

ANNUAL FINANCIAL REPORT OF VÚB, a. s. OF 2020
*prepared in accordance with Article 34 of Act No. 429/2002 Coll. on the Stock Exchange, as amended,
and Article 77 of Act No. 566/2001 Coll. on Securities and Investment Services and on changes and
amendments to some acts, as amended*

Section 1 – Issuer’s identification

Business name:	Všeobecná úverová banka, a.s.
Registered office:	Mlynské nivy 1, 829 90 Bratislava
Company ID:	31 320 155
Date of establishment:	April 1, 1992
Founder:	National Property Fund of the Slovak Republic, Bratislava
Capital in EUR:	EUR 430,819,063.81
Contact person:	Ing. Ľubomír Fedor
Phone no.:	+421 2 5055 2184
E-mail:	lfedor@vub.sk
Website:	www.vub.sk

Scope of business

Pursuant to Article 2 of Act No. 483/2001 Coll. on Banks, the Bank carries out, apart from taking deposits and providing loans, the following activities:

1. The provision of payment services and clearing;
2. The provision of investment services, investment activities and auxiliary services under the Act on Securities, and investing in securities for account;
3. Trading activities for the Bank’s account:
 - a) in financial instruments of the money market in euro or foreign currency, including currency exchange services;
 - b) in financial instruments of the capital market in euro or foreign currency;
 - c) in precious metal coins, commemorative coins and banknotes, sheets of banknotes and sets of circulation coinage;
4. The management of claims on behalf of clients, including advisory services;
5. Financial leasing;
6. The provision of guarantees, opening and endorsing of letters of credit;
7. The provision of business advisory services;
8. The issuance of securities, participation therein, and the provision of related services;
9. Financial intermediation;
10. The safe custody of assets;
11. The renting of safe deposit boxes;

12. The provision of banking information;
13. Mortgage transactions pursuant to Article 67(1) of the Act on Banks;
14. Performance of the functions of a depository under a separate regulation;
15. The processing of banknotes and coins;
16. The issuance and administration of electronic money;
17. Financial intermediation under a special regulation as an independent financial agent in the insurance and reinsurance sector, provision of loans, housing loans and consumer loans, and as a tied financial agent in the supplementary pension savings sector;

Pursuant to Article 79a and Article 6 of Act No. 566/2001 Coll. on Securities and Investment Services and on changes and amendments to some acts (Act on Securities)

Pursuant to Article 79a(1) and Article 6(1) and (2) of Act No. 566/2001 Coll. on Securities and Investment Services, the investment of securities on own account, the provision of investment services, investment activities and ancillary services in accordance with Article 79a(1) and in conjunction with Article 6(1) and (2) of the Act on Securities, within the following scope:

(i) Reception and transmission of client orders in relation to one or more financial instruments with respect to the following financial instruments:

- a) transferable securities;
- b) money market instruments;
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;
- e) options, swaps and forwards related to commodities which must be settled in cash or can be settled at the option of one of the parties; this does not apply if the settlement is carried out due to insolvency or another event resulting in contract termination;
- f) options and swaps related to commodities which can be settled in cash, if traded on a regulated market or within a multilateral trading system;
- g) options, swaps and forwards related to emission licences, inflation rate which must be settled in cash or can be settled at the option of one of the parties, for a reason other than due to insolvency or another event resulting in contract termination;

(ii) execution of orders on behalf of clients with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;
- e) options, swaps and forwards related to commodities which must be settled in cash or can be settled at the option of one of the parties; this does not apply if the settlement is carried out due to insolvency or another event resulting in contract termination;

- f) options and swaps related to commodities which can be settled in cash, if traded on a regulated market or within a multilateral trading system;
- g) options, swaps and forwards related to emission licences, inflation rate, which must be settled in cash or can be settled at the option of one of the parties, for a reason other than due to insolvency or another event resulting in contract termination;

(iii) dealing on own account with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;
- e) options, swaps and forwards related to commodities which must be settled in cash or can be settled at the option of one of the parties; this does not apply if the settlement is carried out due to insolvency or another event resulting in contract termination;
- f) options and swaps related to commodities which can be settled in cash, if traded on a regulated market or within a multilateral trading system;
- g) options, swaps and forwards related to emission licences, inflation rate, which must be settled in cash or can be settled at the option of one of the parties, for a reason other than due to insolvency or another event resulting in contract termination;

(iv) portfolio management with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;
- d) options, futures, swaps, forwards and other derivatives related to securities, currencies, interest rates or yields or other derivative instruments, financial indexes or financial rates which can be settled by delivery or in cash;

(v) investment advice with respect to financial instruments:

- a) transferable securities,
- b) money market instruments,
- c) fund shares or securities issued by foreign collective investment entities;

(vi) underwriting or placing of financial instruments on a firm commitment basis with respect to financial instruments:

- a) transferable securities,
- b) fund shares or securities issued by foreign collective investment entities;

- (vii) placing of financial instruments without a firm commitment basis with respect to financial instruments:
 - a) transferable securities,
 - b) money market instruments,
 - c) fund shares or securities issued by foreign collective investment entities;

- (viii) safe custody and administration of financial instruments for the account of clients, including custodianship and related services, such as cash/collateral management with respect to financial instruments:
 - a) transferable securities,
 - b) money market instruments,
 - c) fund shares or securities issued by foreign collective investment entities;

- (ix) granting credits or loans to an investor to allow him to carry out a transaction in one or more financial instruments, where the provider of the credit or loans is involved in the transaction;

- (x) advice on capital structure and business strategy, and advice and services relating to the merger, consolidation, transformation or splitting of undertakings or the purchase of undertakings;

- (xi) foreign exchange transactions where these are connected to the provision of investment services;

- (xii) investment survey and financial analysis or the other forms of general recommendation relating to transactions in financial instruments;

- (xiii) services related to the underwriting of financial instruments;

- (xiv) receipt and transmission of clients' orders concerning one or more financial instruments, execution of clients' order on their own account, trading on own account related to underlying derivative instruments – forwards related to emission licenses which must be settled in cash or can be settled at the option of one of the parties for a reason other than due to insolvency or other event resulting in contract termination, provided that they are connected with the provision of investment services or ancillary investment services for these derivatives.

***Notification on the manner and date of publishing of the annual financial report pursuant to Article 47(4) of the Act on Stock Exchange
(Issuer's website or daily newspaper, or a generally recognised information system in which the annual financial report has been published)***

Hospodárske noviny daily, 30 April 2021 – Notification on the publishing of the Annual Financial Report 2020 on the company's website www.vub.sk, 30 April 2021.

Section 2 – Financial Statements

Separate financial statements prepared in accordance with IFRS, as adopted by the EU

Separate statement of financial position according to IFRS

Separate statement of profit or loss and other comprehensive income according to IFRS

Separate statement of changes in equity according to IFRS

Separate statement of cash flows according to IFRS

Notes according to IFRS

The Separate Financial Statements of VÚB, a.s. is part of the Consolidated Annual Report of VÚB, a.s. and is fully available on the Company's website

<https://www.vub.sk/en/financial-indicators/annual-reports/>

Consolidated financial statements prepared in accordance with IFRS, as adopted by the EU

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Pursuant to Article 34(5) of the Act on the Stock Exchange, the financial statements and the consolidated financial statements must be audited by auditor (business name of the audit firm, seat, licence number, audit date)

KPMG Slovensko spol. s r.o., Dvořákovo nábrežie 10, 811 02 Bratislava, licence SKAU No. 96, 3 March 2021

Pursuant to Article 34(3) of the Act on the Stock Exchange, where the issuer is required to produce a consolidated financial statements under a special regulation, the financial report shall also include the annual statement of finances of the parent company, produced in accordance with the legislation of the Member State in which the parent company was established.

The annual financial statements of the parent company Intesa Sanpaolo S.p.A., Torino, Italy, is fully available on the website of the parent company: www.intesasanpaolo.com

Section 3 – Annual Report

Pursuant to Article 34(2)(a), the annual financial report shall include an annual report prepared in accordance with a special regulation – Article 20 of Act No. 431/2002 Coll. on Accounting, as amended (hereinafter referred to as the “Accounting Act”)

The Consolidated Annual Report of VÚB, a.s. (“Annual Report of VÚB, a.s.”) 2020 is fully available on the Bank’s website:

<https://www.vub.sk/en/financial-indicators/annual-reports/>

Article 20(1) of the Accounting Act – information about the following items:

a) Development of the accounting entity, its current state, as well as important risks and uncertainties to which the entity is exposed; the information shall be provided in the form of a balanced and comprehensive analysis of the situation and projections, and shall contain important financial and non-financial indicators, including information on the impacts of the activities of the accounting entity on the environment and employment, with a reference to the relevant data indicated in the financial statements;

In 2020 we have experienced significant GDP fall compared to previous year connected with strong impact of global pandemic such as lockdowns and closed companies and vendors and major deterioration in economic sentiment.

Thanks to our agile response to the banking and macroeconomic environment, we have achieved a very satisfactory performance in the commercial area. Moreover, VÚB bank has the strongest and most sophisticated COVID response of all banks in Slovakia. This includes any possible help to clients by postponements and guaranties, digital channels development, active participation in government’s help programs, help to hospitals via VUB Nadacia and protection of health of both clients and employees.

In retail lending, we managed to offset the impact of the pandemic, fierce competition and rigid regulations (not able to react to recession trend) and our market share increased by 36 bps thanks to favourable development in mortgage loans. In corporate lending, our market position went down slightly due to public sector from 19.3% in December 2019 to 18.3% in December 2020. On the deposit front, we retained great y/y increase on current accounts (18.9% in December 2020). The banking environment of historically lowest interest rates and the uncertainty of clients influenced the decreased demand for term deposits in both VUB and whole market.

