

Ad 2.2 Proposed resolution for item 2.2 on the agenda of the 40th general meeting of SID banka, d.d., Ljubljana (hereinafter: SID Bank)

Based on the proposal of the management board and supervisory board, the company's general meeting hereby adopts the following resolution:

"The distributable profit amounted to EUR 2,500,221.46 as at 31 December 2025, and comprised the remainder of net profit for the 2025 financial year after allocation of regulatory reserves and reserves under the articles of association in the amount of EUR 2,763,402.68. The distributable profit for 2025 in the amount of EUR 2,500,221.46 is allocated to other profit reserves."

EXPLANATION OF THE PROPOSED RESOLUTION ON THE USE OF DISTRIBUTABLE PROFIT FOR 2025

Following the fifth paragraph of Article 230 of the Companies Act (Official Gazette of the Republic of Slovenia, Nos. 65/09 (official consolidated version), 33/11, 91/11, 32/12, 57/12, 44/13 (Constitutional Court decision), 82/13, 55/15, 15/17, 22/19 (ZPosS), 158/20 (ZIntPK-C), 18/21 and 18/23-ZDU-10 and 102/24. 77/25, 10/26 - ZdZEETD; hereinafter: the ZGD-1) the general meeting of shareholders shall decide on the use of the distributable profit.

SID Bank generated a net profit of 5,263,624.14 during the 2025 financial year. The management board created regulatory reserves in the amount of 5% of net profit equalling EUR 263,181.21 during the compilation of the 2025 annual report following the first paragraph of Article 230 in connection with the third and fourth paragraphs of Article 64 of the ZGD-1 and, following point 4 of paragraph 1 of Article 230 in connection with the seventh paragraph of Article 64 of the ZGD-1 and Article 28 of the articles of association of SID Bank, created reserves under the articles of association in the amount of 50% of net profit less the amount of created regulatory reserves, equalling EUR 2,500,221.46.

Distributable profit amounted to EUR 2,500,221.46 as of 31 December 2025 and represents the remainder of net profit for the 2025 financial year following the creation of regulatory reserves and reserves under the articles of association in the amount of EUR 2,763,402.68.

The third paragraph of Article 4 of the Slovene Export and Development Bank Act (Official Gazette of the Republic of Slovenia, Nos. 56/08, 20/09 and 25/15 - ZBan-2 and 61/20 - ZDLGPE stipulates that SID Bank's distributable profit may not be used for distribution to shareholders, but is instead allocated to other profit reserves.

The management board and supervisory board thus propose the allocation of distributable profit for 2025 in the amount of EUR 2,500,221.46 to other profit reserves.

ANNUAL INTERNAL AUDIT REPORT FOR 2025, SID BANK

1. Purpose of compilation of annual report

Pursuant to the Charter on the functioning of the internal audit department of SID Bank (hereinafter: the IAD charter), Article 164 of the Banking Act (Official Gazette of the Republic of Slovenia, No. 92/21 of 8 June 2021; hereinafter: the ZBan-3), Article 281a of the Companies Act, and the Global Internal Audit Standards, the internal audit department (hereinafter: the IAD) is required to compile an annual internal audit report and to submit it to the management board, the supervisory board and the official auditor of the financial statements, while the management board is required to brief the general meeting on this report and the supervisory board's opinion of the report.

The compilation of the annual report means that the Bank's management board, supervisory board and general meeting are fully briefed on:

- a report on the implementation of the annual work plan;
- an assessment of the compliance of remuneration practices with the remuneration policy;
- a summary of significant findings from audits of operations; and
- details of the organisational independence of the IAD.

2. Declaration of impartiality and independence

The basis for meeting the standards' requirements in connection with ensuring impartiality and independence is provided by the IAD charter, which was confirmed by the Bank's supervisory board.

As required by Article 161 of the ZBan-3, the internal audit department is organisationally positioned and organised as an independent department that is directly answerable to the Bank's management board, and is functionally and organisationally segregated from the Bank's other organisational units. Organisational independence is also contingent on allocated access rights in software support, and unrestricted access to all of the Bank's premises, employees, information and data.

The internal audit department has full independence in setting the objectives, in defining the areas and scope of internal auditing, and in its work and reporting. The internal auditors who perform internal auditing tasks and activities at the Bank do not perform any other tasks that could give rise to a conflict of interest and that could jeopardise their impartiality.

The director of the internal audit department and the internal auditors must continually attend to the legality and professionalism of their conduct, must uphold their personal impartiality and trustworthiness, must avoid any conflict of interest, and must take precautionary measures to mitigate any impairment of impartiality, including when planning individual engagements.

The director and the internal auditors must be impartial in their work, and must identify, avoid and mitigate any and all impairments of impartiality. They perform their tasks without prejudice and compromise, independent of the influence of others, and in so doing maintain their professionalism in making judgments, taking account of all material circumstances, audit evidence and facts. In the event of a potential impairment of impartiality at the level of an

individual auditor, engagement or department from the perspective of either functional or organisational responsibility, this is disclosed to the director of the internal audit department, to the management board, and to either the audit committee or the supervisory board.

In accordance with the IAD charter and Article 164 of the ZBan-3, the IAD submitted its strategic and annual work plan for 2025, the annual internal audit report for 2025 and the quarterly internal audit reports to the management board, and then to the audit committee and the supervisory board. The IAD thus met the requirements regarding its functional responsibility to the supervisory bodies.

