



**PARTNER BANK AG**

Gemeinsam mehr vermögen.

# **DISCLOSURE as at 31 December 2024 in accordance with CRR Part 8**

**and pursuant to Section 43 BaSAG; as well as  
Information on disclosure  
pursuant to Art. 4(1)(b) SFDR  
(Del. Regulation EU 2022/1288)**

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## Introduction

Partner Bank AG is a pension bank that specialises in partnering with independent financial service providers to advise and support people with their financial planning and pension provision.

It offers a wide range of banking services, but Partner Bank AG has particular expertise in providing investment advice and portfolio management as investment services.

Partner Bank AG specialises in bonds, equities, funds and physical gold, offering financial service providers and their customers access to the securities market. It cooperates with professional financial service providers in Germany, Austria, Hungary, Czechia and Slovakia in order to provide its customers with the best possible service.

## Scope and frequency of disclosure for Partner Bank AG as a non-listed other institution (CRR Art. 433c (2))

In accordance with Articles 431 and 433 of Regulation (EU) No 575/2013 – hereinafter referred to as CRR – credit institutions must disclose information about their organisational structure, risk management and risk capital situation at least once a year.

Article 433c(2) CRR restricts the frequency and scope of disclosure for unlisted "other institutions", which are therefore not "small and non-complex institutions" as defined in Article 4(1)(145) CRR, compared to all large institutions (defined in Article 4(1)(156) CRR).

Notwithstanding its continued fulfilment of all criteria under Article 4(1)(145)(a)-(h) CRR, Partner Bank AG will, on its own initiative, become an *Other Institution* from 30 September 2025 onwards – i.e. neither a small and non-complex institution nor a large institution.

This disclosure is therefore generally made only once a year, in accordance with the above-mentioned limited periodicity requirements under Section 433c(2) CRR for *unlisted* other institutions.

The significantly reduced scope of disclosure pursuant to Article 433c(2) CRR also applies to Partner Bank AG, while at the same time strictly complying with all requirements of the corresponding Implementing Regulation EU 2021/637 (*Technical Implementing Standards for the disclosure of information referred to in Part 8, Titles II and III CRR*). –

The deadline for this disclosure in accordance with Part 8 CRR is **31 December 2024**.

Finally, this document fulfils the additional disclosure requirements for detailed information in accordance with BASAG (intra-group support) and serves as a "comply or explain" publication with regard to the disclosure already made in accordance with Article 4(1) SFDR ("investment decisions with an impact on sustainability factors").

## DISCLOSURE



As provided for in Article 431(3) CRR, internal regulations governing the procedure and content of disclosure have been established at Partner Bank AG. The confirmation by the Management Board of proper disclosure provided for therein can be found at the end of this document.

The latest version of the disclosure document is available at [www.partnerbank.at](http://www.partnerbank.at).

## Minimum information on the scope of application (CRR Art. 436)

### Name of the credit institution

Partner Bank AG - BIC: PABAAT2LXXX / LEI: 529900GIW7IGDLAYP075 / Bank code: 19170

### Consolidation basis

As at 31 December 2024, the credit institution group pursuant to Section 30 of the Austrian Banking Act (BWG) consists of the following entities:

- Partner Bank AG
- *Foundation for Social and Economic Development* in Vaduz / Principality of Liechtenstein, as the EEA parent financial holding company of Partner Bank AG

The disclosure is based on the consolidated view for this group of credit institutions (Art. 13 CRR).

## Risk management approach of the institution (CRR Art. 435 (1), e-f)

The two sections below represent **lines c and a** of the EU OVA disclosure table from Implementing Regulation (EU) 2021/637 / Legal basis: Article 435(1)(e)-(f) CRR

### Statement on the adequacy of risk management procedures

Legal basis: Article 435(1)(e) CRR / Disclosure table EU OVA line **c** from Implementing Regulation (EU) 2021/637 , taking into account the related explanation there:

*The statement on the adequacy of risk management procedures to be disclosed in accordance with Article 435(1)(e) CRR must be approved by the management body and must ensure that the risk management systems in place are appropriate to the profile and strategy of the institution.*

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Risk management is an indispensable part of overall bank management at Partner Bank AG. The aim is to pursue a profit-oriented risk policy, which is seen as a competitive advantage.

The risk policy principles are defined by the Management Board in the "Strategic Positioning" document, reviewed regularly and adjusted as necessary. They are incorporated into the planning, management and control systems. The employees of Partner Bank AG and the Management Board are committed to these principles.

Decisions are therefore made with these principles in mind. In cases of methodological doubt, the principles of prudence and appropriateness must be applied.

The Risk Management department ensures bank-wide risk management in accordance with Partner Bank AG's ICAAP (Internal Capital Adequacy Assessment Process).

The management of credit, counterparty default, concentration, market, interest rate and credit spread, liquidity, macroeconomic, AML, other and operational risks, as well as sustainability risks, is carried out in a coordinated process at all relevant levels of the bank.

As an independent bank, Partner Bank AG provides a broad investor audience with access to investment advice and standardised asset management, with a conscious focus on digitalisation. The overriding guidelines are the principles of security, quality, transparency, returns and long-termism. Due to its size and structure, Partner Bank AG applies the principle of *proportionality* provided for in various areas of European banking supervisory law. The addition of new business areas or products is preceded by an appropriate evaluation and assessment of all associated risks.

Partner Bank AG is a member of the Deposit Protection Scheme of Banken und Bankiers GmbH Vienna. For the purpose of deposit protection, an early warning system has been implemented which carries out ongoing analyses and observations based on a comprehensive reporting system on the earnings and risk development of the relevant banking units.

The organisational and operational structure is designed in such a way as to avoid conflicts of interest as far as possible. Regular training measures also ensure that employees are suitably qualified.

The models, systems and procedures used are regularly reviewed and continuously monitored, with the internal audit department of Partner Bank AG playing an essential role.

In summary, the Management Board (or the Executive Board, as *the "management body in a management function"* according to CRR terminology) states that the risk management systems established by Partner Bank AG are appropriate to the profile and strategy of the institution.

Note on the above section of text: The Supervisory Board of Partner Bank AG, as the highest management body<sup>1</sup>, had already approved the above version of the "Declaration on the Adequacy of Risk Management Procedures" at the Supervisory Board meeting on 28 September 2023, with the excep-

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<sup>1</sup> More precisely: as a management body in a *supervisory function* (as opposed to a *management function*, i.e. as the executive management) – see EU-OVA line c of Implementing Regulation (EU) 2021/637: *"The statement on the adequacy of risk management procedures to be disclosed in accordance with Article 435(1)(e) CRR must be approved by the management body..."*

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tion of minor adaptations to the wording, prior to the first publication of the concise risk statement in accordance with CRR (first published in the disclosure report as at 31 December 2022) at its meeting on 28 September 2023, with the exception of minor textual adjustments.

### Concise risk statement, together with defined risk tolerance

Legal basis: Article 435(1)(f) CRR / Disclosure table EU-OVA **line a** from Implementing Regulation (EU) 2021/637, taking into account the related explanation therein:

*The concise risk statement approved by the management body in accordance with Article 435(1)(f) describes how the business model determines and interacts with the overall risk profile: For example, it shall describe the main risks associated with the business model and how each of these risks is taken into account and described in the risk disclosures, or how the institution's risk profile and the risk tolerance set by the management body interact.*

In addition to the ongoing assessment of risk-bearing capacity, including the resulting signalling in appropriate cases in order to be able to mitigate risks in terms of amount, one of the tasks of the management, with the approval of the supervisory board, is to define the so-called risk appetite. This is done both individually for each type of risk and also overall. The overall risk appetite of the bank is determined by comparing the total individual limits with the total risk coverage available (in the case of the going concern scenario: minus the Pillar 1 capital requirement).

See the section above entitled "Consolidation basis": 100% of the shares in Partner Bank AG are held by the Liechtenstein-based *Foundation for Social and Economic Development*, Vaduz. The consolidated risk-bearing capacity stated below refers to the group of credit institutions formed by this parent financial holding company together with Partner Bank AG itself.

## RISK COVERAGE

- Going concern scenario: Own funds, net income for the year and hidden reserves, minus Own funds requirement (from Pillar 1)
- Liquidation scenario: Own funds, net income and hidden reserves minus hidden liabilities of fixed assets

RISK COVERAGE POTENTIAL – i.e. risk coverage amount minus the specified safety buffer, the significant amount of which reflects Partner Bank AG's low risk tolerance:

Safety buffer as at the disclosure date of 31 December 2024:

- Going concern scenario: 59.65% of risk coverage
- Liquidation scenario: 69.75% of risk coverage capital

Result of the institution's own procedure for assessing the adequacy of its internal capital:

As part of its overall risk management, Partner Bank AG compared the resulting risk coverage potential (see above) with all relevant risks arising from the bank's business model, which were determined using standard methods and appropriate systems, as at 31 December 2024. This made it possible to

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determine whether, under the assumed premises, sufficient risk coverage would be available even in the unlikely event of a loss.

The total risk was calculated by simply adding up all significant individual risks.

Both the determination of the risks and the definition of the total risk coverage were considered for the going concern assumption as well as for the case of liquidation.

**Result** for the hedging target in the consolidated risk-bearing capacity, based on the utilisation rates as **at 31 December 2024** (see the graphical representation in the form of pie charts in the section below):

Utilisation rates:

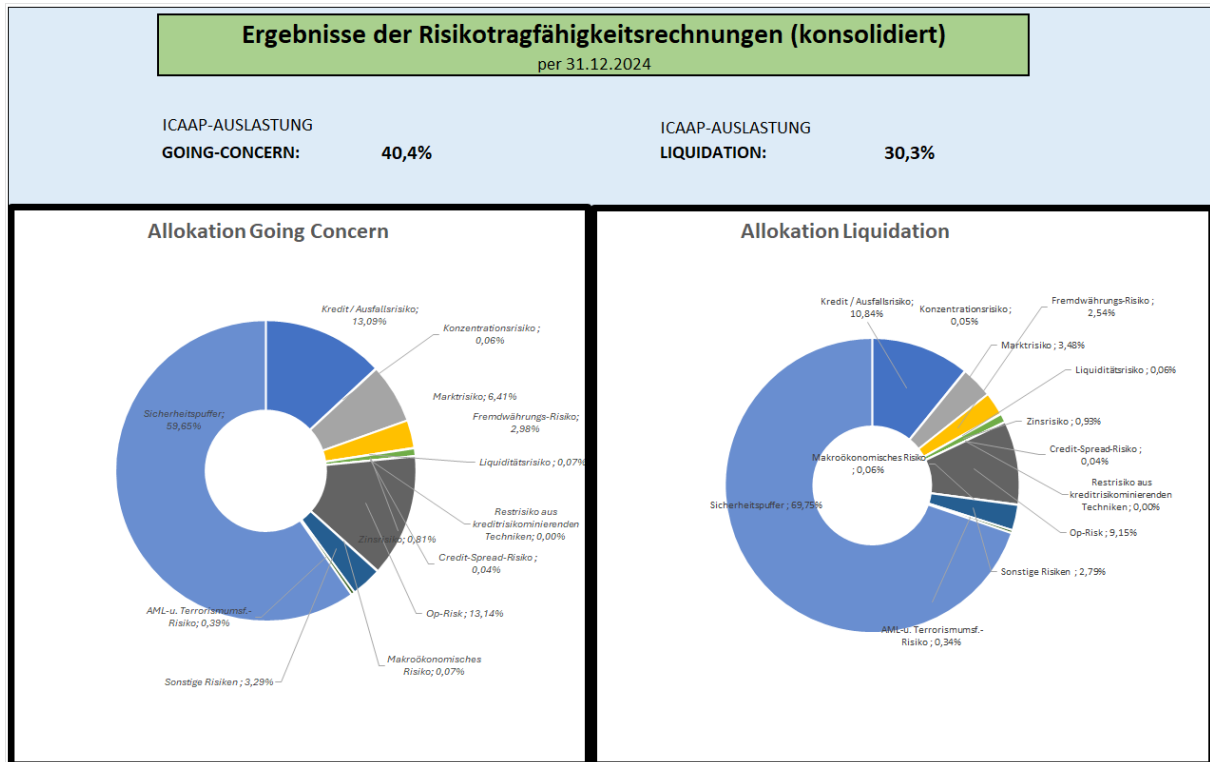
- Going concern scenario: 40.4%
- Liquidation scenario: 30.3%

At its meeting on 6 March 2025, the Supervisory Board of Partner Bank AG, as the governing body<sup>2</sup>, approved this concise risk statement and, in particular, the risk tolerance defined in this statement (based on the resulting safety buffer, see above).

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<sup>2</sup> More precisely: as a management body in a *supervisory function* (as opposed to in a *management function*, which would be the executive management) – see EU-OVA line a from Implementing Regulation (EU) 2021/637: "In the concise risk statement approved by the management body pursuant to Article 435(1)(f)..."

## Risk-bearing capacity/allocation of internal capital as at 31 December 2024 compared with the half-year reporting date of 30 June 2024 – in diagram form



The above diagram shows the detailed utilisation rates (or allocations to all individual risk categories) of the risk coverage amounts in the risk-bearing capacity calculation for both the going concern and liquidation scenarios as at the disclosure date of 31 December 2024.

In this form, the diagram was part of the report to the Supervisory Board dated 6 March 2025, which was included in this document on pages 6 and 7 in the upper section as the overall result of this concise risk statement in accordance with Article 435(1)(f) CRR.

For the reporting date of 30 June 2023, six months earlier, the overall picture was quite different – this diagram is also included in this disclosure document for comparison purposes, as an indication of a positive development trend in the six months from 30 June 2024 to 31 December 2024. It is clear that the percentage share of the safety buffer increased significantly during this period. This reflects how the risk profile of Partner Bank AG and the risk tolerance (in the form of this safety buffer) defined by the management body interact in the risk-bearing capacity calculation at consolidated level.