Deposits

The volume of clients’ deposits (Due to customers including lease liabilities) in VUB Group at the end of 2020 amounted to more than € 13.0 billion, 8.8% up against the previous year predominantly due to retail deposits. On retail market, current accounts rose again in this year, while term deposits kept its deteriorating trend. Customers’ assets under management posted increase versus previous year (by 5.5% over the year incl. Eurizon), yet below the market growth (6.3%). Market share in mutual funds thus weakened by 14 bps in 2020. The market share of total deposits received from retail clients incl. mutual funds amounted to 16.4%,

which means y/y increase (from 16.1% in December 2019). In corporate segment, VUB recorded good year resulting into increase over the year, increasing the market share by 0.5%.

Electronic Banking

The 2020 was the greatest challenge and at the same time the greatest opportunity for the area of electronic banking and digital channels, as it was essential for the banks to adapt to hard reality of social distancing and lockdowns. VUB did a great job in responding to the new needs connected to the pandemic.

In 2020, two important milestones were breached in terms of online banking. First was reaching half a million active clients in mobile and internet banking clients (logging more than once a month) and second was that 900 thousand clients already have an access to our online banking (Nonstop banking services).

We have introduced variety of improvements in Mobile banking app such as direct call option to call centre (already authorized) or PDF invoice and QR code share directly in the app. In terms of mobile banking itself, we have expanded the possibility to contact personal advisor for upper mass. With respect to GooglePay and ApplePay, all our retail cards (credit and debit) are now compatible. Also the possibilities of virtual branch has extended substantially bringing improvements such as easy contacting of branch employees directly via mobile/internet banking and introducing several improvements making the user experience much easier for client (send missing documents via mobile and internet banking, apply for refinance loan). We have also improved and personalized push notifications and focused greatly on 3D secure improvements.

Bank Cards

During the year, we continued with support of Apple Pay and Google Pay adding more cards into those platforms. After summer, we became first on the Slovak market with in-app provisioning for all of our retail cards via our Mobile banking app.

Global pandemic had and still has impact upon payment cards too. We can see it directly in year-to-year comparison with 2019. Number of cash withdrawals dropped by 22.6% and volumes dropped by 12.3%. Average withdrawal amount was severely increased by € 25 (previous year it was + € 7). In card payments, we managed to grow slightly despite pandemic with 2% increase in number of transactions and 7% increase in volumes.

As part of anti-Covid-19 activities we changed default delivery method for all cards (new, reissued and renewals) from “to branch” to client address. By this, we ensured that our customer would be still able to get their cards even if particular bank branch is closed. We also increased stock of no-name cards on our branches as precaution if for some reason production or delivery of new cards would not be possible. Also limit for contactless payments without PIN was increased from € 20 to € 50 (nationwide).

In the last quarter of the year, our effort was focused on changes in 3D Secure authentication as a legal requirement of EU PSD2 regulation. Cooperating with our Electronic banking, we launched authentication of card internet payments via biometry in our mobile banking app and so making card payments on internet easier and more secure than before.

In 2020, we also continued our support of charity Dobrý Anjel (Good Angel) with our co-branded card Maestro Good Angel. At the end of year, we had almost 64,000 of those cards issued. Total amount of support of charity Dobrý Anjel in 2020 generated by POS transaction done by Maestro Good Angel cards was € 350,000.

ATMs and EFT POS

VUB ranks 2nd (21.2%) in the Slovak market share also in 2020 with its 598 ATMs. The focus during the last year was on renewal of ATMs, renewed were more than 180 ATMs. At the end of 2020, we had together 90 ATM with cash-in module, that means increase by 10 ATM during year. Due to very hard situation related to pandemic, the cash volume withdrawn from ATMs decreased y/y by 10% (nr. of transaction decrease by 20%), the volume of cash inserted through ATM increased by up to 35%.

During year 2020, we have installed more than 2,100 new POS terminals including virtual terminals used in e-commerce and un-attended terminals used at different kinds of vending machines or at self-service fuel stations. Due to Covid-19 regulations – the limit for contactless payments without PIN (up to € 50) was set up for all POS terminals.

EU PSD2 regulation (Strong Customer Authentication) has also impact on our acquirer business. All our e-commerce merchants were successfully migrated to the newest 3D Secure VISA and Mastercard platform. We have started development of several improvements (for example push payments functionality) that will lead to improved position of VUB on the market as an acquirer.

Contact center

In 2020, a merge of CFH and VUB call centre was concluded, which resulted in several advantages when serving customers. The unified Call Centre serviced approximately 504 thousand calls and 158 thousand processed e-mails. Our clients communicated with VUB Bank also through Facebook (550 posts), chats (10 thousand chats) and specialized web pages (VÚB Otvorene – 445 posts). We also continued in creation of a virtual branch, where now 7 virtual private bankers provide care for almost 7 thousand clients. These clients have at their disposal their personal assistant taking care of their financial needs via phone. To their satisfaction contribute new options of more requests available conveniently from home. The aim is to continue in increasing the number of virtual private bankers.

In 2020, we have also, in regards to pandemic, introduced and implemented an option to work from home not only for the call centre operators, but also for the branch employees. Thanks to above mentioned, we have significantly increased the possibilities of servicing our clients without the need of branch visit.

Loans

Individuals – Mortgage and Consumer Loans

In 2020, the substantial demand for mortgage loans continued, in spite of the difficult pandemic environment. In VUB we recorded considerable increase in line with the market growth rate. Total mortgages of VUB (including 'American mortgages') grew by 13.8% over the year. With a market share 24.1% the Bank increased already strong position on the mortgage loan market. Consumer loans decreased, predominantly due to significant deterioration of private consumption as a result of economic uncertainty related to pandemic. On group level, consumer loans decreased by 11.2% year over year.

Corporate Financing

In 2020, VUB bank was outperformed by the rest of the market in corporate loans segment. While corporate loans grew by 2.8% on the market, VUB decreased by 2.3% on the bank level and 1.7 % on Group level. This was however predominantly caused by our loans to public sector, as loans to the core resident nonfinancial

corporations increased by 5.1% on individual level and VUB's market share in these loans to went up by 0.4% over the year reaching 16.8%. Real estate finance increased by 6%, project finance loans decreased by 16%, while trade finance loans grew by 4%. VUB Leasing, VUB's subsidiary, recorded slight decrease 2.7% of its assets predominantly due to the unproductivity of automotive industry.

b) Events of special importance that occurred after the end of the accounting period with respect to which the annual report has been produced

The Bank continues to monitor very carefully the actual situation related to the Covid-19 coronavirus pandemics and develops organizational solutions that has adopted to allow its proper functioning and to avoid any disruption of services towards clients.

c) The likely future development of the accounting entity's activities

Banking industry, together with the whole macroeconomic environment, has never been more challenging. The impact of global pandemic on both personal and professional lives was beyond imagination. We are aware of our responsibility and we support our employees as well our clients.

We continued to provide finance and support equally to both retail and corporate (including the public administration) clients. Either by redistributing funds relatively quickly through the "Anticorona" program, or via supporting thousands of clients by allowing them to postpone their payments, which proved to be one of the most effective support measures. At the same time, we have introduced hygiene standards, such as the obligation to wear a mask or other face protection for both clients and employees, and social distancing. We equipped the branches with disinfectants and protective glass. We also organized flu vaccination in our branch network and headquarters. These are only few of the many quick response measures adopted almost immediately. VÚB is confident to say that this experience will allow it to efficiently react to any obstacles that this crisis can bring in the 2021 or following years.

Our mission is to support the region consistently, therefore we supported local NGOs (such as "Who will help Slovakia") and also hospitals, when they needed it most, either by providing equipment or resources for necessary appliances, followed by free accounts for medical personnel most exposed to the health risk. Despite the difficult times, we still believe in supporting the culture and art via our VÚB Foundation. The role of a reliable member of the community is equally important to us, and we will continue in this path by helping where it's necessary.

Macroeconomic point of view

As mentioned in the previous pages, from the macroeconomic point of view, after strong deterioration of the real economy in 2020, we expect recovery in 2021. While in 2020 GDP fell by more than 6% followed by deterioration in labour market (after a long period of generous development), in 2021 we expect the GDP growth by 4% and unemployment rate declining again. However, interest-rate wise, we still cannot expect any significant improvements in 2021.

The mid-term business plan of VÚB is still based on 3 main pillars: (i) customer experience, (ii) employees engagement and (ii) growth of profitability and efficiency. At the same time, our aim is to keep our strong market position in both retail and corporate segment. On top of that, our HUB initiative connecting VÚB Bank with Hungarian CIB Bank is expected to bring even more synergy in terms of regional cooperation.

New challenges

As the whole year 2020 and probably a significant part of 2021 will bring us new challenges related to the world pandemic, the most important priority nowadays is the health protection of both our customers and employees. This goes hand in hand with speeding up the process of minimising the administration and necessity of branch visits.

In line with this trend, we will lay strong emphasis on digitalisation and remote working. Focusing on the first, we are constantly developing tools of modern banking with the aim to make everyday finance task as easy and comfortable as possible, and most importantly, from the safety and comfort of people's homes. In this regard, we aim to increase efficiency in the already existing digital tools and introduce further improvements such as: (i) new tools allowing non-clients to apply for account or some kind of loans via Mobil banking, using face biometrics as a security basis; (ii) further development of online branch; (iii) full integration of Payme service, and (iv) other improvements based on user feedback of both Mobile and Internet banking. In order to improve the synergy within the Intesa SanPaolo group, we will also launch Digital solution to simplify banking not only for our corporate clients.

