

# STOPANSKA BANKA AD – SKOPJE

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## ANNUAL REPORT

2025

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Skopje, April 2026

Pursuant to Article 352 of the Law on Trade Companies, the members of the Board of Directors of Stopanska banka AD - Skopje (hereinafter: "SB" and/or "the Bank") are submitting the attached Annual Report on the operations of Stopanska banka AD - Skopje for the year 2025. The report is submitted to the Supervisory Board, which reviews it, decides on it ("prior adoption") and prepares a written opinion and submits them to the Assembly of Shareholders for consideration and approval.

Pursuant to Article 384, paragraph 7 of the Law on Trade Companies, the Annual Report objectively presents and explains the main factors and circumstances that had an impact on the Bank's operations, as well as all other mandatory elements that are important to the investing public and all other stakeholders.

## **STOPANSKA BANKA AD - SKOPJE**

### **BOARD OF DIRECTORS**

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**Mirjana Trajanovska**  
Chief Financial Officer

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**Chrysoula Koutoudi**  
Chief Executive Officer

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**Vladimir Treneski**  
Chief Corporate Officer

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**Emilija Stojanova Ivanovska**  
Chief Risk Officer

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**Evangelia Kalouptsi**  
Chief Transformation & Strategy Officer

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**Ilias Papadopoulos**  
Chief Operations Officer

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## Message from the CEO

Dear shareholders, Clients, Employees, and Stakeholders,

2025 was year marked by important changes for Stopanska Banka (hereinafter: “SB”) – setting the new standards of excellence to maintain its leadership in the financial market.

SB operated in an environment defined by persistent external uncertainty, especially due to the geopolitical developments, elevated funding costs and continued pressure on margins across the banking sector. In this context, its priority was not only to deliver good results, but also to ensure the continuity of the level of excellence of service, strengthen the organization and position the Bank for the next phase of development.

During the year, SB completed the process of CEO succession, and it welcomed six new members to the Board of Directors, enhancing its leadership team with expertise and new energy. The Bank fully launched its Transformation Program, focusing on the enhancement of the IT infrastructure, while heading towards completion and relocation to new and modern headquarters.

Despite the high pace of internal changes and external challenges, the Bank remained unwavering in its commitment to clients, stability, and disciplined risk management. The year ended with profit before impairments and provisions (PPI) of **EUR 84.6 million, resulting in a profit before tax of EUR 60.2 million.** The Bank's **total assets increased by 9% and amounted to 2.556 million EUR.** With **total capital and reserves of 466 million EUR**, Stopanska Banka remains a highly capitalized bank with a **capital adequacy ratio of 18.9%**. This position confirms the strength of the Bank and the continued trust of its clients. At the same time, profitability was affected by higher funding costs, increased impairment charges, and continued investment in transformation and modernization of the Bank. As a result, the net interest income and net profit declined compared to the previous year, while remaining at solid levels in absolute terms.

This combination – strong growth alongside pressure on margins – is not unique for SB; it reflects shift in the operating environment. SB response has been disciplined: preserving liquidity and capital strength, maintaining prudent risk management standards and continuing to invest in areas that will define the Bank’s future performance.

The Bank also continued to play an important role in the wider community. ESG (“Environmental, Social, Governance” Concept) is not a novelty nor just a regulatory trend. In this respect, on the Environmental (E) dimension, SB focus is concrete towards:

- Constantly reducing own emissions by upgrading its infrastructure and equipment and enhancing staff awareness in all the Bank's activities,
- Financing energy efficiency (green buildings, migration of vehicle fleet etc.) and renewable energy projects,
- Supporting business transitioning to environmentally friendly technologies,
- Integrating climate & environmental consideration into credit risk management.

On the Social side (S), SB remains committed to targeted, high-impact initiatives – with particular focus in culture, environment & healthy lifestyle, and support of children with special needs. In this respect:

- One of the most significant new initiatives is the Memorandum of Cooperation with the Ministry of Culture for the digital transformation of the Museum of Natural Sciences in Skopje. Through a dedicated three-year support program, SB is helping modernize one of the country's most important cultural institutions.
- This year also marks the 10th jubilee edition of the Bank's largest and most recognizable CSR event, **VoziPravoVoziZdravo**. The impact of this initiative is tangible—the project funded through last year's event is already entering construction in Kochani, demonstrating the Bank's commitment to turning community engagement into real outcomes.
- In parallel, SB continue to strengthen its flagship CSR platform 'Sonuvame. Menvame.' Through this program, the Bank provides substantial annual support to organizations working with children with special needs, empowering their educational, therapeutic, and integrative development.

Looking ahead, the priorities are clear. The Bank will focus on converting growth into sustainable profitability, delivering the transformation agenda with measurable outcomes, improving service quality and strengthening cross-functional execution across the organization. At the same time, the Bank will maintain its prudent approach to risk, liquidity and capital, which remains a foundation of long-term stability.

Finally, I would like to express my sincere gratitude to all employees of the Bank for their commitment and professionalism during a year of significant changes. I also extend my gratitude to SB clients for their continued trust—the Bank remains firmly committed to enhancing service quality and meeting their highest expectations with responsibility and efficiency.

With optimism and confidence in the Bank's team, I look forward to 2026 bringing new opportunities and further success for Stopanska Banka.

## Financial Highlights

<i>in EUR million</i>	2025	2024	change %
<b>Income Statement indicators</b>			
Net Interest Income	86.9	100.4	-13.4%
Net Commissions Income	12.1	14.1	-14.2%
Total Income	128.9	125.4	2.8%
Operating expenses	-44.4	-39.5	12.4%
Net Operating Income	84.6	85.9	-1.5%
Impairment losses	-24.3	-18.5	31.4%
Pre Tax Profit	60.2	67.3	-10.5%
Income tax	-6.0	-9.6	-37.5%
<b>Net Profit</b>	<b>54.2</b>	<b>57.7</b>	<b>-6.1%</b>
<b>Balance Sheet indicators</b>			
<b>Total Assets</b>	<b>2,555.8</b>	<b>2,341.8</b>	<b>9.1%</b>
<b>Total Equity</b>	<b>465.7</b>	<b>475.4</b>	<b>-2.0%</b>
Regulatory capital	399.1	338.3	18.0%
<b>Total loans (gross)</b>	<b>1,837.5</b>	<b>1,669.0</b>	<b>10.1%</b>
Retail loans	1,064.6	998.1	6.7%
Corporate Loans	772.9	670.9	15.2%
Provisions	65.9	61.1	7.9%
<b>Total Deposits</b>	<b>1,948.6</b>	<b>1,764.8</b>	<b>10.4%</b>
Retail deposits	1,527.9	1,361.9	12.2%
Corporate Deposits	420.7	402.9	4.4%
<b>Financial ratios</b>			
Net Interest Margin	4.3%	5.1%	-85.2
Cost income ratio	34.4%	31.5%	292.0
ROA	2.2%	2.6%	-36.4
ROE	11.5%	12.9%	-139.7
Loans to Deposits ratio (gross)	94.3%	94.6%	-27.4
Capital Adequacy ratio	18.9%	17.8%	104.6
<b>Operational Indicators</b>			
Number of Units	56	57	-1
Number of Personnel (eop)	1002	996	6

**Note:** All figures in this report referring to Stopanska Banka AD Skopje are based on the Financial Statements prepared in accordance with accounting regulations applied in the country and the regulation of NBRNM

## Macroeconomic Overview

In 2025, global economic activity remained resilient but uneven, supported by moderating inflation and gradual monetary-policy normalization. However, geopolitical developments and continued uncertainty in global trade conditions contributed to cautious business environment. The local macroeconomic conditions remained stable. Fiscal challenges and structural reforms remain key priorities. The medium-term environment is characterized by solid but cautious optimism, contingent on investment momentum, reform implementation, and external economic conditions.

The National Bank of the Republic of North Macedonia (NBRNM) lowered its basic interest rate two times during the year by a cumulative 1.55 percentage point, to 4.00%. The country's sovereign credit rating remained unchanged, with a stable outlook from major rating agencies. These assessments reflected consistent macroeconomic policies, the long-standing fixed exchange-rate regime, a stable banking system and domestic currency, and higher foreign-exchange reserves.

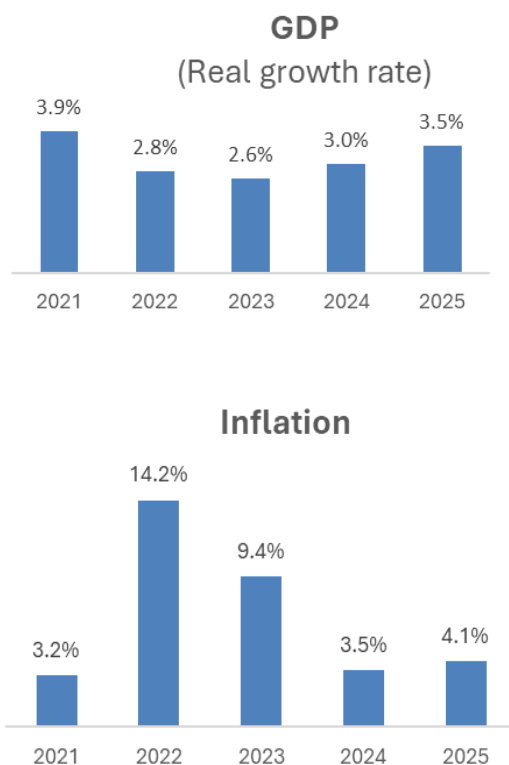
Real GDP growth strengthened relative to 2024, reaching 3.5% in 2025. Economic activity was primarily driven by robust domestic demand, supported by rising real wages, government transfers, and intensified public investment - particularly the ongoing construction works on Corridor 8 and 10d. Despite this momentum, external demand remained subdued, largely due to structural weaknesses in the European automotive sector, which continued to weigh negatively on net exports.

Average inflation re-accelerated to 4.1% in 2025 from 3.5% in 2024 - driven by core components and wage dynamics, before easing again at the turn of 2026.

### Banking Sector Overview

The banking system ended 2025 well-capitalized, liquid, and profitable, with NPEs declining to 2.0% and the CAR near 19.4%, while macroprudential buffers were raised in response to brisk credit and real-estate dynamics.

The banking sector continued to experience robust credit growth, with total loan growth reaching 12.7%, driven by 11.0% growth in household lending and 14.5% growth in



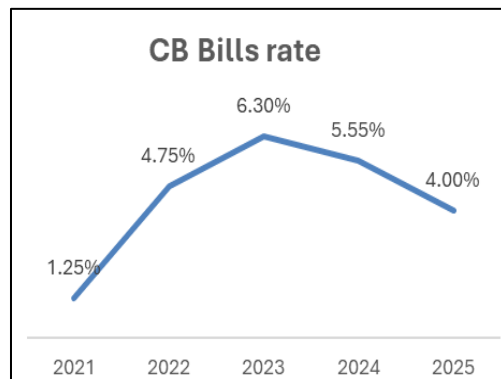
corporate lending. Total deposits grew by 10.4% year-on-year, with corporate deposits increasing by 6.5% and retail deposits by 12.1%.

The loans-to-deposits ratio stood at ~85%, indicating a balanced and sustainable credit expansion compared to the deposit base. Profitability indicators also reflected solid performance, with Return on Assets (ROA) at 2.1% and Return on Equity (ROE) at 17.0%.

During the year, the country joined the Single Euro Payments Area (SEPA), representing an important structural step toward deeper financial integration and improved efficiency in cross-border payments.

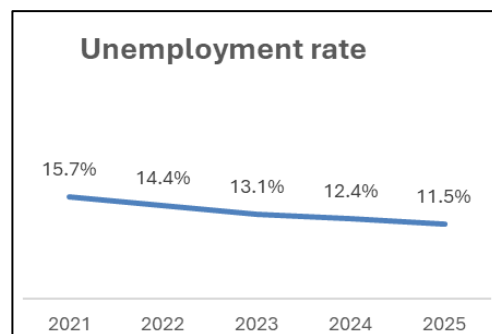
### Monetary and Fiscal Policy Overview

Monetary policy pivoted from restrictive to cautiously supportive, the policy rate was held at 5.35% for most of 2025 and then cut to 4.0% in late December, while reserves remained ample, supporting the exchange-rate peg. The external position remained broadly stable, with foreign exchange reserves rising to approximately EUR 5.6 billion by early 2026, up from around EUR 4.9 billion in 2025. This strengthened reserve buffer is considered sufficient to support the exchange-rate peg and provide meaningful protection against potential external shocks.



Central Bank has adopted regulatory amendments for implementation of a new operational set-up of monetary instruments, starting from 24th December 2025. In line with central bank best practices, these changes are expected to contribute to strengthening the signaling mechanism of the main instrument of monetary policy – Central Bank bills, and thus to monetary transmission. Central Bank bills remain the basic instrument of monetary policy, with a reduction in their maturity to seven days, while at the same time, moving towards the application of market principles of auctioning.

The labor market continued to strengthen throughout the year. The most recent data indicate an unemployment rate of approximately 11.5% in 2025, reflecting a gradual improvement and higher labor force participation. Wage growth remained robust, supported by adjustments in minimum wages and strong public-sector indexation.



According to the revised 2025 budget adopted in July, the government maintained its official deficit target at 4% of GDP. The actual fiscal deficit as of YE is 3.5%. Public debt



continued to rise, reaching around 60% of GDP by the end of 2025. While the current account deficit is expected to widen moderately, FDI inflows and external borrowing continue to finance the gap, maintaining external sustainability.

In the next period, growth is expected to remain moderate but stable, at around 3.0%–3.2% annually, supported by continued infrastructure investment, increasing EU integration efforts, improving export performance as European demand stabilizes. Key upside risks include acceleration of Corridor 8/10d construction and higher FDI inflows. Downside risks involve weak EU demand, slow public investment execution, and political uncertainties.

## Banking sector & SB

in EUR million

<b>Position/Indicator</b>	<b>Banking sector</b>	<b>Stopanska Banka</b>	<b>Market share</b>
Total assets	15,198.9	2,555.8	16.8%
Total loans	8,880.1	1,837.5	20.7%
Total deposits	10,286.7	1,948.6	18.7%
Loans growth-retail	11.0%	6.7%	
Loans growth-corporate	14.5%	15.1%	
Deposits growth	10.4%	10.4%	
ROA	2.1%	2.2%	
ROE	17.0%	11.5%	
C: I	44.5%	34.4%	
NIM	3.2%	4.3%	
NPE	2.0%	2.4%	
CAR	19.4%	18.9%	

Source: The data and reports for the banking sector from NBRNM

Stopanska Banka AD Skopje participates with 16.8% of the total banking sector assets and almost 1/5 of both deposits and loans. In 2025, the realized growth rate of gross loans was 10.1% and 10.4 % of deposits. During 2025, the performance of the Bank was in many aspects higher compared to the total banking sector as shown above. Namely, ROA 2.2% vs. 2.1%, NIM 4.3% vs. 3.2% and the cost-to income ratio of 34.4% (vs. 44.5% market). The capital adequacy ratio was 18.9%, vs. the minimum of 18%.

## Financial Performance

The most important aspects of the financial performance of the Bank are as follows:

### **Interest Income Overview**

In 2025, SB's total interest income amounted to EUR 104.2 million. The retail loan segment remained primary contributor, generating EUR 53.7 million, which accounted for 51.5% of the total interest income. Meanwhile, interest income from corporate lending and other activities, including investments in securities, interbank placements, and other financial operations, totaled EUR 50.5 million, marking a 5.6% increase compared to the previous year.

*in EUR million*

	<b>2024</b>	<b>2025</b>	<b>% change</b>
<b>Interest income</b>	<b>112.9</b>	<b>104.2</b>	<b>-7.7%</b>
Retail loans	65.1	53.7	-17.5%
Corporate loans	29.1	29.5	1.4%
Other	18.7	21.0	12.3%

### **Interest expense**

In accordance with the restrictive monetary policy, the Bank registered a corresponding increase in interest expenses.

*in EUR million*

	<b>2024</b>	<b>2025</b>	<b>% change</b>
<b>Interest expenses</b>	<b>12.5</b>	<b>17.3</b>	<b>38.4%</b>
Retail deposits	9.8	13.8	40.8%
Corporate deposits	1.2	1.9	58.3%
Other liabilities	1.5	1.6	6.7%

### **Net Interest Income**

Net interest income amounted to EUR 86.9 million, decreased by 13.4% primarily because of increased interest expenses due to the increased deposits balances.

*in EUR million*

	<b>2024</b>	<b>2025</b>	<b>% change</b>
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<b>Net Interest income</b>	<b>100.4</b>	<b>86.9</b>	<b>-13.4%</b>
Interest income	112.9	104.2	-7.7%
Interest expenses	12.5	17.3	38.4%

### ***Fee and Commission Income Overview***

In 2025, the Bank's net fee and commission income amounted to EUR 12.1 million. The largest contributor was income from fund transfer services, which generated EUR 6.0 million, accounting for 49.6% of the total.

