thousand euros. The Bank has paid sufficient advance income tax for credit institutions in 2025 or earlier to cover the income tax liability calculated on dividends.

Information related to paid dividends is presented in Note 20.

Note 26 Events after balance sheet date

In December 2025, the Bank signed a subordinated loan agreement with the European Energy Efficiency Fund for an additional EUR 5,000 thousand subordinated loan eligible to Tier 2 capital. The loan amount was fully drawn in February 2026.

On 21st of January 2026 Supervisory Board of the Bank has appointed Alvar Pihlapuu as a new member of the Management Board of the Bank.

Note 27 Separate financial statements of parent company

Statement of Profit or Loss and Other Comprehensive income of parent company

	2025	2024
Interest income calculated using the effective interest method	123,104	131,502
Interest and similar expense	-53,078	-61,130
Net interest income	70,026	70,372
Fee and commission income	7,202	6,218
Fee and commission expense	-3,813	-3,461
Net fee and commission income	3,389	2,757
Net gains from non-financial asset realisation	0	53
Net gains from financial assets measured at fair value through other comprehensive income	251	33
Handling of overdue receivables	582	408
Other income	845	200
Net other income	1,678	694
Payroll expenses	-23,101	-22,052
Operating expenses	-10,303	-10,707
Depreciation	-6,141	-5,233
Total operating expenses	-39,545	-37,992
Profit before loss allowances and tax	35,548	35,831
Credit loss allowance	-6,073	-3,791
Profit before tax	29,475	32,040
Income tax expense	-5,841	-4,486
Net profit for the financial year	23,634	27,554
Other comprehensive income / loss (-)		
Items that may be subsequently reclassified as profit or loss:		
Financial assets at fair value through other comprehensive income	-402	757
Comprehensive income / loss (-) for the financial year	23,232	28,311

Statement of Financial Position of parent company

	31.12.2025	31.12.2024
Assets		
Cash and cash equivalents	469,729	325,361
Mandatory reserve kept in the Central Bank	18,985	18,316
Debt securities at fair value through other comprehensive income	58,035	37,751
Debt securities at amortized cost	4,988	0
Equity instruments at fair value through other comprehensive income	13	13
Loans and advances to customers	2,102,629	1,768,155
Derivatives	3,681	0
Investments in subsidiaries	551	551
Other financial assets	804	1,750
Other assets	1,697	1,724
Right-of-use assets	4,736	5,107
Tangible assets	3,539	3,451
Intangible assets	14,148	12,354
Goodwill	6,757	6,757
Total assets	2,690,292	2,181,290
Liabilities		
Customer deposits	2,048,805	1,878,993
Loans received	77,061	8,280
Debt securities	255,203	0
Lease liabilities	4,766	5,153
Other financial liabilities	12,206	13,579
Other liabilities	7,332	8,182
Subordinated debt	63,148	63,148
Total liabilities	2,468,521	1,977,335
Shareholders' equity		
Share capital	70,638	70,181
Share premium	28,133	26,711
Statutory reserve capital	8,424	6,815
Retained earnings	112,941	98,125
Other reserves and assets revaluations	1,635	2,123
Total shareholder's equity	221,771	203,955
Total liabilities and shareholders' equity	2,690,292	2,181,290