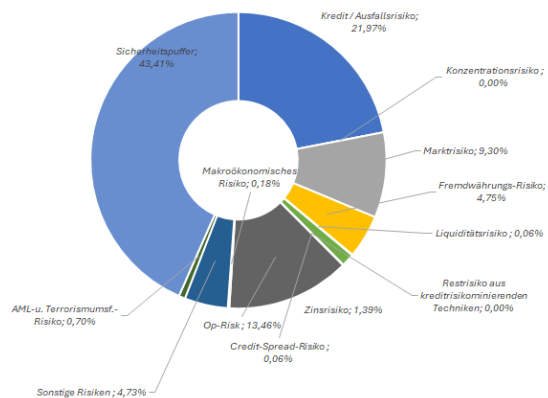
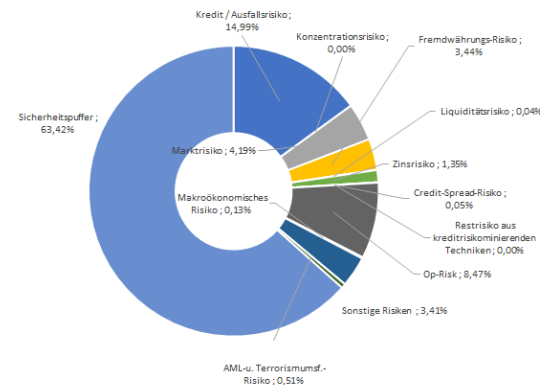
**Ergebnisse der Risikotragfähigkeitsrechnungen (konsolidiert)**

per 30.06.2024

ICAAP-AUSLASTUNG

**GOING-CONCERN: 56,6%**

ICAAP-AUSLASTUNG

**LIQUIDATION: 36,6%****Allokation Going Concern****Allokation Liquidation**

## Risk management strategies and procedures by risk category (CRR Art. 435 (1), letters a and d)

The entire following section of the document (up to the beginning of the next section, "Partner Bank's corporate governance arrangements", on page 19) represents **row f** of the EU OVA disclosure table from Implementing Regulation (EU) 2021/637, with legal basis: Article 435(1)(a) and (d) CRR.

The quantification of risks and their comparison with risk coverage amounts, as well as target/actual comparisons (<sup>3</sup>), are carried out quarterly in the risk-bearing capacity calculation.

When assuming probabilities as to whether, how often and to what extent similar losses could threaten the bank, it is only possible to assume statistical severity levels, which are sometimes difficult to estimate as risk values.

The confidence levels used for the hedging objectives are going concern: 95% and liquidation: 99.9%, which can be determined mathematically in those cases where statistical methods are used<sup>4</sup>.

<sup>3</sup> Control with regard to limit exceedances (the limits as "target") by the risk amounts (as "actual").

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Although absolute security for the bank and its employees is the declared goal of Partner Bank AG, it cannot be fully achieved in practice. In order to achieve the highest possible level of security, risk management considers the possible factors that could increase damage or reduce security. Partner Bank AG is fundamentally characterised by a controlled approach to banking risks. This also means that, in the event of an opaque, unmanageable risk situation, the principle of caution is given priority and only risks that can be assessed are taken.

Partner Bank AG has identified the following risk areas (as part of its risk inventory):

### **Credit risk / receivables risk / counterparty default risk / creditworthiness risk**

#### **Description**

Credit risk is defined as the risk that the lender will not receive interest and/or principal payments from the debtor on time. This may also involve the total or partial loss of the investment amount and the agreed interest. Partner Bank AG also includes investment risk in this category. In addition, default risk is measured for all assets and off-balance sheet transactions<sup>5</sup>.

#### **Objectives, strategy and control procedures**

A clear credit policy is one of the principles of Partner Bank AG's traditional lending business. Limiting credit risk is a high priority at Partner Bank AG. The goal with regard to credit risk is a low write-off ratio. The core of this policy is to only grant loans against collateral. Securities are used almost exclusively as collateral. The coverage is reviewed at regular intervals. The risk situation is thus viewed in two dimensions: on the one hand, through the assessment of collateral and, on the other hand, through the ongoing review of the debtor. This ensures that only risks that are in line with the risk policy are taken. Weekly meetings are held with the responsible credit director. Even those receivables from customers that have arisen through the charging of fees are covered by collateral. When quantifying credit risk, these are subtracted from the receivable values using the lending value determined for each type of security. For this reason, the resulting residual risk from credit minimisation techniques and indirect credit concentrations is also measured separately.

Securities for the banking book are acquired in accordance with a set of rules which, in addition to certain quality and diversification criteria for the selection process, also stipulate the obligation to report regularly. Furthermore, compliance with credit risk limits must be ensured before each purchase.

The small trading book used to settle commission trading is compiled in accordance with the "Portfolio Governance Code" for the securities trading book and a carefully developed scoring model. These guidelines, together with the extremely broad diversification, help to reduce credit risk.

<sup>4</sup> For methodological reasons, this may still be exceeded in individual cases because – looking to the future – only possible amounts of loss can be determined for certain probabilities of occurrence.

<sup>5</sup> Liabilities, guarantees, unused credit lines.

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The ESG risks, which are explained in detail in the section "Other risks" (p. 15), are also included in the measurement and reporting of credit risk as a cross-sectional risk type.

### **Interest rate risk (IRRBB)/Credit spread risk (CSRBB) in the banking book and trading book**

#### **Description**

Market price risk refers to the risk of changes in the valuation of financial instruments or other current assets due to market risk factors such as share prices, interest rates and exchange rates. At Partner Bank AG, market risks consist of price risk, interest rate risk, credit spread risk and foreign currency risk. Other market risks, such as fungibility risk, are also taken into account.

#### **Objectives, strategy and procedures for managing**

##### Market price risks from the bank's own securities portfolio – banking book:

This risk arises from changes in value due to changes in market prices. It consists of general and specific market price risk components. The former refers to the risk that general market fluctuations may lead to price and thus value changes in financial products (securities, derivatives, etc.). In the case of specific risk, the causes of price changes are issuer-related.

Bonds for the banking book are purchased in accordance with a set of rules which, in addition to detailed quality and diversification criteria for the selection process, also stipulate regular reporting. The objective is to achieve high-yield investments while minimising credit risk (including credit migration risk) as far as possible.

The extent of price fluctuations in other securities, in particular high-quality equities held in both the banking book and the small trading book, is determined on the basis of the implied volatilities of representative indices. For real estate shares, the historical volatility of a representative real estate fund is used.

The exposure of the investment portfolio to interest rate risk, credit spread risk and currency risk should also be kept as low as possible. For this reason, the latest limit utilisation of these risk amounts must be checked before any purchase decisions are made.

##### Credit spread risk from the bank's own securities portfolio – banking book and small trading book:

In addition to the general interest rate situation, the present values or market values of interest-rate-sensitive assets in the banking book/trading book (especially bonds) are affected by unpredictable fluctuations in the credit spread.

The credit spread represents the additional yield that the market demands from (sometimes lower-rated) issuers to compensate for the higher default risk. The selected fixed-income bond assets are usually held until maturity.

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As already mentioned in relation to interest rate risk, selecting modified durations that are as short as possible also helps to mitigate risk, particularly in periods of low interest rates with the potential for interest rates to rise. In addition to being recognised as a risk potential in the ICAAP, the credit spread risk of nostro bonds has also been recognised mathematically in the new "CSRBB" framework in accordance with EBA Guideline GL/2022/14 since the beginning of 2024 and is included in a separate CSRBB section of the quarterly risk report for reporting to the Management Board.

### Market price risks from the proprietary securities portfolio – especially in the small trading book:

Partner Bank AG's small trading book<sup>6</sup> is primarily used to settle complex securities services for customers as a short-term portfolio.

The following measures serve to minimise risk:

- the "Portfolio Governance Code", which ensures that certain quality criteria are met when selecting securities in the interests of Partner Bank AG's customers, and
- a high degree of diversification
- for treasury: the limitation of modified durations for interest-sensitive positions

The ESG risks, which are explained in detail in the section "Other risks" (p. 15), are also included in the measurement and reporting of market risk as a cross-sectional risk type.

### Interest rate risk in the entire banking book (IRRBB):

In order to comply with the new EBA Guideline GL/2022/14 with the IRRBB framework, risk management has been simulating quarterly interest rate shock scenarios specified by the supervisory authorities since the beginning of 2024 (both from a net interest income perspective, or NII for short, and from a present value perspective, or EVE for short), and the results are presented to the Management Board in the risk report. Risk limits for these six scenarios specified by the EBA must be defined for both perspectives and are now even reviewed on a monthly basis. The relevant requirements of Delegated Regulation (EU) 2024/856 on the definition of these six supervisory shock scenarios, on common model and parameter assumptions, and on the meaning of the term "sharp decline" for net interest income simulation are also followed.

To date, Partner Bank AG has not used any derivatives to hedge market risks. Market risks, in particular interest rate risks, can be sufficiently limited at the level of the overall balance sheet through direct balance sheet hedging (so-called "natural hedges") in the form of very moderate maturity transformation.

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<sup>6</sup> Pursuant to Article 94 CRR

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## Foreign currency risk

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### Description

A foreign currency risk arises when receivables or liabilities are incurred in a foreign currency but are not hedged by a currency-matched counterposition or, for example, by a foreign currency derivative hedging transaction. An unfavourable exchange rate development can then lead to losses.

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### Objectives, strategy and control procedures

As open foreign exchange positions were limited during the 2024 financial year covered by this disclosure, the foreign currency risk at Partner Bank AG is not particularly high as of the disclosure date. Customers based in other currency regions (Hungary, Czechia) also hold predominantly euro-denominated securities clearing accounts with Partner Bank AG, in addition to fixed-term deposits in the respective local currency.

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## Liquidity risk

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### Description

Risk: Short-term funds are not sufficiently available, e.g. due to long-term investments.

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### Objectives, strategy and procedures for management

The aim is to keep liquidity risk low. This is of lesser relevance for Partner Bank AG due to its comparatively high equity ratio and business model (no savings deposits, only short-term Lombard loans and marketable bonds listed on the stock exchange, as well as a large proportion eligible for ECB refinancing). It is managed through investment decisions that deliberately keep maturity transformation low in order not to jeopardise the liquidity situation.

There are relevant limits for the "Payment Transactions" and "Treasury" departments, which must be adhered to on a daily basis. At least 50% of liabilities to customers must be parked in liquid assets and, in the event of a breach, one of the three defined liquidity bottleneck levels must be declared immediately by risk management in accordance with the liquidity contingency plan. must be parked in liquid assets, and in the event of a limit violation, one of the three defined liquidity bottleneck levels would have to be declared immediately by risk management in accordance with the liquidity contingency plan.

The specially established committee, the "Liquidity Risk Committee (LRA)", would then meet within a few hours and follow a defined escalation process.

The aim is to ensure that sufficient liquid funds are available at all times to meet payment obligations.

The monthly ILAAP stress tests are presented in a separate section 2 of the following document section "Qualitative information on stress tests".

The ESG risks, which are explained in detail in the section "Other risks" (p. 15), are also included in the measurement and reporting of liquidity risk as a cross-sectional risk type.

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## Macroeconomic risk

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### Description

Macroeconomic risk refers to the risk posed by the economies in which Partner Bank AG operates.

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### Objectives, strategy and control procedures

Partner Bank AG pursues the goal of minimising macroeconomic risk as far as possible. The fact that the bank operates primarily as an investment services provider in all countries where its custody account customers are based, rather than as a creditor (as is typical for traditional banking business), with only relatively minor lending and receivables through fee charges, has a risk-reducing effect. The diversification of sales markets through targeted cross-border activities also has a positive effect.

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## Operational risk

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### Description

This summarises the risk of potential losses due to errors in systems, processes, by employees or external events. Legal risk is also included. This is particularly important in the specific business model of assuming liability for investment advice via contractually bound intermediaries.

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### Objectives, strategy and control procedures

Here, too, the aim is to reduce risk as far as possible. To this end, Partner Bank AG employees are carefully selected and trained. Work processes are documented in internal organisational guidelines and manuals. The dual control principle applies. All claims exceeding a minor threshold are recorded in a claims database. Partner Bank AG relies on organisational and IT measures in this segment. An external team of experts was commissioned to minimise IT risks, among other things by drafting organisational guidelines. The ESG risks, which are explained in detail in the section "Other risks" (p. 15), are also included in the measurement and reporting of operational risk as a cross-sectional risk type.

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## Concentration risk

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### Description

Partner Bank AG understands concentration risk to mean, on the one hand, credit concentration risk, i.e. the risks arising from the uneven distribution of assets among individual borrowers/debtors.

At Partner Bank AG, this only applies to deposits with credit institutions if they exceed a certain amount (even if only for a short period of time, for the purpose of processing securities services).

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In addition, concentration risk also includes any potentially dangerous clusters in connection with securities services – for example, with distribution partners, custody account customers or their financial instruments held in custody by Partner Bank AG.

### Objectives, strategy and control procedures

Partner Bank AG's goal is to avoid concentration risks based on a wide range of criteria through diversification. Where this is not possible on a daily basis – for example, in the case of receivables from credit institutions – strict quality criteria apply.

Although the thresholds for such concentrations are defined in the risk manual, they have never been reached to date due to the high degree of diversification.

## Risk of money laundering and terrorist financing

### Description

This refers to the risk of being misused as a bank to commit crimes of this kind.

### Objectives, strategy and control procedures

Training of employees and sales partners and ongoing monitoring; two-stage plausibility check of the origin of funds. Monitoring of particularly conspicuous payments.

## Other risks

### Description

Other risks include: business risk, equity risk and tenant default risk (vacancy of two leased or rented properties owned by the bank and included in its fixed assets), as well as overarching ESG/sustainability risks.

Business risk: Income or business risk arises from inadequate diversification of the income structure or the bank's inability to achieve a sufficient and sustained level of profitability. Operating expenses are a key factor. The inability to cover these expenses with sufficient income poses a threat to the utilisation of risk coverage funds.

Equity risk: This specific risk is classified as "significant" for all banks due to the initial endowment required under Section 5 (5) of the Austrian Banking Act (BWG). See section "1. ICAAP stress tests" on the following page 16 for information on how this risk is addressed, among other things.

Tenant default risk: The risk of rent default and operating costs must be considered. Contractually agreed net rents and operating costs for the next 12 months are listed and calculated for the estimated maximum vacancy months for each individual property.