In accordance with the IAD charter, the Code of Internal Auditing Principles, and the Global Internal Audit Standards, all employees at the IAD have signed a written declaration confirming their personal impartiality and independence in 2025, and confirming that there were no conflicts of interest at the IAD during the execution of audit and auditing-related activities, and that no circumstances arose in their work that could have jeopardised their impartiality.

3. Report on the implementation of the IAD's annual work plan

Audits scheduled in the annual plan for 2025 were conducted and completed during the available time in 2025. The annual plan scheduled 11 ordinary audits, and also envisaged other auditing-related activities. Owing to a review of an external assessment of the quality of the work of the internal audit department, an overhaul of the IAD's bylaws in accordance with the requirements of the new Global Internal Audit Standards and, in part, audits by external institutions, one of the scheduled audits is still in progress and will be completed in the 2026 calendar year.

The IAD also conducted advisory engagements in 2025 as part of its auditing activities. Its advisory engagements encompassed formal advice on upgrading bylaws in the areas of the reorganisation of the Bank and product development in the parts concerning the role of the IAD, and formal collaboration in the preparation of application documents for Banka Slovenije as part of the establishment of subsidiaries; the informal advisory activities encompassed advice to the compliance function with regard to IT recommendations, the preparation and implementation of training for custodians of external providers with regard to the entire custody system including the public procurement aspect, the role of individual lines of defence, current regulations, the content and indicators of service contracts, etc.

4. Summary of significant findings from audits

All findings were presented to and discussed by the management board, while the implementation of audit recommendations is the responsibility of particular custodians, who under the internal rules are required to draw up action plans for each recommendation.

Credit process

The early warning system is a fundamental tool for identifying a deterioration in the financial standing of customers even before default occurs or the investment is reclassified as distressed. The aim is mainly to generate early warnings of potential payment difficulties and to put in place an effective plan of remedial measures in the very early phase.

Together with the new credit application, the overhauled system represents a significant shift in the direction of digitalisation, automation and structured management of credit risk, and significantly contributes to increased transparency and consistency in the credit process. The

main need is to upgrade the automation of the credit risk assessment system, the monitoring and management of the customer watchlist, and the quality of system-related data.

The European Green Deal sets the target of Europe becoming the first climate-neutral continent by 2050, with the financial sector expected to play an important role. Regulations require the Bank to address various ESG (environmental, social and governance) risks that can affect its performance, its compliance with regulatory requirements, and its long-term financial stability.

The Bank has recently made significant progress in its management of ESG factors, in particular by putting key bylaws in place, setting out the organisational structure for managing climate risks and environmental risks, upgrading business processes, and putting data flows in place, including developing the internal ESG application. At the Bank there is an awareness that the management of ESG factors will continue to face upgrades and adaptations on account of the evolution of the regulatory framework, and therefore planning is already underway on activities focusing on improving the management of climate risks and environmental risks, including making upgrades to data infrastructure, developing specialised green products, optimising the processes for monitoring ESG factors, and adapting information systems for more effective reporting and disclosures.

In the area of lending via the loan funds, operations are approved according to the criteria and metrics of individual LF programmes, and are part of the Bank's regular investment financing processes. The system of controls is integrated into the process and procedures for approving LF operations, and is also part of the process of reporting on operations. There is also a need to upgrade and consistently implement individual control procedures.

Management of ML/TF risks

The Bank has put in place a suitable and systematic process for performing tasks in the areas of AML/CFT and restrictive measures by checking key elements in the implementation of internal controls in both areas. The recommendation is for an assessment of the functional merger of the two areas, and the upgrading and strengthening of the internal control system, having regard for the application support.

Management of ICT risks

The ICT strategy¹ is most frequently defined as a comprehensive long-term plan that describes how the organisation will use technology to attain its objectives and to perform its tasks. The main emphasis here is on considering the business strategy, which the ICT strategy needs to support, while objectives with regard to effectiveness and efficiency needs to be pursued when investing in the technology itself.

The Bank has aligned its ICT strategy with the business strategy; it supports the attainment of the business objectives, it covers the majority of the important ICT areas in the requisite scope, and its implementation is regularly monitored and reported on. There is a need to upgrade the disclosure of the dynamics in the implementation of individual ICT projects, to augment the related performance indicators, including for the needs of monitoring the success in the implementation of the strategy, to discuss the relevant external providers in detail, and to augment the strategic document as appropriate.

¹ The definition of the IT strategy is tailored to descriptions in the widely disseminated best practices and other sources for ICT governance (e.g. ISACA COBIT, NIST Cybersecurity Framework and IT Asset Management, TechTarget, CIO-Wiki).

The management, development and custody of selected technological applications, i.e. the key process applications and the core information system, is one of the important areas in the management of ICT risks, and a major building-block in putting the ICT strategy in place and determining the success of its implementation. There is primarily a need to upgrade the control system for monitoring changes in major ICT projects and for consistent updating with regard to associated risks. It is also necessary to consistently monitor the definition and modification of roles and responsibilities in projects, and the external providers.

Internal capital adequacy assessment process

The internal capital adequacy assessment process is one of the key components of the Bank's internal risk management system, and needs to be transparent, documented, tailored to its business model and risk profile, regularly updated, and incorporated into strategic decision-making and governance as a whole.

The audited area includes the systematic process of identifying, measuring and assessing risks, and planning the Bank's capital needs. Regular reviews and updates of the risk management strategies and policies have been put in place, together with regular reporting to the management body. The Bank has also rectified all the deficiencies identified in the regulator's on-site inspection.