In 2020, due to pandemic, we were forced to keep all our employees whose presence at work was not an absolute necessity at home. We used this experience to create our new concept of smart work which aligns two intentions: to enhance flexibility of our employees, and at the same time, to provide our customers with service when and where they need it.

Another crucial field of our interest is our environment. In 2020, VÚB launched project "Green bank", which will continue in 2021 with even stronger focus on green initiatives, sustainability and circular economy. This includes both our behaviour as a company and its employees, supporting the green projects of our clients, and even award those with extraordinary benefits for the environment. More initiatives are introduced in our "Manifesto" (<https://www.vub.sk/zelenabanka/manifest/>).

Conclusion

Even in 2021, we continue with the set support in almost all areas: mitigating the effects of the corona crisis on clients and companies, promoting meaningful solutions, and helping exactly where it is most needed. We are ready to respond quickly and flexibly to the situations that have arisen, and thus make a significant contribution to overall stabilization.

d) Costs of research and development activities

The operating costs related to research and development activities, incurred by the Bank in 2020, are approximately in the amount of €1.6 mil.

e) Acquisition of own shares, 27a) temporary certificates, shares, temporary certificates and shares of the parent entity pursuant to Article 22 of the Accounting Act (where 27a) in the footnote is Article 161d(2) of the Commercial Code)

Acquisition of own shares of VÚB, a. s.

During the accounting year 2020, VÚB, a. s. did not acquire own shares of VÚB, a. s.

Acquisition of shares of the parent entity

During the accounting year 2020, the Company held in its assets the shares of the parent company (Art. 22, sec. 3 of the Act no. 431/2002 Coll. on Accounting as amended), Intesa Sanpaolo S.p.A. (ISP), registered office Piazza San Carlo 156, Turin, Italy, ISIN IT0000072618, book-entered registered ordinary shares, with a nominal value of € 0.52 each, in a total number of 539,975 shares. This represents 0.065% of the nominal value of the Bank's registered capital. These shares have been acquired by the Bank in order to adopt and implement ISP Group Remuneration Policies in line with the Capital Directive 'CRD III' (i.e. Directive 2010/76/EU amending the Capital Requirements Directives). In 2020, the Bank transferred 47,871 shares in accordance with ISP Group Remuneration Policies.

f) Proposal for profit distribution or settlement of losses**2020 profit distribution**

The Ordinary General Assembly of VÚB, a. s., which was held in the Congress Hall of the headquarters of VÚB, a. s., Mlynské nivy 1, 829 90 Bratislava on 19 April 2021, decided on the distribution of 2020 profit of VÚB, a. s. in the total amount of € 85,038,922.55 in line with the proposal presented by the Management Board of VÚB, a.s. as follows:

Contribution to retained earnings € 85,038,922.55

2019 profit distribution

The Ordinary General Assembly of VÚB, a. s., which was held in the Congress Hall of the headquarters of VÚB, a. s., Mlynské nivy 1, 829 90 Bratislava on 24 April 2020, decided on the distribution of 2019 profit of VÚB, a. s. in the total amount of €114,087,731.24 in line with the proposal presented by the Management Board of VÚB, a.s. as follows:

Contribution to retained earnings €114,087,731.24

g) Data required under special regulations

The Bank is not subject to the given special regulations.

h) Whether the accounting entity has an establishment abroad

The Bank has one branch in the Czech Republic.

Article 20(5) of the Act on Accounting

If it is important for the assessment of total assets, liabilities, and the financial position of an accounting entity that uses instruments under a separate regulation (Act No. 66/2001 Coll. on Securities and Investment Services and on changes and amendments to some acts), the accounting entity is also required to provide in its annual report information on the following:

a) The objectives and methods of risk management in the accounting entity, including its policy for ensuring the main types of planned transactions in which hedging derivatives will be used

The objective of the Company is to bring its risks in compliance with the limits set by the regulatory authority, the parent company and as determined internally. The credit risk is measured by means of interest gaps and interest sensitivity for each currency. The hedging derivatives serve for the elimination of the interest rate up to the level which complies with the set limits. The company carries out both micro- and macro-hedging transactions.

b) price risks, credit risks, liquidity risks and risks related to cash flows, to which the accounting entity is exposed

The purpose of the Bank's risk management principles is to identify and analyse existing risk, set the respective risk limits, and monitor risks and compliance with the limits. Along with the risk management systems, these principles are described in the following documents: Risk Management Strategy, and Guidelines for the internal capital and policies adequacy assessment system, describing risk management and measurement in VUB Bank (Credit Risk, Market Risk, Operational Risk Charter, Liquidity Policy, etc.).

The use of financial instruments suggests the Bank's exposure to the following risks:

Credit risk

The credit risk represents the risk that the client or the counterparty of a financial instrument fails to comply with its contractual obligations, resulting in the risk of financial losses for the Bank. The credit risk arises mainly from loans provided to clients, receivables from banks and financial investments. The Bank considers the current credit risk related to financial derivatives considerably lower than the exposure calculated according to loan equivalents. The credit risk arising from trading in securities is managed separately, but is reported as part of exposure to the market risk.

Market risk

Market risk is the risk of change in market prices arising, for example, from interest rates, stock prices, exchange rates and the impacts of such change on the Bank's revenues and/or on the value of the financial instruments held by the Bank. Value-at-Risk ("VaR") is the main instrument used for the measurement and control of exposure to market risk under the Bank's business portfolio.

Operational risk

The definition of operational risk according to Basel II excludes strategic and reputational risk, however, it includes legal risk. Legal risk means the risk of losses resulting from the breach of laws and legal regulations, contractual obligations or obligations outside contractual terms and conditions, or from other disputes. The internal model of Intesa Sanpaolo Bank combines all principal quantitative (data on losses from previous periods) and qualitative information sources (scenario analysis). The Bank uses the traditional model for the transfer of operational risks (insurance) with the aim to mitigate the impacts of any unexpected losses.

Liquidity risk

Liquidity risk indicates the amount of funds that will have to be obtained to meet the obligations related to financial instruments. The Bank complies with the set amount in accordance with the measures of the National Bank of Slovakia. All principles and procedures related to liquidity are subject to assessment and approval by ALCO and the parent company. The key indicators that the Bank uses in the management of medium-term

and long-term liquidity are based on the rules defined in the laws and the applicable European and local regulations that the Bank is required to adhere to (Single Rule Book).

Article 20(6) of the Accounting Act

The accounting entity, which has issued securities that have been admitted to trading on a regulated market, is obliged to provide, as a separate part of the annual report, a corporate governance statement that shall contain the following

a) a reference to the corporate governance code to which the accounting entity is subject, or to the one it has decided upon to observe in the managing and information about where the corporate governance code is available for public

The Bank manages the company in compliance with all the principles of the Corporate Governance Code in Slovakia (hereinafter referred to as the “Code”).

The Management Board and the Supervisory Board undertook to enhance corporate governance and adopted the Corporate Governance Code in Slovakia within the following specific scope:

- A. Company organisation – Rules of Functioning of VÚB, a. s., Rules of Competence of VÚB, a. s., Rules of Signing in VÚB, a. s.
- B. Relationship between the company and its shareholder – Statutes of VÚB, a. s.
- C. Disclosure of information and transparency
- D. Audit Committee, Remuneration Committee and Risk Management Committee
- E. Company’s approach to shareholders – Statutes of VÚB, a. s.

The aim of the Bank’s managing bodies is to take measures in order to ensure full implementation of the Code principles.

The Corporate Governance Code in Slovakia is available on the website of the Slovak Association of Corporate Governance – SACG) (Central European Corporate Governance Association – CECGA), <https://sacg.sk/>

b) Any important information on the methods of management and on where the information on the methods of management is published

The Bank’s management system and methods are governed by the Rules of the Intesa Sanpaolo Group, unless they are contrary to the legal regulations and provisions of the Articles of Association of the Bank. These rules define the procedures and methods of application of the instructions issued by the Intesa Sanpaolo Group in connection with the performance, management and coordination of Intesa Sanpaolo Group’s activities.

The structure of the Bank’s executive management is managed by the Management Board as the statutory body of the Bank, through the Chief Executive Officer, Deputy Chief Executive Officer, and Heads of Divisions who are directly accountable to the Management Board.

The separation of risk management from banking activities within the Bank's organisational structure is ensured through the creation of independent units focusing mainly on market and credit risk management.

Activities related to the execution of investment transactions are separate from activities related to the execution of credit transactions. The organisational structure identifies the units that carry out investment transactions as well as those that carry out credit transactions. The organisational units that carry out investment transactions are not allowed to carry out credit transactions and vice versa. The scope of activities of these units are defined in detail in the Company's internal regulations.

The monitoring of risks during the performance of banking activities with persons with a special relationship to the Bank is ensured by an autonomous unit which is separate from the banking activities unit.

Protection against money laundering falls within the competence of the Management Board, which performs this task through an autonomous Bank unit.