## ESG risks

### Description

In line with the FMA guidelines on dealing with sustainability risks, Partner Bank AG understands "sustainability risks" to mean potential events or conditions relating to sustainability factors whose occurrence could have an actual or potential material negative impact on the value of assets or on the Bank's net assets, financial position, results of operations and reputation.

Partner Bank AG's ESG objectives are primarily defined at the level of nostro investments and the product range for customers (known as the "focus book" and within portfolio management).

### Objectives, strategy and control procedures

Consequently, ESG management measures also apply here; for example, there is a limit on the volume-weighted average value of ESG ratings for the financial instruments invested in the banking book nostro. ESG risk measurement and limitation within the framework of the ICAAP risk-bearing capacity calculation also draws on these ESG scoring models.

Partner Bank AG has always refrained from investing in the arms and gambling industries, as well as tobacco and alcohol stocks, both in its Nostro investments and in its recommendations/stock selection for customers with securities accounts. Since its inception (the bank was founded in 1992), the bank has continuously supported charitable organisations such as the Two Wings Foundation.

## Risk management strategies and procedures – continued: Qualitative information on stress tests (CRR Art. 435(1)(a))

Legal basis: Article 435(1)(a) and (d) CRR / Disclosure table EU-OVA **line f** from Implementing Regulation (EU) 2021/637, taking into account the explanation therein:

*As part of the disclosure of strategies and procedures for risk management in accordance with Article 435(1)(a) CRR, qualitative information on stress tests is also disclosed, e.g. which portfolios were subjected to a stress test, which scenarios were used as a basis and which methods were applied, and how stress tests are used in risk management.*

### 1. ICAAP stress tests (individual institution and consolidated / semi-annual)

The analysis of the results of the unconsolidated stress tests primarily consists of analysing whether the initial allocation prescribed by the Austrian Banking Act (BWG) for the individual institution level would be exhausted, which would have been guaranteed as at 31 December 2024 in both severity levels.



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Two degrees of severity are simulated in each case and the changes in the individual risk amounts – compared to the standard risk-bearing capacity calculations for the two scenarios – are shown. The two utilisation rates of the risk coverage amounts in the consolidated scenarios are also determined as a result of the ICAAP stress test (consolidated).

This is based on harsh stress assumptions of a severe stock market crash: due to its strategic focus on securities services, a stock market crash would affect important sources of income for Partner Bank AG. Declining nostro and customer deposit values, increased deposit closures, a reduction in new business and, in theory, an increased legal risk would be negative effects of a collapse in securities prices. In addition, these stress scenarios also include idiosyncratic elements that could conceivably have a stress effect independently of a market-wide stock market crash.

Sustainability risks: The effects of sustainability risks must be considered and quantified in the stress scenarios; in any case, at least the lump sums from the going concern and liquidation scenarios must be doubled compared to the respective base case assumptions.

The results analysis for the "consolidated" stress test level also ensures in a purely market-wide scenario variant that the Pillar 1 value valid after a stress assumption would still be sufficient (so-called normative results analysis). Subsequently, attention must be paid to any additional positive surplus after stress.

It must be checked whether the own funds requirements resulting from stress would still be achievable with the reduced own funds after market-wide stress, namely the size: OCR including BASAG surcharge. Not only the results, but also the intermediate steps of the calculations are presented in a comprehensible manner in the half-yearly risk report.

## 2. ICAAP stress tests with assumed scenarios (monthly)

Liquidity stress tests are carried out monthly in the following form.

Four different scenarios are presented:

- (1) "Institution-specific";
- (2) "market-wide";
- (3) "combined";
- (4) "stress in the plan scenario".

### (1) "Institution-specific" scenario

In this scenario, stress assumptions relate only to liabilities:

Outflow of liabilities to customers due on a daily basis in accordance with the organisational guideline for asset-liability management (ALM for short) to 90%, 80% and 70% of the lowest value within the previous and current year to date. The resulting outflows of customer funds are divided into three time

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phases (20% short-term, 50% medium-term and 30% long-term) using flat-rate estimated percentages and compared with the full liquidity potential available in each phase. No stress assumptions (market liquidity) are made on the asset side in this institution-specific scenario.

### (2) "Market-wide" scenario

In this scenario, stress assumptions also relate to assets (market liquidity):

Outflow of liabilities to customers due on a daily basis in accordance with APM organisational guideline to 95% of the lowest value within the previous and current year. The resulting outflows of customer funds are divided into three time phases (20% short-term, 50% medium-term and 30% long-term) as in (1) above, and are also graded using three "degree of hardship haircuts" with regard to the reduced market liquidity of the liquidity potential in each case; and are compared with the liquidity potential available in the respective phase, each with an assumed market discount.

These three hardship haircuts in the liquidity potential are assumed with flat percentages as follows:  
a) 5% discount, or: b) 10% haircut, and: c) 15% haircut.

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### (3) "Combined" scenario

The two stress assumptions above are combined, i.e. those relating to liabilities according to (1) and those additionally relating to assets according to (2) above:

In addition, the following are added in this combined scenario: flat-rate, ESG-related discounts or surcharges to the outflow or haircut assumptions taken from (1) and (2) above, respectively.

Outflow of customer funds to: *		Haircut on liquidity potential:
1)	90% - 5% ESG discount = 85%	5% + 3% ESG premium = 8%
2)	80% - 5% ESG discount = 75%	10% + 3% ESG premium = 13%
3)	70% - 5% ESG discount = 65%	15% + 3% ESG premium = 18%

\* % of the lowest value from the entire previous year and the current year to date – see (1) above

### (4) "Stress in the plan scenario"

Based on the "combined stress" (3), a new potential actual situation is determined using stressed inflows and outflows from the liquidity planning of the Head of Treasury, always simulated for five months into the future.

The stress assumptions are 85% for inflows and 100% for outflows.

Highly liquid assets that would be required to meet the minimum LCR ratio even after stress (or the yellow threshold for the LCR according to the current recovery plan) are not included in the liquidity potential.

Any short-term exchange rate loss due to the replacement of required foreign currency liquidity with existing EUR liquidity is included in the planned haircuts on liquidity potential.

These comparisons are used to calculate a liquidity surplus or deficit for each scenario in the short, medium and long term, which provides information on whether Partnerbank AG can survive the assumed stress scenarios without a liquidity bottleneck.

In addition, the results must always be analysed to determine whether the liquidity-related ratios in accordance with the APM organisational guideline and, at the same time, those required to avoid bottleneck stages after scenario-related stress situations can still be maintained. At the same time, the LCR requirements, including the BASAG surcharge, must also be met as a strict indicator in the restructuring plan.

To this end, the Treasury department monitors the following on a daily basis in its operational business: LCR (statutory minimum value of 100% plus BASAG surcharge, according to the yellow threshold value of the LCR in the recovery plan) and NSFR (statutory minimum value of currently 100% according to CRR).

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### Counterbalancing capacity:

In addition to the liquidity potential listed above, further assets are to be counted as liquid funds for the purposes of the above stress tests. For this purpose, in addition to the financial instruments specified in the APM organisational guideline, those financial instruments in the trading book nostro portion (in accordance with the organisational guideline for the trading book) that were *not* classified as *impaired tradable* in the most recent risk-bearing capacity calculation under "fungibility risk" must also be taken into account. In addition, any other liquidity that can be realistically assumed in a stress case, e.g. through the utilisation of the additionally reserved credit balances at credit institutions in the amount of EUR 1 million. However, as already emphasised above, no portion of the high-liquidity assets that would be required as a priority to comply with the minimum LCR plus BASAG surcharge may be included.

## Corporate governance regulations of Partner Bank and the entire financial holding group (CRR Art. 435 (2) (a)-(c))

This entire section of the document (up to the beginning of the next section, "Corporate Governance / Fit & Proper - Section 65a BWG (cross-reference)", on page 34) represents the EU OVB disclosure table (lines **a-c** are to be disclosed) from Implementing Regulation (EU) 2021/637.

Overall legal basis: CRR Article 435(2)(a)-(c).

### a. Number of management or supervisory functions held by members of the management body

Legal basis: CRR Art. 435(2)(a) / Disclosure table EU OVB **line a** from Implementing Regulation (EU) 2021/637

*(Number of management or supervisory functions held by members of the management body)*

#### **a. Management body in a supervisory function: the Supervisory Board of Partner Bank**

As at the disclosure date of 31 December 2024, the Supervisory Board of Partner Bank AG consisted of the following eight persons:

- Mag. Alois Manhartsgruber, MBA (Chairman)
- Dr Faramarz Ettehadieh-Rachti (Deputy Chairman)
- KR Freimut Dobretsberger
- Dr Manfred Drennig

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- Dr Sahba Enayati
- Alexander Hüttner
- Dr Michael Krammer
- Dr Barbara Krumay

The respective number of management or supervisory functions (in general, functions as a management body) currently held by these eight members of the Supervisory Board is as follows:

- Mag. Alois Manhartsgruber, MBA (Chairman)→ 2
- Dr Faramarz Ettehadieh-Rachti (Deputy Chairman)→ 6
- KR Freimut Dobretsberger→ 2
- Dr Manfred Drennig→ 2
- Dr Sahba Enayati→ 1 (honorary positions in associations or similar organisations are not to be included here)
- Alexander Hüttner, MA→ 4
- Dr Michael Krammer: no other functions
- Dr Barbara Krumay: no other functions (in the non-academic corporate sector)

Important note for correct understanding: these figures do not include the supervisory board position at Partner Bank AG. The figures indicate the respective number of *other* management or supervisory positions held by the respective person *in addition to the* supervisory board position mentioned above.

### **a.ii Management body in a management function: the Management Board of Partner Bank**

As at the disclosure date of 31 December 2024, the following four persons were members of the Management Board of Partner Bank AG:

- Mag. Elham Ettehadieh
- Dr Sarvenas Enayati-Ettehadieh
- Andreas Fellner, MSc
- Thomas Üblacker, MSc MBA

The respective number of management or supervisory functions (i.e. generally, functions as a management body) held by these four members of the Management Board as of the disclosure date is as follows:

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- Mag. Elham Ettehadieh: no other functions (honorary functions in associations or similar are not to be counted or listed here)
- Dr Sarvenas Enayati-Ettehadieh → 1
- Andreas Fellner, MSc: no other function
- Thomas Üblacker, MSc MBA: no other functions

Important note for correct understanding: these figures do not include the management board function at Partner Bank AG. The figures indicate the respective number of *other* management or supervisory functions *in addition to the* management board function of the respective person.

### b. Strategy for selecting members of the management body and their actual knowledge, skills and experience

Legal basis: CRR Art. 435(2)(b) / Disclosure table EU OVB **line b** from Implementing Regulation (EU) 2021/637

*(Information on the strategy for selecting members of the management body and their actual knowledge, skills and experience)*

Partner Bank's Fit & Proper Policy sets out in writing the strategy for selecting and assessing the suitability of members of the Executive Board (or Management Board), the Supervisory Board and, in addition, employees in key functions, and is consistent with the professional values and long-term interests of the Bank. Criteria for assessing suitability, the necessary documentation and the process for ensuring suitability and event-driven re-evaluation are documented.

Responsibility for implementing the Fit & Proper Policy lies with the Management Board or the Supervisory Board as a collective body within the scope of its supervisory activities.

#### **b.i Strategy regarding the selection criteria applied**

Due to their responsibility for managing and supervising the institution, specific requirements apply to the management and supervisory board (as well as to employees in key functions, although these are not subject to disclosure under CRR) with regard to their professional and personal competencies. The knowledge, skills and experience required of each individual with regard to the collective requirements for the composition of the committees ensure that well-informed and competent decisions are made for the management of the bank on the basis of a good understanding of the bank's business activities, risks and governance structure, as well as knowledge of the regulatory framework.

In addition to professional competence, the fulfilment of the necessary personal qualifications is also decisive for the selection of persons for the management and supervisory boards. When selecting persons for the management or supervisory board, particular consideration must also be given to the contribution of the individual to ensuring the collective suitability of the management or supervisory board.

The respective requirements depend on the nature, structure, size and complexity of the institution's business activities and on the positions to be filled. Irrespective of this, however, all members of the management and supervisory boards must be personally reliable.

#### **b.i.VO - Management body in a management function: the management board of Partner Bank**

When selecting managers, both the individual suitability of the person for the specific position and their importance for fulfilling the requirements of the management as a whole (collective suitability) must be assessed.

#### **b.i.VO – Individual suitability criteria for members of the Management Board:**

- *Professional competence and skills as well as necessary experience*

In order to assess the suitability of a member of the management, the following areas of knowledge acquired through theoretical training or practical experience, as well as the presence of skills relevant to the position, must be taken into account. The assessment must be adapted to the nature, scope and complexity of the credit institution's business in a flexible system, taking into account the criteria listed below, and must be carried out in accordance with the distribution of responsibilities:

- **Education:** Completion of relevant studies and courses (economics, law or natural sciences at university or college level) or external or internal training or equivalent education and further training
- Sufficient **professional experience**, in particular management experience, as a manager or expert; this can be assumed in any case if at least three years of management experience in a company of comparable size and type of business can be demonstrated
- **Knowledge** in the following areas:
  - Banking and financial markets
  - Regulatory framework, in particular
    - key provisions of the Austrian Banking Act (BWG) or, in the case of special credit institutions, the relevant provisions
    - key provisions of the FM-GwG
    - Key provisions of the WiEReG
    - Key provisions of the ESAEG
    - the key provisions of the CRR and the relevant Commission Delegated Regulations supplementing the CRR
    - Key provisions of the BaSAG
    - Depending on the business model and scope of activities: key provisions of the BörseG 2018 and the WAG 2018, including in particular the DelVO (EU) 2017/565 and the MiFIR
    - For custodian banks: specific knowledge in the area of securities settlement and custody business (Section 41 (2) InvFG 2011)
    - Other relevant provisions and content of European banking supervisory law (SSM Regulation, SSM Framework Regulation, CEBS-GL and EBA-GL, BTS), insofar as they have been transposed into national law or are applicable to supervised institutions
    - the essential content of the relevant FMA regulations, FMA circulars and FMA minimum standards, as well as the FMA guidelines in the relevant areas
  - Strategic planning, understanding of the business strategy or business plan and their implementation
  - Risk management, including ESG risks and risk factors
  - Corporate organisation, governance and control, including understanding of money laundering and terrorist financing risks in connection with the bank's business model

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- Knowledge of the institution's articles of association and the rules of procedure of the management and supervisory bodies
- Interpretation of (financial) key figures and results
- Basic knowledge of company law
- Foreign language skills as required, depending on the business model and area of responsibility

The management must be sufficiently competent when viewed as a whole. Individual members with specialist knowledge can compensate for the less extensive knowledge of other members in these areas, particularly in view of the distribution of responsibilities. In any case, a member of the management must have good knowledge, skills and relevant experience in the area of identifying and assessing risks in connection with money laundering and terrorist financing, as well as the internal guidelines, controls and procedures for combating money laundering and terrorist financing. Therefore, pursuant to Section 23(4) FM-GwG, a member of the management board must be appointed who is responsible for compliance with the provisions designed to prevent or combat money laundering or terrorist financing.