Internal liquidity adequacy assessment process

The internal liquidity adequacy assessment process is also one of the key components of the Bank's internal risk management system. The aim is to ensure that the Bank always has sufficient high-quality liquidity reserves available, via which it is able to meet its liabilities under business-as-usual and in extraordinary (stress) situations.

In the audited areas the Bank has put in place a framework that allows for the planning of adequate liquidity, and the provision, monitoring and reporting of liquidity, while it is necessary to update the bylaws in this area and to examine the possibility of upgrades for the calculation and monitoring of daily liquidity ratios and intra-day stress testing.

5. Assessment of the compliance of remuneration with the remuneration policy

The area of remuneration is broadly defined in the CRD, the EBA guidelines on sound remuneration policies, the Banking Act, the Companies Act, and the ZPPOGD, while additional guidance is given to the Bank by the recommendations and expectations issued by SDH. All material elements of the legislation are taken into account in the adopted policies; no deviations with regard to the system and policy put in place were identified in 2025. It is necessary to upgrade the procedures, and to consistently conduct periodic assessments of their adequacy in light of inflation and the market situation.

6. Implementation of the programme to ensure and improve the quality of work

6.1 Internal quality assessment

The internal assessment conducted in 2025 encompassed the following activities:

- review and oversight of audit engagements and advisory engagements by the director of the IAD;
- mutual supervision of internal auditors with regard to quality of work;

- monitoring, guidance and progression of individual activities;
- oversight of the use of time on individual audit engagements and advisory engagements;
- annual evaluation of the attainment of objectives by internal auditors;
- measurement of the satisfaction of audit subjects through the follow-up questionnaire on audit quality.

6.2 External quality assessment

An external assessment of the IAD was conducted in the final quarter of 2025, and produced an opinion that internal auditing at SID Bank generally complies with the new Global Internal Audit Standards and the IIA Code of Ethics.

6.3 Education and training

The internal audit department had four employees in 2025, three of whom were full-time employees and one of whom was working half-time (four hours). The IAD had an average of 3.2 FTEs² in 2025 excluding annual leave, and 3 FTEs if annual leave is taken into account. All the employees at the IAD hold professional licences in external auditing, internal auditing and auditing of information systems, and in 2025 attended various conferences, seminars and other forms of external training organised by the Slovenian branch of the IIA, the Slovenian Institute of Auditors, the Bank Association of Slovenia, the Information Systems Audit and Control Association, SDH, Banka Slovenije, the ECB, and international consulting firms. They enhanced their skills in the areas of compliance in the banking sector, AI, information and cyber security, information system management, banking regulations and risk management, controlling, internal audit performance measurement, internal fraud, ethics and ethical dilemmas, and AML/CFT.

Ljubljana, 19 February 2026

Miha Selan
director, internal audit department

² Including holidays and absence due to sick leave.

OPINION OF THE SUPERVISORY BOARD OF SID BANK REGARDING THE ANNUAL INTERNAL AUDIT REPORT FOR 2025

Pursuant to the International Standards for the Professional Practice of Internal Auditing and Article 164 of the Banking Act (Official Gazette of the Republic of Slovenia No. 92/21; hereinafter: the ZBan-3), the internal audit department of SID Bank issued the annual internal audit report for 2024 and submitted it to the Bank's management board, audit committee and supervisory board for discussion.

In accordance with the requirement of Article 50 of the ZBan-3, the Bank's supervisory board has drawn up an opinion regarding the annual internal audit report, while the Bank's management board will include the internal audit report with the supervisory board's opinion on the agenda of the general meeting in accordance with Article 164 of the ZBan-3.

The supervisory board regularly monitored the work of SID Bank's internal audit department in 2025. The supervisory board and audit committee supervised the work of the internal audit function by discussing the annual internal audit report and quarterly reports on the work of the internal audit department in 2025, when they also dedicated attention to the quality of the internal audit department's performance, progress in the implementation of the aforementioned department's recommendations as well as implementation of the annual and financial plan of the department. The organisational positioning of the internal audit department and the powers entrusted to it by existing bylaws governing the work of that department facilitate independent auditing, unfettered access to all of the Bank's premises, employees, information and data, and the performance of auditing tasks at own initiative. The audit committee and supervisory board also supervised the appropriateness of procedures and the effectiveness of internal auditing by assessing and giving its consent to the strategic work plan of the internal audit department for the period 2025 - 2026 and the work plan of the internal audit department for 2025.

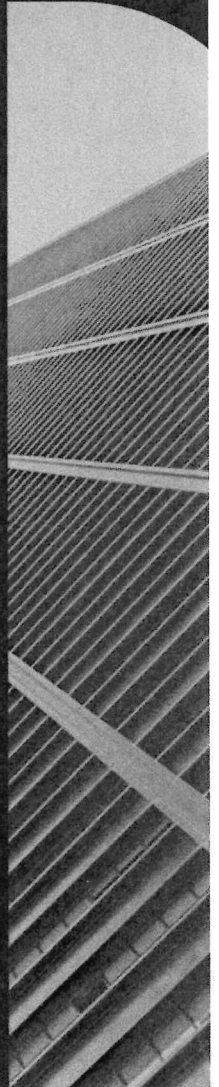
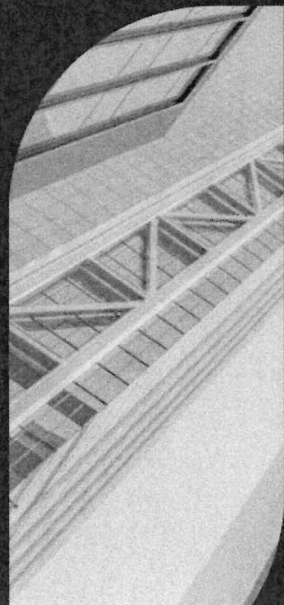
The Supervisory Board and the Audit Committee also monitored the staffing situation of the Internal Audit Department in 2025. In addition to regular reviews, formal and informal consultations were carried out to a lesser extent. The Internal Audit Department conducted and completed 10 out of 11 planned audits.

