CERTIFIED TRANSLATION FROM THE POLISH LANGUAGE

Nordea

Nordea Bank Abp Spółka Akcyjna Oddział w Polsce

# Financial Statements
## for the period from 01/01/2024 to 31/12/2024

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### *Statement of comprehensive income*

| | Note | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|---|
| **Revenues, of which:** | | **1,507,984** | **1,280,302** |
| Revenue from the sale of services | **4** | 1,495,873 | 1,259,897 |
| Other operating income | **9** | 4,960 | 4,063 |
| Financial revenue | **11** | 7,151 | 16,342 |
| **Expenses, of which:** | | **(1,408,730)** | **(1,189,166)** |
| Costs of salaries with overheads and other employee benefits | **5** | (1,222,085) | (1,024,155) |
| Depreciation and amortisation | **8** | (64,157) | (63,117) |
| Outsourced IT services | **6** | (45,476) | (26,628) |
| Other administrative expenses | **7** | (35,743) | (32,734) |
| Costs of operation and maintenance of the premises | **10** | (28,050) | (29,633) |
| Business travel expenses | | (11,597) | (10,884) |
| Other operating expenses | **9** | (1,158) | (1,527) |
| Financial expenses | **11** | (464) | (488) |
| **Profit before tax** | | **99,254** | **91,136** |
| **Income tax** | **12** | **(21,500)** | **(19,995)** |
| **Net profit for the reporting period** | | **77,754** | **71,141** |
| **Other comprehensive income** | | **(864)** | **650** |
| Items to be credited to the profit and loss account | | 0 | 0 |
| Items which will not be credited to the profit and loss account | | (864) | 650 |
| **Other comprehensive net income for the reporting period** | | **0** | **0** |
| **Total comprehensive income for the reporting period** | | **76,890** | **71,791** |

## *Statement of financial position*

### *Assets*

| | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|
| **Fixed assets** | | **254,822** | **298,782** |
| Leasehold assets | **13** | 159,200 | 198,891 |
| Property, plant and equipment | **13** | 69,126 | 75,757 |
| Intangible assets | **14** | 12 | 14 |
| Deferred tax assets | **15** | 24,423 | 21,476 |
| Long-term investments | **16** | 2,061 | 2,644 |
| **Operating assets** | | **323,746** | **271,352** |
| Trade receivables, uninvoiced receivables and other receivables | **17** | 182,170 | 155,726 |
| Short-term prepayments | | 2,462 | 991 |
| Cash and cash equivalents | **18** | 139,114 | 114,635 |
| **Total assets** | | **578,568** | **570,134** |

## *Statement of financial position*

### *Equity and liabilities*

| | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|
| **Liabilities** | | | |
| **Long-term liabilities** | | **291,502** | **321,246** |
| Long-term liabilities due to settlements with the Branch Headquarters | **19** | 109,250 | 110,477 |
| Long-term liabilities under lease contracts | **24** | 123,476 | 168,112 |
| Other long-term liabilities | **23** | 958 | 461 |
| Long-term provisions | **22** | 57,818 | 42,196 |
| **Short-term liabilities** | | **287,066** | **248,888** |
| Short-term lease liabilities | **24** | 44,636 | 45,281 |
| Trade liabilities | **23** | 882 | 695 |
| Income tax liabilities | **23** | 10,100 | 0 |
| Other short-term liabilities | **23** | 227,969 | 200,357 |
| Short-term reserves | **22** | 3,479 | 2,555 |
| **Total liabilities and equity** | | **578,568** | **570,134** |