### **b.i.VO – Individual suitability criteria for members of the management board** (continued):

- **Skills**

With regard to the role and tasks of the member of the management board, the presence of the necessary skills must be assessed. In principle, the following skills are required, although their specific relevance to the respective position must be assessed on a case-by-case basis:

- Authenticity
- Language
- Determination
- Communication
- Judgement
- Customer and quality-oriented
- Leadership
- Loyalty
- External awareness
- Negotiation skills
- Persuasive
- Teamwork
- Strategic acumen
- Stress resistance
- Sense of responsibility
- Chairing meetings

The internal definitions of the above skills correspond to those set out in the relevant EBA/ESMA guidelines.

### Individual suitability criteria for board members (continued):

- *Personal reliability*

In addition to professional criteria, personal reliability, in particular a good reputation, sincerity and integrity, are prerequisites for suitability. This is fulfilled if there is no reason to assume the contrary. Any indications that give rise to reasonable doubts about the candidate's ability to ensure the reliable and prudent management of the credit institution must be weighed up and could preclude personal reliability.



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Indications from the following three areas must be evaluated (abridged here):

1. Relevant criminal proceedings and relevant administrative proceedings, as well as reasonable suspicion of money laundering or terrorist financing
2. Fulfilment of professional standards
3. Orderly financial circumstances

In order to evaluate personal reliability, the information provided in the "Personal reliability information for managers, supervisory board members and holders of key functions" and the information obtained from additional information must be taken into account.

The information must be checked for plausibility by the body responsible for the assessment and, in case of doubt, must be substantiated by supporting documents.

### **b.i.VO – Collective** suitability criteria for the entire management board:

When composing the management board, care must be taken to ensure that the members of the management board are collectively capable of making appropriate decisions, taking into account the business model, risk appetite, strategy and markets in which the institution operates. Therefore, the collective suitability assessment evaluates the knowledge, skills and experience that the candidate contributes to the collective suitability of the management and whether the composition of the management body as a whole reflects a sufficiently broad range of knowledge, skills and experience to understand the institution's activities and main risks.

Individual members with distinctive specialist knowledge and skills can compensate for other members' less pronounced knowledge in these areas, particularly in view of the desired diversity in terms of educational and professional background.

The collective assessment of suitability involves reviewing whether the management as a whole has the knowledge, experience and skills to effectively manage the bank. The assessment includes the following aspects:

- the institution's business and the main risks associated with it;
  - sufficient understanding of money laundering and terrorist financing to be able to assess the specific risks to which the bank is exposed and how these can be adequately addressed
- each of the institution's main areas of activity;
- relevant areas of sectoral/financial expertise, including financial and capital markets, solvency and models; ESG risks and risk factors;
- Accounting and reporting;
- Risk management, compliance and internal audit;
- information technology and security;
- local, regional and global markets, where applicable;
- the legal and regulatory environment;
- Leadership skills and experience;
- Strategic planning ability;
- the management of (inter)national groups and risks associated with group structures, where applicable.

The assessment of collective suitability is carried out in three stages:

- 1.) The Supervisory Board] defines the knowledge, skills and experience required for the collective suitability of the management within the framework of an internally created suitability matrix in accordance with the bank's business model and business and risk strategy (description of the target state).
- 2.) In order to evaluate whether the required target state of collective suitability has been achieved, an assessment of the knowledge, skills and experience actually available within the collective is carried out (survey of the actual state). The survey of the actual state of collective suitability is carried out by the Supervisory Board. The existing knowledge, skills and experience are determined, for example, on the basis of personal assessments by the Supervisory Board based on perceptions of the individual member's previous activities and behaviour, or on the basis of information provided by the individual member in the context of a self-assessment. This provides an overall view of the existing knowledge, skills and experience.
- 3.) This assessment of the current status of the actual collective knowledge, skills and experience is compared and evaluated by the Supervisory Board with the knowledge, skills and experience (TARGET) required for the collective suitability of the respective body. The assessment documents the strengths and weaknesses of the management as well as any training requirements that may be necessary to achieve the desired target state of collective suitability. The assessment of collective suitability thus created is also used as a basis for the bank's succession planning in order to determine the required profile of a new member in the course of a new appointment.

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**b.i.AR – Management body in a supervisory function: the supervisory board of Partner Bank**

When selecting supervisory board members, both the individual suitability of the person for the specific position and their importance for fulfilling the requirements of the supervisory board as a whole (collective suitability) must be assessed.

**b.i.AR – Individual suitability criteria for supervisory board members:**

- *Professional competence and skills as well as necessary experience*

In order to assess the suitability of a supervisory board member, the following areas of knowledge acquired through theoretical training or practical experience, as well as the presence of skills relevant to the position, must be taken into account. The relevant theoretical and practical knowledge required to chair the supervisory board can also be acquired through several years of service as a simple supervisory board member in combination with self-study.

The assessment must take into account the criteria listed below as a whole, in the sense of a flexible system, taking into consideration the nature, scope and complexity of the credit institution's business. The specific area of responsibility of the supervisory board member is taken into account here:

- **Education:** Completion of relevant studies and courses (economics, law or natural sciences at university or college level) or external or internal training or corresponding education and further training

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- Sufficient **professional experience**: This can be assumed in any case if at least five years of experience can be demonstrated, in particular in corporate management, in supervisory and control functions, as a solicitor or chartered accountant
  - Previous work in other areas, in public administration or on the basis of political mandates may constitute the required experience if it was significantly focused on economic and legal issues over a longer period of time and was not entirely of a subordinate nature.
- **For ordinary supervisory board members: Basic knowledge** in the following areas:
  - Essential rights and obligations of the management and the supervisory board
  - Interaction between the supervisory board, internal audit and bank auditors or supervisory board, fund management and risk management
  - Regulatory framework, in particular
    - key provisions of the Austrian Banking Act (BWG) or, in the case of special credit institutions, the relevant provisions
    - Key provisions of the FM-GwG
    - Key provisions of the WiEReG
    - the key provisions of the CRR and the relevant Commission Delegated Regulations supplementing the CRR
    - key provisions of the BaSAG
    - Other relevant provisions and content of European banking supervisory law (SSM Regulation, SSM Framework Regulation, CEBS-GL or EBA-GL, BTS), insofar as they have been transposed into national law or are applicable to supervised institutions
    - The essential content of the relevant FMA regulations, FMA circulars and FMA minimum standards
  - Knowledge of the institution's articles of association and the rules of procedure of the management and supervisory bodies
  - Basic knowledge of company law
  - Knowledge of the structure and the resulting potential conflicts of interest ("*know your structure*" principle)
  - Supervisory board committees (type and functioning of the committees required by law: nomination, remuneration, risk and audit committees)
  - Financial expertise at least to the extent that enables the person to participate in collective decisions of the supervisory board in the area of monitoring and controlling the management in the operation of the institution-specific banking business, including an understanding of the money laundering and terrorist financing risks associated with the bank's business model
  - Knowledge and understanding of the corporate and supervisory law standards that are particularly relevant to the supervisory function (e.g. concerning large exposures, related-party transactions)
- **For chairpersons of the supervisory board: adequate knowledge** in the following areas
  - Key rights and obligations of management and the supervisory board
  - Interaction between the supervisory board, internal audit and bank auditors or supervisory board, fund management and risk management
  - Regulatory framework, in particular
    - key provisions of the Austrian Banking Act (BWG) or, in the case of special credit institutions, the relevant provisions
    - Key provisions of the FM-GwG
    - Key provisions of the WiEReG
    - the key provisions of the CRR and the relevant Commission Delegated Regulations supplementing the CRR
    - key provisions of the BaSAG
    - Key provisions of the ESAEG

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- Key provisions of the BörseG 2018 and the WAG 2018, including in particular DelVO (EU) 2017/565 and MiFIR]
- Other relevant provisions and content of European banking supervisory law (SSM Regulation, SSM Framework Regulation, CEBS Guidelines and EBA Guidelines, BTS), insofar as they have been transposed into national law or are applicable to supervised institutions
- the essential content of the relevant FMA regulations, FMA circulars and FMA minimum standards
- Knowledge of the institution's articles of association and the rules of procedure of the management and supervisory bodies
- Basic knowledge of company law
- Knowledge of the structure and the resulting potential conflicts of interest ("*know your structure*" principle)
- Supervisory board committees (type and functioning of the committees required by law: nomination, remuneration, risk and audit committees)
- Knowledge and understanding of the corporate and supervisory law standards that are particularly relevant to the chairmanship function (e.g. concerning large exposures, related-party transactions, other transactions requiring the approval of the supervisory board, internal auditing with its reporting obligations to the chair of the supervisory board, or bank auditing with regard to regulations, with the corresponding reporting, and, where applicable, the rules governing committees)
- Adequate knowledge of banking and banking operations
- Knowledge of banking finance and accounting that enables the chair of the supervisory board to
  - assess the institution's business activities, including the
  - associated risks, including an understanding of money laundering and terrorist financing risks in connection with the bank's business model, as well as the content and meaning of financial and accounting documents

### **b.i.AR – Individual suitability criteria for supervisory board members (continued):**

- **Skills**
  - With regard to the role and duties of the supervisory board member, the presence of the necessary skills must be assessed. In principle, the following skills are required, although their specific relevance to the respective position must be assessed on a case-by-case basis:
    - Authenticity
    - Language
    - Determination
    - Communication
    - Judgement
    - Customer and quality-oriented
    - Leadership
    - Loyalty
    - External awareness
    - Negotiation skills
    - Persuasive
    - Teamwork
    - Strategic acumen
    - Stress resistance
    - Sense of responsibility
    - Chairing meetings

The internal definitions of the above skills correspond to those set out in the relevant EBA/ESMA guidelines.

**b.i.AR – Collective suitability criteria for the supervisory board:**

When composing supervisory boards, care must be taken to ensure that the members of the supervisory board are collectively capable of effectively questioning and monitoring the decisions of the management, taking into account the business model, risk appetite, strategy and markets in which the institution operates. Therefore, the collective suitability assessment evaluates the knowledge, skills and experience that the candidate contributes to the collective suitability of the supervisory board and whether the composition of the management body as a whole reflects a sufficiently broad range of knowledge, skills and experience to understand the institution's activities and main risks.

Individual members with distinctive specialist knowledge and skills can compensate for other members' less pronounced knowledge in these areas, particularly in view of the desired diversity in terms of educational and professional background.

The collective suitability assessment includes reviewing whether the supervisory board as a whole has the knowledge, experience and skills to effectively supervise the [bank]. The assessment includes the following aspects:

- the institution's business and the main risks associated with it, including, among other things, a sufficient understanding of money laundering and terrorist financing.
  - each of the institution's main areas of activity;
  - relevant areas of sectoral/financial expertise, including financial and capital markets, solvency and models;
  - accounting and reporting;
  - risk management, compliance and internal audit;
  - information technology and security;
  - local, regional and global markets, where applicable;
  - the legal and regulatory environment;
  - sufficient leadership skills and experience to effectively organise supervisory board tasks and assess management decisions;
  - Strategic planning skills;
  - the management of (inter)national groups and risks associated with group structures, where applicable.
- The collective suitability of the Supervisory Board is assessed in three stages:
  - 1.) The supervisory board itself determines the knowledge, skills and experience required for the collective suitability of the supervisory board within the framework of an internally created suitability matrix in accordance with the bank's business model and business and risk strategy (description of the target state).
  - 2.) In order to evaluate whether the required target state of collective suitability has been achieved, an assessment is made of the knowledge, skills and experience actually available within the collective (survey of the actual state). The survey of the actual state of collective suitability is carried out by the Supervisory Board. The existing knowledge, skills and experience are determined, for example, on the basis of personal assessments by the supervisory board based on perceptions of the individual member's previous activities and behaviour, or

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on the basis of information provided by the individual member in the context of a self-assessment. This provides an overall view of the existing knowledge, skills and experience.

- 3.) This assessment of the current status of the actual collective knowledge, skills and experience is compared and evaluated by the Supervisory Board with the knowledge, skills and experience (TARGET) required for the collective suitability of the respective body. The assessment documents the strengths and weaknesses of the Supervisory Board and any training requirements that may be necessary to achieve the desired target level of collective suitability. The assessment of collective suitability thus prepared is also used as a basis for the Bank's succession planning in order to determine the required profile of a new member in the course of a new appointment.

### **b.ii Information on the actual knowledge, skills and experience of the individual members of the Supervisory Board and Management Board**

Management body in a supervisory function: the Supervisory Board of Partner Bank

- Mag. Alois Manhartsgruber, MBA (Chairman)

Tax consulting and auditing expert (managing director of the company "Wirtschaftstreuhand GmbH")

- Dr Faramarz Ettehadieh-Rachti (Deputy Chairman)

Doctor of Economics (JKU Linz) – thesis on asset management companies, dissertation on the subject of equity investment and investment companies (1974).

Dr. Ettehadieh has over 53 years of diverse experience in the property development industry.

In 1992, he founded the bank, which has been operating as Partner Bank AG since 1997 – at the time of its founding, it was the first private bank in Upper Austria since the establishment of the Second Republic.