At its 151st session held on 26 February 2026, the audit committee discussed the Annual internal audit report for SID Bank for 2025.

At its 272nd session held on 12 March 2026, the supervisory board the supervisory board took note of the Annual internal audit report for SID Bank for 2025, and issued a positive opinion regarding the report.

Matija Šenk
Chair of the Supervisory Board

REMUNERATION REPORT 2025



Business name: **SID – Slovenska izvozna in razvojna banka, d.d., Ljubljana**
Abbreviated business name: SID banka d.d., Ljubljana
Registered office: Ulica Josipine Turnograjske 6, 1000 Ljubljana
Registration number: 5665493
Tax number: 82155135
VAT ID number: SI82155135
IBAN: SI56 3800 0380 0000 039
SWIFT: SIDRSI22
GIIN: 66SI1E.99999.SL.705
LEI: 549300BZ3GKOJ13V6F87
Website: www.sid.si
Email: info@sid.si
Secure electronic mailbox: sid@vep.si
Telephone: +386 (1) 200 75 00
Facebook: www.facebook.com/sid.bank/
LinkedIn: www.linkedin.com/company/sid---slovenska-izvozna-in-razvojna-banka-d.d.-ljubljana/
YouTube: www.youtube.com/channel/UCK_2pY_T0EiC4PGF36sZJqA

Introduction

SID banka d.d., Ljubljana (hereinafter: SID Bank or the Bank) draws up the remuneration report in accordance with Article 294b of the Companies Act (ZGD-1), which requires an undertaking whose securities are traded on a regulated market to draw up a clear and understandable remuneration report, providing a comprehensive overview of the remuneration, including all benefits in whatever form, awarded or owed during the most recent financial year to individual members of the management and supervisory bodies, in accordance with the remuneration policy.

Where information about remuneration is cited within the framework of the annual report or the disclosures under Pillar 3 of the Basel framework, the remuneration report makes reference to that source.

The report clarifies how the total remuneration complies with the adopted remuneration policy, including how it contributes to the long-term performance of the undertaking, and provides information on how the performance criteria were applied to the awarding of benefits in whatever form.

The remuneration policy and practices are consistently aimed at fulfilling the objectives of the Bank's business strategy, and are aligned with its risk profile and risk-bearing capacity. The key internal bylaws in that respect are the remuneration policy for members of the management body, which in accordance with Article 294a of the ZGD-1 is published on the website, and the remuneration policy applying to all other employees (hereinafter the two bylaws are referred to as the remuneration policy).

Management and supervisory bodies – composition and number of sessions

The implementation of the remuneration policy is managed and supervised within the framework of the management body by the management board, the nomination and remuneration committee, and the supervisory board.

One member of the supervisory board, Janez Tomšič, saw his term of office end on 11 September 2025.

Composition of the supervisory board as at 31 December 2025: Matija Šenk (chair), Leo Knez (deputy-chair), Nataša Damjanovič, Marjan Divjak, Dr Katja Lautar and Marko Tišma.

The supervisory board met at 13 ordinary sessions and three correspondence sessions in 2025.

Composition of the nomination and remuneration committee as at 31 December 2025:

- Marko Tišma (chair)
- Matija Šenk (deputy-chair)
- Nataša Damjanovič

The nomination and remuneration committee met at eight sessions in 2025.

The composition of the management board was as follows in 2025:

- Borut Jamnik (president of the management board) and Stanka Šarc Majdič (member of the management board)

Remuneration policy in 2025

The Bank performed well in 2025. The annual report for 2025 analyses its performance during the year, and highlights the achievement of key business and financial performance indicators.

In addition to SID Bank, the SID Bank Group (also referred to as "the Group") includes the Centre for International Cooperation and Development or CMSR (an institution), the Prvi Faktor Group (a joint venture), SID Upravljanje premoženja and SID Kapital. SID Bank is a co-founder of the CMSR, in which it does not have any financial stake, but holds 33% of the voting rights. Under the principle of immateriality, SID Bank does not include the CMSR or the Prvi Faktor Group in consolidation, in that their total assets together amount to less than 1% of SID Bank's total assets, but the subsidiaries SID Upravljanje premoženja and SID Kapital were included in the consolidated financial statements for 2025.

The remuneration policy applies to the Bank and to the senior management of the subsidiaries, in the territory of Slovenia alone.

The upper limit on the basic salary for performance of the function and the session fees for members of the supervisory board is set out in the remuneration policy for members of the management body. The implementation of the remuneration policy is set out by a resolution of the general meeting. The various categories of remuneration of supervisory board members complied with this resolution in 2025. Information about the remuneration of the supervisory board members is provided in the table below.

The remuneration of members of the management board is set out by the remuneration policy for members of the management body, which takes account of the law governing the remuneration of managers of undertakings with majority ownership held by the state (the ZPPOGD). The remuneration of the senior management of the subsidiaries is also set out by the remuneration policy. The various categories of remuneration of management board members and senior management of the subsidiaries complied with the aforementioned regulations in 2025.