*in EUR million*

	<b>2024</b>	<b>2025</b>	<b>% change</b>
<b>Net fees and commissions income</b>	<b>14.1</b>	<b>12.1</b>	<b>-14.2%</b>
loans	2.5	0.0	-100.0%
letters of guarantee	0.8	0.7	-12.5%
transfer of funds	6.4	6.0	-6.3%
others	4.4	5.4	22.7%

### ***Operating Expense***

In 2025, the Bank demonstrated a strong commitment to operational excellence by effectively balancing cost efficiency, robust risk management practices and initiated transformation program, aiming to improve the current business offering, enhance the existing infrastructure and focus on the most updated administrative tools. This disciplined approach enabled the Bank to maintain operating expenses fully in line with expectations, while sustaining the high quality of its credit portfolio.

Total operating expenses for the year reached EUR 44.4 million. Through the successful implementation of a comprehensive cost containment strategy, supported by stable revenue growth, the Bank achieved a notably low cost-to-income ratio of 34.4%, a result that represents an exceptional accomplishment given the ongoing transformation processes within the Bank and the substantial investment in the construction of the new administrative building. This performance stands below the banking sector average and underscores the Bank's continued focus on sustainable profitability, prudent financial stewardship, and operational discipline.

## Assets and Liabilities

### Assets

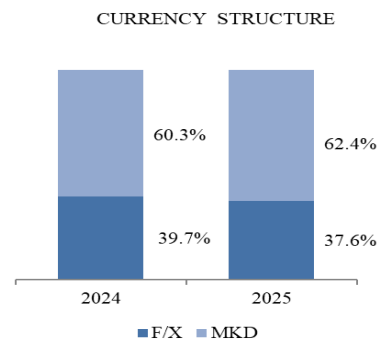
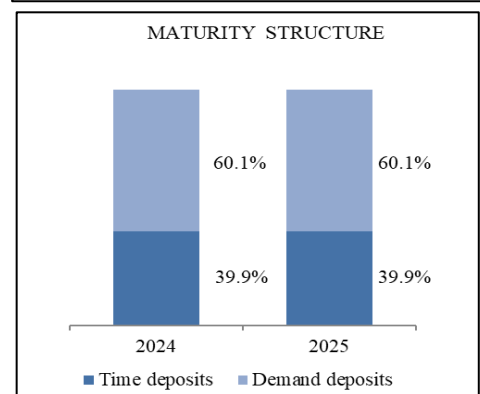
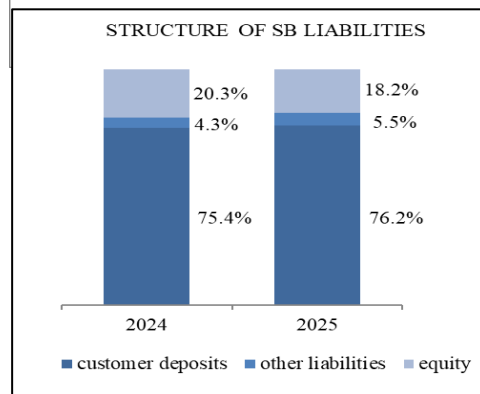
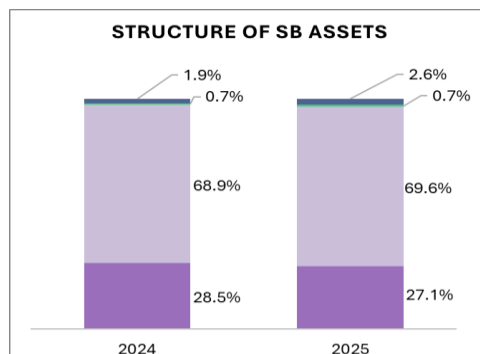
At the end of 2025, the Bank’s total assets reached EUR 2,555.8 million, representing an increase of EUR 214.0 million, or 9.1%, compared to 2024. This growth reflects the Bank’s continued commitment to a prudent and balanced approach, maintaining adequate liquidity and a strong capital base.

Liquid assets consisted of cash and cash equivalents and securities accounted for 27.1% of total assets, highlighting the Bank’s solid liquidity position. The gross loan portfolio totaled EUR 1,837.5 million, with EUR 772.9 million extended to corporate clients and EUR 1,064.6 million to retail customers, confirming the Bank’s continued support to both key segments of the economy.

### Liability Structure and Capital Position

As of end-2025, customer deposits remained the dominant funding source, accounting for 76.2% of the Bank’s total liabilities. Total deposits rose to EUR 1,949 million, marking a 10.4% increase compared to EUR 1,765 million in 2024. Within the deposit structure, demand deposits maintained a leading share, staying at the same level of 60.1%. In terms of currency composition, MKD denominated deposits amounted to 62.4%, thus supporting the domestic local currency.

The Bank’s total capital decreased year-on-year due to dividend payment, with its share in the balance sheet of 18.2% in 2025. The solid capital base was primarily driven by strong profitability and the Bank’s ability to generate capital well beyond regulatory requirements. The Capital Adequacy Ratio (CAR) was maintained at a



solid 18.9%, in full compliance with regulatory standards, reflecting the Bank's strong and stable capital position.

## **Retail Banking**

The year 2025 was characterized by a gradual normalization of economic activity, supported by a continued stabilization of inflation and an improving external environment. Following the monetary adjustments of the previous years, interest rates in the local market began to settle within a more predictable range, enabling both households and businesses to plan their financial decisions with greater confidence. Although consumer spending remained sensitive to price pressures in certain sectors, the overall sentiment among citizens and small businesses showed signs of recovery, driven by more favorable market conditions and improved expectations for long-term growth.

For Stopanska Banka, 2025 was a year of focused development and further strengthening of its position as one of the leading financial partners to the domestic economy. Building on its long tradition and strong market presence, the Bank continued to refine its offer for individuals and small businesses, ensuring that the products, services, and digital solutions are aligned with the evolving needs of clients and the dynamics of the financial sector.

Throughout the year, the Bank worked on optimizing its credit and deposit portfolio, with particular attention to maintaining a sustainable balance between competitive interest rates, market trends, and prudent risk management. A significant 6.7% growth in retail lending and 11.8% in retail deposit is one more proof that the trust placed in Stopanska Banka by its clients remained one of the key components, supported by the Bank's stability, wide network, and comprehensive product offering.

Demand and term deposits continued to follow market developments and client preferences, maintaining a stable structure across currencies and maturities. The small business segment also recorded positive momentum, supported by the Bank's strategic focus on this client group and the growing number of small businesses that choose Stopanska Banka as their primary banking partner.

### **Retail lending and card business**

In 2025, the retail lending increase was driven by the secured loans which outperformed and helped the Bank achieve a shift to a more balanced structure, as part of the long-term strategy.

In the area of card operations, during 2025, novelty products were introduced for the exclusive segments - Platinum debit and credit card with additional benefits provided through Mastercard. Acquiring and activation campaigns provided a buffer to the local market trend of reduced number of active cards.

The ATM cash – in (ATM Deposit) functionality continues to grow becoming equally utilized by both business and retail cards.

During 2025, SB registered a 9% increase in transactions with debit and credit cards issued by Stopanska Banka. In the area of card acceptance at POS terminals and e-commerce, an 18% increase in turnover was realized with a simultaneous 9% increase in the number of points of sale that accept cards through Stopanska Banka.

### **Bancassurance and cooperation with Triglav Pension Company**

The increasing financial literacy and preparedness of SB customers continues to create favorable conditions for the expansion of the bancassurance business, with a steady upward trend also evident throughout 2025. SB bancassurance offering is available through the bank's branch network as well as 24/7 via the Contact Center, providing clients with greater flexibility and accessibility. During 2025 bancassurance sales and fee income recorded excellent annual growth of 14%, further strengthening this segment as an important risk-free revenue stream for the Bank.

In addition to maintaining a strong focus on increasing penetration in the key insurance categories—Credit Life Insurance, Accident Insurance, and Property Insurance (the dominant contributors to bancassurance income) - the Bank continued to improve its insurance sales. Throughout the year, further expanded its offering to include CPI Insurance and Unit-Linked Life Insurance, while also sustaining strong sales of Travel Insurance and Term Life Insurance. Furthermore, SB improved the penetration of its bancassurance products within the small banking business segment, thereby strengthening the ability to meet the evolving protection and investment needs of the bank's customers.

Triglav Pension Company continued to be a partner of Stopanska in offering pension insurance to newly employed clients and transferring from one fund to another through the Branch and the Contact center expanding the reliability of the bank as a go-to stop for all financially related activities.

### **Digital Banking and Contact Center**

During 2025, the Bank focused on improving services and offerings through digital channels within the scope of the ongoing Digital Transformation. Regulatory changes and increased

security were implemented allowing clients to manage their finances secured and with improved trust.

Therefore, a 17% increase in active users of digital banking among individuals and a 6% increase among legal entities was achieved in 2025 compared to the previous year.

Also, during 2025, Stopanska continued to expand its digital service offering, enabling customers to seamlessly digitalize their cards into Google Pay with strong customer authentication (performed directly through the Bank's mobile banking application). In addition, Stopanska became one of the first three banks in the country to introduce Apple Pay, allowing customers to securely tokenize their cards using SCA within the first six months after Apple Pay became available in the country.

During the last quarter of the year, the Bank further enhanced its digital banking proposition by introducing SEPA and SWIFT foreign payment capabilities within its digital banking. In parallel, the Bank enabled full digital updating of customer records (including personal identification documents) through the nationwide OneID service. This integration with OneID lays the foundation for the future rollout of a fully digital onboarding experience, further strengthening our strategic commitment to seamless, modern and secure digital banking services.

The Bank's Contact Center (available 24/7) continues to serve as a key channel for customer interaction across various service needs. The volume of monthly interactions in 2025 demonstrates that customers increasingly prefer this channel for obtaining information, purchasing products, or submitting service requests.

In 2025, the Contact Center delivered significant contributions both in the sale of credit products and in providing direct advisory support and other services to clients. It also ensured 24/7 assistance for cardholders, merchants, and users of the Bank's digital banking services.

### **SBB (small banking business) segment**

The achievements of the SBB segment — representing the backbone of the domestic economy, a major employer, and a key contributor to GDP growth - continue to be an essential driver for the retail business line.

The SBB strategy for the year emphasized a strong portfolio growth in both balance sheet volume and the number of newly acquired companies, alongside income expansion driven by the expanded SBB relationship management team and their devoted field work.

## Corporate Banking

The macroeconomic and overall environment in 2025 presented numerous challenges for both, real and financial sectors. Although the economic growth rate of est. 3,4 % was slightly higher than previous years, it remained modest. Geopolitical developments continued to shape global economic and financial market dynamics, significantly impacting trade and investment flows.

Despite these challenges, 2025 was marked as successful year for Stopanska Banka. The Bank's well-established business model, along with its comprehensive range of products and services tailored specifically to meet the unique needs of companies across all sectors, resulted in sustained growth of corporate loan portfolio. Growth rate of lending portfolio reached 14,7%, slightly higher compared to the market (14,1%); Market share reached 17,5%; Credit portfolio quality was improved, reaching 3,5% NPE ratio

SB further strengthened its product offering through Stopanska Leasing and utilized new credit line with the Development Bank of North Macedonia, providing companies with diverse financing opportunities.

In addition to credit growth, the Bank consistently monitored and assessed the quality of its corporate portfolio, ensuring the preservation of its stability and performance.

Looking ahead, Stopanska Banka remains committed to prudent expansion of its loan portfolio, supported by operational excellence in securing sustainable profitability. The Bank will continue to finance working capital and investment needs of both existing and new corporate clients.

Strategic focus will be placed on:

- attracting new large and mid-cap companies;
- defending financially strong and sound clients from competitors with parallel increase of SB share in financing existing companies;
- active approach/presence in all new large-scale projects, both private and state;
- active participation in financing strategic state-own companies (energy and roads)
- customized offerings for non-landing and deposits products, resulting in significant increase of fee income
- increase productivity and service quality, supported by ongoing transformation process- new digital tools and service model optimization
- further improvement of NPE ratio and reputational excellence

Stopanska Banka reaffirms its position as a reliable partner for companies across all economic sectors, delivering value to shareholders and employees alike while significantly contributing to the financial support and development of the corporate sector in the country.



## Consolidated Financial Reporting

Stopanska Banka prepares consolidated financial statements that include its wholly owned subsidiary, Stopanska Leasing DOEL Skopje. As a separate legal entity under the full control of the Bank, its parent company, Stopanska Leasing's financial results are fully consolidated in accordance with applicable financial reporting standards. This consolidation ensures that the financial position and performance of the Group are presented as a single economic entity.

*The structure of total income and total expenses as of 31.12.2025 is as follows (in MKD thousands):*

	<b>31 December 2025</b>	<b>31 December 2024</b>
Interest income	6,418,378	6,958,484
Interest expense	<u>(1,062,516)</u>	<u>(773,866)</u>
<b>Net interest income (expense)</b>	<b>5,355,862</b>	<b>6,184,618</b>
Fee and commission income	1,643,546	1,660,690
Fee and commission expense	<u>(895,079)</u>	<u>(794,738)</u>
<b>Net fee and commission income (expense)</b>	<b>748,467</b>	<b>865,952</b>
Trading income/(losses), net	-	-
Trading income from other financial instruments recorded at fair value, net	-	-
Foreign exchange gains/(losses), net	180,156	179,584
Other operating income	1,691,445	510,772
Share in the profit of associates		
Impairment losses on financial assets, net	(1,492,374)	(1,175,092)
Impairment losses on non-financial assets, net	(4,663)	34,557
Personnel expenses	(1,347,619)	(1,171,665)
Depreciation and amortization	(312,770)	(213,837)
Other operating expenses	(1,107,988)	(1,066,959)
Share in the loss of associated companies	<u>-</u>	<u>-</u>
<b>Profit before tax</b>	<b>3,710,516</b>	<b>4,147,930</b>
Income tax	<u>(373,590)</u>	<u>(594,383)</u>
<b>Net profit for the year</b>	<b><u>3,336,926</u></b>	<b><u>3,553,547</u></b>

The structure of total assets and total liabilities as at December 31, 2025 is determined as follows:

	<b>31 December 2025</b>	<b>31 December 2024</b>
<b>ASSETS</b>		
Cash and cash equivalents	22,630,481	24,514,815
Trading financial assets	-	-
Financial assets at fair value through Income Statement determined as such at initial recognition	-	-
Derivative assets held for risk management	-	-
Placements with, and loans to banks	374,291	406,945
Loans to customers	108,829,753	98,810,256
Investments in securities	20,027,780	16,585,375
Investments in associates	-	-
Income tax receivable (current)	-	-
Other receivables	3,464,080	2,281,303
Collateralized assets	-	-
Assets acquired through foreclosure proceedings	196,417	88,432
Intangible assets	329,842	255,751
Property and equipment	1,281,675	1,078,701
Deferred tax assets	-	-
Non-current assets held for sale and disposal group	-	-
<b>Total assets</b>	<b>157,134,319</b>	<b>144,021,578</b>
<b>LIABILITIES</b>		
Trading financial liabilities	-	-
Financial liabilities at fair value through Income Statement determined as such at initial recognition	-	-
Derivative obligations held for risk management	-	-
Deposits from banks and financial institutions	2,478,997	1,693,960
Deposits from customers	119,828,814	108,524,202
Issued debt securities	-	-
Borrowings	4,159,445	2,447,363
Subordinated debt	-	-
Special reserve and provisions	108,530	139,449
Income tax payable (current)	167,765	245,482
Deferred tax liabilities	26,872	19,420
Other liabilities	1,718,818	1,713,570
Liabilities directly related to disposal group of assets	-	-
<b>Total liabilities</b>	<b>128,489,241</b>	<b>114,783,446</b>
<b>EQUITY AND RESERVES</b>		
Subscribed capital	3,511,242	3,511,242
Share premium	-	-
Treasury shares	-	-
Other equity instruments	-	-

Revaluation reserves	235,304	164,837
Other reserves	831,472	831,373
Retained earnings	24,067,060	24,730,680
<b>Total equity and reserves</b>	<b>28,645,078</b>	<b>29,238,132</b>
<b>Total liabilities and equity and reserves</b>	<b>157,134,319</b>	<b>144,021,578</b>
Contingent liabilities	<b>19,432,077</b>	<b>19,701,232</b>
Contingent assets	-	-

### **Consolidated Supervision**

The Group is not subject to consolidated supervision by the Central Bank, in accordance with the relevant Decision on consolidated supervision. This applies due to the fact that the connected company, Stopanska Leasing DOEL Skopje, holds total assets representing less than 1% of the total assets of the parent company, Stopanska Banka.