To ensure a functional information system, the Bank uses the support of the autonomous Information Technology and Operations Division, which creates the conditions for a fast and secure information system of the Bank.

c) Information on deviations from the corporate governance code (e.g. Article 18 of Act No. 429/2002 Coll. on the Stock Exchange, as amended) and reasons for these deviations or information on the non-application of any corporate governance code and the reasons for such a decision,

The Bank is not aware of any deviations from the Corporate Governance Code.

d) Description of the main systems of internal controls and risk management in relation to the financial statements

The Bank's internal control system consists of three integral levels:

The statutory level is ensured by means of:

the Supervisory Board

- as the main control body of the Bank. The advisory body of the Supervisory Board is the Audit Committee whose competences are defined in the Audit Committee Charter and, in the financial reporting area, are as follows:

- to review the most important accounting issues, also in relation to complex and/or extraordinary operations;
- to analyse the annual financial statements and quarterly financial reports;
- to oversee that the establishment of accounting policies by the Bank is in line with the ISP Group standards;
- to monitor the financial reporting process and submit recommendations or proposal to ensure its reliability and integrity;
- to monitor the adequacy and functionality of the administrative-accounting system (including the related IT systems) as well as its reliability in correctly representing the management facts;
- to monitor the effectiveness of the internal quality control, risk management system and internal audit regarding the financial reporting;

- to examine the periodic reports on the administrative-financial governance activities carried out by the Reporting Officer, the flaws of the accounting processes and the status of the related corrective actions;
- to examine the periodic reporting on the results achieved in the application of the criteria and procedures aimed at the classification, assessment and management of impaired loans and to assess the need to define measures to improve such criteria and procedures

Management Board

- the main executive body of the Bank, responsible for the set-up, monitoring and implementation of an appropriate and effective system of internal controls and internal regulations, principles and procedures, as well as for compliance with external requirements.

The executive level is ensured by the managing staff in line with the Rules of Functioning of VÚB, a.s. This level consists of two levels:

Chief Executive Officer, Deputy Chief Executive Officer, Heads of Divisions

- within the business, support and control units in line with the Bank's Rules of Functioning

Managing Directors

- each manager is responsible for adherence to the internal and generally binding legal regulations, guidelines, principles and procedures applied in the Bank.

The control level is ensured by the appointed independent Internal Control and Internal Audit Department of the Bank.

The risk management system consists of the following parts:

- *Supervisory Board* as the shareholders' representative. The Supervisory Board is the principal control body that supervises the Management Board and the performance of the Group's business activities.
- *Management Board* which, as a statutory body, sets the executive management of the VÚB Group. It is also responsible for the creation of sound business practices and strategic plans, which implies collective understanding of the nature of the business environment and related risks.

The members of the Management Board have sufficient knowledge of the areas in which the Bank carries out its activities and for which they are not necessarily responsible. All members of the Bank's Management Board are expected to have practical experience in the field of financial markets or sufficient professional experience in the banking sector, acquired from their previous business/working activities.

The Management Board defines the structure of the VÚB Group executive management.

The executive function consists of all managerial staff within the Group, whereas each manager is responsible for compliance with the internal and external guidelines, policies, procedures and laws governing the operations of banks and/or the Group.

The most important managing committees of the Bank that supervise risks are:

- Credit Risk Governance Committee
- Assets and Liabilities Committee
- Operational Risk Committee
- Internal Control Coordination Committee
- Credit Committee

- Problem Assets Committee
- Change Management Committee.

The Bank established a hierarchy of documents that define risk management. The Bank's Management Board approves the Risk Management Strategy. In line with this basic document, the Management Board prepared statutory documents, which describe the principles and procedures applied to individual risks, including the managing bodies to which the implementation and enforcement of these principles and procedures are delegated. Each division, when created, defines a series of procedures that describe in detail the process of implementation of functional tasks.

The Management Board has defined a management strategy covering all basic types of risks that the Bank faces in its operations.

Risk management, which is separate from banking activities, is ensured within the Bank's organisational structure through the creation of independent units focused mainly on the area of credit, market and operational risk management, with the following responsibilities:

- independent definition and implementation of standards and criteria concerning credit transactions, investment transactions and trading of the Bank on its own account;
- independent monitoring and recording of risks to which the Bank is exposed during the execution of credit transactions, investment transactions and trading on own account;
- independent representation of the execution of the risk management function in the committees dealing with credit transactions, investment transactions and trading on own account.

e) Information about the activities of a general meeting, its powers, a description of powers of shareholders and the procedure of their application

The General Meeting is the principal decision-making body of the Company. The General Meeting has the power to decide on issues which fall within the competencies of the General Meeting pursuant to the mandatory provisions of legal regulations and the Articles of Association of VÚB, a.s.

The Ordinary General Meeting of VÚB, a.s. (OGM) met on 19 April 2021 and discussed 10 points of the agenda.

The OGM approved the Annual Report of VÚB, a.s. 2020 as submitted by the Bank's Management Board, the Statutory Separate Financial Statements of VÚB, a.s. 2020 prepared in accordance with the International Financial Reporting Standards (as amended by the European Union), as submitted by the Bank's Management Board; the Consolidated Financial Statements of VÚB, a.s. 2020 prepared in accordance with the International Financial Reporting Standards (as amended by the European Union), as submitted by the Bank's Management Board; decided on distributing the profit earned in 2020 in the total amount of €85,038,922.55 according to the proposal raised by the Management Board of VÚB, a. s., and a contribution to retained earnings of €85,038,922.55. The OGM approved Ernst & Young Slovakia spol. s r.o., with registered office at Žižkova 9, 811 02 Bratislava, as external auditor of VÚB, a. s. for the year 2022; approved the Remuneration and Incentives Policy of VÚB, a.s. for the year 2020 and approved the transfer of shares of all remaining shareholders of VÚB, a.s. to the majority shareholder of VÚB, a.s. and approved the amendments to the Articles of Association of VÚB, a.s.

The Extraordinary General Meeting of VÚB a.s., which took place on December, 18th, 2020 approved that the shares of VÚB, a.s. admitted to trading at the Main Listed Market operated by the stock exchange Burza cenných papierov v Bratislave, a.s., cease to be listed and traded at the stock exchange.

The General Meeting approved that the mandatory public offer pursuant to the relevant provisions of the Securities Act shall be conducted by the majority shareholder VUB, a.s. instead of VUB, a.s.

The General Meeting also approved that VUB, a.s. ceases to be a public joint-stock company after making a mandatory public and termination of trading with the Share issue at the Main Listed Market operated by the stock exchange Burza cenných papierov v Bratislave, a.s.

The Ordinary General Meeting of VÚB, a.s. (OGM) met on 24 April 2020 and discussed 12 points of the agenda.

The OGM approved the Annual Report of VÚB, a.s. 2019 as submitted by the Bank's Management Board, the Statutory Separate Financial Statements of VÚB, a.s. 2019 prepared in accordance with the International Financial Reporting Standards (as amended by the European Union), as submitted by the Bank's Management Board; the Consolidated Financial Statements of VÚB, a.s. 2019 prepared in accordance with the International Financial Reporting Standards (as amended by the European Union), as submitted by the Bank's Management Board; decided on distributing the profit earned in 2019 in the total amount of €114,087,731.24 according to the proposal raised by the Management Board of VÚB, a. s., and a contribution to retained earnings of €114,087,731.24. The OGM approved KPMG Slovensko spol. s r.o., with registered office at Dvořákovo nábrežie 10, 811 02 Bratislava, as external auditor of VÚB, a.s. for the year 2020, and Ernst & Young Slovakia spol. s r.o., with registered office at Žižkova 9, 811 02 Bratislava, as external auditor of VÚB, a. s. for the year 2021; approved the Remuneration and Incentives Policy of VÚB, a.s. and a significant business transaction of VÚB, a.s.; and approved the amendments to the Articles of Association of VÚB, a.s., as well as the proposed personnel changes in the Supervisory Board.

The activities of the General Meeting of the Company are governed by the Articles of Association, approved by the General Meeting, and by the applicable provisions of the Commercial Code. Its competencies include:

- a) decisions on amendments to the Articles of Association of VÚB, a.s.,
- b) decision on the increase and decrease of the subscribed capital and decision on authorising the Management Board to increase the subscribed capital pursuant to Article 210 of the Commercial Code;
- c) decision on the issuance of preference bonds or convertible bonds;
- d) decision on the change of rights associated with any type of the Bank's shares and on restriction of the transferability of the Bank's shares;
- e) decision on liquidation of the Bank;
- f) election and removal of members of the Supervisory Board, except for the members of the Supervisory Board elected and removed by the Bank's employees;
- g) approval of regular and/or extraordinary individual and/or consolidated financial statements, decision on profit distribution or settlement of losses and determination of the amount of royalties;
- h) decision on the distribution of retained earnings from previous years and/or reimbursement of unpaid losses from previous years;

- i) decision to use the reserve fund,
- j) decision on the amount, method and place of dividend payment and the setting of the reference date for determining the persons entitled to exercise the right to dividends,
- k) decision on termination of trading in the company's shares on the stock exchange and decision on the company ceasing to be a public joint-stock company;
- l) appointment and removal of members of the Audit Committee, except for the members of the Audit Committee who are appointed by the Supervisory Board;
- m) decision on other issues that fall within the competencies of the General Meeting under the mandatory provisions of legal regulations and the Articles of Association of VÚB, a. s.;
- n) except as referred to in point (o), approval of the Remuneration Policy for the period specified in Section 201d of the Commercial Code;
- o) approval of changes to the Remuneration Policy if they concern:
 - remuneration of members of VÚB bodies pursuant to Article 187(1)(i) in conjunction with Article 201a(2) of the Commercial Code;
 - adjustments to the powers of the Management Board and the Supervisory Board in relation to remuneration at VUB, a.s.;
- p) approval of remuneration for members of the Supervisory Board;
- q) approval of significant business transactions pursuant to Section 220ga of the Commercial Code.

The above points n-q have been amended due to amendments to the Articles of Association of VÚB, a. s., as approved by the Ordinary General Meeting of VÚB, a. s. on 24 April 2020.