The Bank and the subsidiaries did not issue any shares or share options in 2025 for the purpose of implementing the remuneration policy. The Bank and the subsidiaries did not enforce clawback provisions, and did not engage any external advisors in the area of implementing the remuneration policy in 2025.

Total remuneration awarded/paid to the members of the management and supervisory bodies in the 2025 financial year

Remuneration of supervisory board members

(EUR)

Name	Function	Gross payment for performance of function	Gross session fees	Gross total	Gross reimbursement of expenses	Other benefits (liability insurance)
Matija Šenk	chair of supervisory board (since 18 Sep 2025)	24,646	7,095	31,741	0	571
	member of supervisory board (until 17 Sep 2025)					
	deputy-chair of risk committee					
	deputy-chair of nomination and remuneration committee					
Janez Tomšič	chair of supervisory board (until 11 Sep 2025)	18,302	2,695	20,997	0	428
	member of nomination and remuneration committee (until 11 Sep 2025)					
Leo Knez	deputy-chair of supervisory board	25,253	8,371	33,624	0	571
	chair of audit committee					
	member of risk committee					
Marko Tišma	member of supervisory board	23,753	8,811	32,564	1,210	571
	chair of nomination and remuneration committee					
	deputy-chair of audit committee					
Marjan Divjak	member of supervisory board	21,698	5,995	27,693	0	571
	chair of risk committee					
	member of strategic affairs committee (since 18 Sep 2025)					
Dr Katja Lautar	member of supervisory board	19,823	7,271	27,094	0	571
	deputy-chair of strategic affairs committee (since 18 Sep 2025)					
	member of audit committee					
Nataša Damjanovič	member of supervisory board (since 13 May 2025)	12,261	4,070	16,331	200	384
	chair of strategic affairs committee (since 18 Sep 2025)					
	member of nomination and remuneration committee (since 12 Sep 2025)					
Total		145,736	44,308	190,044	1,410	3,667

Members of the supervisory board received fixed remuneration only, and the share of the total remuneration of members of the supervisory board that is fixed is therefore 100%.

Remuneration of management board members

(EUR)

Name		Sibil Svilan	Goran Katušin	Borut Jamnik	Stanka Šarc Majdič	
Function		president of management board until scheduled end of term of office on 31 Dec 2021	member of management board until scheduled end of term of office on 31 Dec 2021	president of management board since 17 Apr 2023	member of management board since 1 Jan 2022	
1		Gross salary	0	0	240,342	215,280
2	Fixed remuneration	Leave allowance ¹	0	0	3,443	3,443
3		Allowances	0	0	1,512	1,499
4		Fringe benefits and insurance	0	0	6,771	5,698
5	Variable remuneration	Paid currently	0	0	33,000	29,583
6		Paid for previous years	7,123	1,536	0	0
7		Current deferrals	0	0	33,000	29,583
8		Termination benefit	0	0	0	0
9		Clawback	0	0	0	0
10		Total payment (1+2+3+4+5+6+8-9+12)	7,123	1,536	285,068	255,502
11		Ratio of variable remuneration (5+7) to gross basic salary in previous year	n.a.	n.a.	27.50%	27.50%
12		Remuneration from undertakings in group	0	0	0	0

Comparison of the increase in remuneration of the members of the management and supervisory bodies in relation to the increase in remuneration of the Bank's employees and the Bank's performance

Remuneration	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Increase in average employee salary at the Bank relative to the previous year	2.8%	5.1%	11.2%	3.5%	2.5%
Increase in the fixed part of the salary of the management board relative to the previous year	2.3%	2.8%	-6.4%	3.9%	0.0%
Increase in the basic salary and session fees of the members of the supervisory board relative to the previous year	0.0%	0.0%	0.0%	0.0%	0.0%

External comparisons	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Increase in average employee salary in the financial and insurance activities sector	5.0%	6.3%	8.6%	6.3%	1.9%
Annual inflation rate	4.9%	10.3%	4.2%	1.9%	2.7%

Performance indicators	2020	2021	2022	2023	2024	2025
Balance sheet total (EUR thousand)	2,907,358	2,834,032	2,799,708	2,685,877	2,726,743	2,520,999
Total loans to non-banking sector (EUR thousand)	1,091,560	1,199,698	1,382,527	1,428,171	1,328,427	1,293,491
Book value per share (EUR)	153.42	158.47	145.29	156.18	163.13	167.04
Net interest (EUR thousand)	23,193	28,006	24,214	30,170	34,846	28,177
Net profit (EUR thousand)	8,490	24,030	8,251	15,638	9,027	5,264
ROE after tax	1.8%	5.0%	1.8%	3.4%	1.8%	1.0%
Long-term credit rating (Standard & Poor's)	AA-	AA-	AA-	AA-	AA-	AA

¹ Leave allowance includes annual leave allowance and winter leave allowance.

The basic salary of the management board is determined in accordance with the ZPPOGD, having regard for the Recommendations and Expectations of SDH. The average growth in the remuneration of the management board over the last five years remains behind the average growth in employee remuneration, while the remuneration of the members of the supervisory board saw zero growth over this period. The growth in the average salary is largely a reflection of the rise in annual inflation rates, and is supported by stable performance indicators, including fulfilment of the mandate under the ZSIRB and the realised profit.

Information about other financial bonuses, benefits or services (third paragraph of Article 294b of the ZGD-1)

There were no additional financial bonuses, benefits or services awarded or provided by a third party to the members of the management board in connection with their activity as members of the management board.