Statement of Cash Flows of parent company

	2025	2024
Cash flows from operating activities		
Interest and other similar income received	119,321	130,555
Interest paid	-50,271	-64,346
Fees and commissions received	7,202	6,218
Fees and commissions paid	-3,813	-3,461
Other received income	1,427	1,445
Salaries paid	-23,493	-21,255
Other operating expenses paid	-10,303	-10,512
Advance Income Tax paid	-5,494	-5,809
Total cash flows from operating activities before changes in operating assets and liabilities	34,576	32,835
Change in operating assets:		
Loans and advances to customers	-340,300	-282,106
Change of base level of the reserve kept in the Central Bank	-669	-1,218
Other assets	1,011	-3,463
Change in operating liabilities:		
Change in customer deposits	173,126	168,891
Change in loans received	68,781	-1,402
Other liabilities	-2,045	3,543
Net cash flows from operating activities	-65,520	-82,920
Cash flows from investing activities		
Acquisition of tangible and intangible assets	-7,271	-6,360
Sale of tangible and intangible asset and assets held for sale	1	52
Acquisition of debt securities	-40,010	-2,342
Sale and redemption of debt securities	15,210	1,253
Increase of subsidiary's equity	-300	-601
Merger with a subsidiary	0	1,061
Total cash flows used in investing activities	-32,370	-6,937
Cash flows from financing activities		
Paid in share capital	842	820
Issue of subordinated debt	0	15,000
Redemption of subordinated bonds	0	-2,000
Dividends paid	-7,209	-8,895
Debt securities	249,235	0
Repayment of lease liabilities	-606	-961
Total cash flows from financing activities	242,262	3,964
Effect on exchange rate changes on cash and cash equivalents	-2	-1
Change in cash and cash equivalents	144,370	-85,894
Cash and cash equivalents at beginning of the period	325,360	411,254
Cash and cash equivalents at the end of the period	469,730	325,360
Cash and cash equivalents balance is comprised of:	469,730	325,360
Cash on hand	4,288	1,766
Demand deposits at the Central Bank	443,316	299,380
Demand deposits at credit institutions and other financial institutions	22,126	24,214

Statement of Changes in Equity of parent company

	Share capital	Share premium	Statutory reserve capital	Other reserves	Revaluation reserve	Retained earnings	Total shareholder's equity
Equity as at 31.12.2023	69,673	25,779	4,855	1,493	-459	39,103	140,444
Paid in share capital	508	932	0	-620	0	0	820
Dividends paid	0	0	0	0	0	-8,895	-8,895
Merger with a subsidiary	0	0	0	0	0	42,323	42,323
Changes in statutory reserve capital	0	0	1,960	0	0	-1,960	0
Share options	0	0	0	952	0	0	952
Net profit	0	0	0	0	0	27,554	27,554
Other comprehensive income	0	0	0	0	757	0	757
Total comprehensive income	0	0	0	0	757	27,554	28,311
Equity as at 31.12.2024	70,181	26,711	6,815	1,825	298	98,125	203,955
Paid in share capital	457	1,422	0	-1,037	0	0	842
Dividends paid	0	0	0	0	0	-7,209	-7,209
Changes in statutory reserve capital	0	0	1,609	0	0	-1,609	0
Share options	0	0	0	951	0	0	951
Net profit	0	0	0	0	0	23,634	23,634
Other comprehensive income	0	0	0	0	-402	0	-402
Total comprehensive income	0	0	0	0	-402	23,634	23,232
Equity as at 31.12.2025	70,638	28,133	8,424	1,739	-104	112,941	221,771

In accordance with the Estonian Accounting Act, adjusted unconsolidated retained earnings are the amount that a company may use to make distributions to shareholders. A reconciliation of the parent company's equity with its adjusted unconsolidated equity is presented in the table below.

Adjusted unconsolidated equity	
Book value of holding under control or significant influence	-551
Value of holdings under control or significant influence, calculated by equity method	13,323
Adjusted unconsolidated equity as at 31.12.2025	234,543

Management Board declaration

The Management Board has prepared the management report and the consolidated financial statements of Coop Pank AS for the financial year ended 31 December 2025.

The Management Board confirms that according to their best knowledge the consolidated financial statements of Coop Pank AS for the year 2025, prepared in accordance with current international financial reporting standards as adopted by the European Union, provide a true and fair view of the assets, liabilities, financial position and financial performance of the Coop Pank AS, consisting of the parent company and other consolidated entities as a whole, and the management report of the Coop Pank AS also gives a true and fair view of the business activities, financial performance and financial position, and contains a description of the main risks and uncertainties.