### **Capital Adequacy**

Pursuant to the Decision on consolidated supervision, when the total assets of a subordinated entity are below 1% of the total assets of the parent company, that entity is excluded from the scope of consolidated supervision. Consequently, the capital adequacy ratio is not calculated on a consolidated basis for the Group.

### **Consolidated Annual Accounts**

The Group prepares consolidated annual accounts in accordance with the Law on Trading Companies. The financial information presented in the Annual Report is fully consistent with the consolidated annual accounts of the Group and aligns with the audited consolidated financial statements.

### **Ownership Structure**

Stopanska Banka holds a 100% ownership stake in Stopanska Leasing DOEL Skopje, which is a fully consolidated subsidiary in the Group's consolidated financial statements.

## Risk Management

The Risk Management function of Stopanska Banka AD Skopje focuses on maintaining the risk profile within the established risk appetite, while ensuring balanced growth and adequate quality of the loan portfolio. The Bank's Risk Management mission is to ensure that all types of risk are managed so that the Bank remains safe for its depositors and other stakeholders while producing sound returns for its shareholders over time, in line with SB's business strategy, consistent with best practices and fully compliant with regulatory requirements.

Stopanska Banka AD Skopje is one of the country's largest financial institutions, offering banking services, undertaking and managing risks as part of the daily activities. The Bank is operating in a turbulent and challenging environment, acknowledges its exposure to banking risks and the need for their effective management. The main objective of the Bank's Risk Management function is to protect the interest of its customers and shareholders through prudent management of risks, supported by strong risk culture, as well as well managed liquidity and strong capital base. The Bank manages the risks through a comprehensive risk management framework that integrates risk management into daily business activities and strategic planning. Risk Appetite Framework (RAF) is being developed and set in place in order to be used as a key management tool to better align business strategy, financial targets and risk management and it constitutes an essential mechanism to support the oversight of the strategy execution within the risk boundaries that the Bank is willing to operate. In 2025 Risk Appetite Framework has been reviewed and further enhanced with introduction of new RAF indicators, revision of the levels of early warning to risk tolerance, risk tolerance and risk capacity thresholds, revision of Tiers and Credit Appetite Statement, as well as further enhancement of indicators for monitoring purposes and update of the methodology for industry limits allocation for corporate lending.

The primary role of the independent Risk Management function of the Bank is properly and timely to identify, measure and manage risks in normal and stressed economic conditions, and to oversee whether the business activities are consistent with the Bank's strategy and risk appetite. In order to maintain an adequate risk profile, the Bank uses tools such as prudent risk criteria, risk assessments, rating and scoring models which are constantly reviewed, validated and enhanced towards the banking industry best practices.

To support effective risk management across the Bank, SB has adopted a 'three lines of defense' governance model (introduced in 2019). This model establishes clear roles and responsibilities:

1. First Line (Business): The business (including support functions) owns and manages the risks, taking responsibility for them.
2. Second Line (Risk Management & Compliance): The Risk Management and Compliance functions provide the framework for managing risks, challenge risk-taking activities, and monitor the overall risk profile.
3. Third Line (Internal Audit): Internal Audit provides independent assurance and insights into the quality and effectiveness of internal controls, risk management, compliance, and governance.

This governance model ensures that all risks are identified, assessed, and mitigated appropriately, with each line working together to manage risks in the Bank's operations.

The Bank is exposed to key financial risks, including:

- Credit Risk
- Liquidity Risk
- Market Risk

In addition to these financial risks, the Bank faces non-financial risks, such as:

- Operational Risk
- IT Risk
- Compliance Risk

With the increasing importance of Environmental, Social, and Governance (ESG) risks, the Bank also continues to integrate these factors into its risk management practices.

The Risk Management function works closely with the Board of Directors to define the risk appetite, develop strategies, and establish policies and limits. It provides ongoing oversight and support across the Bank on risk-related matters, ensuring that the Bank remains well-positioned to navigate challenges and continue delivering on its strategic goals.

SB has a framework of risk management policies, procedures, and minimum standards in place, which are creating consistency throughout the organization, and defining the requirements that are binding for all business units. Senior management is responsible for the implementation of and adherence to policies, procedures and standards. Policies, procedures and standards are regularly reviewed and updated to reflect changes in requirements, markets, products and practices.

Decision on borrower-based macro prudential instruments is focused on the quality of credit demand of retail clients. With this decision, the method of calculating the indicators for the quality of credit demand is determined and the maximum thresholds are defined. With the amendment of the Decision on macroprudential measures related to

macroprudential instruments for the quality of credit demand from individuals, the Central Bank prescribes the level of indicators for the quality of credit demand. The Bank has implemented Project ensuring full compliance of the Bank operations with this Decision.

In the last quarter of 2025, the Central Bank adjusted the operational monetary framework to improve liquidity management and strengthen monetary transmission. This places a stronger emphasis on instruments with shorter maturities and more frequent operations, to enable a more efficient transmission of monetary signals through short-term money market interest rates, without changing the monetary policy stance.

During 2025 macroeconomic environment in which the banks operate was characterized by stabilization of inflation and a favorable foreign exchange market, but there are still risks and uncertainties, mainly related to global factors, i.e. geopolitical tensions. It is expected that in 2026, the uncertainty will continue.

It has remained an objective of the Bank, even in these challenging times, to strive for continuous improvement of risk management framework in line with the regulatory requirements and international standards, the best practices and the changing market conditions and challenging macroeconomic environment.

The Risk culture is an important integral component of risk management and the Bank has an active approach of increasing the risk awareness and strengthening the risk culture on all levels of operations, through adequate trainings and workshops. The objective of the Bank is to ensure that a sound and consistent Risk culture is in place that is appropriate for the scale, complexity and nature of its business, in line with regulatory/supervisory requirements and in accordance with best business practices, based on solid, articulated values which are carefully managed by the management of the Bank. Risk Management function of SB is underpinned by an effective risk culture.

### **Credit Risk Management**

Credit risk remains one of the most significant risks faced by SB, necessitating a comprehensive and structured approach to its management. The Bank recognizes the fundamental importance of having a deep understanding of customer profiles, including business operations, management, financial health, and sector-specific factors, to inform sound credit decisions.

Our credit policies accentuate the necessity of conducting thorough risk assessments preceding any credit decision, ensuring compliance with the minimum standards for evaluating, approving, renewing, and monitoring credit exposures. Risk rating systems and statistical scoring models bolster these assessments, which leverage diverse quantitative

and qualitative data inputs to quantify credit risk levels effectively. Credit Approval Committees, composed of seasoned professionals, oversee the approval and renewal of credit facilities while ensuring adherence to predefined risk parameters and institutional policies.

Once a credit relationship is established, SB employs a rigorous monitoring framework to detect any early signs of risk deterioration. This process includes regular credit reviews throughout the product's life cycle, internal risk classification, Early Warning Systems, and mechanisms for assessing Significant Increase in Credit Risk (SICR) and Unlikelihood to Pay (UTP). These tools collectively ensure that any necessary corrective actions are taken in a timely manner to minimize credit losses. The Bank also continuously monitors credit exposure within the boundaries of its Risk Appetite Framework, considering sectoral concentration, collateral types, obligor ratings, and other relevant risk factors.

Adhering to international best practices, the Bank continues to enhance its impairment methodologies and provisioning processes to account for potential credit losses adequately.

Throughout 2025, the Bank successfully navigated prevailing economic conditions, maintaining resilience in the face of ongoing challenges. While inflationary pressures continued to stabilize and market volatility showed signs of easing, these factors remained central to the operating environment. The credit risk management function continued to play a pivotal role in mitigating potential economic losses and ensuring the application of prudent lending standards. A collaborative approach with clients and stakeholders contributed to effective risk mitigation, reinforcing the Bank's ability to sustain its growth trajectory while preserving the overall quality of its portfolio.

All credit risk objectives, tools, and the clear governance structure of the risk management framework are embedded within the Bank's Credit Policies and Risk Appetite Framework, as approved by the Supervisory Board. This institutional framework reinforces the Bank's commitment to sound risk management practices and regulatory compliance.

### **Quality of Credit Portfolio**

Within the implemented solid credit risk management framework, SB managed to maintain a sound and well-diversified credit portfolio in 2025. Growth of credit portfolio, along with decreasing of the NPE ratio is one of the Bank's main strategic objectives, which the Bank managed to achieve last year, besides the challenges imposed by the global geopolitical developments.



According to NBRNM Methodology, each credit risk exposure is classified in one of five risk categories (A, B, C, D and E). The exposure within the best credit risk category i.e. “A” credit risk category is 92.5% in 2025, while the exposure in “B” risk category is 4.3%. High-risk debt exposures classified in “D” and “E” categories compose 1.6% of the Bank’s loan portfolio, which is decrease by 0.4 percentage points in comparison with the 2024.

### **Concentration Structure**

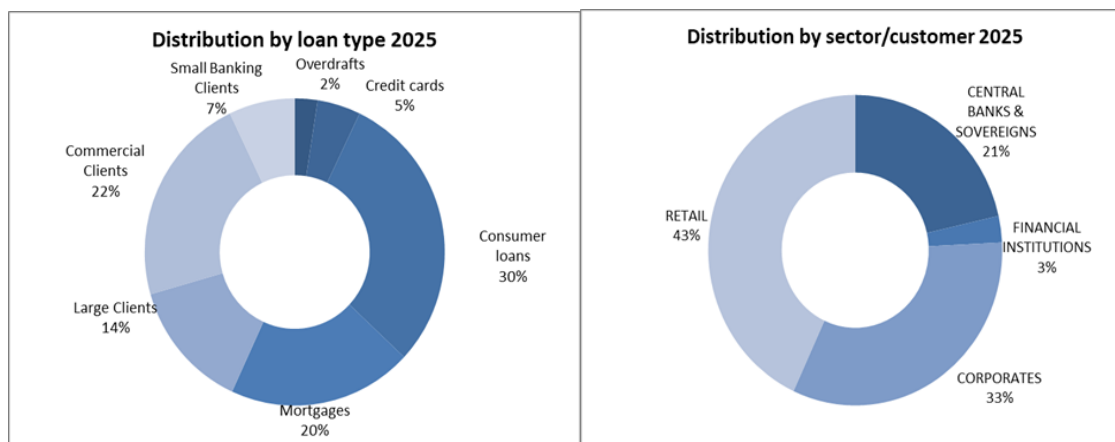
Credit concentration risk refers to the potential for loss arising from inadequate diversification within the credit portfolio, typically due to significant exposures to counterparties that are positively and highly correlated. To mitigate excessive credit risk concentration, Stopanska Banka (SB) employs a risk diversification strategy and has established concentration limits related to:

- Individual clients and groups of related clients (obligor concentration),
- Exposure to specific industry sectors (industry concentration),
- Types of collateral, among other relevant parameters.

These limits are an integral part of SB’s credit risk management framework and are reviewed at least annually as part of the Bank’s credit risk policies and procedures.

The Bank performs ongoing monitoring of credit exposures against the defined concentration limits and, where necessary, implements corrective measures to ensure that risk levels remain within acceptable thresholds.





## Liquidity Risk Management

The management and maintenance of liquidity is one of the Bank's core functions, ensuring the smooth execution of cash flows to meet client needs and achieve the Bank's strategic and operational objectives. The primary goal of liquidity management is to preserve the Bank's ability to function effectively under both normal market conditions and periods of elevated financial stress.

The Bank applies a three-lines-of-defense model for liquidity risk management:

1. First line of defense – The Treasury Division is responsible for the operational management of liquidity and execution of related strategies.
2. Second line of defense – The Risk Management Division and the Compliance Division which identify, measure, monitor, control, and report liquidity risk within defined frameworks.
3. Third line of defense – The Internal Audit Division provides independent assurance on the adequacy and effectiveness of the liquidity risk management framework.

Liquidity is managed on a daily basis in line with internal policies and regulatory requirements set by the National Bank of the Republic of North Macedonia (NBRNM). The process involves monitoring autonomous cash flows from client activities and their structure by currency and maturity, aligning these with the Bank's strategic financial goals. When needed, appropriate instruments and activities are undertaken to ensure full support of liquidity needs arising from both autonomous and strategic factors.

To support this approach, the Bank has implemented a comprehensive set of policies, plans, and scenario analyses that are regularly tested and refined to ensure robustness under various market conditions.

Stopanska Banka is predominantly funded through customer deposits, characterized as stable source of funds. To meet its liquidity obligations, the Bank maintains a buffer of high-quality liquid assets (HQLA) that can be readily converted into cash. These liquid assets include cash balances, high-quality securities, and placements with the Central Bank and foreign banks with high rating, structured by maturity and currency to adequately cover potential cash outflows.

### **Regulatory Compliance and Indicators**

The Bank ensures strict adherence to all regulatory liquidity requirements:

- The average Denar reserve requirement in 2025 was maintained at 100.13%, slightly above the prescribed regulatory minimum of 100%, with efforts made to comply efficiently without incurring excess costs.
- The Liquidity Coverage Ratio (LCR), which compares the value of high-quality liquid assets to expected net cash outflows in average is 369% for 2025, significantly exceeded the minimum requirement of 100%.
- All internal liquidity indicators reported to the NBRNM remained well above internal thresholds, confirming the Bank's strong liquidity position.

### **Structure of Liquid Assets**

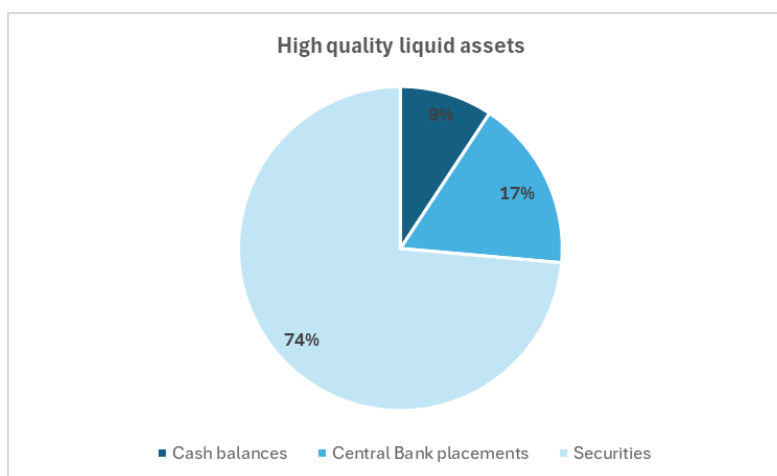
As of December 31.2025, the Bank's total liquid assets amounted to EUR 586 million. These assets include:

- Cash balances
- Funds placed with the Central Bank
- Investments in high-quality securities
- Placements in foreign banks with high ratings

According to NBRNM definitions used in LCR calculations, the composition of high-quality liquid assets is as follows:

- 74% securities
- 17% Central Bank placements
- 9% cash balances

This asset structure ensures optimal coverage of potential outflows and reflects prudent and proactive liquidity risk management practices.



## Financial market operations

The Trading Department is responsible for executing operations in financial markets, including foreign exchange (FX) activities, both at the branch level and through electronic platforms (e-banking, m-banking), as well as interbank FX and money market transactions, and securities trading. In addition to servicing clients across these segments, the department manages the Bank's liquidity needs, maintains open currency positions, and determines exchange rates for various purposes.

In 2025, the Bank continued successfully to serve both corporate and individual clients in foreign exchange transactions, maintaining higher level of turnover as previous year. The majority of foreign exchange funds were sourced internally by the Bank, with a smaller share obtained from other market maker banks and the National Bank of the Republic of North Macedonia (NBRNM). Total volume of foreign exchange market reached EUR 1.56 billion, with 46% of the transactions related to currency purchases and 54% to currency sales. In terms of currency distribution, 86% of transactions were conducted in euros, 10% in US dollars, and 2% in other currencies.

Regarding securities trading, Bank remained actively engaged in transactions for its own portfolio as well as on behalf of clients, both in domestic and international markets. In 2025, was held an auction for citizen bonds, attracting significant participation from individual investors. Bank also continued selling previously issued domestic Eurobonds and foreign securities through its Securities and Brokerage Department. Additionally, custody services for securities were provided to clients.

Daily cooperation with domestic and international banks enables the Bank to invest surplus liquidity into deposits with top-tier global financial institutions. To support trading

and market access, the Bank utilizes platforms such as Bloomberg and Refinitiv, ensuring real-time connectivity to global exchanges.

### **Interest Rate Risk Management**

Interest rate risk is the possibility that changes in interest rates could adversely affect the value of a financial instrument, a portfolio or the Bank as a whole.

Interest rate risk management process reflects the Bank's risk strategy, risk tolerance, business activities and the overall operating environment and market conditions, considering the potential changes of interest rates and their impact on Bank's earnings and economic value of equity.

SB acknowledges its exposure to Interest Rate Risk in the Banking Book (IRRBB) and the need for its effective management, as an integral part of the Bank's commitment to protect the interests of its clients and shareholders. On that note, SB recognizes the importance of IRRBB management in effectively managing its balance sheet, its capital and its earnings stream.