The members of the management board were not granted other benefits in the event of early termination of office or scheduled termination of office, including changes agreed in the last financial year, or set aside in advance.

Design and structure of the remuneration system, key characteristics and goals of the remuneration policy

The remuneration policy and practices were consistently aimed at fulfilling the objectives of the Bank's business strategy, and were aligned with its risk profile and risk-bearing capacity. Another purpose of the remuneration policy is to promote adequate risk management in the future. The Bank took into account the fundamental principles set out in Article 190 of the ZBan-3 in a manner and to an extent appropriate to its size and internal organisational structure, and the nature, scale and complexity of the activities that it pursues, also taking into account that:

- the governance system at the Bank is comprehensive, as it is set up for all important business processes (activities) and the decision-making at the Bank is organised centrally at the management board and/or its committees, with decisions on individual transactions made on the basis of predetermined general authorisations, as derived from the applicable rules on authorisations, and all decisions being adopted at the Bank's registered office, given that it has no dislocated units;
- in accordance with the ZSIRB, the Bank's objective is not maximising profit, but conserving capital and achieving the effects of its mission, whereby all the Bank's transactions are subject to the assessment of economic quality on the basis of international criteria;
- unlike other commercial banks, the Bank provides only specific services and transactions (financing of corporates and banks), i.e. it does not provide the majority of services provided by other banks (e.g. the Bank does not take deposits from the public, does not provide retail services, does not manage current accounts for customers, does not provide payment services for customers, and does not provide investment services for customers); and
- a large portion of the Bank's portfolio is accounted for by less-risky direct investments (e.g. within the framework of loan funds and in entities of public law) and exposure to domestic banks.

The Bank ensures that the variable component of remuneration, including its deferred part, is only paid if payment is justified given the Bank's financial position, and payment is based on the results of the Bank, the individual business unit and the employee in question. In the event of underperformance or an operating loss being recorded, the Bank sharply reduces variable remuneration.

The assessment and awarding of variable remuneration are carried out on the basis of models and methodologies put in place at the Bank for the assessment of the job performance and commercial success of employees, organisational units and the Bank. For members of the management board, these models and methodologies are more precisely defined in the remuneration policy for members of the management body, in employment contracts, and in supervisory board resolutions.

Management board members also have the right to remuneration dependent on the level of performance, which is determined with regard to targets that are met. The criteria for determining the performance-related remuneration of members of the management board are laid down by the supervisory board at the proposal of the nomination and remuneration committee, following the annual confirmation of the business strategy and the annual business plan. The criteria for awarding variable remuneration are divided into financial and non-financial criteria. The latter include the implementation of measures for the development of social responsibility, the management board's cooperation with the supervisory board, the maintenance of reputation and the Bank's credit ratings, and the various circumstances in which the Bank operated in the previous year.

According to the ZPPOGD, the variable component of the remuneration of a member of the management board may not exceed 30% of the basic salary paid out to the member of the management board in a financial year. The variable component is determined by the supervisory board and its nomination and remuneration committee, and is paid once a year for the previous financial year, as a rule upon the adoption of the audited annual report. The methodology for awarding variable remuneration, the approach to assessing the performance of the Bank, organisational units and individual employees, and the approach to the final distribution of the components of variable remuneration are also detailed in the disclosures under Pillar 3 of the Basel framework.

Linking remuneration to long-term performance

The realisation of the annual business plan is the basis for awarding variable remuneration to the members of the management board. The realisation of the annual business plan has a significant impact on the long-term performance of the Bank, as it is conducive to the achievement of the Bank's strategic goals, its economic and financial indicators, indicators in the area of risk management, reputation and other targets relevant to the Bank's current and future performance. Having assessed the fulfilment of the framework strategic indicators, indicators of strategic activities and indicators of strategic results in relation to the implementation of the annual business plan, and having regard for the other elements set out in the employment contract, the supervisory board determined that the president of the management board and the member of the management board were entitled to performance-related pay for 2024 in the amount of 27.5% of the basic salaries paid for the 2024 financial year. The payment of 50% of the performance-related pay was made simultaneously with the performance-related pay for other employees, while the payment of the remaining amount was deferred in line with the remuneration policy and the employment contract.

The remuneration policy put in place ensures that the responsible persons at the Bank take account of the impact of planned payments of the variable component of remuneration, including any deferred component, on the calculation and planning of the Bank's capital and liquidity. Should it be established that the performance of obligations or the achievement of objectives relating to capital or liquidity are jeopardised, the Bank will immediately implement a conservative variable remuneration policy. This was not necessary in 2025. To this end, provisions that facilitate a decrease or return of the variable component of the employee's remuneration (clawback) intended for the payment and the deferred variable remuneration components from previous periods were included by the Bank in the employment contracts of all employees who in the scope of their powers or work duties and activities may have a material impact on its risk profile.

The Bank did not compensate for the reduced amount of the variable component of remuneration for previous years owing to the adjustment of remuneration to risks by increasing the variable component of remuneration in 2025. The remuneration policy stipulates that if the total variable remuneration of an employee exceeds EUR 50 thousand gross in a particular year, the respective part is deferred in the amount and for the periods specified in the remuneration policy, while a specific part (50%) of the variable remuneration of the members of the management board is also deferred in accordance with the ZPPOGD. Deferred payments to the members of the management board are cited in the disclosures under Pillar 3 of the Basel framework. In 2025 the Bank did not identify any grounds for clawback stipulated by the law governing companies, and thus it did not decide on the return of the variable component of remuneration already paid.