The 2025 consolidated annual report of Coop Pank AS will be presented to the general meeting of shareholders for approval in April 2026. The previous 2024 consolidated annual report was approved by the general meeting of shareholders on 16 April 2025.

Arko Kurtmann	Chairman of the Management Board	/Signed digitally/	10.03.2026
Paavo Truu	Member of the Management Board	/Signed digitally/	10.03.2026
Alvar Pihlapuu	Member of the Management Board	/Signed digitally/	10.03.2026
Heikko Mäe	Member of the Management Board	/Signed digitally/	10.03.2026
Karel Parve	Member of the Management Board	/Signed digitally/	10.03.2026
Lehar Kütt	Member of the Management Board	/Signed digitally/	10.03.2026

Independent auditor's report



Independent Auditor's Report

To the Shareholders of Coop Pank AS

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Coop Pank AS (the "Company") and its subsidiaries (together – the "Group") as at 31 December 2025, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Our opinion is consistent with our additional report to the Audit Committee dated 10 March 2026.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025;
- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of cash flows for the year then ended;
- the consolidated statement of changes in equity for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Estonia) (ISAs (EE)). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the ethical requirements of Regulation (EU) No 537/2014 that are relevant to audits of financial statements of public interest entities, and Code of Ethics for Professional Accountants (Estonia) (including Independence Standards) as adopted by Auditing Activities Oversight Board (Code of Ethics (Estonia)), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Regulation (EU) No 537/2014 and the Code of Ethics (Estonia).

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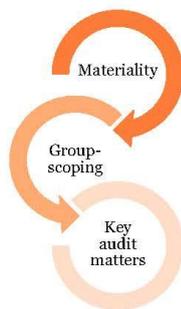


To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Company and its subsidiaries within the European Union are in accordance with the applicable law and regulations in the Republic of Estonia and that we have not provided non-audit services that are prohibited under § 59¹ of the Auditors Activities Act of the Republic of Estonia.

The non-audit services that we have provided to the Company and its subsidiaries in the period from 1 January 2025 to 31 December 2025 are disclosed in the Management report.

Our audit approach

Overview



- Overall Group materiality is EUR 1,728 thousand, which represents approximately 5% of profit before tax.
- A full scope audit or an audit of specific line items was performed by PwC Estonia for all Group entities covering substantially all of the Group's consolidated assets, revenues and profits.
- Expected credit losses on loans and advances to customers.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Management Board made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgment, we determined certain quantitative thresholds for materiality, including the overall Group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, if any, both individually and in aggregate on the consolidated financial statements as a whole.

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Overall Group materiality	EUR 1,728 thousand.
How we determined it	Approximately 5% of profit before tax.
Rationale for the materiality benchmark applied	We have applied this benchmark, as profit before tax is one of the principal considerations when assessing the Group's performance and a key performance indicator for Management and Supervisory Board. We chose 5%, which is consistent with quantitative materiality thresholds used for this benchmark.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Expected credit losses on loans and advances to customers (refer to Note 1 "Material accounting policy information", Note 2 "Risk management" and Note 11 "Loans and advances to customers" for further details)</p> <p>As at 31 December 2025, the net carrying amount of loans and advances to customers amounted to EUR 2,114,091 thousand, after expected credit loss allowances of EUR 19,421 thousand.</p> <p>We focused on this area because the application of IFRS 9 "Financial instruments" 3-stage expected credit loss (ECL) model requires management to use complex models with subjective inputs to assess the timing and the amount of expected credit losses to establish. Key areas requiring significant management judgements and modelling in calculating ECL include:</p> <ul style="list-style-type: none"> evaluating the criteria for assessment of significant increase in credit risk and allocation of loans to stage 1, 2 or 3; selecting relevant accounting policies and assessing modelling assumptions used to build the models that calculate ECL; the modelling and calculation of key parameters of ECL model, including probability of default (PD), loss given default (LGD) and exposure at default (EAD); determining the macroeconomic indicators and incorporating forward-looking information into the ECL model; 	<p>We assessed whether the Group's accounting policies in relation to the expected credit losses on loans and advances to customers complied with IFRS 9.</p> <p>We assessed the design and operating effectiveness of key controls over ECL data and respective calculations, including:</p> <ul style="list-style-type: none"> review and approval of customer credit risk grades; review and update of collateral values; regular customer reviews. <p>We performed detailed testing over:</p> <ul style="list-style-type: none"> the completeness and accuracy of data used in the ECL calculations; the compliance of key inputs used in the ECL calculation system with IFRS 9 methodology; the accuracy and compliance of 12-month and lifetime ECL calculations with IFRS 9 methodology; the accuracy and completeness of data used for staging of loans (including application of the criteria for determining significant increase in credit risk and definition of default); the internal assignment of credit risk grades, which serve as inputs into the ECL models; the correctness of information on collaterals and their values in the loan systems, which serve as an input into the ECL model; and the completeness of loans subject to stage 3 assessment and the related ECL calculations.