The Bank analyses the sensitivity of its net interest income and equity value to changes in interest rates. This sensitivity arises from differences in maturity dates and interest rate repricing gaps in the various balance sheet items. The assessment of the interest rate risk is conducted through monitoring of exposures arising from the banking book activities, taking into consideration the fact that there is no rate sensitive trading portfolio in SB balance sheet.

The main objective of interest rate risk management is to mitigate the risk of incurring losses arising from market interest rate changes to an acceptable level by appropriate modelling of the structure of rate sensitive balance sheet positions and off-balance sheet items.

At the end of 2025, the ratio of total net weighted position to the regulatory capital was below the regulatory maximum of 20% and resulted with insignificant exposure to IRRBB.

SB continues to manage the IRRBB exposure through establishing of appropriate structure of the rate sensitive positions, with purpose those rate sensitive asset and liability to be highly correlated, resulting with insignificant repricing/maturity gap and with that, low level of interest rate risk exposure.

## Foreign Currency Risk Management

Managing the open-currency position is a daily activity through which the Bank controls its exposure to currency risk. During daily operations, transactions occur in various currencies, which at the end of the day create positions subject to revaluation and generation of f/x differences. Besides monitoring daily changes of exchange rates, the Bank takes active measures to monitor and control the open currency position within desired limits. Regulatory frameworks set limits on position movements of +/-30% relative to own funds, but the Bank always strives to operate at lower levels.

The “euro” dominates in the foreign currency structure of the Balance Sheet considering the connection of the domestic currency to the euro exchange rate, while the other currencies don’t have significant participation and effect on the currency risk.

## Operational Risk Management

SB applies the comprehensive Operational risk management framework (ORMF) to identify, manage and prevent operational risks resulting from inadequate or failed systems, internal processes, human errors or external events.

The SB has a consistent and high quality ORMF in order to:

- Promote a Bank wide operational risk awareness and risk culture further contributing to process efficiency and control effectiveness
- Establish a set of fundamental standards for operational risk management across the Bank leading to the avoidance of unexpected events and minimizing operational risk losses
- Ensure that business objectives are pursued in a risk-controlled manner
- Ensure the cost-effectiveness of operations by reducing extensive overlaps and avoiding excessive or obsolete controls
- Ensure consistency with relevant best practices and compliance with regulatory (quantitative and qualitative) requirements
- Improve regulatory capital consumption, regarding operational risk
- Improve quality of operational risk information leading to more informed risk decision-making and capital allocation

This framework is aimed at keeping operational risks within the moderate/low risk profile and is in line with the NBG Group and Bank’s Risk appetite.

The SB Operational Risk Management governance model is based on the “three lines of defense model”, which has been designed to effectively manage operational risk (OR).

Operational Risk Management process (ORM process) is strongly embedded in daily business processes of the Bank.

According to the definition in Basel Framework adopted by Stopanska Banka, operational risk includes legal risk, risk of non-compliance, risk of money laundering and terrorist financing, as well as risk of inadequacy of information systems.

By enhancing the ORMF, Stopanska Banka provides the foundations, principles and governance arrangements for designing, implementing, monitoring, reviewing and continually strengthening operational risk management throughout the Bank.

Crucial analytical tool in the operational risk management process is the application of the software solution for operational risk management (IBM GRC Platform Connected Risk), which is also being used at the Group level as a highly sophisticated analytical system solution. This software enables more efficient operational risk management, a better overview of the Bank's exposure to this risk, much better monitoring and control of the process of recording realized loss events with and events without financial impact, as well as monitoring the process of initiating and the status of implementation of Action Plans.

The SB's ORM approach consists of the following key framework components and their respective internal governance policies:

- Internal Events Management Policy (IEM Policy)
- Key Risk Indicators Policy (KRI Policy)
- Risk and Control Self-Assessment Policy (RCSA Policy)

The overall focus of the 2025 ORM process was aimed at further strengthening the Operational risk management function within entire Bank by paying significant attention to reporting adverse events, mitigation measures and defining operational risks in all segments. Raising the culture of operational risk and awareness of operational risk issues, as well as enhanced monitoring of operational risk exposure is achieved by an intensive proactive role by the Risk Management Division, with the intention of reducing or mitigating operational risk exposure in compliance with the Bank's risk profile, risk strategy and business objectives.

The SB's ORMF provides a structured approach for managing operational risk. It applies consistent standards and techniques for evaluating operational risks.

## Capital Adequacy, Internal Capital Adequacy Assessment Process and Stress Test

Maintaining a strong capital base as a precondition for business growth and absorbing all possible risks is a priority and main focus of the Bank. The total regulatory capital of the Bank as at 31.12.2025 amounted to EUR 399.1million, out of which the Tier 1 capital amounted to EUR 397.6million and the Tier 2 capital amounted to EUR 1.5 million, which resulted in a capital adequacy ratio of 18.88% as of 31.12.2025.

As a part of the prudently established risk management framework, the Bank regularly performs the Internal Capital Adequacy Assessment Process (ICAAP) and assesses the resilience of its capital adequacy by conducting stress testing, by taking into account the up-dated circumstances and risks prevailing and the moment of stress-testing and forecasting the expected ones. The Bank's ICAAP ascertains that SB's capital is sufficient to cover all the material risks to which it is exposed to, and that the identified excess of capital is more than sufficient to cover all other risks that cannot be adequately quantified but to which the Bank is exposed to in the regular business activities. As prescribed, the stress test exercises are also an integral part of the risk management framework, especially needed to provide estimates and trigger attention of the size of financial losses and its impact on the overall business, including the capital adequacy. During 2025, the Bank conducted various stress test scenarios, including an adverse scenario based on implications from prolonged negative geo-political developments followed by ongoing Russian-Ukraine tensions and the announcements regarding the changes in the trade policies among the major trading partners in order to test the sensitivity to a predetermined set of extreme but plausible shocks. The stress tests included effects from various scenarios concerning the credit risk, interest rate risk in the banking book, liquidity risk, currency risk and operational risk, as well as scenarios that involved combination of all risks.

The stress test results proved that the Bank can cope and is resilient even under very pessimistic assumptions. Such resilience mainly reflects the prudent risk management, well-established business model, strategy, systems and procedures that enables self-

generating strong capital base and high liquidity position, as a strong shield against all possible risks and shocks.

## **Compliance, Anti-Money Laundering and Combat Terrorist Financing activities**

During 2025, Compliance Division (CD) undertook vast number of activities for monitoring of the implementation of all relevant novelties in the domestic and international regulations related to banking operations by continuous implementation of efficient system for controlling SB activities that comply with the applicable domestic and international regulations. Such activities included:

- establishing efficient internal procedures and organizational structures for identifying, monitoring and managing the possible risks related to SB's compliance with current regulations;
- continuous training of Bank employees;
- regular, at least monthly and semi-annually, reporting to the Board of Directors and Supervisory Board;
- continuous cooperation with the relevant external institutions in accordance with the Banking Law;
- regular reporting to the US IRS in accordance with the FATCA law etc.

Thus, ensuring good reputation and credibility of SB before its shareholders, clients, investors, regulatory and supervisory authorities and other relevant stakeholders as well as developing Compliance Culture among all SB employees.

Considering Anti-Money Laundering (AML) and Combat Terrorist Financing (CTF) Activities, CD realized series of activities for improvement of measures and activities prescribed in the AML and CTF Law (Law), as well as for improvement and further upgrade of internal systems and processes used by the CD daily. Moreover, in 2025 the number of staff employed in CD was maintained accordingly in accordance with the requirements from the Law.

Compliance Division continues to carry out its regular activities in order to sustain and bolster overall compliance culture within SB as well as to achieve overall compliance of Bank's operations with the relevant regulations as its main objective.



## Personal Data Protection

Stopanska Banka AD Skopje as a Controller of personal data, recognizes and attaches particular importance to the obligation of the Bank to comply with the applicable legislative and regulatory framework, in general, on the protection of natural persons with regard to the processing of personal data.

The Bank has adopted and implemented Personal Data Management Policy, which is binding for all Bank's staff and organizational units. The purpose of the Policy is to ensure compliance of the Bank with the applicable legal and regulatory framework, define the principles and rules governing the processing of personal data, to protect the rights and fundamental freedoms of natural persons and particularly their privacy, raise staff awareness and provide guidelines and to safeguard the reputation and credibility of the Bank and the Group.

The Bank has appointed a Data protection officer (DPO), which is a function that is established based on regulatory requirements arising from Personal data protection Law. DPO function is an independent position and reports directly to the Board of Directors.

DPO is responsible for monitoring the Bank's compliance with the Law on Personal Data Protection, data protection training and education of staff, informing and providing advice on activities that include the processing of personal data, and acting as contact point with Data protection authority. In essence, the DPO role is an objective and independent compliance and advisory role in the day-to-day governance of data protection.

During 2025, following actions related to personal data protection took place:

- Providing training and education to Bank's staff and new employees,
- Raising and maintaining awareness about data protection in the Bank,
- Providing advice on data protection and DPIAs (Data protection impact assessment),
- Analysis and information about the new regulation related to data protection,
- Maintaining regular communication and coordination with Data Protection Agency,
- Reporting to the Board of Directions of the Bank.

## Corporate Governance Report 2025

Stopanska Banka AD Skopje is recognized as one of the largest, most profitable, and reputable systemic banks in North Macedonia. The Bank's corporate governance framework is firmly rooted in best practices, applicable regulatory requirements, and NBG Group standards, tailored to meet the strategic objectives of the Bank and the expectations of its stakeholders. Responsible corporate governance continues to be a top priority, enabling effective execution of the Bank's Business Plan with integrity and operational excellence.

### Strengthening Governance in 2025

In 2025, the Bank made significant progress in enhancing its corporate governance framework by addressing key priorities identified in earlier internal and external assessments, including the comprehensive *Board & Governance Review* conducted by an independent, specialized consulting agency. Enhancements were made in several critical areas:

- Board Composition and Diversity
- Strategic and Risk Oversight
- Remuneration Practices
- Succession Planning

These developments reflect the Bank's continuous commitment to strengthening governance practices in line with evolving standards and stakeholder expectations.

This Corporate Governance Report is submitted to the shareholders of Stopanska Banka AD – Skopje and disclosed to the public in accordance with the Law on Trade Companies, the Decision on Good Corporate Governance Rules for Banks issued by the National Bank of the Republic of North Macedonia, and the Corporate Governance Code for listed companies on the Macedonian Stock Exchange.

The report outlines key developments and regulatory disclosures for the year 2025, encompassing the following components:

#### 1. Shareholding Structure

- Details of shareholders with qualified holdings
- Number and percentage of voting shares held
- Representation on the Supervisory Board

#### 2. Bank's Governance Bodies

- Composition, roles, and responsibilities
  - Changes in composition during the year
  - Profiles of members
3. **Supervisory Board Meetings and Attendance**
    - Number of meetings held
    - Individual attendance records of Supervisory Board members and committee members
  4. **Key Activities of Supervisory Board and Committees**
    - Summary of major governance actions and oversight activities
  5. **Nomination and Appointment Procedures**
    - Overview of nomination, appointment, and dismissal processes
    - Succession planning practices for Supervisory Board members
  6. **Organizational Structure**
    - Current structure of the Bank and its subsidiaries
    - Any material changes in governance during the year
  7. **Remuneration Policy Implementation**
    - Review of how the remuneration policy was applied in 2024
  8. **Conflict of Interest Policy**
    - Implementation and monitoring of policies designed to prevent conflicts of interest
  9. **Internal Control System**
    - Key features and effectiveness of internal controls related to the preparation of financial statements
  10. **Outsourced Services**
    - Information on significant outsourced service providers supporting critical Bank functions
  11. **Environmental, Social, and Governance (ESG) Engagement**
    - Summary of stakeholder engagement and ESG initiatives

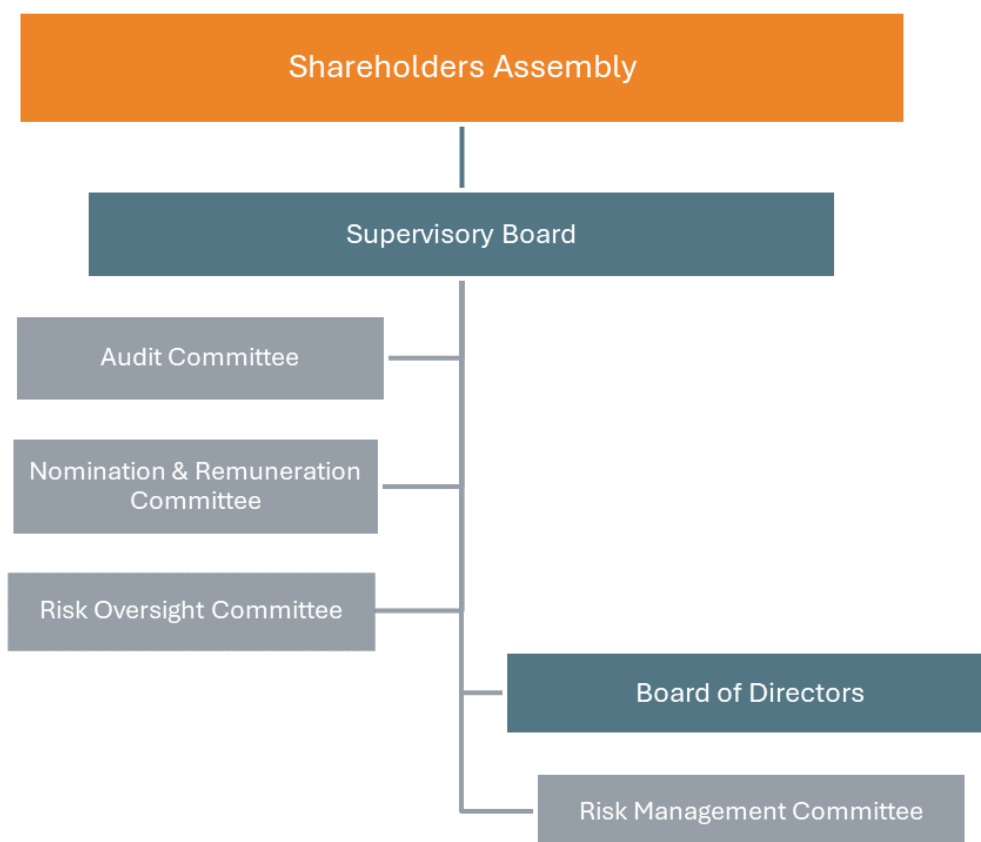
## 1. SB Bodies

The governance bodies of the banks are defined by the Law on Banks, the Central Bank' Decision on Good Corporate Governance Rules for Banks and the Corporate Governance Code for the Listed Companies.

Based on these acts, besides the Supervisory Board, the banks must establish an Audit Committee and Risk Management Committee (RMC). These are considered “legally prescribed committees” and their composition and duties are strictly determined in the Law on Banks. The Supervisory Board may establish other boards from among its members

who assist in the conduct of part of its competencies, following appropriate changes in the Statute. As seen below, the Supervisory Board has established also the Nomination & Remuneration Committee and Risk Oversight Committee.

**Figure 1:** *The Governance Structure of Stopanska Banka – fully compliant with the regulatory requirements.*



### 1.1 Shareholders Assembly

Stopanska Banka is managed by holders of ordinary shares with the right to vote through the Shareholders Assembly.

As of 31 December 2025, the initial capital (basic capital) consisted of 17,460,180 ordinary shares at the nominal value of MKD 201.1 per share and 227,444 preferred shares at the nominal value of MKD 400.00 per share. The same are registered and led by the Central Securities Depository. The shares of the Bank quoted at the Official Market of the Macedonian Stock Exchange, sub segment Mandatory Listing, and the code under which they are quoted is STB (common share) ISIN number MKSTBS101014 and STB (preferred cumulative share) ISIN number MKSTBS120014.

During 2025, there are no significant changes in the shareholder structure: National Bank of Greece S.A. – Athens (NBG) owns 94.6% of the ordinary shares, while 5.4% of the shares are held by other minority shareholders. NBG is represented with 5 members in the Supervisory Board, while the other 2 members are independent.

The Shareholders Assembly operates at meetings held once a year (obligatory Annual Shareholders Assembly) and when needed (Extraordinary Shareholders Assembly meetings) upon request by the shareholders (holding at least 10% of the voting shares), in accordance with the Law on Trade Companies and Banking Law.