Interest in business journalism: In 1995, played a key role in founding the Austrian daily newspaper Wirtschaftsblatt, at that time the only Austrian daily newspaper focusing on business.

Charitable and social activities: In 1992, he personally founded the non-profit foundation "Two Wings", an association that actively promotes educational programmes in developing countries, especially for girls and women.

- Dr Manfred Drennig

1981-1992: Member of the Executive Board of the Austrian Länderbank

1989-1992: Chairman of the Credit Section of the Vienna Chamber of Commerce, and thus also a member of the Presidium of the Vienna Chamber of Commerce

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Also active in social policy (member of the Dr. Karl Kummer Institute since 1963) and social welfare (member of the board of the Austrian Blind Welfare Association since 2005)

Former member of a number of supervisory boards of Austrian companies, including: Porr AG, Hallein Papier, Österreichische Investkredit, and Interunfall (*company abbreviations*)

- Dr Sahba Enayati

Certified commercial investment advisor (since 2008)

Since 2014: Board member and managing director of an Austrian real estate management company

2005 - 2008: Head of the Internal Medicine Department at the St. Stephan Private Clinic, Wels

2009–2014: Senior physician, Wels-Grieskirchen Hospital

- Dr Michael Krammer

1978–1982 Economist at the Austrian Länderbank, Vienna

1982–2010: Economic advisor at BAWAG, Vienna

Lay judge at the Vienna Labour and Social Court (otherwise already retired)

- Univ.Prof. Dr. Barbara Krumay, Bakk., MSc (WU)

Since 2019: Head of the Institute for Information Systems at Johannes Kepler University Linz

Since 2021: Dean for Research & Impact, JKU Business School

- Alexander Hüttner

Since 2016: Managing Partner, *Denkmair Hutterer Hüttner Waldl* Rechtsanwälte GmbH, Solicitor

Currently: Member of the respective foundation boards of three Austrian private foundations

- KR Freimut Dobretsberger

1977-1998: first member of the board, then general director and chairman of the board of the "Bank der österreichischen Postsparkasse / PSK-BANK", and  
from 1989 to 1991 member of the board of directors of "Österreichische Credit-Institut AG".

Former member of a number of supervisory boards of Austrian companies, including Constantia Corp. Finance AB, PSK-Leasing AG, PSK-Versicherungsdienst-GmbH, and NOVIS INSURANCE Bratislava.



Management body in a management function: the Management Board of Partner Bank

- Mag. Elham Ettehadieh

Chronological career at Partner Bank AG:

- 11/2006: Joined Partner Bank as a sales assistant
- 01/2007-11/2007: Internal trainee programme
- From 11/2007: Assistant to the entire Board of Directors
- 02/2008-09/2008: Focus on securities management
- From 11/2008: Head of the Product Development/Marketing/PR department
- Since 11/2010: Authorised signatory
- From 09/2011: Head of the Training Department
- From 01/2012: Member of the project steering group
- From May 2012: Member of the Risk Committee
- Since May 2013: Member of the Executive Board

- Dr Sarvenas Enayati-Ettehadieh

Chronological career at Partner Bank AG:

- 01/2006: Joined Partner Bank as project manager in the areas of customer information and public relations
- 06/2006 -04/2007: Internal trainee programme
- 12/2007-05/2013: Product Development/Marketing/PR Department
- From 06/2013: Head of Product Development/Marketing/PR department with power of attorney
- Since 02/2016 to 12/2024: Member of the Executive Board

- Andreas Fellner, MSc

- 1986–1991: Volksbank Wels
- 1988–1991: Softwarehouse Huemer – Programming and Systems
- 1992–1998: Imperial AG IT – Project Development



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- Since 1999: Career at Partner Bank AG – specifically:
  - until 09/2005: Head of IT and Organisation
  - Since 10/2005 to 12/2024: Member of the Board of Directors
- Thomas Üblacker, MSc MBA
  - 2012–2015: Specific-Group Austria
  - 2015 - 2018: Ergo Austria International AG –  
Innovation Management and Digitalisation
  - 2019–2020: ING Austria – Business Development Protection
  - Since 07/2020: Career at Partner Bank AG – namely:
    - until 07/2021: Chief Innovation Officer
    - 08/2021–end of 2024: Chief Innovation Officer and Head of IT
    - Since 12/2024: Member of the Executive Board (current responsibilities: CIO and Head of Back Office –  
Mr Üblacker joined the Management Board on 1 December 2024)

### c. Diversity strategy for the selection of members of the management body of Partner Bank

Legal basis: CRR Art. 435(2)(c) / Disclosure table EU OVB **line c** from Implementing Regulation (EU) 2021/637

*(Diversity strategy for the selection of members of the management body)*

When appointing members of the Management Board and Supervisory Board, care is taken to include a wide range of skills, characteristics and competencies in order to achieve a diversity of views and experiences and to facilitate independent opinion-forming and efficient and balanced decision-making in the Management Board and Supervisory Board. In order to ensure equal opportunities for all genders, appropriate measures are taken to ensure a balanced composition of personnel in management positions and thus to ensure a balanced pool of candidates for the supervisory board and management board. Appropriate measures include, for example, training and education. In addition, measures are taken to ensure adequate representation of all genders on the management board and supervisory board itself. In the event that the supervisory board is filled with employee representatives of the underrepresented gender, additional measures are taken to ensure a balanced gender ratio.

The individual members of the Management Board and Supervisory Board are assessed in terms of their educational and professional background, industry knowledge, gender and age in order to ensure an appropriate level of diversity.

As part of the Supervisory Board's annual re-evaluation of the Management Board and Supervisory Board, compliance with diversity targets is documented and, if targets are not met, reasons are given and measures are taken.

## DISCLOSURE

### Further comments on the general framework of the diversity culture at Partner Bank

The following measures are taken to achieve the diversity targets (not limited to the Management Board and Supervisory Board):

- For all appointments, a balanced number of potential candidates of all genders are included in the list of applicants.
- In selection procedures, preference is given to representatives of the underrepresented gender if qualifications are equal
- Active invitations to representatives of the underrepresented gender to apply for positions
- Targeted career development for managers of the underrepresented gender
- Inclusion of diversity in the corporate mission statement
- Ensure gender-neutral remuneration
- Commitment to diversity in annual reports and other external communications
- Examples of improved reintegration after parental leave:
  - Enabling and promoting equal use of parental leave
  - Increased use of home office for parents
  - Granting special care leave

In addition, in the interests of sustainable succession planning, the Bank ensures that the principles of diversity are also implemented for its employees in order to enable a sufficient pool of candidates for positions on the Management Board and Supervisory Board.

### General editorial note on this document – ideally inserted here:

*In some places in this document, the masculine form is used for both masculine and feminine forms for reasons of readability only. However, this grammatical simplification to improve readability does not imply anything else.*

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**Corporate governance / Fit & Proper – Section 65a BWG (cross-reference)**

## DISCLOSURE



Note: The above information on corporate governance regulations primarily relates to compliance with the precisely defined disclosure requirements under CRR. The additional Austrian domestic legal disclosure requirement on closely related topics, pursuant to Section 65a BWG "*Disclosures concerning corporate governance and remuneration*", is fulfilled by Partner Bank in a separate document. The latest version of this document is also available on the Partner Bank website – at the following link...

**Direct link:** <https://www.partnerbank.at/en/disclosure-statement-bwg>

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### Regulatory standards of Pillar 1 (CRR Art. 437 lit. a/ 438 lit. d/ 447)

Note on the quantitative disclosure content provided in the tables below: where feasible, the following transparency requirement from Art. 431(4) CRR is implemented –

*All quantitative disclosures shall be accompanied by a qualitative description and other supplementary information that may be necessary to enable users of this information to understand the quantitative disclosures, (...).*

(Editorial note: this section continues on the following page for page format reasons)

### Composition of regulatory own funds (Part 1 of the complete reconciliation in accordance with Article 437(a) CRR)

Legal basis: CRR Art. 437(a) / Disclosure reporting form **EU CC1** from Implementing Regulation (EU) 2021/637 (*only the applicable mandatory lines of the reporting form are shown in the table below*).

## DISCLOSURE

<b>Meldebogen EU CC1 – Zusammensetzung der aufsichtsrechtlichen Eigenmittel</b>		<b>Spalte a)</b>	<b>Spalte b)</b>
		<b>Beträge (in Euro, bzw. in %) per 31.12.2024</b>	<b>Quelle nach Referenznummern zur Bilanz (siehe Tabelle EU CC2, in Teil 2 unten), hier im aufsichtsrechtlichen Konsolidierungskreis</b>
<b>Hartes Kernkapital (CET1): Instrumente und Rücklagen</b>			
1	Kapitalinstrumente und das mit ihnen verbundene Agio	8.425.536,56	( 1 )
	davon: voll einbezahlte Kapitalinstrumente	8.425.536,56	
2	Einbehaltene Gewinne	0	
3	Kumuliertes sonstiges Ergebnis (und sonstige Rücklagen)	544.880,66	( 2 ) - siehe dazu die Fußnote hier unten
EU-3a	Fonds für allgemeine Bankrisiken	0	
4	Betrag der Posten im Sinne von Artikel 484 Absatz 3 CRR zuzüglich des damit verbundenen Agios, dessen Anrechnung auf das CET1 ausläuft	0	
5	Minderheitsbeteiligungen (zulässiger Betrag in konsolidiertem CET1)	0	
EU-5a	Von unabhängiger Seite geprüfte Zwischengewinne, abzüglich aller vorhersehbaren Abgaben oder Dividenden	0	
6	<b>Hartes Kernkapital (CET1) vor regulatorischen Anpassungen</b>	<b>8.970.417,22</b>	
<b>Hartes Kernkapital (CET1): regulatorische Anpassungen</b>			
7	Zusätzliche Bewertungsanpassungen (negativer Betrag)	0	
8	Immaterielle Vermögenswerte (verringert um entsprechende Steuerschulden) (negativer Betrag)	-146.137,39	( 3 ) - siehe dazu die Fußnote hier unten
29	<b>Hartes Kernkapital (CET1)</b>	<b>8.824.279,83</b>	
<b>Zusätzliches Kernkapital (AT1): Instrumente --&gt; keine Einträge</b>			
44	Zusätzliches Kernkapital (AT1)	0	
45	<b>Kernkapital (T1 = CET1 + AT1)</b>	<b>8.824.279,83</b>	
<b>Ergänzungskapital (T2): Instrumente --&gt; keine Einträge</b>			
58	Ergänzungskapital (T2)	0	
59	<b>Gesamtkapital (TC = T1 + T2)</b>	<b>8.824.279,83</b>	
60	<b>Gesamtrisikobetrag</b>	<b>36.525.204,40</b>	
<b>Kapitalquoten und -anforderungen einschließlich Puffer</b>			
61	Harte Kernkapitalquote (%)	24,16	
62	Kernkapitalquote (%)	24,16	
63	Gesamtkapitalquote (%)	24,16	
64	Anforderungen an die harte Kernkapitalquote des Instituts insgesamt (%)	9,00	
65	davon: Anforderungen im Hinblick auf den Kapitalerhaltungspuffer (%)	2,50	
66	davon: Anforderungen im Hinblick auf den antizyklischen Kapitalpuffer (%)	0,14	
67	davon: Anforderungen im Hinblick auf den Systemrisikopuffer (%)	0	
EU-67a	davon: Anforderungen im Hinblick auf die von global systemrelevanten Instituten (G-SII) bzw. anderen systemrelevanten Institute (O-SII) vorzuhaltenden Puffer (%)	0	
EU-67b	davon: zusätzliche Eigenmittelanforderungen zur Eindämmung anderer Risiken als des Risikos einer übermäßigen Verschuldung (%)	1,86	
68	<b>Harte Kernkapitalquote (ausgedrückt als Prozentsatz des Risikopositionsbetrags) nach Abzug der zur Erfüllung der Mindestkapitalanforderungen erforderlichen Werte</b>	<b>12,85</b>	
<b>Beträge unter den Schwellenwerten für Abzüge (vor Risikogewichtung) --&gt; keine Einträge</b>			
<b>Anwendbare Obergrenzen für die Einbeziehung von Wertberichtigungen in das Ergänzungskapital</b>			
76	Auf das Ergänzungskapital anrechenbare Kreditrisikoanpassungen in Bezug auf Forderungen, für die der Standardansatz gilt (vor Anwendung der Obergrenze)	0	
77	Obergrenze für die Anrechnung von Kreditrisikoanpassungen auf das Ergänzungskapital im Rahmen des Standardansatzes	231.507,52	

The following lines, which are not applicable to Partner Bank AG or the credit institution group, have been deliberately omitted from the complete sequence of line numbering in the original EU CC1 table: **10-28, 30-43, 46-57, 72-75, 78-85**. The table lines already marked as "omitted" in the original EU OV1 table are not included here.

**Footnote to (2)** in the reference number column b) of the above table:

## DISCLOSURE

The amount of €544,880.66 consists of two partial amounts, both of which must be subsumed under this item of Common Equity Tier 1 capital as own funds in accordance with CRR:

- the liability reserve of Partner Bank AG in accordance with Section 57 (5) of the Austrian Banking Act (BWG) in the amount of €400,000.00
- the retained earnings from the previous year 2023 accumulated in the consolidated result, amounting to €144,880.66.

**Footnote to (3)** in the reference number column b) of the table above:

Article 36 of the CRR ("Deductions from Common Equity Tier 1 items") and paragraph 1(b) thereof stipulate the following deduction requirement from Common Equity Tier 1 (CET1) capital: the following shall be deducted...

"intangible assets, except for prudently valued software assets whose value is not adversely affected by the resolution, insolvency or liquidation of the institution".

The negative amount of 146,137.39 reported here is only a small part of the total amount of all intangible fixed assets in the FSED consolidated balance sheet, which amounts to 670,392.47. The difference of €524,255.08 results precisely from the existing conservatively valued software assets, which must be accounted for without exception in the individual institution (not in the parent financial holding company FSED). These are completely exempt from the deduction requirement due to the above CRR requirement in Article 36(1)(b), according to which the remaining intangible assets remain at the stated amount and are to be deducted from Common Equity Tier 1 capital.