Decisions on the matters referred to in points a, b, c, e, k above must be adopted by a two-thirds majority of the votes of the shareholders present at the General Meeting and a notarial record must be drawn up. Decisions of the General Meeting changing the rights attached to certain types of shares and/or limiting the transferability of registered shares also the consent of a two-thirds majority of the votes of the shareholders holding such shares.

Decisions of the General Meeting on other matters falling within the decision-making power of the General Meeting requires the majority of votes of the shareholders present, unless the Commercial Code or the Articles of Association of VÚB, a. s. do not provide otherwise.

The shareholders' rights and related procedures are set out in the legal regulations and the Articles of Association of the Bank:

- a) Each shareholder is entitled to attend the General Meeting, vote, request information and seek explanations concerning the matters of the Company or matters of persons or entities controlled by the Company which relate to the agenda of the General Meeting, and to submit proposals.
- b) The exercise of a shareholder's voting rights may only be restricted or suspended exclusively by Act No. 513/1991 Coll. Commercial Code, as amended, or under a special legal regulation.
- c) A shareholder may exercise the shareholder rights attached to book-entered shares at the General Meeting if the shareholder is entitled to exercise these rights as of the reference date specified in the invitation to the General Meeting. The reference date shall be the day set in accordance with the legal regulations.
- d) A shareholder has the right to attend the General Meetings in person or through a proxy, by the authority of a written power of attorney. If VÚB, a. s. is a public joint stock company the power of

attorney may be issued to a member of the Supervisory Board in accordance with the provisions specified in the Commercial Code. If the shareholder issues a power of attorney for the exercise of voting rights related to the same shares to more than one proxy at one General Meeting, the Company shall permit that the proxy who has signed the list of attending shareholders votes first. Shareholders shall comply with the reasonable formal requirements imposed by the Management Board in respect of powers of attorney and electronic means via which the Company receives notifications on appointment of a proxy, amendment to the power of attorney and dismissal of a proxy, as notified to the shareholders together with the invitation to the General Meeting and on the website of the Company.

- e) The Management Board shall provide each shareholder, upon request, with complete and true information and explanations regarding the items on the agenda of the General Meeting. If the Management Board is not able to provide a shareholder with complete information at the General Meeting, or if a shareholder requests so at the General Meeting, the Management Board shall provide such information to the shareholder in writing within 15 (fifteen) days from the date when the General Meeting was held. The Management Board is obliged, upon the request made by the shareholder, to send forthwith the written information to the address given by that shareholder; otherwise, it shall make such information available at the registered office of the Company. The Management Board may refer the shareholder to the website of the Company in its written information or directly during its reply at the General Meeting. If the website does not include the requested information or includes incomplete information, the court, upon the shareholder's proposal, shall decide on the Company's obligation to provide the requested information. This right of the shareholder shall cease to exist in case said right has not been exercised within one month from the date in which the General Meeting was held, during which the shareholder requested the Management Board or the Supervisory Board to provide this information. The shareholder's request of information may only be refused in case the disclosure of the requested information would: constitute a breach of the law; or, following a diligent consideration of the content of such information, adversely affect the Company or an entity controlled by the Company; or if the information is considered to be a part of the Company's business secrets. Requests for information regarding the Company's economic management and the status of its assets cannot be refused. The Management Board shall decide on the acceptance or refusal of a request for information during the General Meeting. If the Management Board decides to refuse the request for information, then the Supervisory Board, following a request by the shareholder, shall decide on the duty of the Management Board to disclose the requested information. Upon his own initiative or following a request by the Supervisory Board, the chairman of the General Meeting may adjourn the General Meeting for the time necessary for the Supervisory Board to make a decision. If the Supervisory Board refuses to provide the requested information, the shareholder may file a proposal to the competent court entitled to decide whether the Company is obliged to provide the requested information. This right of the shareholder shall cease to exist in case said right has not been exercised within 1 (one) month from the date on which the General Meeting was held, during which the shareholder requested the Management Board or the Supervisory Board to provide information.
- f) The shareholder is entitled to a share in the Bank's profits (dividend). The General Meeting shall decide on the reference date in order to determine which persons are entitled to exercise the right to dividend(s), which shall be no earlier than 5 (five) and no later than 30 (thirty) days following the General Meeting, whereas the dividend is payable within 60 (sixty) days of the reference date.

- g) The Bank shall bear the expenses and risks of payment of the dividend to the shareholders. A shareholder is not obliged to return to the Bank a dividend which has been accepted in good faith.
- h) A shareholder is not entitled to demand the return of its contribution during the term of the Bank's existence, nor upon its winding-up. The shareholder has, however, the right to a share in the liquidation balance in the event of the Bank's liquidation.

f) Information on the structure and activities of the company bodies and their committees

The bodies of VÚB, a.s.:

- a) General Meeting;
- b) Supervisory Board;
- c) Management Board.

General Meeting

The General Meeting is the principal decision-making body of the Company. The General Meeting has the power to decide on issues which fall within the competencies of the General Meeting pursuant to the mandatory provisions of legal regulations and VUB Articles of Association.

The Ordinary General Meeting of VÚB, a.s. (OGM) met on 19 April 2021 and discussed 10 points of the agenda.

The OGM approved the Annual Report of VÚB, a.s. 2020 as submitted by the Bank's Management Board, the Statutory Separate Financial Statements of VÚB, a.s. 2020 prepared in accordance with the International Financial Reporting Standards (as amended by the European Union), as submitted by the Bank's Management Board; the Consolidated Financial Statements of VÚB, a.s. 2020 prepared in accordance with the International Financial Reporting Standards (as amended by the European Union), as submitted by the Bank's Management Board; decided on distributing the profit earned in 2020 in the total amount of €85,038,922.55 according to the proposal raised by the Management Board of VÚB, a. s., and a contribution to retained earnings of €85,038,922.55. The OGM approved Ernst & Young Slovakia spol. s r.o., with registered office at Žižkova 9, 811 02 Bratislava, as external auditor of VÚB, a. s. for the year 2022; approved the Remuneration and Incentives Policy of VÚB, a.s. for the year 2020 and approved the transfer of shares of all remaining shareholders of VÚB, a.s. to the majority shareholder of VÚB, a.s. and approved the amendments to the Articles of Association of VÚB, a.s.

The Extraordinary General Meeting of VÚB a.s., which took place on December, 18th, 2020 approved that the shares of VÚB, a.s. admitted to trading at the Main Listed Market operated by the stock exchange Burza cenných papierov v Bratislave, a.s., cease to be listed and traded at the stock exchange.

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General information about the Supervisory Board and the Management Board

1. The members of the Supervisory Board are elected by the General Meeting of the Company. The Management Board of VÚB, a.s. are elected by the Supervisory Board.
2. All members of the Management Board and of the Supervisory Board have early access to all relevant information. During the financial year 2020, the Management Board of VÚB, a.s. met 24 times and adopted 15 decisions on a per rollam basis. The Supervisory Board of VÚB, a. s. met 8 times during the financial year 2020 and adopted 7 decisions on a per rollam basis. Documents with detailed information are distributed well in advance – at least three working days before the date of the meeting for the Management Board and at least ten days before the date of the meeting for the Supervisory Board in order to ensure that the members of the Supervisory Board and Management Board adopt qualified decisions on individual matters.
3. A member of the Supervisory Board may not be a member of the Management Board of VÚB, a.s., nor it may hold any important managing position within the Bank. Except for the members of the Supervisory Board elected by the employees, a member of the Supervisory Board may not be an employee of VÚB, a.s.

Supervisory Board

Members of the Supervisory Board in 2020

Ignacio Jaquotot	Chairman of the Supervisory Board
Elena Kohútiková	Vice-Chair of the Supervisory Board
Marco Fabris	Member of the Supervisory Board
Paolo Sarcinelli	Member of the Supervisory Board (until 24 April 2020)
Luca Leoncini Bartoli	Member of the Supervisory Board (from 08 December 2020)
Christian Schaack	Member of the Supervisory Board (independent member)
Peter Gutten	Member of the Supervisory Board, employees' representative
Róbert Szabo	Member of the Supervisory Board, employees' representative

Upon the proposal by the Management Board, the Supervisory Board exercises the following main powers:

- a) reviews the annual report, the ordinary, extraordinary, individual and consolidated financial statements, and recommend the annual report, the ordinary, extraordinary, individual and consolidated financial statements to the General Meeting for approval;
- b) approves the proposed distribution of current and/or past profit;
- c) approve rules for the creation and use of other funds created by VÚB, a.s.;
- d) approves the draft plan of settlement of unsettled loss and/or unsettled losses from past years;
- e) approves proposed changes to the internal audit and internal control system;
- f) approves the annual plans of activities and the annual report on the results of the activities of the Internal Control and Internal Audit Department;
- g) reviews and approves the following matters, before their submission to the General Meeting by the Management Board:
 - i. proposals for changes to these Articles of Association; and
 - ii. proposals for increase or decrease of the registered share capital of VÚB, a.s. and/or for issue of preference bonds or convertible bonds, according to the relevant provisions of the Commercial Code;
- h) elects the members of the Management Board and approves contracts on exercise of the duties as members of the Management Board;
- i) approves any proposal for increase or decrease of the registered share capital of VÚB, a.s.;
- j) approves any major change in the nature of business activities of VÚB, a. s., or in the way of carrying out the business activities of VÚB, a. s., unless already approved in the document on the expected economic and financial situation in the given year;
- k) approves the principles of remuneration of managers who are directly accountable to the Management Board and the Supervisory Board and of the members of the Supervisory Board;
- l) makes decisions on other matters which fall within the competencies of the Supervisory Board under the mandatory provisions of the legal regulations and the Articles of Association.