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INDEPENDENT AUDITOR'S LIMITED ASSURANCE REPORT

To the shareholder of SID banka, d.d., Ljubljana

Pursuant to the contract agreed with SID banka, d.d., Ljubljana ("Company") on 27 November 2023, we have reviewed the accompanying Remuneration Report prepared by the management of the SID banka, d.d., Ljubljana on 25 March 2026, which presents all remuneration payments to Management and Supervisory Board members for the year ended on 31 December 2025, as required by Article 294. b of the Companies Act-1 (ZGD-1) ("the Remuneration Report").

Management board and Supervisory board Responsibilities

The Company's Management board and Supervisory board are responsible for the preparation of the Remuneration Report in accordance with the Article 294. b of the Companies Act (ZGD-1). In particular, the Company's Management board and Supervisory board are responsible for internal controls being designed and implemented to prevent the Remuneration Report from being materially misstated, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on limited assurance of the accompanying Remuneration Report based on the work performed and evidence obtained. Our limited assurance engagement was conducted in accordance with International Standard on Assurance Engagements 3000 (Revised) - Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)), issued by the International Auditing and Assurance Standards Board (IAASB). The standard requires that we plan and perform the engagement to obtain limited assurance about the fact that nothing has come to our attention that causes us to believe that the Remuneration Report contains material misstatements, among other, with respect to compliance with the requirements of Article 294. b of the Companies Act, the accuracy of presented transactions, all in consideration of the criteria identified below.

Definition of Criteria

When performing our procedures, we assessed whether the Remuneration Report, prepared by the management of SID banka, d.d., Ljubljana for the year ended 31 December 2025, contains information required by Paragraphs 2 and 3 of the Article 294. b of the Companies Act.

Our independence and quality management

We have acted in accordance with the independence requirements and ethical requirements of the International Ethics Standards Board of Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

Our firm operates in accordance with International Standards on Quality Management (ISQM) 1 and maintains a comprehensive quality management system, including documented policies and procedures regarding compliance with ethical requirements of professional standards and applicable legal and regulatory requirements.

Summary of work performed

As part of our work, we performed, amongst other, the following procedures:

- obtained understanding of the Company's internal controls, processes and systems set up for the preparation of the Remuneration Report;
- performed reconciliation, on the sample basis, of input data disclosed in the Remuneration Report



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with the supporting documentation provided by the Company;

- inquired the Management board and Supervisory board members on the accuracy of the information presented in the Remuneration Report;
- read the Remuneration Report and confirmed that the representations in the Remuneration Report are done in accordance with the Article 294. b of the Companies Act (ZGD-1);

The nature and scope of our work were determined on the basis of risk assessment and our professional judgement exercised for the purpose of obtaining limited assurance and do not include an opinion on the appropriateness of the management remuneration policy.


Procedures aimed at gathering evidence for the purpose of limited assurance engagements are more limited than is the case when issuing a reasonable assurance and accordingly, less assurance is given than in the case of a reasonable assurance or an audit.

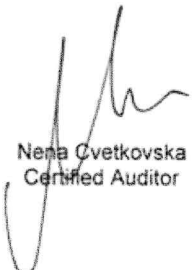
We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the work performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Remuneration Report prepared by the management of SID banka, d.d., Ljubljana for the year ended 31 December 2025 does not contain data, in all material respects, in accordance with Paragraphs 2 and 3 of the Article 294. b of the Companies Act (ZGD-1).

Ljubljana, 25 March 2026


Simon Podvinski
Director, Certified Auditor
Ernst & Young d.o.o.
Dunajska cesta 111, Ljubljana


Nena Cvetkovska
Certified Auditor

ERNST & YOUNG
Revizija, poslovno
svetovanje d.o.o., Ljubljana 1

Appendix 1

Additional information on the remuneration of members of the management bodies in accordance with the Recommendations and Expectations of Slovenski državni holding d.d. (December 2024) and the Governance Policy of Slovenski državni holding (May/June 2023) for voting at the Bank's general meetings

Point 6.9 of the Recommendations and Expectations of SDH requires companies at whose general meetings SDH exercises governance entitlements to "brief the general meeting or the founder on the remuneration policy for management and/or supervisory bodies, any changes thereto, and the remuneration of the management and supervisory bodies vested and actually paid in accordance with the Corporate Governance Code² in the manner referred to in the Governance Policy of SDH". Article 60 of the Governance Policy stipulates that "SDH will endeavour to ensure that companies brief the general meeting on the remuneration actually paid to members of the management body, at a minimum in the extent set out by the relevant appendix of the Corporate Governance Code". The information about remuneration has already been disclosed in the Remuneration Report for 2025, and in the financial report of the SID Bank Group Annual Report 2025. Given that Article 60 of the Governance Policy expresses the expectation that the briefing will include additional information, this is presented in the table below.