During 2025, the Bank successfully organized the Annual Shareholders Assembly on 30.5.2025, in compliance with the regulatory requirements and the internal policies of the Bank. All regular decisions (obligatory) were passed with the required majority. At the meeting, shareholders who are owners of ordinary shares, together with their representatives or proxies, were present with a total of 16,599,739 voting rights, representing 95% of all ordinary shares with voting entitlement. In addition, shareholders of the Bank who hold preferred shares, along with their representatives or proxies, participated with a total of 28,047 preferred shares, representing 12% of the total number of preferred shares. In addition to shareholders, the Chairman, notary and the Vote Counter, the session was attended by (a) all members of the Board of Directors; (b) the independent members of the Supervisory Board, Prof. Dr. Vladimir Filipovski and Prof. Sasho Kjosev as representative of the Supervisory Board; and (c) representative of the independent audit company that carried out the audit of the Bank's operations in 2025, Mr. Sime Jovanovski authorized auditor of PricewaterhouseCoopers Revizija DOO Skopje.

The Bank again created conditions for the shareholders to address all their issues, including the open discussion concerning the rights of the shares and the potential conversion of priority into ordinary shares. In this respect, although proposals by shareholders were submitted on these issues, the session was attended by shareholders and representatives of shareholders who own 28,047 priority shares in total (12% of the total number of priority shares) representing the insufficient number of registered and represented shareholders provided for in the Law on Trade Companies when considering and discussing proposals affecting both types of shares. Thus, it was concluded that there is no quorum for consideration and deciding upon the submitted proposals.

### **Extraordinary Shareholders Assembly**

- During 2025, the Bank did not hold any extraordinary shareholders' Assemblies.

## Dividend Disbursement & Dividend Policy

After the acquisition of Stopanska Banka in the year 2000, the primary objectives of the main shareholders were to restructure the Bank into stable, solid and reliable factor in the economy that will be pillar and counterparty of the clients. After a long period of restructuring and cleaning the losses from the past, the Bank started creating profit, which was re-invested for growth in the years to come that secured its leading position today.

Stopanska Banka has issued two types of shares:

- Ordinary shares with right to vote: 17.460.180 with a nominal value of MKD 201.1;
- Priority shares without voting right: 227.444 with a nominal value MKD 400.

The right to dividend for the priority share is determined in the Decision on issuing shares of the Second issue AD No. 32/20.06.1991 and the Decision on issuing shares of the Fourth issue AD No. 102/30.05.1996. In accordance with these decisions adopted by the Shareholders Assembly the dividend on the priority shares is determined in the amount of interest on retail MKD time deposits for a period of 1 (one) year, increased by the appropriate percentage point, i.e. 1% premium.<sup>1</sup> In accordance with these decisions on the issuance of the shares and the Law on Trade Companies, the priority shareholders have a right to a guaranteed cumulative dividend, thus the Bank is in compliance with the same.

The Bank has a stable and predictable dividend policy for the priority shares, i.e. determinable fixed interest rate based on the defined market-based interest rate that serves as a reference that provides the shareholders with formation in advance for the dividend that they will receive.

Regarding the dividend policy related to ordinary shares, the Bank is considering the capital and other regulatory requirements that should support the business needs and growth aspects. After securing the priorities mentioned, whatever remains is subject to the discretion of the shareholders based on a decision passed by the Shareholders Assembly.

Due to its multi-year profitability and leveraging the available retained earnings from the prior years, the Management Board proposed that a portion of these earnings, in the total amount of MKD 3,998,381,220, be distributed as gross dividend to the shareholders. As a

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<sup>1</sup> In the Decision on issuance of shares from 1991, which is also legally valid, the formula prescribes 1Y retail MKD Time deposit + 1% premium. The Decision on issuance of shares from 1996, stipulates that the premium is determined as "adequate percentage point" defined by the Bank.

result, the gross dividend per ordinary share amounts to MKD 229, further confirming the Bank's financial stability and prudent governance.

## 1.2 Supervisory Board

The Supervisory Board is responsible for setting strategy, overseeing management, and adequately controlling the Bank, with the ultimate aim of enhancing the long-term value of SB and upholding the general corporate interest, corporate culture and values in accordance with the laws and corporate governance standards. The Supervisory Board has the ultimate responsibility to create conditions for good operations and management of the Bank and its stability. When carrying out its responsibilities, the Supervisory Board shall take into consideration the interests of the interested entities and shall provide conditions for maintaining an efficient cooperation with the National Bank of the Republic of North Macedonia and other regulatory authorities.

### Size & Composition

The Supervisory Board of Stopanska Banka AD – Skopje consists of 7 members, out of which 2 are independent ones, with the term of office determined to four years, appointed by the Shareholders Assembly. The composition of the Supervisory Board in 2025 was as follows:

1. Marinis Stratopoulos, **Chairman**,
2. Panagiotis Karandreas Director of the International Activities Division at NBG, **Member**,<sup>2</sup>
3. Dimitra Doima, Assistant General Manager, Group Financial Planning and Performance Management at NBG, **Member**,<sup>3</sup>
4. Georgios Tagaris, Assistant General Manager, Group Financial Risk Management at NBG, **Member**,<sup>4</sup>
5. Georgia Tolia, Director of IT PMO and IT Governance at NBG, **Member**,<sup>5</sup>
6. Vladimir Filipovski, **Independent Member**, Professor, Faculty of Economics at University “St. Cyril and Methodius” Skopje.
7. Sasho Kjosev, **Independent Member**, Professor, Faculty of Economics at University “St. Cyril and Methodius” Skopje<sup>6</sup>.

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<sup>2</sup> Appointed as Member of Supervisory Board since 06.2.2025.

<sup>3</sup> Appointed as Member of Supervisory Board since 28.7.2025.

<sup>4</sup> Appointed as Member of Supervisory Board since 25.2.2025.

<sup>5</sup> Appointed as Member of Supervisory Board since 03.4.2025.

<sup>6</sup> Prof. Kjosev is Chairman of the Association for regional development – Balkan Economic Forum (NGO).

## Responsibilities of the Board & Key Activities in 2025

The responsibilities of the Supervisory Board are determined in article 89 of the Law on Banks and the same are incorporated in the SB Statute, as follows:

1. adopts the SB business policy and development plan and follows its implementation.
2. appoints and dismisses members of the SB Board of Directors.
3. appoints and dismisses members of the SB Risk Management Committee.
4. appoints and dismisses members of the Audit Committee.
5. adopts SB financial plan/ Budget.
6. organizes the Internal Audit Division, appoints, and dismisses Internal Audit Division Manager and follows hers/his operations.
7. approves the annual plan of the Internal Audit Division.
8. adopts the information security policy.
9. adopts SB risk management policies.
10. adopts conflict of interest policy that identifies the potential conflict of interest and the measures and activities for its avoidance.
11. in accordance with the business plan, development plan, the financial plan / Budget, and the policy for avoiding conflict of interest, adopts the remuneration policy.
12. adopts and implements the policy for selection, monitoring the operation and dismissal of members of Supervisory Board, Risk Management Committee, Audit Committee and Board of Directors.
13. reviews the reports on the activities of SB Board of Directors.
14. reviews the reports of SB Risk Management Committee.
15. reviews the reports of the Audit Committee.
16. reviews the reports of the Internal Audit Division.
17. reviews the reports of the Compliance Officer/Division.
18. approves the annual financial statement and the financial statements of SB.
19. approves the exposure to individual entity exceeding 20% of SB own funds, except for exposure based upon purchasing securities issued by the National Bank of the Republic of North Macedonia and Republic of North Macedonia.
20. approves the transactions with persons related to SB exceeding MKD 6,000,000.
21. approves the acquiring equity holdings and purchase of securities higher than 5% of SB own funds, other than purchase of securities issued by the National Bank of the Republic of North Macedonia.
22. approves the proposal of the Audit Committee for appointment of the external audit company, or the proposal for termination of the agreement with the external audit company and is responsible for ensuring that an appropriate audit is conducted.



23. adopts the Internal Audit Policy/Charter.
24. reviews the supervisory reports, other reports submitted by the National Bank, the Public Revenue Office and other competent bodies and proposes, i.e. undertakes measures and activities for addressing the identified non-compliances and weaknesses in SB operations.
25. approves the annual report on the SB operations and submits written opinion thereon to the SB Shareholders Assembly.
26. reviews the report of the external audit company and submits written opinion thereon to the Shareholders Assembly.
27. adopts SB Code of ethics.
28. adopts the Code of Corporate Governance; and
29. decides upon partial or full write off of credit exposure based on study for performed write off prepared by the competent Bank division.
30. review the report on transactions with the entities related to the bank, as well as on the amount of approved loans and other forms of exposure to the persons with special rights and responsibilities in the bank, at least once quarterly; and
31. performs other duties in compliance with the applicable legislation and National Bank relevant decisions.

*\*\*\*More details for the operations of the Board are presented in the Annual Report on the Operations of Supervisory Board in 2025, submitted to the SB Shareholders Assembly.*

### **Attendance Record**

In 2025, the Supervisory Board organized 10 regular meetings, where it addressed all-important issues in accordance with its duties and responsibilities. Between the meetings, various items were reviewed/approved with written statement on 8 occasions.

The Supervisory Board held its meetings in accordance with the Annual Working Plan 2025 and in line with its responsibilities determined by the Law on Banks and the internal acts.

#### Attendance Record

<b>Member</b>	<b>Supervisory Board Meetings</b>	<b>Audit Committee</b>	<b>Nomination &amp; Remuneration Committee</b>	<b>Total Participation in % (all meetings)</b>
<b>M. Stratopoulos</b>	10/10		5/5	100%
<b>S. Kjosev</b>	9/10	-	5/5	90%

<b>P. Karandreas</b>	10/10	3/4		90%
<b>D. Doima</b>	4/4		-	100%
<b>G. Tagaris</b>	10/10	-	-	100%
<b>G. Tolia</b>	8/8	-	-	100%
<b>V. Filipovski</b>	10/10	4/4	5/5	100%

\*\*\*\*Part of the members of the Supervisory Board are also members of the Audit Committee and Nomination and Remuneration Committee, thus their participation in these committees is depicted as well (4 Audit Committee meetings and 5 Nomination and Remuneration Committee meetings).

### Independence & Conflict of Interests

In 2025, the balance between independent members and those representing NBG is in line with the regulatory requirements (1/4 of the composition, i.e., two out of seven). Both members served for two consecutive terms and were re-appointed for the third and final term as independent members.

In order to be considered by the Supervisory Board and to be proposed at the General Meeting as an independent member, the candidate should not have formed a relationship with the Bank, management, shareholders / or the Group that could interfere with the exercise of independent judgment in carrying out responsibilities as an independent member.

The criteria are defined in the laws and the SB Corporate Governance Code.

In this respect, as of 31 December 2025, no member of Supervisory Board or Board of Directors hold any common shares with right to vote of Stopanska Banka AD – Skopje. Concerning priority cumulative shares without the right to vote, one member of the Supervisory Board and one member of the Board of Directors hold small insignificant number of shares (less than 0.1%).

In conclusion, all **criteria for independence are followed** and **no conflict of interest** was reported by any member of the Supervisory Board during the reporting period.

### Self-Assessment 2025

During 2025, the Supervisory Board conducted self-assessment of its operations.

The assessments confirm that, as of 2025, the Supervisory Board of Stopanska banka AD - Skopje is fully compliant with key regulatory and corporate governance requirements related to the board composition, membership structure, mandates, and professional skill

criteria. The members bring extensive professional expertise, strong regional insight, and, in certain cases, international experience.

The Supervisory Board is composed of highly qualified members whose competencies cover a broad and well-balanced range of critical areas, including leadership, finance, strategy, information technology, risk management, and internal controls. Collectively, the members possess in-depth knowledge of the Bank's financial position and risk profile and demonstrate strong collaboration and synergies, enabling effective and independent oversight of the Bank's operations. No member is considered over-committed in terms of external mandates.

Following a structured enhancement process based on an external advisor's assessment of board effectiveness, the composition of the Supervisory Board has been refreshed and strengthened to better address the Bank's evolving needs. As of 2025, the Board reflects increased diversity of skills relevant to the evolving banking environment, including digitalization, IT, and ESG-related competencies, as well as improved gender diversity. The process of strengthening the Board's independence has been launched by initiating the appointment of an additional independent Board member, with the objective of enhancing objectivity, oversight, and adherence to best corporate governance standards.

### **The Supervisory Board' Committees in the year under review**

The Supervisory Board has established committees with the aim of improving the efficiency of its work by dealing with complex matters in smaller groups and preparing them for the full Supervisory Board. Additionally, the Supervisory Board has delegated individual decision-making powers to the Committees, to the extent that this is legally permissible according to the relevant legislation and the internal regulations of the Bank.

During 2025, in addition to the existing three committees - the Audit Committee, the Risk Management Committee, and the Nomination and Remuneration Committee, the Supervisory Board established one more committee - Risk Oversight Committee.

The purpose of the Risk Oversight Committee is to assist the Supervisory Board in performing high-level independent oversight and advising on risk strategy and its implementation. The committee ensures that the Bank's risk management framework is aligned with strategic objectives and that the Bank effectively identifies, assesses, and manages risks. The Risk Oversight Committee (ROC) consists of 3 members, appointed by the Supervisory Board with a one-year mandate that is automatically renewed for successive one-year terms unless decided otherwise, provided the committee member still meets the criteria for Board membership and is a member of the Supervisory Board.

### 1.3. Audit Committee

Audit Committee is established as “legally prescribed committee” that assist the Supervisory Board in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, and internal and external audit functions.

#### Size & Composition

The Audit Committee of Stopanska Banka AD – Skopje consists of five members, appointed by the Supervisory Board, with two years term of office. Majority of the members (3) are members of the Supervisory Board, while the remaining two members are independent out of which one member is authorized auditor. The composition of the Audit Committee in 2025 remained unchanged, i.e. was as follows:

1. Antonio Veljanov, Chairman of the Audit Committee (independent member and chartered auditor);<sup>7</sup>
2. Marinis Stratopoulos, member (representative of the Supervisory Board);
3. Panagiotis Karandreas, member (representative of the Supervisory Board);
4. Vladimir Filipovski, member (representative of the Supervisory Board);
5. Verica Kostova, member (independent member).<sup>8</sup>

#### Responsibilities of the Board & Key Activities in 2025

The Audit Committee responsibilities are defined strictly in the Law on Banks, which are transposed in the SB Statute. More precisely, it:

1. reviews the financial statements of SB and makes sure that the disclosed financial information on SB operations is accurate and transparent as specified by the accounting regulations and international accounting standards.
2. reviews and makes assessment of the internal control systems.
3. monitors the operations and assesses the efficiency of the Internal Audit Division.
4. monitors SB audit process and assesses the work of the external audit company.
5. adopts SB accounting policies.
6. monitors the compliance of SB operations with the regulations related to the accounting standards and the financial statements.

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<sup>7</sup> Mr. Antonio Veljanov is also member of the Board of Institute of Chartered Auditors of Republic of N. Macedonia.

<sup>8</sup> As of 31 October 2025, Verica Kostova has been appointed to replace Zorica Božinovska-Lazarevska who was nominated as independent member in the Supervisory Board.

7. holds meetings with the Board of Directors, the Internal Audit Division and the external audit company as to the identified non-compliances with the regulations and weaknesses in the bank's operations.
8. reviews the reports of the Risk Management Committee.
9. proposes the selection of the external audit company as well as the termination of the concluded agreement; and
10. reports to SB Supervisory Board for its operations at least once quarterly.

The Key Activities performed in 2025 are explained below:

### **1. Financial Reporting Oversight**

- The Committee reviewed the Annual Account and the Audited Financial Statements for 2024, as well as the SB Annual Report for 2024 before submission to the Supervisory Board for review and to the Shareholders Assembly for adoption. The Audit Committee ensured that the disclosed financial information accurately and transparently reflected the Bank's financial position and performance, in compliance with applicable IFRS and local accounting standards.
- In addition, the Audit Committee regularly reviewed the quarterly IFRS financial statements for consolidation purposes and confirmed to the Group Audit that the financial reporting is properly prepared and suitable for inclusion in the consolidated financial statements of the NBG Group.

### **2. Internal Controls, Risk Management, and Audit Oversight**

- Regularly, on quarterly basis, the Audit Committee reviewed and discussed the activity reports of the Internal Audit Division, thus was duly informed about the ongoing internal audit issues.
- The Committee paid particular attention to the follow-up internal audit reports on the implementation of corrective actions arising from the Central Bank's supervision reports (non-IT area) and the Central Bank's partial on-site supervision related to providing payment instruments via remote communication. In each case, the Audit Committee reviewed the reports and approved the corresponding Audit Committee opinions.
- The Annual Internal Audit Report for 2024, the Annual Internal Audit Plan for 2025, the revised Annual Audit Plan for 2025, and the revised Internal Audit Charter were reviewed and discussed.
- The Committee reviewed the assessment of the adequacy and effectiveness of the system of internal controls for 2024, gaining assurance over the robustness of the Bank's control environment.
- The Audit Committee reviewed the Risk Management Committee quarterly reports in order to have better insight and overview of the risk management profile of the Bank.
- In addition, the Compliance Division presented to the Audit Committee the Annual Compliance Report for 2024, the Compliance Plan for 2025, the Semi-Annual Compliance Report as of June 30, 2025, and the ML/FT Risk Assessment Report for 2024. These reports provided the Committee with an overview of key regulatory and compliance matters, ongoing risks, and

planned activities of the Compliance function, with particular focus on the compliance of the Bank's operations with regulations related to accounting standards and financial reporting.