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- estimating the above-mentioned indicators for future forecast periods and for three different scenarios (base scenario, negative scenario and positive scenario) and assigning probabilities to those scenarios; and
- estimating ECL for stage 3 loans (individual assessment).

We have also assessed the reasonableness of key assumptions made by management, which serve as critical inputs in the ECL model, such as weights of different scenarios, point in time PD estimate and key forecasts of macroeconomic information.

Additionally, we verified adequacy and completeness of disclosures in the consolidated financial statements in accordance with applicable IFRS Accounting Standards.

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

In order to achieve this objective, based on the size and risk characteristics, we performed a full scope audit of the financial information for the following entities within the Group: Coop Pank AS (Estonia) and Coop Liising AS (Estonia). We also performed an audit of specific line items of statement of financial position and income statement for Coop Kindlustusmaakler AS (Estonia) and SIA Prana Property (Latvia).

At the Group level we tested the consolidation process and performed additional analytical procedures over the components in scope with the objective to obtain evidence that no material misstatements exist that may affect the consolidated financial statements. Information describing the structure of the Group is included in Note 1 of the consolidated financial statements.

Reporting on other information including the Management report

The Management Board is responsible for the other information. The other information comprises the General information, the Table of contents, the Management report, the Sustainability report, the Remuneration report and Revenues by EMTA classification (the Estonian classification of economic activities) (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information, including the Management report.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Management report, we also performed the procedures required by the Auditors Activities Act of the Republic of Estonia. Those procedures include considering whether the Management report is consistent, in all material respects, with the consolidated financial statements and is prepared in accordance with the requirements of the Accounting Act of the Republic of Estonia.

In accordance with the Securities Market Act of the Republic of Estonia with respect to the Remuneration Report, our responsibility is to consider whether the Remuneration Report includes the information in accordance with the requirements of Article 135³ (3) of the Securities Market Act of the Republic of Estonia.

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Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Management report for the financial year for which the consolidated financial statements are prepared is consistent, in all material respects, with the consolidated financial statements;
- the Management report has been prepared in accordance with the requirements of the Accounting Act of the Republic of Estonia; and
- the Remuneration Report has been prepared in accordance with Article 135³ (3) of the Securities Market Act of the Republic of Estonia.

If, based on the work we have performed on the Management report and other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement in the Management report or in this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Board and those charged with governance for the consolidated financial statements

The Management Board is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Management Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (EE) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs (EE), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.

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- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Report on the compliance of the presentation of consolidated financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged based on our agreement by the Management Board to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the presentation of the consolidated financial statements of Coop Pank AS for the year ended 31 December 2025 (the "Presentation of the Consolidated Financial Statements").