The Supervisory Board considers, in particular:

- a) proposals of the Management Board for termination of trading with the Company's shares on a stock exchange and the decision on whether it should cease to be a public joint-stock company;
- b) information by the Management Board on the principal intentions of the business management of the Company for the future, and on the expected development of the assets, liabilities and revenues of VÚB, a.s.;
- c) the report of the Management Board on the business activities and assets of the Company compared to any further expected development.

Committees of the Supervisory Board

Audit Committee

As of 31 December 2020, the Audit Committee had three members, including its chairman. The Audit Committee held eight meetings (from which four per rollam) during the 2020 financial year. The issues discussed at the meetings mainly related to: the preparation of the financial statements and compliance with

the special regulations; effectiveness of the internal control and risk management system in the Bank; compliance with the requirements of the regulatory authorities; audit of separate financial statements and of consolidated financial statements. Furthermore, the Audit Committee examines and monitors the independence of the auditor, especially the services provided by the auditor under a special regulation; recommends an auditor for the Bank for approval; and sets the date for submission of the declaration of independence by the auditor. The Audit Committee regularly invites to its meetings the external auditor to attend its meetings.

The control duties within VÚB, a.s. are carried out by the Internal Control and Internal Audit Department of the Bank, the rights and obligations of which, except for those defined by the law, are set by the Supervisory Board. Recommendation and prior consent of the Supervisory Board are the prerequisites for the appointment or removal of the manager of the Internal Control and Internal Audit Department of the Bank and for determining the remuneration pertaining to this position. In 2020 the Chairwoman of the Audit Committee (being also Vice Chairwoman of the Supervisory Board) and the Head of the Internal Audit and Control Department participated in the meetings of the Supervisory Board. The Chairwoman of the Audit Committee regularly informed the Supervisory Board of the most important issues discussed at the Audit Committee meetings.

Remuneration Committee

Remuneration Committee acts in VÚB a.s. is a body established by a decision of the Supervisory Board of VÚB, a.s. in accordance with the Act on Banks and related legislation, the Bank's Articles of association and the Parent Company's Guidelines on Remuneration. It has fundamental role in process of preparation, adoption, changes and control of implementation of the Bank Remuneration Policies of the selected positions. Committee has three members appointed and recalled by the VÚB Supervisory Board. Each member must be a member of the Bank's Supervisory Board. In 2020, the Remuneration Committee met 7 times, of which it once adopted a decision per rollam basis. Its main responsibilities include independently assess the compensation principles of selected positions and their impact on the management of risk, own funds and liquidity and its findings shall be submitted to VÚB Supervisory board and VÚB Management Board; responsible for preparation of decisions concerning the compensation of the selected positions, including decisions affecting the risks and the management of risks in the Bank, which are to be made by the Management Board of VÚB; take into account the long-term interests of shareholders, investors and other stakeholders of the Bank and the public interest preparing its decisions supervises remuneration of the selected positions (including the list of Legal Entity Risk Takers identified according to the criteria set out in the 604/2014/RTS).

Risk Committee

The Risk Committee was established by a decision of the Supervisory Board in September 2015. It has three members who are members of the Supervisory Board. The committee meets at least quarterly. The Risk Committee is part of risk management with the supervisory, advisory and supportive functions primarily for the monitoring of the risk management system and strategy and their implementation.

Management Board

Members of the Management Board in 2020

Alexander Resch	Chairman of the Management Board and Chief Executive Officer
Roberto Vercelli	Member of the Management Board and Deputy Chief Executive Officer
Antonio Bergaglio	Member of the Management Board and Head of the Finance, Planning and Controlling Division (until 30 June 2020)
Paolo Vivona	Member of the Management Board and Head of the Finance, Planning and Controlling Division (from 24 October 2020)
Andrej Viceník	Member of the Management Board and Head of the Corporate Banking Division
Peter Magala	Member of the Management Board and Head of the Risk Management Division
Martin Techman	Member of the Management Board and Head of the Retail Banking Division
Marie Kovářová	Member of the Management Board and Head of the Operations and IT Division (from 03 April 2020)

The members of the Management Board are elected and dismissed by the Supervisory Board. The Supervisory Board also appoints the Chairman of the Management Board from among its members, and in case the Vice-Chair(s) position is set up, the Supervisory Board also appoints the Vice-Chair(s) of the Management Board.

Competencies of the Management Board

The Management Board is the statutory body that manages the Bank's activities. The Management Board is authorised to act on behalf of the Bank in all matters and represents the Bank in relation to third parties, before court as well as other authorities, and decides on all matters concerning the Bank, unless reserved for the competencies of other bodies of VÚB, a. s. under the Commercial Code and/or the Articles of Association of VÚB, a. s.

The Management Board is mainly responsible for the following matters:

- a) implements the decisions of the General Meeting and of the Supervisory Board;
- b) ensures the keeping of accounting and other records, commercial books and other documentation of VÚB, a. s., as prescribed;
- c) administers the registry of the securities issuer;
- d) after prior approval by and upon a proposal by the Supervisory Board, submits the following matters to the General Meeting for approval:
 - amendments to the Articles of Association of the Bank;
 - proposals for increase and decrease of the registered share capital and the issuing of bonds;
 - ordinary, extraordinary, individual or consolidated financial statements;
 - proposals for the distribution of current or retained profits and/or proposals for the settlement of outstanding losses from the current and/or previous years;
 - the annual report;
 - proposal for the approval or withdrawal of the auditor of VÚB, a. s. for the relevant accounting period;
- e) approves and regularly reviews the Bank Remuneration Principles.

The Management Board has set up several specialised committees mainly with regard to risk management, namely: the Credit Committee, the Assets and Liabilities Committee, the Credit Risk Governance Committee,

the Operational Risk Committee; the Change Management Committee; the Problem Asset Committee, the Internal Control Coordination Committee, and the Crisis Committee.

Activities of the Management Board in 2020:

In 2020, the Management Board of VÚB, a. s. met 24 times and adopted 15 decisions on a per rollam basis. At its meetings, the Management Board discussed the Bank's operational issues, the business agenda, active and passive trading of the Bank, as well as organisational, legal and labour matters. The Management Board is accountable to the Supervisory Board and the General Meeting.

Committees of the Management Board

Credit Committee (CC)

At its meetings, the Credit Committee discusses the submitted documents and makes decisions on proposals for the provision of active transactions, for the setting of exposure limits against clients and economically related groups ("ERG") and for the settlement of claims under such transactions, prepared by the individual division departments or branches that meet the necessary conditions laid down in the relevant internal regulations of the Bank for active transactions.

Composition of the Committee: Chief Executive Officer, Deputy Chief Executive Officer, Head of the Risk Management Division, Head of the Corporate Banking/Retail Banking Division/ Manager of the Credit Risk Department, and Manager of VÚB Prague, Head of Corporate and Retail Underwriting.

During the reporting period, 51 meetings of the Credit Committee were held.

Assets and Liabilities Committee (ALCO)

The Assets and Liabilities Committee ensures the planned profitability of the Bank through the management of assets and liabilities, as well as the management of the level of risk which could cause a possible loss of the Bank's capital.

Composition of the Committee: Chief Executive Officer, Deputy Chief Executive Officer, Head of the Corporate Banking Division, Head of the Retail Banking Division, Head of the Risk Management Division, Head of the Finance, Planning and Controlling Division, Manager of the Balance and Treasury Management Department, Manager of the Compliance Department.

During the reporting period, the Assets and Liabilities Committee held 12 meetings, 1 extraordinary meeting and 3 per rollam meetings.

Credit Risk Governance Committee (CRGC)

This committee discusses the documentation concerning organisational risk management and the system of principles and procedures in credit risk management; approves changes and amendments thereto; sets and reviews the risk level of individual portfolios, as well as return rate and revenues, the limits of exposure by division portfolios, products, maturities and currencies; reviews the rules of exposure to business sectors, geographical regions, debtors and economically related groups; discusses and decides on new proposals for credit products and matters related to rating. The committee also reviews and approves the level of creation of adjustments for credit losses for the client assets portfolio. In the field of Product Governance the Committee, analyzes and assesses the issues related to the launch and monitoring of the products that imply credit risk.

Composition of the Committee: Chief Executive Officer, Deputy Chief Executive Officer, Head of the Risk Management Division, Head of the Corporate Banking Division, Head of the Retail Banking Division, Head of Compliance.

During the reporting period, the Credit Risk Committee met 12 times.

Operational Risk Committee (ORC)

Works as a managing committee for projects focusing on operational risk; prepares policies, standards and methodologies concerning operational risk; discusses and approves proposals modifying this framework; monitors early implementation of the framework for operational risk management within the entire Group of VÚB, a. s.; discusses serious internal cases of operational risk; approves measures to be implemented by the individual departments in order to reduce the operational risk; monitors and evaluates the implementation of corrective measures by individual department; prepares and approves risk transfer and proposals for the outsourcing and insurance policy strategy; helps in the creation and definition of limits/risk tolerance; and monitors the exposure to limits assigned to each department.

Composition of the Committee: Chief Executive Officer, Deputy Chief Executive Officer, Head of the Risk Management Division, Head of the Operations and IT Division, Head of the Finance, Planning and Controlling Division, Manager of the Compliance Department, Manager of the AML Department.

During the reporting period, the Operational Risk Committee held 4 meetings and 1 extraordinary meeting.

Change Management Committee (CMC)

The committee creates a platform that links business and IT strategy (and its priorities) to the operational management of business priorities in the context of IT resources and capacity planning. In urgent cases, the committee acts as the escalation and decision-making body with respect to problems and conflicts in business priorities, and it resolves conflicts concerning the allocation of resources based on business requirements.