### 3. External Audit and Controls

- As one of its main responsibilities, the Audit Committee proposed PricewaterhouseCoopers Revizija DOO Skopje as external audit company for 2025 and was regularly informed about the cooperation between the Bank and the external auditor. In this context, the Audit Committee also reviewed the audited financial statements per IFRS standards, and the related Management Letter issued by chartered auditor for 2024 (PricewaterhouseCoopers Revizija DOO Skopje).
- As needed, the Audit Committee reviewed and discussed the audit/control reports by the regulators when performed. In this regard in 2025 the Committee reviewed the final Central Bank report on the thematic on-site supervision for ICAAP and the bottom-up stress test conducted in 2025.

### 4. Regulatory Compliance

- The Audit Committee also reviewed the following documents from the procedural framework:
  - the Policy for Avoiding Conflict of Interest;
  - the Policy for Responsible Use of Artificial Intelligence; and
  - the Accounting Policies, both in accordance with local standards and IFRS.
  - the Rules of Procedure of the Audit Committee.
- The Audit Committee reviewed its Annual Working Plan for 2025, including the results of the self-evaluation for 2024, as well as the Report on the Operations of the Audit Committee in 2024.
- The Committee reviewed and approved materials prepared for the Annual Shareholders' Assembly in 2025.
- In addition, the Audit Committee approved the nomination of the Manager of the Internal Audit Division.<sup>9</sup>

In conclusion, the Audit Committee followed its Annual Plan of operations and executed its duties in full compliance with the relevant legislation and corporate governance standards and had open and transparent communication with the Board of Directors, Supervisory Board, and the control functions of the Bank.

*\*\*\*More details for the operations of the Board are presented in the Annual Report on the Operations of Audit Committee in 2025, submitted to the SB Supervisory Board.*

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<sup>9</sup> Following the announced resignation of Ms. D. Delimitova, whose mandate as Internal Audit Division Manager ends on August 31, 2025, Ms. Aleksandra Taseva, Deputy Manager of the Division, was appointed as head of the division.

## Attendance Record

The meetings of the Audit Committee were held in accordance with the regulatory requirements, i.e., at least one meeting per quarter. In 2025, the Audit Committee organized 4 regular meetings, where it addressed all relevant issues for the bank in accordance with its duties and responsibilities. Between the meetings, various items were reviewed/approved with written statement on 4 occasions.

Table 2. Participation in Audit Committee meeting (4 regular meetings in total)

Committee Member	# of meetings attended	% of meetings attended
Antonio Veljanov	4/4	100%
Verica Kostova   Zorica Bozinovska - Lazarevska	1/1 3/3	100% 100%

*\*The Attendance Record for the members of the Audit Committee who represent the Supervisory Board is presented above in the section for the Supervisory Board.*

### 1.4. Risk Management Committee

The Risk Management Committee of Stopanska Banka AD – Skopje is consisted of 9 members, appointed and/or dismissed by the Supervisory Board (although the positions of the members of the Risk Management Committee are defined in the Statute). As at 31 December 2025, the members of the Risk Management Committee are as follows:

1. Chrysoula Koutoudi – Chief Executive Officer and Chairman of the Board of Directors, Chairman;
2. Vladimir Treneski - Chief Corporate Officer and member of the Board of Directors, member;
3. \_\_\_\_\_ - Chief Risk Officer and member of the Board of Directors, member;
4. Milica Chaparovska-Jovanovska – Chief Retail Officer and member of the Board of Directors, member;
5. Mirjana Trajanovska – Chief Financial Officer and Member of the Board of Directors, member;
6. Ioannis Bourmpakis – Chief Credit Officer, member;

7. \_\_\_\_\_ – Senior Manager of Corporate Banking Division, member;
8. Blagoj Donchev - Manager of Collection Division, member;
9. Emilija Stojanova Ivanovska - Manager of Risk Management Division, member.<sup>10</sup>

Members of the Risk Management Committee, in addition to the requirements stipulated with the Banking Law, have minimum three-year experience in the area of finance or banking. The responsibilities of RMC are as follows:

1. permanently monitors and assesses the risk level of SB, and identifies the acceptable level of exposure to risks in order to minimize the losses as a result of the SB risk exposure;
2. establishes risk management policies and monitors their implementation;
3. follows the regulations of the National Bank pertaining to the risk management and SB compliance with such regulations;
4. assesses SB risk management systems;
5. determines short and long-term strategies for managing certain types of risks SB is exposed to;
6. analyses the reports on SB risk exposure developed by SB risk assessment units and proposes risk hedging strategies, measures and instruments;
7. monitors the efficiency of the internal control systems in the risk management;
8. analyses the risk management effects on SB performances;
9. analyses the effects of the proposed risk management strategies, as well as the proposed risk hedging strategies, measures and instruments;
10. assesses whether the pricing of the bank's products and services is aligned with the level of undertaken risks and in accordance with the business policy and the development plan of the bank;
11. informs, at least once per quarter, the SB Supervisory Board, on the changes in SB risk positions, the changes in the risk management strategies, the risk management effects on SB performances as well as the undertaken measures and instruments for hedging risks and the effects thereof; and
12. approves any exposure to an entity exceeding 10% and up to 20% of SB's own funds.

### **1.5. Nomination & Remuneration Committee**

Since November 2013, the Remuneration Committee is assisting the Supervisory Board in implementation of the Remuneration Policy of SB.

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<sup>10</sup> Ms. Emilija Stojanova Ivanovska was appointed Chief Risk Officer during 2026.



The Committee consists of three members, appointed by the Supervisory Board, with 1-year term of office which shall be automatically renewed for successive one-year terms, unless otherwise decided, provided that the Committee member still meets the criteria for membership of the Committee and Supervisory Board. Majority of the members (2) are independent members, including its chairman.

During 2025, there were no changes in the composition of the Committee, i.e., composed by the following members:

- Vladimir Filipovski, Chair and independent member.
- Marinis Stratopoulos member – representative of Supervisory Board.
- Sasho Kjosev, independent member.

The Committee plays a vital role in providing oversight of the nomination, appointment, evaluation, succession, and remuneration of key personnel of the Bank, in line with the relevant regulation and internal policies of the Bank. Its high-level focus on these matters shall strengthen the Bank's ability to attract and retain top talent in the highest bodies while promoting transparency, accountability, and alignment with the international corporate governance standards.

Therefore, in brief, NRC assists the Supervisory Board in providing oversight of the nomination, appointment, evaluation, succession, and remuneration of key personnel of the Bank, in line with the relevant regulation and internal policies of the Bank.

The NRC responsibilities are regulated in the internal policies of the Bank and the Rules of Operations of the Nomination and Remuneration Committee, following the relevant provisions of the Central Bank' Decision on good corporate governance rules in banks.

### **Key Activities in 2025**

During 2025, the NRC held five regular meetings and one by written statement, as required by the local legislation and in accordance with its Rules of Operations.

Following its Annual Operational Plan, the following main items were reviewed/passed:

- Nominating and evaluating members of the Supervisory Board (4), Board of Directors (6), Risk Oversight Committee (3), and Audit Committee (1).
- Nominating Manager of Internal Audit Division.
- Oversight and coordination of the CEO succession.

- Performance assessment of the CEO and BoD members for FY2024; and approval of CEO KPIs for 2025.
- Review and approval of the Remuneration Report for 2024, including the self-evaluation of the Remuneration Committee members and the Risk Management Committee Opinion on the Remuneration Policy.
- Regularly reviewed the staff cost and employee turnover trends of the Bank, ensuring that the management keeps the staff cost and headcount within the Budget.
- Regularly reviewed the Presentation on Exit Questionnaire Analysis.
- Approved the proposal for salary increases for SB employees for 2025 and variable remuneration rewarded to SB management and the employees for performance in 2024.
- Reviewed and discussed the regular annual Internal Audit Report on implementation of the Remuneration Policy.
- Review and Approval of the Board Training Plan.
- Annual review of the Rules of Operations on Nomination & Remuneration Committee, Risk Oversight Committee Rules of Procedure, and Evaluation Policy.
- Endorsed the KPIs of the control functions and the achieved Individual Targets.
- Reviewed and approved the List of risk-takers covered with the Remuneration Policy.

In conclusion, the NRC was assured that all principles of the Remuneration Policy and other policies under its scope were followed by the Bank.

## **1.6. Board of Directors**

The Board of Directors mission is to manage and represent the Bank in the best interest of the company, with the main objective of sustainable long-term value creation and considering the interests of all stakeholders. It shall manage the Bank and shall be involved in the implementation of the business policy, the establishment and promotion of corporate culture and values, the determination of the acceptable level of risk, the establishment and implementation of the internal control system and in providing conditions for operations of the bank in accordance with the regulations.

## Size & Composition

The Board of Directors is composed of a minimum of two and a maximum of seven members. The exact number of members is decided by the Shareholders Assembly, following a proposal by the Supervisory Board, i.e. with the Statute of SB.

Board of Directors in accordance with the statutory amendments adopted at the Shareholders' Assembly on May 30, 2025, consists of seven (7) members: the Chief Executive Officer/Chairman of the Board of Directors and six Chief Officers: Chief Corporate Officer, Chief Risk Officer, Chief Retail Officer, Chief Financial Officer, Chief Operations Officer and Chief Transformation and Strategy Officer.

2024-25' was important period for the top management of the Bank, in terms of refreshing and strengthening the team with new Members, including the succession of the long-term serving CEO.

The Board of Directors is composed of 7 members covering all banking areas, appointed by the Supervisory Board, with a mandate of 4 years with the right to be re-elected.

Thus, the composition of the Board of Directors as 31.12.2025 was as follows:

1. Chrysoula Koutoudi , Chief Executive Officer and Chairman of Board of Directors.
2. Vladimir Treneski , Chief Corporate Officer and member of the Board of Directors.
3. Milica Chaparovska-Jovanovska, Chief Retail Officer and member of the Board of Directors.
4. Emilija Stojanova Ivanovska, Chief Risk Officer and member of the Board of Directors.<sup>11</sup>
5. Evangelia Kalouptsi, Chief Transformation and Strategy Officer and Member of Board of Directors.
6. Mirjana Trajanovska, Chief Financial Officer and Member of Board of Directors
7. Ilias Papadopoulos, Chief Operations Officer and Member of Board of Directors

Members of the SB Board of Directors, in addition to the requirements stipulated with the Banking Law, have strong record at SB and in the banking sector on senior positions and expert knowledge of the business and the banking regulation. They should also fulfill all other regulatory and suitability requirements. The current members have extensive experience and professional competence, in-depth knowledge of SB operations and culture, and have the appropriate knowledge, as a collective, for managing the Bank.

The Board of Directors is supported by an enhanced team of an additional 7 senior managers as layer of the Board of Directors and everyday operations in selected areas.

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<sup>11</sup> See footnote above, i.e. Ms. Stojanova Ivanovska was appointed as CRO in 2026.

- Senior Manager for Operations (Radmila Maksimovic),
- Senior Manager for Sales and Branch Network (Tatjana Kalajdzieva),
- Senior Manager for Legal Affairs (Gorazd Popovski),
- Senior Manager for Small Business (Dejan Krstevski).
- Chief Credit Officer (Ioannis Bourmpakis),
- Chief Technology Officer (Nikolaos Papadopoulos).
- SB Secretary \_\_\_\_\_.

### **Responsibilities of the Board of Directors**

The Board of Directors responsibilities are as follows:

1. manages SB;
2. represents SB;
3. enforces the decisions of the Shareholders Assembly and the Supervisory Board of SB, i.e. makes sure that they are implemented;
4. takes initiatives and gives proposals for promoting SB operations;
5. appoints and dismisses the persons with special rights and responsibilities pursuant to the provisions under the Banking Law and this Statute;
6. prepares SB business policy and development plan;
7. prepares SB financial plan / Budget;
8. prepares SB information security policy;
9. prepares an annual report on the SB operations and submits it to the Supervisory Board;
10. prepares a Code of Ethic of the bank;
11. gives previous consent and submits proposals for partial or write off in full of claims to the Supervisory Board;
12. passes decision on sale of claims; and
13. performs other activities, in accordance with Law, this Statute and SB's enactments.

### **Self-Assessment 2025**

Based on the overall assessments, it was concluded that the operations of the Board of Directors of Stopanska Banka, as a whole, are assessed with high grade, meaning that the Board operates in compliance with the relevant regulations and the Group corporate governance standards and effectively fulfills its role and duties.

The Supervisory Board members also conducted an evaluation of all members individually (every member evaluated the other members, including the CEO). All members are considered as appropriate persons with relevant skills and professional expertise.

### 1.7. Credit Committees

Other SB bodies, determined with the Statute, are Credit Committees with the following, structure, and authorities, as at December 31, 2025:

1. **Executive Corporate Credit Committee (ECCC)**: it consists of 6 members as follows:
  - Chrysoula Koutoudi, CEO and Chairman of the Board of Directors of SB, Chairman,
  - Ioannis Kagioulis, NBG Group executive appointed by the NBG Group Chief Credit Officer, member,
  - Vladimir Trenevski, Chief Corporate Officer of SB and member of the Board of Directors, member,
  - \_\_\_\_\_, Chief Risk Officer of SB and member of the Board of Directors, member,<sup>12</sup>
  - Ioannis Bourmpakis, Chief Credit Officer of SB, member, and
  - Representative of NBG International Activities Sector, member.

The members are elected without limitation of the term of office.

The ECCC decides on credit exposure to a single subject - legal entity for financing in the amount from EUR 5.000.001 up to EUR 10.000.000. All financing that exceeds EUR 10.000.001 OR 10% of SB own funds shall be approved by SB Supervisory Board. ECCC also approves restructuring of claims and regulating of claims in accordance with applicable credit policies and performs other activities determined with decisions of the Supervisory Board. The meetings are held by teleconference or written statement when needed with a quorum of all of its members and the decisions are passed unanimously.

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<sup>12</sup> In June 2025, Bojan Stojanovski resigned from the position of Chief Risk Management Officer and member of the Management Board. During 2026, Ms. Emilija Stojanova Ivanovska was appointed as CRO of the Bank. The period in-between the Supervisory Board, with Decision on temporary delegation of Authority in case of a vacant Board of Directors position, appointed Ms. Mirjana Trajanovska, the Chief Financial Officer and Member of Board of Directors, to cover the risk business line of the Bank.

2. **Credit Committee (CC):** it consists of 5 members as follows:

- Chrysoula Koutoudi - CEO and Chairman of the Board of Directors of SB, Chairman
- \_\_\_\_\_ - Chief Risk Officer of SB and member of the Board of Directors, member,
- Vladimir Trenevski, Chief Corporate Officer of SB and member of the Board of Directors, member
- Ioannis Bourmpakis, Chief Credit Officer of SB, member
- \_\_\_\_\_ - Senior Manager of Corporate Banking of SB, member.

The members are elected without limitation of the term of office.

The CC decides on credit exposure to a single subject - legal entity in the amount from EUR 2.000.001 up to EUR 5.000.000. CC also approves restructuring of claims and regulating of claims in accordance with applicable credit policies and performs other activities determined with decisions of the Supervisory Board. The meetings are held by teleconference or written statement when needed with a quorum of all of its members and the decisions are passed unanimously.

3. **Commercial Clients Credit Committee (CCCC):** it consists of 5 members as follows:

- \_\_\_\_\_ - Chief Risk Officer of SB and member of the Board of Directors, Chairman,<sup>13</sup>
- Vladimir Trenevski, Chief Corporate Officer of SB and member of the Board of Directors, member,
- Ioannis Bourmpakis, Chief Credit Officer of SB, member,
- \_\_\_\_\_, Senior Manager of Corporate Banking, member,
- Lidija Rumenovska Sazdova - Manager of Underwriting Division, member.

The members are elected without limitation of the term of office.

The CCCC decides on credit exposure toward a single subject - legal entity up to EUR 2.000.000. CCCC also approves restructuring of claims and regulating of claims in accordance with applicable credit policies and performs other activities determined with decisions of the Supervisory Board. The meetings are held by teleconference or written statement when needed with a quorum of all of its members and the decisions are passed unanimously.

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<sup>13</sup> See footnote above.