(Editor's note: the next section continues on the following page for page format reasons)

## Reconciliation of regulatory capital with the audited balance sheet (Part 2 of the full reconciliation pursuant to Article 437(a) CRR)

Legal basis: CRR Art. 437 letter a / Disclosure reporting form **EU CC2** from Implementing Regulation (EU) 2021/637 (only the applicable mandatory lines of the reporting form are shown in the table below).

Meldebogen EU CC2 – Abstimmung der aufsichtsrechtlichen Eigenmittel mit der in den geprüften Abschlüssen enthaltenen Bilanz		Spalte a)	c)
		Bilanz laut veröffentlichtem Abschluss für den FSED-Konzern, Konsolidierungskreis für Rechnungslegungszwecke - ist ident mit aufsichtsrechtlichem Konsolidierungskreis	Verweis zu Tabelle EU CC1, in Teil 1 oben
		Beträge (in Euro) per 31.12.2024	
<b>Aktiva – Aufschlüsselung nach Aktiva-Klassen gemäß der im veröffentlichten Jahresabschluss enthaltenen Bilanz</b>			
1	Kassenbestand, Guthaben bei Zentralnotenbanken	19.595.673,34	
2	Schuldtitel öffentlicher Stellen	102.963,96	
3	Forderungen an Kreditinstitute	2.157.668,10	
4	Forderungen an Kunden	2.942.923,52	
5	Schuldverschreibungen und andere festverzinsliche Wertpapiere	305.468,92	
6	Aktien und andere nicht festverzinsliche Wertpapiere	2.037.009,25	
7	Beteiligungen	1.300,00	
8	Immaterielle Vermögensgegenstände des Anlagevermögens	670.392,47	( 3 ) - siehe dazu die Fußnote hier unten
9	Sachanlagen	9.130.290,02	
10	Sonstige Vermögensgegenstände	1.956.491,51	
11	Rechnungsabgrenzungsposten	507.890,45	
	<b>Summe der Aktiva:</b>	<b>39.408.071,54</b>	
<b>Passiva – Aufschlüsselung nach Passiva-Klassen gemäß der im veröffentlichten Jahresabschluss enthaltenen Bilanz</b>			
1	Verbindlichkeiten gegenüber Kreditinstituten	0,00	
2	Verbindlichkeiten gegenüber Kunden	24.080.081,97	
3	Sonstige Verbindlichkeiten	4.528.793,50	
4	Rechnungsabgrenzungsposten	6.000,00	
5	Rückstellungen	1.125.900,00	
6	<b>Eigenkapital - HIEVON:</b>		
6.1	Stiftungskapital	8.425.536,56	( 1 )
6.2	Gewinnrücklagen	0,00	
6.3	Haftrücklage gemäß § 57 Abs 5 BWG	400.000,00	( 2 ) - siehe Fußnote u.
6.4	Bilanzgewinn (Vorjahr, auf Stand 01.01.2024)	144.880,66	( 2 ) - siehe Fußnote u.
6.5	Konzernergebnis aus GJ. 2024	696.878,85	
	<b>Summe der Passiva:</b>	<b>39.408.071,54</b>	

**Footnote to (3)** in reference column c) of the table above / line no. **Assets-8:**

See the corresponding footnote to (3) after the first EU CC1 table above, which immediately shows the reason for the difference of €524,255.08 between the two amounts.

**Footnote to (2)** in reference column c) of the table above / lines No. **Liabilities-6.3** and **Liabilities-**

**6.4:** See the corresponding footnote to (2) after the first EU CC1 table above: these two amounts must be summarised under "accumulated other comprehensive income and reserves".

## Total risk amounts and own funds requirement (CRR Art. 438 lit. d)

Legal basis: CRR Art. 438(d) / Disclosure reporting template **EU OV1** from Implementing Regulation (EU) 2021/637 (only the applicable mandatory lines of the reporting template are shown in the table below).

As at the reporting date of 31 December 2024, Partner Bank AG used the standardised approach for credit risk in Basel Pillar 1, the standardised approach for currency risk (open foreign currency position) and the basic indicator approach for operational risk.

These three Pillar 1 risk types are presented as follows for the reporting dates 31 December 2024 and 31 December 2023 – only with regard to the *total risk exposure amount* (TREA):

		<b>Gesamtrisikobetrag</b> (Total Risk Exposure Amount)		<b>Eigenmittel-</b> <b>anforderungen</b> <b>insgesamt</b>
		Spalte a	Spalte b	Spalte c
<b>Meldebogen EU OV1 – Übersicht über die Gesamtrisikobeträge</b>		<b>31.12.2024</b>	<b>31.12.2023</b>	<b>31.12.2024</b>
1	Kreditrisiko (ohne Gegenparteiausfallrisiko)	18.520.601,52	20.483.952,77	1.481.648,12
2	Davon: Standardansatz	18.520.601,52	20.483.952,77	1.481.648,12
20	Positions-, Währungs- und Warenpositionsrisiken (Marktrisiko)	2.835.832,00	2.148.020,00	226.866,56
21	Davon: Standardansatz	2.835.832,00	2.148.020,00	226.866,56
23	Operationelles Risiko	15.168.770,88	13.222.459,00	1.213.501,67
EU 23a	Davon: Basisindikatoransatz	15.168.770,88	13.222.459,00	1.213.501,67
29	<b>Gesamtsumme (alle Beträge in Euro) -</b>	<b>36.525.204,40</b>	<b>35.854.431,77</b>	<b>2.922.016,35</b>

Due to its relatively high capital base, Partner Bank AG does not apply credit risk mitigation techniques in accordance with Title II, Chapter 4 of the CRR when calculating its capital requirements for credit risk.

To date, Partner Bank AG has not used any derivatives to hedge market risks. Therefore, no capital requirements for counterparty credit risk (CCR) are applicable. Likewise, there are no securitisation positions in the banking book, nor are any planned.

The extremely low investment positions (total book value below EUR 2,000) are recorded together with the own funds requirement for credit risk; due to their insignificance, a separate determination based on an approach for investment risk is not carried out.

The small trading book pursuant to Article 94 CRR does not require separate treatment of market risks in accordance with Part 3 Title IV CRR or settlement risks in accordance with Article 378 CRR. Large exposures in the trading book in accordance with the requirements of Article 92(3)(b)(ii) CRR are therefore not present or planned.

Items with a credit risk standardised approach risk weight of 250% in accordance with Article 48(4) CRR, for which an amount below the deduction thresholds would have to be disclosed, are also not present.

This leaves only the data rows shown above in the EU OV1 disclosure form as the only mandatory rows in this table applicable to Partner Bank AG. In other words, the following lines, which are not applicable to Partner Bank AG or the credit institution group, are deliberately omitted from the complete sequence of line numbering: **3, 4, 5, 6, 7, 8, 8a, 8b, 9, 15, 16, 17, 18, 19, 19a, 22, 22a, 23b, 23c.**

## DISCLOSURE

The table lines already marked as "not applicable" in the original EU OV1 table are not included here.

### Key parameters from Pillar 1 (CRR Art. 447 lit. a-g / Art. 438 lit.b)

Legal basis: CRR Art. 438 letter b (alone), as well as Article 447 letters a to g / **EU KM1** disclosure reporting form from Implementing Regulation (EU) 2021/637 (*only the applicable mandatory lines of the reporting form are shown in the table below*).

#### Important note on own funds components:

The eligible own funds of Partner Bank AG consist exclusively of CET1 core capital. No supplementary capital or subordinated capital is recognised. Intangible assets are deducted in accordance with Article 36(1)(b) CRR.

In the table below showing *the key metrics* (exclusively from Pillar 1), lines **EU8a, EU9a and 10 and their sub-line 10a** are deliberately omitted from the complete sequence of line numbering. These would be used to report additional capital buffers that are not applicable in the case of Partner Bank AG (the applicable capital buffers are already included in lines 8 and 9 of the table).

Monetary amounts are stated in euros to the nearest cent; percentages are stated to two decimal places (as explicitly specified in Implementing Regulation EU-2021/637). Percentages are distinguished by italic type and the notation "(%)" at the end of the row title.

(Editorial note: this section is continued on the following page for page format reasons)



<b>Meldebogen EU KM1 – Schlüsselparameter</b>		Spalte a	Spalte e
		<b>T = 31.12.2024</b>	<b>(T-4) = 31.12.2023</b>
Zeile	<b>Verfügbare Eigenmittel (Beträge)</b>		
1	Hartes Kernkapital (CET1)	8.824.279,83	6.550.067,60
2	Kernkapital (T1)	8.824.279,83	6.550.067,60
3	Gesamtkapital	8.824.279,83	6.550.067,60
<b>Risikogewichtete Positionsbeträge</b>			
4	Gesamtrisikobetrag	36.525.204,40	35.390.251,03
<b>Kapitalquoten (in % des risikogewichteten Positionsbetrags)</b>			
5	Harte Kernkapitalquote (CET1-Quote) (%)	24,16	18,51
6	Kernkapitalquote (%)	24,16	18,51
7	Gesamtkapitalquote (%)	24,16	18,51
<b>Zusätzliche Eigenmittelanforderungen für andere Risiken als das Risiko einer übermäßigen Verschuldung (in % des risikogewichteten Positionsbetrags)</b>			
EU 7a	Zusätzliche Eigenmittelanforderungen für andere Risiken als das Risiko einer übermäßigen Verschuldung (%)	3,3	3,3
EU 7b	Davon: in Form von CET1 vorzuhalten (Prozentpunkte)	1,86	1,86
EU 7c	Davon: in Form von T1 vorzuhalten (Prozentpunkte)	2,48	2,48
EU 7d	SREP-Gesamtkapitalanforderung (%)	11,3	11,3
<b>Kombinierte Kapitalpuffer- und Gesamtkapitalanforderung (in % des risikogewichteten Positionsbetrags)</b>			
8	Kapitalerhaltungspuffer (%)	2,5	2,5
9	Institutspezifischer antizyklischer Kapitalpuffer (%)	0,14	
11	Kombinierte Kapitalpufferanforderung (%)	2,64	2,5
EU 11a	Gesamtkapitalanforderungen (%)	13,94	13,8
12	Nach Erfüllung der SREP-Gesamtkapitalanforderung verfügbares CET1 (%)	12,86	7,21
<b>Verschuldungsquote</b>			
13	Gesamtrisikopositionsmessgröße	40.987.996,27	34.944.136,47
14	Verschuldungsquote (%)	21,53	18,74
<b>Zusätzliche Eigenmittelanforderungen für das Risiko einer übermäßigen Verschuldung (in % der Gesamtrisikopositionsmessgröße)</b>			
EU 14a	Zusätzliche Eigenmittelanforderungen für das Risiko einer übermäßigen Verschuldung (%)	0	0
EU 14b	Davon: in Form von CET1 vorzuhalten (Prozentpunkte)	0	0
EU 14c	SREP-Gesamtverschuldungsquote (%)	3	3
<b>Anforderung für den Puffer bei der Verschuldungsquote und die Gesamtverschuldungsquote (in % der Gesamtrisikopositionsmessgröße)</b>			
EU 14d	Puffer bei der Verschuldungsquote (%)	0	0
EU 14e	Gesamtverschuldungsquote (%)	3	3
<b>Liquiditätsdeckungsquote</b>			
15	Liquide Aktiva hoher Qualität (HQLA) insgesamt (gewichteter Wert – Durchschnitt)	19.550.486,61	13.041.841,34
EU 16a	Mittelabflüsse – Gewichteter Gesamtwert	3.877.253,72	3.399.947,87
EU 16b	Mittelzuflüsse – Gewichteter Gesamtwert	2.416.638,27	2.247.090,39
16	Nettomittelabflüsse insgesamt (angepasster Wert)	1.460.615,45	1.152.857,48
17	Liquiditätsdeckungsquote LCR (%)	1.338,51	1.131,26
<b>Strukturelle Liquiditätsquote</b>			
18	Verfügbare stabile Refinanzierung, gesamt	29.199.681,76	23.263.954,74
19	Erforderliche stabile Refinanzierung, gesamt	14.038.321,77	14.737.702,09
20	Strukturelle Liquiditätsquote NSFR (%)	208,00	157,85

## Remuneration policy of Partner Bank AG – Qualitative part of the remuneration report (CRR Art. 450 (1), letters a-c)

This entire section of the document (up to the beginning of the next section, "Remuneration granted for the 2024 financial year", on page 51 of the document) represents the EU REMA disclosure table from Implementing Regulation (EU) 2021/637 (*only the applicable mandatory lines of this table are presented in detail in the following 8 individual sections a. to h.*).

Overall legal basis: Article 435(1) CRR.

### a. The bodies responsible for remuneration supervision and their decision-making processes (CRR Art. 450(1)(a))

Legal basis: CRR Art. 450(1)(a) / Disclosure table EU REMA **line a** from Implementing Regulation (EU) 2021/637

#### a.i Main bodies responsible for remuneration supervision

The Management Board is responsible for adopting the remuneration policy and implementing it. In doing so, it must take into account the management, monitoring and limitation of risks in accordance with Section 39 (2b) Z 1 to 14 BWG, the capital adequacy and liquidity, as well as the long-term interests of shareholders, investors and employees.

At PARTNER BANK, the Supervisory Board is responsible for approving the general principles of the remuneration policy and reviewing them on a regular basis. The Supervisory Board approves the general principles of the remuneration policy and reviews them at least once a year.

The Management Board is responsible for the operational implementation and internal execution, and reports to the Supervisory Board at least once a year. The Human Resources, Risk Management and Compliance departments must be demonstrably involved in the preparation and revision of the policy.

A remuneration committee is only mandatory in accordance with Section 39c of the Austrian Banking Act (BWG) for balance sheet totals of €1 billion or more. For balance sheet totals of less than €1 billion, Section 39c BWG does not provide for a voluntary remuneration committee.

The remuneration policy is reviewed once a year by an independent internal body. In addition, the internal audit department checks at least once a year whether the remuneration practice has been implemented in accordance with the remuneration policy established by the Supervisory Board.