Composition of the Committee: Chief Executive Officer, Deputy Chief Executive Officer, Head of the Retail Banking Division, Head of the Corporate Banking Division, Head of the Operations and IT Division, Head of the Risk Management Division, Head of the Finance, Planning and Controlling Division, and Manager of the IT Request Management Department.

During the reporting period, the Change Management Committee met 13 times.

Problem Asset Committee (PAC)

The objective of this committee is to define and approve the strategy of recovery of individual transactions and their coverage with adjustments.

Composition of the Committee: the representatives of the following functions in the Bank are the members of the Committee with voting rights: Chief Executive Officer, Deputy Chief Executive Officer, Head of the Risk Management Division, Manager of the Risk Receivables Management Department.

During the reporting period, the Problem Assets Committee met 12 times.

Crisis Committee (CGC)

Managing and coordination body that issues orders for the key bank areas with the aim to prevent, mitigate and remove the impact of extraordinary events or crisis situations on business activity and the goodwill of the Bank.

Composition of the Committee: Chief Executive Officer, Deputy Chief Executive Officer, Head of the Corporate Banking Division, Head of the Retail Banking Division, Head of the Finance, Planning and Controlling Division, Head of the Operations and IT Divisions, Head of the Risk Management Division, Head of the Human Resources Division, Manager of the Security Department, Manager of the Corporate and Marketing Communication Department, Head of the Operations Continuity Management Department, Manager of the Internal Audit and Internal Control Department, Head of the Bank's Secretariat.

Internal Control Coordination Committee (ICCC)

The aim of the Internal Control Coordination Committee is to strengthen coordination and enhance the tools for cooperation between the departments regarding the internal control system and to enable the integration of the risk management process.

Composition of the Committee: Manager of the Internal Control and Internal Audit Department, Head of the Risk Management Division, Head of the Finance, Planning and Controlling Division, Manager of the Compliance Department, Manager of the AML Department, Manager of the Human Resources and Organisation Department.

During the reporting period, the Internal Control Coordination Committee met 4 times.

Article 20(7) of the Act on Accounting

The accounting entity that has issued securities, which have been admitted to trading on a regulated market, shall be obliged to provide the following information in the annual report

a) The structure of the share capital including data on securities that have not been admitted to trading on a regulated market in any Member State or State of the European Economic Area, including the types of shares, description of rights and duties connected with them for each type of shares and their percentage in the total share capital

Securities issued by the Bank as of 31 December 2020:

Shares

Security name:	Shares of VÚB, a. s., 1
Total issue amount	EUR 135,393,185.60
Type, form of security	Ordinary registered shares in book-entry form
Number and nominal value per share	4,078,108 shares per EUR 33.20
ISIN	SK1110001437 series 01, 02, 03, 04, 05, 06
Share in capital %	31.42%
Admitted / not admitted for trading	Admitted to the main listed market

Security name:	Shares of VÚB, a. s., 2
Total issue amount	EUR 295,425,878.21
Type, form of security	Ordinary registered shares in book-entry form
Number and nominal value per share	89 shares per EUR 3,319,391.89
ISIN	SK1110003573 series 01
Share in capital %	68.58%
Admitted / not admitted for trading	Not admitted for trading

Pursuant to generally binding legal regulations and the Articles of Association of the Bank, the shares of VÚB, a.s. carry the right of the shareholder to participate in the management of VÚB, a.s., as well as the right to a share in its profit (dividend) and in the liquidation surplus in the case of dissolution.

Debt securities

ISSUE NAME	ISIN	ISSUE DATE	MATURITY DATE	DENOMINATION	NOMINAL VALUE	PIECES	COUPON	COUPON PAYMENTS	PUT OPTION	STOCK EXCHANGE MARKET
Mortgage bonds VUB, a.s., XX.	SK4120004946	9.3.2006	9.3.2021	EUR	331,939.19	50	4.30%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., XXX.	SK4120005547	5.9.2007	5.9.2032	EUR	33,193.92	1,000	5.00%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 31	SK4120005679	29.11.2007	29.11.2037	EUR	33,193.92	600	4.90%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 43	SK4120006271	26.9.2008	26.9.2025	EUR	33,193.92	500	5.10%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 67	SK4120008228	29.11.2011	29.11.2030	EUR	50,000.00	300	5.35%	annually	no	BCPB listed parallel market
Mortgage bonds VUB, a.s., 72	SK4120008608	21.6.2012	21.6.2027	EUR	100,000.00	250	4.70%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 73	SK4120008624	11.7.2012	11.7.2022	EUR	100,000.00	500	4.20%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 74	SK4120008939	16.1.2013	15.12.2023	EUR	100,000.00	700	3.35%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 80	SK4120009879	27.3.2014	27.3.2021	EUR	1,000,000.00	31	1.85%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 81	SK4120009887	27.3.2014	27.3.2024	EUR	1,000,000.00	38	2.55%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 85	SK4120010364	14.11.2014	14.11.2029	EUR	100,000.00	500	2.25%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 87	SK4120010794	9.6.2015	9.6.2025	EUR	100,000.00	1,000	1.25%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 89	SK4120011065	29.9.2015	29.9.2025	EUR	100,000.00	1,000	1.20%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 90	SK4120011149	29.10.2015	29.10.2030	EUR	100,000.00	1,000	1.60%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 91	SK4120011529	21.3.2016	21.3.2023	EUR	100,000.00	1,000	0.60%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 93	SK4120012469	18.1.2017	18.1.2024	EUR	100,000.00	2,500	0.50%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 94	SK4120012824	27.4.2017	27.4.2027	EUR	100,000.00	2,500	1.05%	annually	no	BCPB regulated free market
Mortgage bonds VUB, a.s., 95	SK4120013251	26.9.2017	26.9.2022	EUR	100,000.00	2,500	0.375%	annually	no	BCPB regulated free market
Covered bonds VUB, a.s., 1	SK4120014168	26.6.2018	26.6.2023	EUR	100,000.00	2,500	0.50%	annually	no	BCPB regulated free market
Covered bonds VUB, a.s., 2	SK4120014531	5.10.2018	15.12.2027	EUR	100,000.00	500	1.50%	annually	no	BCPB regulated free market
Covered bonds VUB, a.s., 3	SK4120015108	26.3.2019	26.3.2024	EUR	100,000.00	5,000	0.25%	annually	no	LSE regulated market
Covered bonds VUB, a.s., 4	SK4000015475	26.6.2019	26.6.2029	EUR	100,000.00	5,000	0.50%	annually	no	LSE regulated market
Covered bonds VUB, a.s., 5	SK4000017455	23.6.2020	23.6.2025	EUR	100,000.00	5,000	0.01%	annually	no	LSE regulated market

All debt securities issued by VÚB, a.s., are bearer bonds in book entry form. No person took any guarantee for the repayment of the nominal value and/or coupon payment.

As of 31 December 2020 VÚB, a.s., did not issue and did not decide to issue bonds with pre-emption rights or convertible rights associated therewith.

The bonds are transferable to another holder without any restrictions. The rights associated with the bonds are based on the terms and conditions of the bonds pursuant to Act No. 530/1990 Coll. on Bonds as amended, Act No 483/2001 Coll. on Banks as amended, Act No 566/2001 Coll. on Securities as amended and in accordance with applicable legislation.

Investment certificates

ISSUE NAME	ISIN	ISSUE DATE	MATURITY DATE	DENOMINATION	NOMINAL VALUE	PIECES	COUPON	COUPON PAYMENTS	PUT OPTION	STOCK EXCHANGE MARKET
Investment certificates of VÚB, a.s., 2021	SK5110000828	28.6.2018	28.6.2021	EUR	1.00	385,500	0.00%	-	No	Not admitted for trading
Investment certificates of VÚB, a.s., 2022	SK4000015582	27.6.2019	27.6.2022	EUR	1.00	312,700	0.00%	-	No	Not admitted for trading
Investment certificates of VÚB, a.s., 2023	SK4000017554	30.6.2020	30.6.2023	EUR	1.00	144,800	0.00%	-	No	Not admitted for trading

In 2020, the Company issued Investment certificates of VÚB, a. s., 2023. The issue was issued in order to comply with the obligations under Act No. 483/2011 Coll. on Banks, as amended, in connection with EU Regulation No. 575/2013 on prudential requirements for credit institutions and investment firms and the internal regulation Remuneration Policy of VÚB, a. s.

The investment certificates issued by VÚB, a. s. are registered securities in book-entry form. No entity guarantees the repayment of their nominal value and/or the coupon payment. No pre-emption or convertible rights are associated with the investment certificates.