4. **Higher Small Banking Business Credit Committee (HSBBCC)**: it consists of 5 members, as follows:

- \_\_\_\_\_ - Chief Risk Officer of SB and member of the Board of Directors, Chairman,
- Milica Chaparovska – Jovanovska - Chief Retail Officer of SB and member of the Board of Directors, member
- Ioannis Bourmpakis – Chief Credit Officer of SB, member
- Dejan Krstevski - Senior Manager of Small Banking Business Division, member
- Mihaela Atanasovska Stoicovska - Manager of Credit Division and/or Emilija Stojanova - Ivanovska - Manager of Risk Management Division, member.

The members are elected without limitation of the term of office.

The HSBBCC decides on credit exposure toward single subject – legal entity from EUR 100.001 up to EUR 500.000 and toward single subject – individual from EUR 100.001. HSBBCC also approves restructuring of claims and regulating of claims in accordance with applicable credit policies and performs other activities determined with decisions of the Supervisory Board. The meetings are held by teleconference or written statement when needed with a quorum of all of its members and the decisions are passed unanimously.

5. **Small Banking Business Credit Committee (SBBCC)**: it consists of 5 members as follows:

- Milica Chaparovska - Jovanovska - Chief Retail Officer of SB and member of the Board of Directors, Chairman
- Dejan Krstevski - Senior Manager of Small Banking Business Division, member
- Barbara Brezovska - Ponjavic or Dragan Mihajlov -Manager or Deputy Manager of Product Management and Clients Segment Division, member
- Mihaela Atanasovska Stoicovska - Manager of Credit Division
- Maja Rusovska – Manager of SBB Credit Department.

The members are elected without limitation of the term of office.

The SBBCC decides on credit exposure toward single subject – legal entity in the amount up to EUR 100.000. SBBCC also approves restructuring of claims and regulating of claims in accordance with applicable credit policies and performs other activities determined with decisions of the Supervisory Board. The meetings are held by teleconference or written statement when needed with a quorum of all of its members and the decisions are passed unanimously.

Lower approval levels can be determined by the decision of the Supervisory Board or by approval of the relevant credit policy.

6. **Retail Credit Committee (RCC)**:it consists of 5 members as follows:

- Milica Chaparovska - Jovanovska - Chief Retail Officer of SB and member of the Board of Directors, Chairman
- Barbara Brezovska – Ponjavic or Dragan Mihajlov -Manager or Deputy Manager of Product Management Division, member
- Mihaela Atanasovska Stoicovska - Manager of Credit Division of SB, member
- Tatjana Kalajdzieva - Senior Manager of Sales and Branch Network, member
- Violeta Zatenko - Manager of Retail Credit Department of SB, member.

The members are elected without limitation of the term of office.

The RCC decides on credit exposure toward single subject – individual in the amount up to EUR 100.000. RCC also approves restructuring of claims and regulating of claims in accordance with applicable credit policies and performs other activities determined with decisions of the Supervisory Board. The meetings are held by teleconference or written statement when needed with a quorum of all of its members and the decisions are passed unanimously.

Lower approval levels can be determined by the decision of the Supervisory Board or by approval of the relevant credit policy.

\*The Credit Committees operate in accordance with the relevant credit policy adopted by the Supervisory Board. Members of the Credit Committees are persons with special rights and responsibilities in SB, or other employees of SB, or other persons which are evaluated as sufficiently knowledgeable and experienced in the credit area in question.



## **2. Manner of Nomination, Appointment, and Dismissal of members of the bodies of the Bank, including the Succession Plan for the Supervisory Board**

The manner of **nomination, appointment, and dismissal** of members of the bodies of Stopanska Banka, is regulated by an internal policy that complements the Bank's governance framework for nominating candidates to the statutory bodies and should be read and interpreted in conjunction with the Suitability Assessment Policy and Procedure as well as SB's Corporate Governance Code, taking also into account the NBG Group Governance Policy and relevant competencies of NBG bodies (eg the NBG's Corporate Governance and Nominations Committee and the NBG's Chief Executive Officer).

The Policy is based on the current regulatory framework to which the Bank is subject and has been designed taking into account especially the provisions of Law on Banking, Trade Companies Law, National Bank Decision on good corporate governance in a bank, as in force, as well as the European Banking Authority Guidelines on the assessment of the suitability of members of the management body and key function holders and the European Central Bank Guide to Fit and Proper assessments, as well as international best practices. Furthermore, it confirms the crucial role of the Nominations and Remuneration Committee (NRC) in the nomination process of candidates to the SB statutory bodies.

### Summary of the Process

Taking the above explained into consideration, the NRC assesses the suitability of the candidates to the SB bodies, in line with the criteria stipulated in the Suitability Assessment Policy and Procedure and the Bank's Corporate Governance Code and in accordance with the regulatory framework, as each time in force, and records the assessments and their results.

The NRC shall not propose candidates who might be deemed unfit or unsuitable as per the provisions of the Bank's internal policies and the relevant regulatory requirements.

The NRC shall base all its proposals on its own independent judgement. In the process of identifying and proposing suitable candidates, the Committee shall be primarily based on the Target Board Profile. They shall also take into consideration the views and opinions expressed by key shareholders and stakeholders of the Bank.

The NRC reviews, identifies and evaluates the needs of the SB body composition considering especially the Bank's medium term strategic objectives, challenges, risks, and the relevant regulatory framework to outline the necessary profile/competencies of the new directors.

The Bank analyses the market for potential candidates and prepares a short list of suitable candidates. The NRC may decide on reverting to existing pools of candidates created, based on positions previously advertised, if according to the timing of the recruitment process and the desired profile and skills in each case if this is considered appropriate.

The NRC receives the list of candidates for every vacant position compiled following the above steps, accompanied by the relevant CVs and details about the candidates. The NRC with the support of the Company Secretary / Chairman's Office carries out a detailed due diligence and suitability assessment, as per the provisions of the Suitability Assessment Policy and Procedure.

The NRC selects the most preferable candidate(s) and submits its proposal to the Supervisory Board for approval, following consultation in accordance with the Bank's governance framework.

The final decision regarding the election of a Supervisory Board member is made by the General Meeting of the Shareholders or the Board itself, as per case foreseen in accordance with the provisions of the SB's Statute and is subject to supervisory approval in accordance with the applicable regulatory framework.

Upon appointment, the new member of SB body is notified by the Chair of the Board or whoever he/she may determine (e.g. the Chair of the NRC or the Company Secretary) and is further informed on the terms of his/her appointment. The Company Secretary oversee and coordinate all necessary actions with respect to regulatory requirements following the election of the new Board member (e.g. announcements, fit and proper process etc) and internal processes, including the provision of the induction material.

Any decision made on appointment of new Supervisory and BoD Directors is subject to approval by the National Bank of Republic of North Macedonia in accordance with the relevant regulatory framework.

**Succession planning** is an essential component for the development of any corporation. The planning of this segment is a tool for good management of the organization in order to ensure continuous effective operation through continuity of leadership. A good succession planning program aims to identify employees/individuals with high potential and ambition, train them and ensure available talent for future operations.

The Bank recognizes the importance of a succession planning process to ensure continuity in a sustainable, highly successful operation. There are certain positions in the Bank that are crucial for its current and future growth. Therefore, it is important that these positions are awarded to appropriately qualified and the best possible individuals. It is critical that such positions are filled in a timely manner to avoid any leadership gap.

During 2024, the Bank adopted the Succession Policy based on the policy by the NBG Group, including its adaptation to the Bank's model and needs as well as to domestic legislation.

The Policy is applied in 2025.

### 3. Organizational Structure

The organizational structure of the Bank follows the best corporate governance standards and requirements and is tailored to optimize its business processes in order to be faster, cheaper, and safer for all involved stakeholders.

According to SB Statute, the organizational structure of the Bank is determined by a decision by the Supervisory Board, on a proposal by the management. As of 30.12.2025, the Bank is organized in 21 divisions and 56 branches.

The organizational structure is published on SB website.

#### - **Stopanska Leasing DOOEL Skopje**

In accordance with the ambitious business strategy, in 2022 Stopanska banka decided to invest in the establishment of a non-banking financial institution - a provider of financial leasing, thereby enriching the offer of financial services for customers and obtaining an additional source of income.

Namely, according to the Decision of the Ministry of Finance no. 13-11054/2 of 11.2.2022, the Bank successfully established the company for financial leasing, Stopanska Leasing DOOEL Skopje, fully (100%) owned by SB. The company started operating on July 1, 2022.

The operation of the Company is controlled by a Supervisory Board consisting of four members:

- Mirjana Trajanovska, Chief Financial Officer and member of the Board of Directors of Stopanska Banka AD Skopje, Chairman,
- Milica Chaparovska – Jovanovska, SB Chief Retail Officer and member of the Board of Directors of Stopanska banka AD – Skopje – member,
- Theodoros Spyropoulos – Chief Executive Officer of NBG Leasing – member, and
- Evangelia Kalouptsi – Chief Transformation and Strategy Officer and Member of Board of Directors of Stopanska Banka AD - Skopje, member.

In accordance with the Law on Trade Companies, the Supervisory Board audits the Company's annual account and other financial reports, the proposal for the distribution of profit, reviews the annual report regarding the operations in the business year and performs other activities in accordance with the law.

In addition, Stopanska Leasing is managed by a manager appointed by the Management Board of Stopanska Banka AD – Skopje - Zharko Krzhalovski.

#### **4. Corporate Governance Code**

SB is fully committed to ensuring a corporate governance framework in accordance with the statutory provisions and the international standards.

Thus, the Corporate Governance Code of SB is prepared in accordance with the relevant regulatory requirements as well as the NBG Group corporate governance standards and is adopted by the Supervisory Board. The governance structure, shareholders rights, duties and responsibilities, the manner of operations of the bodies of the Bank, etc. that are determined in the Corporate Governance Code are implemented, respected and promoted by the members of the bodies of the Bank.

Furthermore, as a listed company on the Macedonian Stock Exchange, Stopanska Banka is following the Corporate Governance Code for the listed companies that was adopted in October 2021. For more details on the implementation of this Code please see the self-assessment Questionnaires published on SB website.

As integral part of this Report, and in respect to article 384-a of the Law on Trade Companies and article 42-a of the Listing Rules on the Macedonian Stock Exchange, the Board of Directors issue their Statements on implementation of the Corporate Governance Code of SB and the Statement on implementation of the Corporate Governance Code for companies listed on the Macedonian Stock Exchange. Both Statements are integral part of this Report (please see appendix 1 below).

#### **5. Conflict of Interest Policy**

The conflict resolution policy is determined in accordance with the Banking Law and SB Statute and stipulates that the persons with special rights and responsibilities shall give a written statement on the existence, if any, of a conflict of their personal interest with the interest of SB, every six months. The personal interest shall also include interests of the related parties connected thereto, as defined by Banking Law. Conflict between the personnel and the Bank's interest shall exist when financial, or any other type of business

or family interests of the persons are concerned by the adoption of decisions, concluding agreements or performing other business activities. Financial, business and family interest shall imply generation of monetary or other type of benefit, directly or indirectly, by the persons. The persons shall not attend the discussion and adoption of decisions, conclude agreements, or perform other business activities if their objectivity is questionable due to the existence of a conflict between their personal interest and the interest of SB. Statement on the existence of a conflict of interests shall also be given before the meeting for discussing and adopting decisions, concluding agreements, or performing other business activity. The written statement shall be submitted to SB Supervisory Board and Board of Directors, indicating the reason underlying the conflict between the personal and SB interest.

During 2025 no conflict of interest was reported by the members of the Supervisory Board, Board of Directors or by any other member of the bodies of SB.

## **6. Outsourced services**

The Supervisory Board of Stopanska Banka adopts the Outsourcing Policy that is aligned with the NBG Group standards and the national legislation, including the relevant by-laws of Central Bank.

In accordance with the Outsourcing Policy, the Risk Management Committee reviewed the List of outsourced activities and determined the critical/important functions outsourced for which special care is undertaken. More precisely, the following services are determined as critical/important functions:

- IT services (Hosting, maintenance and operational support of the core system T24, SAP, SWIFT, card management systems and other systems of SB, Software development in SAP and Software development in T24);
- Cash transport.

## **7. Remuneration Disclosure 2025**

The remuneration approach of SB is straight-forward, effective and focused on meritocracy while fully compliant with the regulatory requirements and the principles of its Remuneration Policy. The remuneration is primarily comprised of fixed remuneration; the variable part is smaller part of the total compensation and is given as reward for the individual contribution in the excellent overall results and governance of the Bank.

Fixed remuneration is comprised of competitive base gross salary paid monthly, which provides a measure of certainty and predictability to all of SB employees. When fixed

remuneration is determined the Bank has ascertain key performance indicators for every position that takes into consideration various financial and non-financial parameters. It primarily reflects the relevant professional experience and organizational responsibility of the staff. Fixed salary is also assessed and determined in the context of the banking market in order to set the levels on competitive levels.

Variable remuneration is smaller part of the overall remuneration of the management and SB employees (14% for Other Material Risk Takers; 27% for BoD Members). More important, the Bank has clearly defined credit policies and risk appetite (approved on highest levels: the NBG Group and the Supervisory Board of the Bank). In addition, all the credit risks are undertaken on level of committees, i.e. not by a single officer. Therefore, the risk-taking on individual level is minimized and framed in strict policies. However, when variable remuneration is paid, the Remuneration Policy prescribes that the remuneration is not determined based on automatic procedure (“formulaic approach”) but should take into account the performance of the employee, unit concerned and the overall results of the Bank. No guaranteed variable remuneration is allowed, i.e. any variable remuneration is dependent on the overall success of the Bank and is usually approved only after the year-end results are confirmed, thus it takes into consideration the overall health and success of the Bank before approving any rewards to the management and its employees.

Due to the strong adherences of the Bank to the Code of Ethics and the full compliance with the legislation and the internal policy, any failure of employee to comply with the Bank’s internal acts cannot be offset by any of his/hers financial performance.

In relation to the control functions, the Supervisory Board, through the Policy of Remuneration and the key performance indicators, has successfully established the manner of remuneration that is not dependent from the activities and performance of the units that are subject of their control.

Latest review and amendment of the Remuneration Policy is done by the Shareholders Assembly on 30.5.2023.

There are no significant changes in the remuneration approach during 2025. No remuneration is paid in 2025 in shares or other rights that gives the right to acquire SB shares.

In accordance with the Law on Trade Companies and the Decision on good corporate governance rules in banks, below it is disclosed the remuneration in Stopanska Banka as required by the laws.

## - Supervisory Board

In accordance to the Law on Banks and the Statute of Stopanska Banka AD – Skopje (SB), the remuneration for the work of the members of the Supervisory Board is determined by the Shareholders' Assembly, following the principles of the Bank's Remuneration Policy. The Supervisory Board members are compensated only with fixed remuneration, approved by the Shareholders Assembly.

At the Assembly in July 2024 the Bank changed its approach towards the remuneration of the Supervisory Board and Audit Committee members, foremost, to align with the market levels and to match the notable increase in duties and responsibilities of the members. The remuneration is based on fixed annual remuneration regardless of the number of meetings or committees that a member participates; also, the contribution and the position of the Board or a Committee chair is remunerated higher. NBG SA executives participating in the Supervisory Board shall not receive any remuneration for their participation, maintaining the current approach. This decision was also applied in 2025.

The modified remuneration structure aligns with market standards and acknowledges the increased workload of the Supervisory Board members.

### Supervisory Board Members

#	Fixed Remuneration	Variable Remuneration	Total Remuneration	# of Staff
<b>Representatives of the shareholders - Employed by NBG</b>	MKD -	MKD -	MKD -	4
<b>Representatives of the shareholders - Remunerated by SB</b>	MKD 1,220,060.00	MKD -	MKD 1,220,060.00	1
<b>Independent Members</b>	MKD 1,281,647.00	MKD -	MKD 1,281,647.00	2
<b>Independent Members, Audit Committee</b>	MKD 533,136.00	MKD -	MKD 533,136.00	2

### Notes:

- The Supervisory Board and Audit Committee members are compensated only with fixed remuneration, approved by the Shareholders Assembly. NBG SA executives participating in the bodies of SB do not receive any remuneration from the Bank – the remuneration they receive as employees of the Group is considered confidential and is not disclosed in this Report. The data includes the

participation of the Supervisory Board members in the Board and its sub-committees.

Mr. Stratopoulos, representative of the shareholder no longer employed by the Group, is remunerated by SB in the same manner as independent members.