	Requirement	Disclosure
1.	Gross basic monthly or annual remuneration as agreed in the contract with the member of the management body	<p>SID Bank's 36th general meeting of 29 June 2023 was briefed on and approved the new remuneration policy for members of the management body. It stipulates the maximum allowed (fixed) payment, which is determined in accordance with the ZPPOGD and the Recommendations and Expectations of SDH.</p> <p>The employment contract sets out the basic salary of the president of the management board, which is lower than the maximum allowed amount, and stands at EUR 20,000 gross per month. The basic monthly salary of the other member of the management board is EUR 17,929.14 gross.</p> <p>The Basic salary of the managing director of the subsidiary SID Upravljanje premoženja is EUR 8,000 gross per month, while the managing director of the subsidiary SID Kapital receives EUR 1,000 gross per month under the management contract.</p>
2.	Average gross salary paid at companies in the group ³ during the previous financial year, i.e. for the year prior to the year of disclosure of remuneration of management bodies	EUR 5,239.56
3.	Gross amount of vested right to variable remuneration for previous financial year	The awarded, current and deferred payments of variable remuneration in 2025 for both members of SID Bank's management board are disclosed in the remuneration report. The managing directors of the two subsidiaries did not receive any variable remuneration in 2025.

² Corporate Governance Code for Companies with Capital Assets of the State (hereinafter: the Corporate Governance Code)

³ The average gross salary in the group is calculated by dividing the sum of all gross wage costs of companies in the group (the "wages and salaries" item from the income statement, less the wages and salaries at companies not established in Slovenia) by the number of months that the group was trading as a going concern, and by further dividing the amount obtained by the total average headcount based on hours worked at all companies in the group.

4.	<p>Other rights agreed in the contract (for the previous year) in the sense of Recommendation 9 from the applicable Recommendations and Expectations of SDH, broken down by individual group of rights (generally a disclosure of the type of right and the maximum permitted amount or values under the contract)</p>	<p>The maximum rights derive from the remuneration policy for members of the management body, as adopted at the general meeting; equivalent amounts are also included in the employment contracts with the two members of the management board. Detailed information on other rights actually exercised in 2025 is presented in the table below (amounts in EUR):</p> <table border="1" data-bbox="493 349 1458 1301"> <thead> <tr> <th></th> <th>President of management board of SID Bank</th> <th>Member of management board of SID Bank</th> <th>Managing director of SID Kapital</th> <th>Managing director of SID Upravljanje premoženja until 8 Oct 2025</th> <th>Managing director of SID Upravljanje premoženja since 9 Oct 2025</th> </tr> </thead> <tbody> <tr> <td>Leave allowance</td> <td>3,442.83</td> <td>3,442.83</td> <td></td> <td></td> <td>848.02</td> </tr> <tr> <td>Fringe benefits</td> <td>3,702.69</td> <td>2,629.47</td> <td>574.78</td> <td>335.29</td> <td>267.35</td> </tr> <tr> <td>Education and training</td> <td>12,671.07</td> <td>10,000.00</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Voluntary supplementary pension insurance</td> <td>3,068.73</td> <td>3,068.73</td> <td></td> <td></td> <td>523.23</td> </tr> <tr> <td>Other remuneration Bonus for compulsory health insurance</td> <td>441.70</td> <td>441.70</td> <td></td> <td></td> <td>111.51</td> </tr> <tr> <td>Membership fees</td> <td>0.00</td> <td>460.00</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Company car</td> <td>Volkswagen ID.7 Tourer Pro S 2025 registration Residual value as at 31 Dec 2025: 49,247.87</td> <td>Volkswagen ID.7 Tourer Pro S 2025 registration Residual value as at 31 Dec 2025: 49,178.14</td> <td></td> <td></td> <td>Mercedes Benz B 200d 2016 registration Residual value as at 31 Dec 2025: 285.77</td> </tr> </tbody> </table>		President of management board of SID Bank	Member of management board of SID Bank	Managing director of SID Kapital	Managing director of SID Upravljanje premoženja until 8 Oct 2025	Managing director of SID Upravljanje premoženja since 9 Oct 2025	Leave allowance	3,442.83	3,442.83			848.02	Fringe benefits	3,702.69	2,629.47	574.78	335.29	267.35	Education and training	12,671.07	10,000.00				Voluntary supplementary pension insurance	3,068.73	3,068.73			523.23	Other remuneration Bonus for compulsory health insurance	441.70	441.70			111.51	Membership fees	0.00	460.00				Company car	Volkswagen ID.7 Tourer Pro S 2025 registration Residual value as at 31 Dec 2025: 49,247.87	Volkswagen ID.7 Tourer Pro S 2025 registration Residual value as at 31 Dec 2025: 49,178.14			Mercedes Benz B 200d 2016 registration Residual value as at 31 Dec 2025: 285.77
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5.	<p>Amount of termination benefit agreed in the contract in case of early termination of office, and eligibility conditions</p>	<p>Under the contract, the two members of SID Bank's management board are entitled to a termination benefit in the amount of six times the last basic monthly salary if they are dismissed prior to the end of their term of office on grounds other than those referred to in the first, second and third indents of the second paragraph of Article 268 of the ZGD-1 and they do not enter into a new employment contract with the company after the termination of the contract. They are not entitled to a termination benefit if they terminate the employment contract themselves, unless the termination is due to health reasons that prevent them from further discharging their duties.</p> <p>The amount of the termination benefit is laid down in the remuneration policy for members of the management body, as approved at general meeting.</p> <p>The managing directors of the two subsidiaries have not agreed termination benefits in their contracts in the event of the early termination of their term of office.</p>																																																
6.	<p>Information about any remuneration of members of the management bodies of companies received on the basis of their functions at subsidiaries or affiliates, the functions and gross amounts being disclosed for each company separately</p>	<p>The two members of SID Bank's management board did not perform any functions at subsidiaries or affiliates in 2025. The managing directors of the subsidiaries SID Kapital and SID Upravljanje premoženja also did not perform functions at subsidiaries or affiliates.</p>																																																