Investment certificates are not freely transferrable to another owner. The rights associated with the investment certificates are defined in the legal regulations of the Slovak Republic, in particular Act No. 566/2001 Coll. on Securities and Investment Services, as amended, and in the applicable conditions of issue of investment certificates.

b) The restrictions of transferability of securities

The shares are freely transferable by means of registration through CDCP SR a. s. or through its member. The bonds are transferable to a new owner and do not carry any pre-emption or exchange rights.

c) Qualifying holdings in the share capital under a special regulation, 28aa)

The qualifying holdings is at least 5% of the share capital of the Company. The shareholders disposing of qualifying holdings have the right to request the Management Board to include the matter they wish to raise in the agenda of the General Meeting. Furthermore, the shareholders with qualifying holdings have the right to request the convocation of the Extraordinary General Meeting in accordance with the Articles of Association of the Bank. Except for the majority shareholder – Intesa Sanpaolo Holding International S.A. Luxemburg – no other shareholder has qualifying holdings in at least 5% of the Company's share capital.

d) The owners of securities with special rights of control with a description of these rights

The majority shareholder – Intesa Sanpaolo Holding International S.A. Luxemburg with a 97.17% as of February 2021 in the Company has qualifying holdings in the Bank's share capital and, therefore, enjoys the rights arising from this position. At the request of the majority shareholder, the Management Board shall include the respective matter in the agenda of the General Meeting and has the right to request the Management Board of the Company in writing to convoke an Extraordinary General Meeting in accordance with the Articles of Association of the Bank.

e) Restriction of the voting rights

The voting rights are unrestricted. The exercise of the shareholder's voting rights may only be restricted or suspended under Act No. 513/1991 Coll. Commercial Code, as amended, or under a special legal regulation.

f) The agreements between owners of securities, which are known to the accounting entity and which may lead to the restrictions of transferability of securities and limitations of the rights to vote

The Bank is not aware of any such facts.

g) The rules governing the appointment and removal of members of its statutory body or a change of by-laws

The rules governing appointment and removal of members of the Bank's Management Board and amendments to the Articles of Association of the Bank are laid down in the Articles of Association of the Bank in compliance with the Commercial Code, as amended, Act No. 483/2001 Coll. on Banks, as amended, and Rules of the Intesa Sanpaolo Group. The members of the Management Board are elected and dismissed by the Supervisory Board. The Supervisory Board also appoints the Chairman from among the members of the Management Board as well as the Vice-Chair(s) in case a Vice-Chair position is set up.

Under Article 10.8 of the Articles of Association, the number of members of the Management Board of VÚB, a. s. determined and approved by the Supervisory Board is 7 (seven), with effect from 24 October 2020 (before 23 October 2020: six members).

Any decisions on amendments to the Articles of Association pursuant to paragraph 6.1(a) of the Articles of Association of VÚB, a. s. fall within the competence of the General Meeting. Decisions on amendments to the Articles of Association pursuant to paragraph 6.1(a) of the Articles of Association of the Bank shall be made by a two-third majority of the rights of the shareholders present at the General Meeting, and notarial record of the meeting must be drawn up.

h) The powers of its statutory body, especially about their power to decide about shares issue or about a repurchase of shares

The powers of the statutory body comply with the Articles of Association of the Bank and with the Commercial Code. The Management Board is the statutory body managing the activities of VÚB, a. s. It is competent to act on behalf of VÚB, a. s. in all matters and represent VÚB, a. s. with respect to third parties, before court and other authorities. The Management Board manages the activities of VÚB, a. s. and decides on all matters concerning VÚB, a. s., unless the legal regulations and/or the Articles of Association confer these powers to other bodies of VÚB, a. s. The statutory body of the Bank has no powers to decide on the issue or repurchase of shares. Decisions on the issue or repurchase of shares are made by the General Meeting upon the proposal of the statutory body.

i) Any significant agreements, where it is the contractual party and which shall come into force, change or the validity of which shall terminate as a result of a change of its control circumstances, which have occurred in relation to an offer for a takeover and about its effects with the exception of a case when publication should seriously harm it; this exception shall not apply if it is obliged to publish such data within the framework of a fulfilment of obligations established by special regulations

During the reporting period, VÚB, a. s. did not conclude any such agreements, since no circumstances occurred in relation to an offer for a takeover.

j) all the agreements concluded by the accounting entity and members of its bodies or employees, on the basis of which compensation is to be provided to them, if their office or employment terminates by an abdication, by a notice from the part of an employee, by their removal, by a notice from the part of the employer without the giving of a reason or their office or employment terminates as a result of the offer for a takeover

No agreements are concluded with the members of the Company's bodies or employees, based on which compensation is to be provided to them, if their office or employment terminates as a result of an offer for take-over. The conditions for exercising the duties of the members of the Management Board are laid down in the Agreement on Exercising the Duties of the Member of the Management Board in compliance with the relevant provisions of the Commercial Code, Act No. 483/2001 Coll. on Banks, the Principles of Remuneration and other applicable legal regulations. The conditions of cooperation between the Bank's employees and the Company are defined in the employment contracts concluded in accordance with the labour Code and the Collective Agreement of the Company.

Article 20(9) and Article 20(13) of the Act on Accounting

A public-interest entity, except for an accounting entity pursuant to article 17b with the average calculated number of employees for the accounting period exceeding 500 employees, shall also provide in its annual report non-financial information regarding the development, performance, position and effect of the accounting unit activity on the environmental, social and employment issues, information regarding the respecting of human rights and information concerning the fight against bribery and corruption (hereinafter referred to as "social responsibility")

An accounting unit which issued shares accepted for trading on a regulated market of any Member State shall also provide a description of the diversity policy applied in its administrative bodies, governing bodies and supervisory bodies, mainly in relation to the age, sex, education and professional experience of the members of such organisations, the targets of such policy, the way of its application, and the results attained for the reporting period in its annual report.

VÚB Bank does not issue a separate Non-Financial Statement for 2020 (non-financial indicators, including information on the impacts of the accounting entity activities on environmental, social and employment issues information regarding the respecting of human rights and information concerning the fight against bribery and corruption, or a description of the diversity policy applied in its administrative, managing and supervisory bodies) and, pursuant to the applicable legislation, it has made use of the exemption laid down in the local regulation as a daughter company of a foreign firm, the respective information of which is part of the consolidated non-financial statement submitted by Sanpaolo SpA.

The non-financial statement of the parent company Intesa Sanpaolo S.p.A. is fully available on the website of the parent company: <http://www.group.intesasanpaolo.com/>

Pursuant to Article 77(2) of Act No. 566/2001 Coll. on Securities and Investment Services, as amended, the annual report contains:

a) the financial statements audited by auditor

Information on the audited financial statements is provided in Section 2 – Financial Statements.

b) report on the financial situation with the following information:

1. Comparative table containing information from the balance sheet and profit and loss accounts from consolidated financial statements for the past two accounting periods, the methods used to execute the consolidated accounts, business name, registered office and identification number of the undertakings included in the consolidated financial statements

Information on the entities included in the consolidated financial statements

Business name and company reg. no	Address	Consolidation method
VÚB Leasing, a.s. CRN: 31318045	Mlynské nivy 1 820 05 Bratislava	Full method
VÚB Generali, d.s.s., a.s. CRN: 35903058	Mlynské nivy 1 820 04 Bratislava	Net equity method
Slovak Banking Credit Bureau, s.r.o. CRN: 35869810	Mlynské nivy 14 821 09 Bratislava	Net equity method

The comparative table containing information from the balance sheet and from the profit and loss accounts for the past two accounting periods is provided in the consolidated financial statements, which is part of the annual report available on the Company's website

<https://www.vub.sk/en/financial-indicators/annual-reports/>

2. Overview of received bank loans and other loans and information on their maturity, classified as short-term and long-term loans

in EUR '000	Short-term	Long-term
Bank loans (including multinational institutions)	103,676	464,668
Subordinated debt	-	200,151
Other loans	-	9,103

3. Type, form, number and nominal value of issued and non-repaid securities and description of associated rights

The type, form, number and nominal value of issued and non-repaid securities and the description of associated rights are specified in Section 3 - Annual Report.

4. Number and nominal value of issued bonds carrying the right to request the issue of shares at the time specified therein, and the procedure for the exchange of shares

As of 31 December 2020, VÚB, a. s. did not issue, nor it decided to issue exchangeable bonds carrying the right to exchange for shares or the pre-emptive subscription right.

c) Information on the distribution of profits or information on loss settlement

The information on the distribution of profits is provided in Section 3 - Annual Report.

d) Information on the expected economic and financial situation in the next calendar year

The information on the expected economic and financial situation in the next calendar year is provided in Section 3 - Annual Report.

e) Return on assets, determined as the ratio of net profits and balance sheet total

The information on the return on assets is provided in the Annual Report of VÚB, a.s. 2020 under section Basic Indicators: <https://www.vub.sk/en/financial-indicators/annual-reports/>

f) Designation of the nature of activities and geographical location

The information on the nature of activities and geographical location is provided in Section 1 - Issuer's identification.

g) Revenues

The information on revenues is provided in the Annual Report of VÚB, a.s. 2020, under section Basic Indicators: <https://www.vub.sk/en/financial-indicators/annual-reports/>

h) Number of full-time employees in an employment relationship as of the financial statements date

The information on the number of employees is provided in the Annual Report of VÚB, a.s. 2020, under the section Basic Indicators: <https://www.vub.sk/en/financial-indicators/annual-reports/>

i) Profit or loss before taxation

The information on profit before taxation is provided in the Annual Report of VÚB, a.s. 2020, under the section Basic Indicators: <https://www.vub.sk/en/financial-indicators/annual-reports/>

j) Income tax

The information on the income tax is provided in the Annual Report of VÚB, a.s. 2020, under the section Basic Indicators: <https://www.vub.sk/en/financial-indicators/annual-reports/>

k) Subsidies obtained from public resources

As of 31 December 2020, VÚB, a.s. does not record any subsidies obtained from public resources.

Article 34(2)(c) Act on the Stock Exchange

Statement made by the responsible persons of the issuer whose first and last names and functions are clearly indicated, to the effect that, to the best of their knowledge, the financial statements prepared in accordance with separate regulations give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole and that the annual report includes a true and fair overview of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

I hereby declare that, to the best of my knowledge, the financial statements prepared in accordance with separate regulations give a true and fair view of the assets, liabilities, financial position and profit or loss of the Bank and the undertakings included in the consolidation taken as a whole and that the annual report includes a true and fair overview of the development and performance of the business and the position of the Bank and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.



Alexander Resch
Chairman of the Management Board



Paolo Vivona
Member of the Management Board