- The Chairman of the Supervisory Board is entitled to compensation in a total annual net amount of EUR 20,000 for participating in meetings of the Supervisory Board; for the position of a Supervisory Board member who simultaneously serves as Chairman of a committee established by the Supervisory Board, a total annual net amount of EUR 12,000; and for the position of a Supervisory Board member, a total annual net compensation of EUR 10,000.<sup>14</sup>

#### - Board of Directors

*Remuneration of members of Board of Directors, per member, 2025, gross MKD*

Member	Fixed Remuneration	Variable Remuneration	Total Remuneration
1 (BoD Member until Aug. 2025)	MKD 7,503,088.00	MKD 1,058,196.00	MKD 8,561,284.00
2 (BoD Member since Sept. 2025)	MKD 1,328,881.00	MKD -	MKD 1,328,881.00
3 (BoD Member until Aug.2025)	MKD 3,668,346.00	MKD -	MKD 3,668,346.00
4	MKD 6,767,691.00	MKD 1,644,136.00	MKD 8,411,827.00
5 (BoD Member since Nov. 2025)	MKD 1,047,123.00	MKD 1,063,909.00	MKD 2,111,032.00
6	MKD 2,309,397.00	MKD 1,193,298.00	MKD 3,502,695.00
7 (BoD Member since Oct. 2025)	MKD 359,125.00	MKD 1,086,863.00	MKD 1,445,988.00
8 (BoD Member since Jun. 2025)	MKD 2,898,109.00	MKD 976,215.00	MKD 3,874,324.00

*\*Due to change of management during 2025, the data are represented for all Board of Directors Members within the year up to / or since the date of appointment/dismissal.*

<sup>14</sup> On basis of salary and allowances as employed in the Faculty of Economics at University Cyril and Methodius – Skopje:

- prof. Filipovski receives MKD 2,615,714.00 gross (annually) while
- prof. Kjosev receives MKD 2,501,859.00 gross (annually).



- **Other Reporting Categories**

#	Fixed Rem.	Variable Rem.	Total Rem.	#Staff
<b>Risk Takers - material impact over the risk profile &amp; profitability of the Bank</b>	MKD 72,251,944	MKD 10,351,494	MKD 82,603,438	25
<b>Other Persons with Special Rights &amp; Responsibilities</b>	MKD 24,741,252	MKD 3,407,161	MKD 28,148,413	9

**Notes:**

- The employees included in the category “*Officers with material impact on the risk profile and profitability of the Bank*” are determined in the Remuneration Policy of SB. The category includes the senior management responsible for material business units, risk management and for the control functions in Stopanska Banka AD – Skopje.
- The employees included in the category “*Other persons with special rights and responsibilities*” are the division managers and deputy division managers of Stopanska Banka AD – Skopje that are not covered in the prior category.

- **Credit Exposure towards Persons with Special Rights & Responsibilities**

. The total credit exposure to persons with special rights and responsibilities at end of 2025 amounts to MKD 76.641 thousand which represents 0.3% of the Bank’s own funds.

**8. Internal Control System (with respect to the process of preparing financial statements)**

SB maintains a robust Internal Control System to ensure the accuracy and reliability of the Bank’s financial statements. This system is designed to monitor the preparation and reporting of financial data, safeguarding against inaccuracies, and ensuring compliance with applicable financial regulations and standards.

The foundation of ICS is built on our shared culture of integrity, enforced by the Board of Directors, Audit Committee, and Supervisory Board. Strict policies, integrating the best practices, clearly define the roles of all bodies and employees in fulfilling their roles effectively. Specific control activities include thorough reviews of financial statements, reconciliation processes, and the implementation of segregation of duties.

ICS ensures that relevant financial information is communicated in a timely and accurate manner to all stakeholders, as vital transparency for maintaining trust and enabling informed decision-making.

Governance-wise, the financial statements are prepared by the management of the Bank, who is responsible for ensuring that the financial statements are prepared following the applicable regulations and financial standards. The statements are audited by independent external auditors and issue their opinion if the financial statements are accurate and represent fairly in all materials aspects the financial position of the Bank. The whole process is under scrutiny of the Audit Committee, Supervisory Board, and finally, the Shareholders Assembly.

During 2025, following the process explained, the external audit company PricewaterhouseCoopers Revision DOO Skopje issued a clear opinion on the financial statements of Stopanska Banka, and the audited financial statements were approved by the Shareholders Assembly.

Additionally, the External Audit Company PricewaterhouseCoopers Revision DOO Skopje revised the financial statements in accordance with IFRS standards and issued a clear view that they were prepared in accordance with applicable legislation and international standards.

This rigorous Internal Control System enables the Bank to prepare financial statements that are not only compliant but also a true and fair presentation of its financial position and operations.

## **9. Environmental Social and Governance**

The ESG framework is used by investors, companies, and regulatory bodies to evaluate the extent to which an organization manages non-financial risks and opportunities related to sustainable environmental practices, social responsibility, and governance issues.

### **Climate & Environmental**

Recognizing the significance and potential impact of Climate and Environmental (C&E) risks, the NBG Group has performed identification and materiality assessment of these risks (RIMA) including Stopanska banka, which have been integrated into the overarching Risk Management Framework. The Bank remains committed to the ongoing evaluation, management and monitoring of these specific risks. ESG-related risks are incorporated in the Risk Taxonomy Framework and Risk Identification processes, by recognizing them as

transversal and considering them as drivers of existing types of financial and non-financial risks.

In line with the commitment of the Bank to capture and going forward to decrease its carbon footprint, the NBG Group has calculated own emissions and financed emissions for Stopanska banka standalone. Emissions measurement is based on the Partnership for Carbon Accounting Financials (PCAF) ensuring the credibility of the underlying methodology. Banks' emissions are distinguished between own emissions (scope 1, 2 and scope 3 categories 1-14) and financed emissions (scope 3, category 15).

In 2025, Stopanska Banka has reduced Own emissions footprint by 9 p.p. dominantly as a result of decreased Scope 2 emissions.

Stopanska Banka supports North Macedonia's energy transition goals providing renewable energy financing. In 2025, the Bank continues to focus on financing the energy sector, particularly Renewable Energy Sources (RES).

For financing sub-projects in accordance with EBRD agreement, the Bank has incorporated environmental and social risks. In order to comply with the requirements of the EBRD agreement, the banks has assigned appropriate management and staff resources for the implementation of environmental and social due diligence and monitoring procedures. The Bank assesses and manages environmental and social risks and impacts arising from financing sub-projects in accordance with EBRD agreement, with support from team of experts provided by EBRD.

The environmental and social risk assessment and monitoring mechanism includes:

- Screening of all clients/sub-projects against the EBRD's Environmental and Social Exclusion List and FI Referral List;
- Categorizing the environmental and social risk of proposed sub-projects (low/medium/high) in accordance with EBRD's Environmental and Social Risk Categorization List for FIs;

Furthermore, the Bank has implemented initiative for ESG reporting by generation of climate-related and environmental (C&E) information of the loan portfolio. In this regard, detailed screening of the collateral and collection of data and analysis regarding the physical risks have been performed.

## - Corporate Social Responsibility

In 2025, Stopanska Banka continued to actively implement its long-term corporate social responsibility strategy. Focusing on supporting projects of public interest, the Bank remained a key partner to the community through initiatives that improve living conditions and advance culture, sports, education, and healthcare across the country.

Below are the most notable projects completed in 2025:

### Environment and Sustainability

- Continued implementation of the **“Green Wall”** project through the planting of new tall and mature trees throughout the City of Skopje, with the aim of improving air quality and creating natural protective green areas.
- **Donation of new bicycle parking** facilities at the Clinical Center and in front of e Reading Room – donated by SB).
- **Announced donation for Kochani** – construction of a children’s velo park as part of the donations of **“Vozi pravo, vozi zdravo”** project.

### Culture

- Signing of a **Memorandum** of cooperation and digital transformation of the Museum of natural sciences in partnership with the Ministry of Culture – the most significant new initiative in 2025.  
The project will be implemented during the year in which the museum celebrates its 100-year anniversary and aims to significantly increase visitor engagement and strengthen the institution’s long-term sustainability.
- Traditional sponsorship of the **“Ohrid Summer Festival”** – one of the most important cultural events in the country.
- Traditional sponsorship of the **Strumica Carnival**, one of the largest carnival events in the region.
- Support for the **“Galichka Wedding”** and the **“Galicko”** music festival.
- Support of the 46th edition of the **International Cinematographers’ Film Festival “Manaki Brothers,”** the world’s oldest festival dedicated to cinematography.
- Support for the award **“Young Quantitative Minds – Slavica Todorovska-Caci,”** organized by ZMAI, through which the Bank directly supports the young scientific community.
- Support for the traditional festival **“Tikveš Grape Harvest”** in Kavadarci.

## Sport

- Through Stopanska Leasing, the Bank continued as the main sponsor of the “**Stopanska Triogy Triathlon**” 2025, one of the largest sporting events for both recreational and professional athletes.
- Support for the **Sports Games in Veles**, encouraging mass sports participation and youth engagement in joint activities.

## Education

- Ongoing annual sponsorship of the **Faculty of Economics – Skopje**.
- As a long-time supporter of IT skills development among youth, in 2025 the Bank again provided funding for the travel of the national winner and mentor of the **Microsoft Office Specialist** competition to the World Championship in the United States.
- **Reconstruction of the student cafeteria** in “Goce Delchev” student dormitory, improving living and dining conditions for students.

## Healthcare

- **Direct financial donation for more than 200 families** affected by the tragedy in Kochani, as immediate humanitarian support.
- Significant donation to the **Faculty of Medicine** – a professional microscope and video equipment for the consular office, directly improving and accelerating the diagnostic and educational processes.
- Continuation of the flagship **CSR project “Sonuvame.Menuvame.” vol. 7**, through which substantial annual donations are provided to associations working with children with special needs, supporting their educational, therapeutic, and integrative activities.

In 2025, Stopanska Banka significantly expanded its socially responsible initiatives, directing investments toward projects with long-term impact on the community. The Bank remains committed in 2026 to its strategy of active societal engagement, developing new partnerships and programs in the areas of environmental protection, education, culture, sports, and healthcare.

The Bank strongly believes that such contributions strengthen its connection with the community and reinforce the positive image of the Stopanska brand.

- **Gender equality and inclusiveness**

The governance and operation model of Stopanska Banka AD - Skopje is based primarily on a diversity of talents who have the skills, experience and corporate culture to respond to the challenges of banking operations and the needs of customers and all stakeholders of the Bank. Through various programs and activities, the Bank continuously encourages an inclusive working environment where every employee gets an equal chance for career progress and self-development, without discrimination on any basis. Such principles the Bank continuously incorporates and promotes in all processes, including in the recruitment, training, development and retention of employees.

In this direction, from the aspect of gender equality and inclusiveness, the Bank has a **well-balanced gender structure at all levels**. Any "imbalance" at a certain level, including within the Bank's bodies, is due to the specific circumstances (existing staff gender composition, available candidates for new jobs, the Bank's needs, etc.), regulatory requirements and commitment to promoting the best talent in the given period regardless of gender or other type of affiliation.

Consequently, at the level of the entire Bank, i.e. from the total number of 972 employees in Stopanska Banka AD – Skopje 308 are men and 664 women.

The Bank has the same gender structure in relation to persons with special rights and responsibilities, excluding the bodies listed below, that is:

- 16 managers/deputy managers of divisions are women (64%);
- 9 managers/deputy managers of divisions are men (36%).

In relation to the bodies of the Bank, i.e. in the context of the recommendation of the Corporate Governance Code for listed companies on the Macedonian Stock Exchange for gender equality by 2025, which promotes at least 30% of women in the bodies of listed companies, as of 31.12.2025 the Bank has the following situation:

## A. Statutory Governance Bodies – Gender Composition and Compliance Status

Statutory body	Total members	Members – woman	%	Compliance Status / Measures
Supervisory Board	7	2	29%	<p><b>Compliant</b></p> <p>As end of 2025, 29% of Supervisory Board Members are women (2 out of 7).</p> <p>The Bank is also in the process of appointing an additional Independent Member during 2026 (3 out of 8, i.e. 38%)</p>
Audit Committee	5	1	20%	<p><b>In progress.</b></p> <p>The gender balance will be considered during future appointments.</p>
Risk Management Committee	9	4	44%	<p><b>Compliant.</b></p>
Board of Directors	7	5*	71%	<p><b>Compliant.</b></p> <p>*The CRO (women) was appointed in Q1 2026.</p>

### - Stakeholder Engagement Overview – 2025

As one of the largest financial institutions in North Macedonia, Stopanska Banka AD – Skopje acknowledges the breadth and depth of its impact across a wide range of stakeholders, including shareholders, employees, clients, regulators, and the broader community. In 2025, the Bank remained committed to maintaining constructive, transparent, and value-driven engagement with all stakeholder groups, recognizing that sustained cooperation is essential for long-term success.

#### Shareholders

In its capacity as a listed company and a member of a leading regional banking group, the Bank maintained ongoing and proactive communication with its shareholders throughout

the year. Legal and administrative support was continuously provided to ensure that shareholders had effective channels to address inquiries, submit proposals, and exercise their rights via the Bank's corporate governance bodies, including the Shareholders Assembly.

## **Employees**

The Bank recognizes its employees as a critical success factor for delivering on its strategic ambitions. In 2025, efforts were focused on:

- Enhancing remuneration levels to ensure competitiveness in the labor market;
- Expanding non-monetary benefits to support well-being and work-life balance;
- Increasing internal mobility and career development opportunities;
- Strengthening training programs and leadership development initiatives;
- Promoting a culture of inclusion, equal treatment, and professional respect.

These initiatives reflect the Bank's long-term commitment to being an employer of choice in the financial sector.

## **Customers**

Customer-centricity remains the cornerstone of the Bank's business model. In 2025, the Bank continued to refine its service delivery through personalized offerings, upgraded digital channels, and product innovations aligned with evolving customer needs. Efforts were also made to improve customer experience and responsiveness across all service points.

## **Regulators**

The Bank remained fully aligned with all regulatory frameworks and maintained active cooperation with relevant supervisory institutions. In 2025, significant focus was placed on implementing new regulatory requirements, ensuring timely adaptation of internal processes, and promoting open, constructive dialogue with regulators. The Bank's compliance culture continues to be supported by strong internal controls, professional ethics, and transparent reporting. Stakeholder trust and cooperation are essential elements of the Bank's operational and strategic performance.



## Appendix 1

**STATEMENT OF CONFORMITY****with the Corporate Governance Code of Stopanska Banka AD - Skopje**

In accordance with article 384-a of the Law on Trade Companies, the Board of Directors of Stopanska Banka AD – Skopje (hereinafter: SB) confirms the following:

**SB has applied all the principles and complied in all material aspect with the Corporate Governance Code of SB for the year ended December 2025.**

The Corporate Governance Code of SB has been developed in accordance with the domestic legislation and the NBG Group governance standards. It provides a clear delineation of the Bank's corporate governance system, rights and responsibilities of its bodies, the role of the control functions, etc. as well as is upholding the Bank's interests on a long-term basis for the benefit of depositors and customers, shareholders and other investors, employees and all other stakeholders. The Corporate Governance Code sets out a framework that promotes continuity, consistency and effectiveness in the way the Bank is supervised and managed and is a necessary component of good governance in supporting and promoting the Bank's business and reputation.

The Corporate Governance Code of Stopanska Banka AD – Skopje is available on the Bank's website.

**STOPANSKA BANKA AD - SKOPJE****BOARD OF DIRECTORS**

\_\_\_\_\_  
**Mirjana Trajanovska**  
 Chief Financial Officer

\_\_\_\_\_  
**Chrysoula Koutoudi**  
 Chief Executive Officer

\_\_\_\_\_  
**Vladimir Treneski**  
 Chief Corporate Officer

\_\_\_\_\_  
**Emilija Stojanova Ivanovska**  
 Chief Risk Officer

\_\_\_\_\_  
**Evangelia Kalouptsi**  
 Chief Transformation & Strategy Officer

\_\_\_\_\_  
**Ilias Papadopoulos**  
 Chief Operations Officer

In accordance with article 42-a of the Listing Rules on the Macedonian Stock Exchange AD Skopje, the Board of Directors of Stopanska Banka AD – Skopje (hereinafter: SB) issue the following:

**STATEMENT OF CONFORMITY**  
**with the Corporate Governance Code for companies listed on the**  
**Macedonian Stock Exchange**

We, the undersigned members of the Board of Directors of Stopanska Banka AD Skopje, confirm that SB applies the Corporate Governance Code for companies listed on the Macedonian Stock Exchange, published on [www.mse.mk](http://www.mse.mk).

SB applies the principles and best practices of corporate governance provided in the Code according to the approach "apply or explain why it was not applied", by filling out questionnaires whose form and content are prescribed by the Code.

With this Statement we confirm that the questionnaires are published on SEI-NET and on the SB website and that the answers in them are correct and true and reliably reflect the application of the principles and best practices of corporate governance by SB prescribed by the Code.

**STOPANSKA BANKA AD - SKOPJE**

**BOARD OF DIRECTORS**

\_\_\_\_\_  
**Mirjana Trajanovska**  
 Chief Financial Officer

\_\_\_\_\_  
**Chrysoula Koutoudi**  
 Chief Executive Officer

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 Chief Risk Officer

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**Evangelia Kalouptsi**  
 Chief Transformation & Strategy Officer

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**Ilias Papadopoulos**  
 Chief Operations Officer

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