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**a.ii Scope of the remuneration policy**

Remuneration is understood to mean any type of payment for the provision of services made by PARTNER BANK and its affiliated companies to relevant persons. Relevant persons are those who can significantly influence the services provided and/or the conduct of the bank, including persons who, as employees in the sales department with customer contact, as field staff and/or other employees involved in the provision of investment services and/or ancillary services, and whose remuneration may provide inappropriate incentives not to act in the best interests of the customer. This also includes contractually bound intermediaries of the Bank.

In accordance with the principle of proportionality, Section 39b of the Austrian Banking Act (BWG) stipulates that the principles of remuneration limitation shall apply to the extent appropriate to the size, internal organisation and nature, scope and complexity of the business, the categories of staff, the nature and level of their remuneration and the impact of their activities on the risk profile of the bank.

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**a.iii Employees/categories of employees with a significant influence on the institution's risk profile (in short: identified employees)**

Identified employees include members of the management board, risk takers and employees with control functions. Examples of the latter group include the heads of compliance, risk management, controlling, internal audit and human resources.

Furthermore, Section 39b BWG covers employees who belong to the same remuneration group as those mentioned above and whose activities have a significant impact on the risk profile of the credit institution. These are employees whose activities, regardless of the corporate hierarchy, are inherently linked to the intended assumption of banking and banking operational risks within the meaning of Section 39 BWG (e.g. trading, lending, etc.).

Since 2014, DeIVO (EU) 604/2014 has regulated the qualitative and quantitative criteria according to which employees are to be included.

The following units or departments are those with identified employees:

- Executive Board
- Compliance
- AML
- Legal
- Controlling / RW
- Treasury
- Internal auditing
- HR
- Securities research and management / Trading
- Services (including credit) / Contract Management / Account Only (including credit)
- Business Development (Austria and Hungary)
- Branch office in Czechia
- Digital Innovation Office (including IT infrastructure and operations)
- Risk Management/ICS
- Banking processes – product governance

## DISCLOSURE

In any case, from an economic perspective and even without formal classification, all employees whose activities or remuneration category correspond to the categories of senior management, risk takers and employees with control functions must be included.

### **b. Design and structure of the remuneration system, in particular for the identified employees (CRR Art. 450(1)(b) and (c))**

Legal basis: CRR Art. 450 (1) (b) and (c) / Disclosure table EU REMA **line b** from Implementing Regulation (EU) 2021/637

*(Information on the design and structure of the remuneration system for identified employees)*

#### **b.i Key features and objectives of the remuneration policy**

The remuneration policy distinguishes between criteria for determining the fixed and variable remuneration components. This distinction is to be made on the basis of the following criteria in particular:

- Criteria for determining the fixed remuneration component:
  - relevant professional experience and
  - specific activities performed within the respective organisational structure, taking into account the associated responsibilities;
- Criteria for determining the variable remuneration component:
  - sustainable and risk-adjusted performance and
  - performance that exceeds the specified performance targets.

Variable remuneration for the above-mentioned departments or units with identified employees is determined in advance by contract and complies with the principles of the remuneration policy and practices in accordance with Sections 39 ff BWG and the EBA guidelines for sound remuneration.

#### **b.ii Review of the remuneration policy in the previous year and any changes made**

The version of the remuneration policy valid on the disclosure date of 31 December 2024 was dated September 2024. Since then, until the publication of this disclosure report (beginning of September 2025), a further review and approval of the remuneration policy by the Management Board was carried out in May 2025. The changes made relate, on the one hand, to an addition to the list, as in point a.iii above, of units with identified employees. On the other hand, in the paragraph as in section d. below, in the last paragraph, an adjustment was made to the materiality threshold defined by the FMA (now valid as specified: €50,000.00 per annum or

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33.3% of the annual fixed salary). A further amendment and subsequent implementation of the remuneration policy is still in progress at the time of publication and is expected to be completed in September 2025.

### **b.iii Remuneration of employees in internal control functions is independent of the business areas being controlled**

The independence of the control bodies is ensured on the one hand by a strict separation of functions and on the other hand by agreeing on independent objectives. PARTNER BANK has both an independent risk management department and an independent compliance department, which systematically identify, measure and control risks and conflicts of interest in accordance with standard banking practices. A clear separation between the market departments and the control functions has been implemented. The principles and methods of these control units are laid down in manuals and internal guidelines. Reports are submitted to the entire Management Board and the Supervisory Board.

Employees with control functions are independent of the business areas they control and have sufficient authority. They are remunerated according to the achievement of the objectives associated with their tasks, regardless of the performance of the areas they control.

Employees responsible for risk management and compliance do not receive any variable remuneration other than the general profit-sharing scheme.

### **b.iv Regulations and criteria according to which guaranteed variable remuneration and severance payments are granted**

In the case of Partner Bank, there are no guaranteed variable payments.

*Severance payments* in the narrow sense of this remuneration policy, i.e. as *voluntary severance payments*, are also not granted by Partner Bank. Voluntary pension payments (i.e. from a company pension fund or similar) are also not provided for.

In contrast to these severance payments, *statutory* severance payments are paid to departing employees in accordance with the statutory provisions in Austria (i.e. for the "old severance payment" in accordance with the provisions of Section 23 of the Employees Act; or for the "new severance pay" in accordance with the "Company Employee and Self-Employed Pension Act" – with 1 January 2003 as the cut-off date for the change from "old severance pay" to "new severance pay").

## c. Remuneration procedures take risks (current/future) into account (CRR Art. 450 (1) (b) and (c))

Legal basis: CRR Art. 450 (1) (b) and (c) / Disclosure table EU REMA **line c** from Implementing Regulation (EU) 2021/637

*(description of how remuneration procedures take current and future risks into account)*

### **c.i Ex-ante and ex-post risk adjustment**

Performance measurement is designed in such a way that risks and, as a result, any threat to own funds and liquidity are largely ruled out. Income from risks is mostly short-term in nature, whereas their effects tend to be long-term. The management board contracts do not prevent the assumption of short-term risks through individual variable remuneration entitlements. In general, the agreements on variable remuneration do not expressly include any criteria that would encourage the employees concerned to take risks.

Relevant insertion here: Proof of proportionality criteria with regard to three so-called *neutralisable* remuneration principles in the appendix to Section 39b – items 11, 12 and 12 (a)

Due to low complexity, the application of the special principles pursuant to items 11, 12 and 12 (a) of the annex to Section 39b BWG can be dispensed with at the bank in accordance with the principle of proportionality. The bank does not have instruments such as those provided for in section 11, and further reference is made here to a statement by the FMA<sup>7</sup> on sections 12 and 12(a) of the Annex to Section 39b BWG.

The Bank justifies this by including the following facts relating to size criteria:

The status of the following seven size criteria is monitored annually on 31 December:

- Total number of employees
- Total assets (this is in any case a multiple smaller than the "benchmark" of €1 billion)
- Total deposit volume and balance sheet customer liabilities
- Outstanding Lombard loans
- Furthermore: no derivative transactions
- Furthermore: small trading book
- Nostro deposits that are used directly for the settlement of customer trades:

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<sup>7</sup> Letter from the FMA to the Federal Banking Division of the Austrian Federal Economic Chamber, dated 20 April 2011.

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To mitigate the risks directly associated with these nostro deposits, the statutory quantitative regulations apply on the one hand, and on the other hand, the Partner Bank's internal "Portfolio Governance Code" set out in the Securities Management Manual.

- Nostro management:

In addition to the statutory limits pursuant to CRR and CRD (Basel IV Directive), the handling of other nostro positions is governed by binding internal guidelines.

- Risk management: see the explanations under point c.ii below.

### **c.ii Overview of the impact of the measurement of key risks on remuneration**

Partner Bank's remuneration policy takes into account all risks known to the bank in accordance with the current status of risk management.

The various types of risk, such as credit risk, concentration risk, trading book risks, operational risk, etc., are monitored on an ongoing basis. Based on the risk manual, the risk manager takes further steps to ensure effective risk management. In addition, stress tests are carried out periodically, assuming certain stress scenarios. All defined risks are discussed at the quarterly risk meetings.

Particular care has been taken to ensure that the assumption of risks is neither promoted nor encouraged beyond the level tolerated by the bank.

The remuneration regulations for employees (or for external sales, in particular through contractually bound agents) and for the Management Board are designed in such a way that, within the framework of the business strategies implemented and approved by the Management Board and Supervisory Board, the alignment of remuneration with risk behaviour cannot be undermined.

Sustainability risks in remuneration policy, as a special topic:

The Bank's remuneration structure does not encourage excessive risk-taking with regard to sustainability risks and does not give rise to conflicts of interest in the provision of services with regard to sustainability risks. The variable remuneration components at the Bank therefore have no impact on the management of sustainability risks.

### **d. Ratio of fixed to variable remuneration components:**

Legal basis: CRR Art. 450(1)(d) / Disclosure table EU REMA **line d** from Implementing Regulation (EU) 2021/637

*(The values for the ratio between the fixed and variable remuneration components determined in accordance with Article 94(1)(g) CRD)*



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Fixed components predominate in the total remuneration. Variable remuneration for all employees is based solely on a sustainable collective profit-sharing scheme linked to the bank's EGT, which is limited for each employee on the basis of their respective gross annual salary. With regard to the Management Board, fixed and variable components are in an appropriate ratio, with the fixed remuneration component being high enough to allow for a flexible policy with regard to variable remuneration components without restriction and to allow for the complete waiver of variable remuneration.

Each member of the Management Board is entitled to profit sharing amounting to 3% of the average EGT of the last three years. The amount of the variable remuneration component may not exceed the amount of the fixed remuneration component.

For non-identified employees, the materiality threshold defined by the FMA, which applies to identified employees, of €30,000.00 per annum or 25% of the annual fixed salary does not apply (these values are still valid as at 31 December 2024 – see point **b.ii** above).

As a special case, the Executive Board may award a one-off or only once-a-year bonus of up to €12,000 per annum and per person for special achievements by individual employees in the context of individual project work.

### e. Linking the result, over the longer period of a performance measurement, to the amount of variable remuneration

Legal basis: CRR Art. 450(1)(e) / Disclosure table EU REMA **line e** from Implementing Regulation (EU) 2021/637

*(Description of how the institution endeavours to link the result during the performance measurement period to the amount of remuneration)*

#### e.i Criteria and parameters for measuring results and performance

Performance-related remuneration is linked to the business policy, strategy and earnings of Partner Bank AG and takes into account both individual performance and overall results. All remuneration does not restrict the credit institution's ability to improve its own funds capital base. Risks are also taken into account and there is no impact on the costs of own funds and liquidity.

#### e.ii Criteria for the ratio of different types of remuneration instruments such as shares, equivalent participations, options, etc.

As no such instruments are used for the payment of part of the variable remuneration, this point of the remuneration disclosure is not applicable to Partner Bank.



### **e.iii Measures to adjust variable remuneration components to weak earnings parameters, if any**

Each member of the Management Board is entitled to a profit share amounting to 3% of the average EGT of the last three years. The qualitative element of remuneration is regulated by the three-year observation period.

All employees, excluding the Executive Board, participate in the general profit sharing scheme. As part of the general profit sharing scheme, 11% of the average EGT of the last three years is distributed to employees, limited for each employee individually to a gross annual salary. The distribution of this amount is decided annually by the Supervisory Board. In order to take into account the respective situation of the bank and the employee categories (e.g. senior executives), a distribution key that is as fair as possible but also takes into account the special merits of individual employees is used for the allocation to the individual employees.

The total variable remuneration does not restrict the ability to improve the capital base due to its size and cap. In particular, no bonus is paid to the Management Board in the event of a negative operating result.

No general profit sharing will be paid out in the event of a negative annual result.

#### General framework of the remuneration policy in sales, beyond bank employees:

The bank also works with independent financial service providers in sales, who are paid on a commission basis. On this basis, the bank also works with other supervised investment firms (WPDLU, WPF). Before outsourcing investment services to an investment services company, the Bank checks whether the remuneration principles of that company comply with the provisions of the WAG 2018 and the relevant circular from the FMA<sup>8</sup> :

1. Customers are informed about the remuneration options for sales staff and independent financial service providers as part of the interest policy. In this regard, the provisions of the WAG (in particular with regard to conflicts of interest, Sections 45 ff) are observed.
2. Quantitative criteria alone are not sufficient to adequately assess the individual performance of contractually bound intermediaries. The Bank therefore uses qualitative, non-financial parameters. All qualitative criteria are based on the principle of acting in the best interests of the customer. Performance is assessed on the basis of the following qualitative criteria, for example:
  - Customer satisfaction
  - Investor-oriented advice provided (in particular, whether advice is independent of remuneration)
  - Cancellation rate

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<sup>8</sup> See: Circular from the FMA on the issue of conflicts of interest in certain remuneration systems, incorporating the ESMA guidelines "Remuneration policies and practices (MiFID)" [ESMA/2013/606].

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- Number of customer complaints
- Timely completion of the required training courses
- Fulfilment of compliance reporting obligations
- General cooperation with the bank (e.g. cooperation with sales, in the event of complaints)

In the case of sales contracts, the customer orders required for the variable remuneration of the sales department are accepted separately by a department that does not receive variable remuneration.

### f. Adjustment of variable remuneration to long-term results

Legal basis: CRR Art. 450(1)(c) and (e) / Disclosure table EU REMA **line f** from Implementing Regulation (EU) 2021/637

*(description of how the institution attempts to adjust remuneration to long-term results)*

#### **f.i Rules on the retention of variable remuneration payments or vesting periods, where applicable**

As there are no such retention or vesting period arrangements (in English, this would correspond to the term "retention") with regard to any part of the variable remuneration, this point of the remuneration disclosure does not apply to Partner Bank.

#### **f.ii Criteria for ex-post adjustments (reductions during retention or clawback after receipt)**

Payments in connection with the early termination of a contract reflect long-term success and are designed in such a way that they do not reward failure.

If, as part of the total remuneration for an employee, the Bank were to make payments that would otherwise be payable to another company by the employee concerned due to a contractual obligation in the event of early termination of the employee's contract, care would be taken to ensure that these payments are in line with the long-term interests of the Bank, including retention, deferral, performance and clawback agreements.