Description of a subject matter and applicable criteria

The Presentation of the Consolidated Financial Statements has been applied by the Management Board to comply with the requirements of art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation"). The applicable requirements regarding the Presentation of the Consolidated Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Presentation of the Consolidated Financial Statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

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Responsibility of the Management Board and those charged with governance

The Management Board is responsible for the Presentation of the Consolidated Financial Statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in iXBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the Presentation of the Consolidated Financial Statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process, which should also be understood as the preparation of consolidated financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Presentation of the Consolidated Financial Statements complies, in all material respects, with the ESEF Regulation.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (Estonia) 3000 (revised) "Assurance Engagements other than Audits and Reviews of Historical Financial Information" (ISAE (EE) 3000 (revised)). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Presentation of the Consolidated Financial Statements complies, in all material aspects, with the applicable requirements.

Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance with ISAE (EE) 3000 (revised) will always detect the existing material misstatement (significant non-compliance with the requirements).

Quality management requirements and professional ethics

We apply the provisions of the International Standard on Quality Management (Estonia) 1 (revised), and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (Estonia) (including Independence Standards) as adopted by Auditing Activities Oversight Board (Code of Ethics (Estonia)), and we have fulfilled our other ethical responsibilities in accordance with Code of Ethics (Estonia).

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Presentation of the Consolidated Financial Statements complies, in all material aspects, with the applicable requirements and such compliance is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the Electronic Reporting Format of the Consolidated Financial Statements, including the preparation of the XHTML format and marking up the consolidated financial statements;
- verification whether the XHTML format was applied properly;
- evaluating the completeness of marking up the consolidated financial statements using the iXBRL markup language according to the requirements of the implementation of electronic format as described in the ESEF Regulation;
- evaluating the appropriateness of the Group's use of XBRL markups selected from the ESEF taxonomy and the creation of extension markups where no suitable element in the ESEF taxonomy has been identified; and
- evaluating the appropriateness of anchoring of the extension elements to the ESEF taxonomy.

Translation note:

This version of the report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

This independent auditor's report (translation of the Estonian original) should only be used with the original document submitted in machine-readable .xhtml format that is submitted to the Tallinn Stock Exchange (Link: <https://nasdaqbaltic.com/statistics/en/instrument/EE3100007857/reports>).



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, based on the procedures performed, the Presentation of the Consolidated Financial Statements complies, in all material respects, with the ESEF Regulation.

Appointment and period of our audit engagement

We were first appointed as auditors of Coop Pank AS, as a public interest entity, for the financial year ended 31 December 2014. Our appointment has been renewed by tenders and shareholder resolutions in the intermediate years, representing the total period of our uninterrupted engagement appointment for Coop Pank AS, as a public interest entity, of twelve years. In accordance with the Auditors Activities Act of the Republic of Estonia and the Regulation (EU) No 537/2014, our appointment as the auditor of Coop Pank AS can be extended for up to the financial year ending 31 December 2033.

On behalf of AS PricewaterhouseCoopers

Original report is signed in Estonian language

Jüri Koltsov
Certified auditor in charge, auditor's certificate no. 623

10 March 2026
Tallinn, Estonia

Translation note:

This version of the report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

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Proposal for profit allocation

The Management Board of Coop Pank AS proposes to the General Meeting of the Shareholders to allocate the Group's net profit for the financial year 2025 in the amount of 28,724 thousand euros as follows:

1. pay dividends 0.065euro per share in the total net amount of 6,738 thousand euros, related income tax on dividend would be 1,900 thousand euros;
2. allocate 1,436 thousand euros to statutory reserve capital;
3. allocate 20,550 thousand euros to retained earnings.

Revenues by EMTA classification (the Estonian classification of economic activities)

Title	Economic activity based on EMTAK	Code	Sales income (in euros)
Finance activities	Credit institutions (consolidated)	64191	136,244,117
Finance activities	Credit institutions (separate)	64191	131,983,889
Leasing activities	Finance lease	64911	11,798,950
Insurance activities	Insurance brokerage	66221	920,427

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