If the performance of a contractually bound agent does not meet the quality requirements or if clear misconduct is identified, no remuneration will be paid. In addition, unpaid or cancelled orders will be recalculated and no longer remunerated.

Ultimately, the calculation is not based on the net amount, but exclusively on the contribution margin-relevant turnover (based on the so-called "contribution margin 1").

## **f.i Regulations on the obligation of identified employees to participate in the company's capital – if applicable**

As there are no such regulations regarding an obligation for identified employees to participate in the capital, this point of the remuneration disclosure does not apply to Partner Bank.

## **g. Variable components in the form of non-cash instruments and other benefits in kind – if applicable**

Legal basis: CRR Art. 450(1)(f) / Disclosure table EU REMA **line g** from Implementing Regulation (EU) 2021/637

*(Key parameters and justifications for schemes with variable components – in the form of shares and share-linked instruments, equivalent equity interests or non-cash instruments, options, etc. – or for systems with other benefits in kind)*

Regarding the first part concerning such variable components in the forms listed above – see already under point e.ii above: As no such instruments are used for the payment of part of the variable remuneration, this point of the remuneration disclosure is not applicable to Partner Bank.

Other benefits in kind for the Management Board and certain senior employees include the monetary value of benefits in kind such as company cars and insurance premiums.

Without exception, variable remuneration is not paid in the form of instruments or procedures that would allow the relevant legal requirements to be circumvented.

## **h. Applies to the institution if an exception under Article 94(3) CRD applies with regard to specific risk-taker requirements**

Legal basis: CRR Art. 450 (1) (k) / Disclosure table EU REMA **line i** from Implementing Regulation (EU) 2021/637

*(Information on whether the institution is subject to an exemption under Article 94(3) CRD. Information on which of the remuneration provisions in Article 94(1) CRD the exemption applies to, how many employees benefit from the exemption, and their total remuneration broken down into fixed and variable components)*

Reference is made to point c.i ("Ex-ante and ex-post risk adjustment") above, and there to the lower section of text as an insert with the subheading:

"Proof of proportionality criteria with regard to three so-called neutralisable remuneration principles in the Annex to Section 39b BWG – items 11, 12 and 12 (a) there".

As explained there, this exception – originally from Article 94(3) – applies to Partner Bank as an institution as a whole. This means that Partner Bank as a whole *does not have to comply with* the three special remuneration principles set out in the annex to Section 39b BWG – as

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intended in relation to the remuneration of employees whose professional activities have a material impact on the risk profile of the credit institution (in short: "identified employees"; see point a.iii above in this disclosure section on remuneration policy).

Partner Bank therefore applies this exception to *all* identified employees (insofar as this is permissible under all other relevant legal provisions). The total number of identified employees and their total remuneration broken down into fixed and variable remuneration components can be found in the table directly below (corresponds to the disclosure form "EU REM 1" from Implementing Regulation EU 2021/637).

### Remuneration data for Partner Bank AG – Quantitative part of the remuneration report (CRR Art. 450 (1) (h)-(i))

#### a. Remuneration granted for the 2024 financial year (CRR Art. 450(1)(h) – points i and ii)

Legal basis: CRR Art. 450 letter h items i. and ii. / Disclosure form **EU REM1** of Implementing Regulation (EU) 2021/637

(only the applicable mandatory lines of this form are shown)

Table columns a and b:

Meldebogen EU REM1 – Für das Geschäftsjahr gewährte Vergütung			Spalte a	Spalte b
Zeile	(nur die anwendbaren Pflicht-Zeilen der Tabelle werden dargestellt)		Leitungsorgan - Aufsichtsfunktion	Leitungsorgan - Leitungsfunktion
1	Feste Vergütung	Anzahl der identifizierten Mitarbeiter	8	4
2		Feste Vergütung insgesamt	0,00	579.384,16
3		Davon: monetäre Vergütung	0,00	560.957,80
7		Davon: sonstige Positionen	0,00	18.426,36
9	Variable Vergütung	Anzahl der identifizierten Mitarbeiter	0	4
10		Variable Vergütung insgesamt	0,00	56.441,57
11		Davon: monetäre Vergütung	0,00	56.441,57
17	Vergütung insgesamt (2 + 10) - alle Beträge in Euro -		0,00	635.825,73

Table columns c and d:

Meldebogen EU REM1 – Für das Geschäftsjahr gewährte Vergütung			Spalte c	Spalte d
Zeile	(nur die anwendbaren Pflicht-Zeilen der Tabelle werden dargestellt)		Sonstige Mitglieder der Geschäftsleitung	Sonstige identifizierte Mitarbeiter
1	Feste Vergütung	Anzahl der identifizierten Mitarbeiter	0	15
2		Feste Vergütung insgesamt	0,00	1.262.393,71
3		Davon: monetäre Vergütung	0,00	1.262.393,71
7		Davon: sonstige Positionen	0,00	0,00
9	Variable Vergütung	Anzahl der identifizierten Mitarbeiter	0	0
10		Variable Vergütung insgesamt	0,00	0,00
11		Davon: monetäre Vergütung	0,00	0,00
17	Vergütung insgesamt (2 + 10) - alle Beträge in Euro -		0,00	1.262.393,71

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This leaves only the data rows of the EU REM1 disclosure reporting form shown above as the only mandatory rows of this table applicable to Partner Bank AG. In other words, the following lines are deliberately omitted from the complete sequence of line numbering: **EU-4a, 5, EU-5x, 12, EU-13a, EU-14a, EU-13b, EU-14b, EU-14x, EU-14y, 15, 16**. The three table lines already designated as "*Not applicable in the EU*" in the original EU REM1 table are not included here.

### b. Special payments for risk takers: guaranteed variable remuneration or severance payments (CRR Art. 450(1)(h) – points (v) to (vii))

Legal basis: CRR Art. 450 letter h items v. to vii. / Disclosure form **EU REM2** of Implementing Regulation (EU) 2021/637.

Reference is made to the general statement already made above in the first *qualitative* part of the remuneration report, namely in section **b.iv** (excerpt):

*In the case of Partner Bank, there are no guaranteed variable remuneration payments.*

*Severance payments in the narrow sense of this remuneration policy, i.e. as voluntary severance payments, are also not granted by Partner Bank.*

The presentation of a table that would correspond to the reporting form with the short designation EU REM2 in accordance with Art. 17 lit. c of the CRR2 Implementing Regulation (EU) 2021/637 can therefore be omitted for the entire partner bank financial holding group.

### c. Retained remuneration (CRR Art. 450(1)(h) - points (iii) and (iv))

Legal basis: CRR Art. 450 letter h items iii. and iv. / Disclosure reporting form **EU REM3** of the Implementing Regulation (EU) 2021/637

Reference is made to the general statement already made above in the first *qualitative* part of the remuneration report, namely in section **f.i** (excerpt):

*As there are no such rules on retention or blocking periods (in English, this would correspond to the term "retention") with regard to any part of the variable remuneration, this point of the remuneration disclosure is not applicable to Partner Bank.*

The presentation of a table that would correspond to the reporting form with the short designation EU REM3 in accordance with Art. 17 lit. d of the CRR2 Implementing Regulation (EU) 2021/637 can therefore be omitted for the entire Partner Bank Financial Holding Group.

#### d. Remuneration of EUR 1 million or more per year (CRR Art. 450(1)(i))

Legal basis: CRR Art. 450 letter i / Disclosure reporting form **EU REM4** of Implementing Regulation (EU) 2021/637

The breakdown of the number of persons employed by the partner bank financial holding group whose remuneration amounted to EUR 1 million or more in the 2024 financial year, as required by Article 450(1)(i) CRR, shall, for reasons of simplification, be fulfilled by an explicit statement that *no single* person in the partner bank financial holding group received remuneration of EUR 1 million or more in the 2024 financial year.

The presentation of a table that would correspond to the reporting form with the short designation EU REM4 in accordance with Art. 17 lit. e of the CRR2 Implementing Regulation (EU) 2021/637 can therefore be omitted for the entire partner bank financial holding group.

### Intra-group support – disclosure pursuant to Section 43 BaSAG

Note regarding this BASAG terminology "intra-group financial support": Existing or future *general* support agreements, such as the letter of comfort mentioned below, are *not covered* by the provisions on intra-group financial support in Sections 32-42 BASAG, as these apply exclusively in the case of early intervention measures already taken in accordance with Section 44ff BASAG.

Partner Bank AG does have a firm letter of comfort from its parent financial holding company, *Foundation for Social and Economic Development* (see page 4 above).

Nevertheless, neither Partner Bank AG nor any other companies included in the group are parties to an agreement on internal financial support within the banking group.

(Editorial note: for page format reasons, the document continues on the following page)

## Sustainability – supplementary information on disclosure pursuant to Art. 4(1)(b) SFDR (separate document)

Impact of investment decisions on sustainability factors – Disclosure as a small company with fewer than 500 employees: on the provisional non-application of Delegated Regulation (EU) 2022/1288, in conjunction with Art. 4(1)(b) SFDR (2019/2088)

Legal background information for better understanding of this supplementary information:

Article 4(1) SFDR – short for Regulation (EU) 2019/2088 – states the following:

*"Financial market participants shall publish the following information on their website and keep it up to date:*

*a) if they take into account the main adverse impacts of investment decisions on sustainability factors, a statement on strategies for exercising due diligence in relation to those impacts, taking into account their size, the nature and scope of their activities and the types of financial products they provide; or*

*b) if they do not take into account the adverse impacts of investment decisions on sustainability factors, clear reasons why they do not do so, including, where applicable, information on whether and when they intend to take such adverse impacts into account."*

Important note:

According to Article 4(3) SFDR, the above alternative (b) is available to all financial market participants with fewer than 500 employees (in short: "smaller companies"). Partner Bank AG is a small undertaking in this sense. Nevertheless, Partner Bank AG has already fully complied with this disclosure requirement, from Article 4(1) of the SFRD, since the first year of application of the SFRD in 2021; thus on a voluntary basis, even though it is a small undertaking in the above sense.

The corresponding separate document, *"Statement on the most significant adverse impacts of investment decisions on sustainability factors,"* is available for direct download from our website (link: [https://api.cms.partnerbank.at/media/Erklärung\\_zu\\_den\\_wichtigsten\\_nachteiligen\\_Auswirkungen\\_von\\_Investitionsentscheidungen\\_auf\\_VJnc0DM.pdf](https://api.cms.partnerbank.at/media/Erklärung_zu_den_wichtigsten_nachteiligen_Auswirkungen_von_Investitionsentscheidungen_auf_VJnc0DM.pdf)).

Partner Bank AG is naturally committed to incorporating sustainability risks into all investment decision-making processes. A corresponding strategy statement in brief form has been published at [www.partnerbank.at](https://api.cms.partnerbank.at/media/Strategie_zur_Einbeziehung_von_Nachhaltigkeitsrisiken_EN.pdf) since previous years – the direct download link is: [https://api.cms.partnerbank.at/media/Strategie\\_zur\\_Einbeziehung\\_von\\_Nachhaltigkeitsrisiken\\_EN.pdf](https://api.cms.partnerbank.at/media/Strategie_zur_Einbeziehung_von_Nachhaltigkeitsrisiken_EN.pdf).



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### Continuation of the legal background information:

Even if the alternative 'letter a)' quoted above were *to be applied voluntarily, although* the financial market participant is a smaller company, Partner Bank AG would now be obliged, since 1 January 2023, to comply with Delegated Regulation EU 2022/1288 ("Technical regulatory standards specifying the details of the content and presentation of information ... in relation to sustainability indicators and adverse sustainability impacts")...in all its details, which would lead to even more detailed disclosure than Partner Bank AG already provides (with the separate document mentioned above).

### Information on this new standard, as supplementary disclosure within the meaning of "comply or explain"

In any case, on the basis of previous experience, this would also involve a *disproportionately high amount of work* for Partner Bank AG, a comparatively small credit institution, in the third year of application in 2025.

Nevertheless, Partner Bank AG continues to voluntarily refrain from making use of the possible exemption as above, in accordance with Article 4(1)(b) SFDR, but instead complies in all material respects with the original SFDR alternative "...to take into account such adverse impacts".

The fact that the obligation to apply Delegated Regulation (EU) 2022/1288, including the specifications regarding the formats and content for this disclosure, has *not been formally fulfilled* does not detract from this (however, the principle of "*tertium non datur*" applies here). As already mentioned, this would only have been possible in 2025 at a disproportionately high cost for Partner Bank AG.

Partner Bank AG naturally intends to comply with these precise detailed requirements from Delegated Regulation (EU) 2022/1288 as soon as possible and is working towards this goal.

This disclosure complies with the "comply or explain" principle pursuant to Article 4(1) SFDR (see FMA: [www.fma.gv.at/eine-delegierte-verordnung-praezisiert-ab-1-januar-2023-praxisnahe-wie-finanzdienstleister-nachhaltigkeitsbezugsinformationen-offenzulegen-haben/](https://www.fma.gv.at/eine-delegierte-verordnung-praezisiert-ab-1-januar-2023-praxisnahe-wie-finanzdienstleister-nachhaltigkeitsbezugsinformationen-offenzulegen-haben/)). –

The other parts of Delegated Regulation (EU) 2022/1288 (i.e. Articles 11/13 concerning analogous detailed content relating to investment advice, and Chapters III to V concerning three different types of product information) are not discussed in further detail here, primarily for reasons of clarity in this disclosure document. The above applies in a similar manner to individual new detailed requirements in these parts of the Delegated Regulation, albeit to a slightly lesser extent.

## Board confirmation of disclosure pursuant to Art. 431 (3) CRR

In accordance with Article 431(3) CRR, the Management Board of Partner Bank AG confirms by signing as part of the internal approval process that this disclosure report (in accordance with Part 8 of the CRR) has been prepared in accordance with the internal procedures, systems and controls established by Partner Bank AG as the parent institution of the credit institution group. These are documented in the organisational guideline on disclosure recently approved by the Management Board.

This confirmation by the Management Board was recorded in the minutes of the Management Board meeting on 4 September 2025.