## *Cash flow statement*

| | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|
| **Cash flows from operations** | | **158,506** | **170,324** |
| **Net profit for the reporting year** | | **76,890** | **71,791** |
| Adjustments: | | 81,616 | 98,533 |
| Depreciation of property, plant and equipment, including rights to use leased assets” | **13** | 64,155 | 63,113 |
| Depreciation of intangible assets | **14** | 2 | 4 |
| Foreign exchange loss | | (2,860) | (11,093) |
| Loss on investing activities | | (179) | 267 |
| Change in trade and other receivables | **17** | (26,869) | (2,895) |
| Change in accruals, prepayments and deferred income | | (1,471) | 484 |
| Change in trade and other liabilities | **23** | 28,296 | 37,558 |
| Change in deferred tax assets | **15** | (2,947) | 4,073 |
| Income tax payments | | (13,718) | (12,780) |
| Current tax liability | **12** | 24,244 | 16,075 |
| Change in provisions | **22** | 16,546 | 8,068 |
| Interest received | | (4,291) | (5,249) |
| Interest paid | | 464 | 488 |
| Other adjustments | | 244 | 420 |
| **Cash flows from investments** | | **(12,823)** | **(17,450)** |
| Disposal of property, plant and equipment | | 4,087 | 1,444 |
| Purchase of property, plant and equipment | **13** | (13,940) | (13,441) |
| Purchase of other investments | | (2,970) | (5,453) |
| **Cash flows from financial activities** | | **(121,204)** | **(148,103)** |
| Interest received | | 4,291 | 5,249 |
| Loans and borrowings incurred (+)/repaid (-) | **20** | (77) | (57) |
| Expenses for repayment of interest on loans, borrowings and leasing | | (464) | (488) |
| Funds received to cover losses brought forward | | (78,117) | (103,482) |
| Payment of lease liabilities | **24** | (46,837) | (49,325) |
| **Total net cash flows** | | **24,479** | **4,771** |
| **Balance sheet change in cash, of which:** | | **24,479** | **4,771** |
| Movement in cash due to exchange differences | | (81) | 35 |
| **Cash at the beginning of the period** | | **114,635** | **109,864** |
| **Cash at the end of the period** | | **139,114** | **114,635** |

## Notes to the financial statements

### Note 1 - General information about the Branch

### Information about Nordea Bank ABP S.A. Branch in Poland

Nordea Bank ABP S.A. Branch in Poland (hereinafter: the Branch) has its registered office in Poland: 93-281 Łódź, Al. Śmigłego-Rydza 20; Tax ID NIP PL 105-000-11-72, Statistical No REGON 100926668, is entered in the District Court for Łódź-Śródmieście in Łódź, 20th Division of the National Court Register with Entry No KRS 0000360398.
The Branch's business activity consists of:
- other activities auxiliary to financial services, except insurance and pension funding;
- other monetary intermediation;
- activities of call centres;
- computer IT software activities and related activities;
- information service activities;
- accounting, bookkeeping and auditing activities; tax consultancy;
- other financial service activities, except insurance and pension funding not elsewhere classified;
- data processing; hosting and related activities.

The Branch is a branch of a foreign bank: Nordea Bank Abp, with its registered office in Finland, FI-00020, in Helsinki at Satamaradankatu 5.

Nordea Bank Abp's financial statements and annual reports are available on the website:
www.nordea.com/en/investor-relations/reports-and-presentations.
The entity is exempt from the preparation of a Statement of Activities in accordance with the Accounting Act.
The Branch, under the Act, is not subject to the obligation to report its sustainability activities for the 2024 reporting year.

### Note 2 - Basis for the preparation of the financial statements

### 2.1 Statement of compliance

Annual separate financial statements of Nordea Bank Abp S.A. Branch in Poland for the period ending 31 December 2024 have been prepared in accordance with the International Financial Reporting Standards, as approved by the European Union, and other applicable laws.
The financial statements have been prepared on the assumption that the Branch will continue to operate for the foreseeable future and on a substantially unchanged going concern basis.
The financial statements have been approved by the Branch Management on 27/02/2025.

### 2.2 New and amended standards and interpretations applied

Amendments to the following standards, which were effective in 2024, have been applied to these financial statements:

**a) Amendment to IFRS 16 "Leases"**

The amendment to IFRS 16 "Leases" supplements the requirements for the subsequent measurement of the lease liability for sale and leaseback transactions when the criteria of IFRS 15 are met and the transaction should be accounted for as a sale. The amendment requires the seller lessee to subsequently measure the lease liability arising from a sale-leaseback in such a way that no gain or loss associated with the retained right of use. The new requirement is particularly relevant where the leaseback includes variable lease payments that do not depend on an index or rate, as these payments are excluded from "lease payments" under IFRS 16. This amendment has no impact on the Branch's statements.

**b) Amendments to IAS 1 "Presentation of Financial Statements"**

The amendments to IAS 1 provide clarification on the presentation of liabilities as long- and short-term and also address the classification of liabilities when an entity is required to meet certain contractual requirements known as covenants. Consequently, the revised IAS 1 states that liabilities are classified as either short- or long-term depending on the rights that exist at the end of the reporting period. The classification is neither affected by the entity's expectations nor by events after the reporting date (for example, covenants in loan agreements, which the entity only has to comply with after the balance sheet date). The amendments will not materially affect the Branch's statements.

**c) Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial instruments: disclosures": disclosure of supplier finance arrangements ("supplier finance arrangement")**

The amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" introduce disclosure requirements for supplier finance arrangements (known as reverse factoring). The amendments require specific disclosures for such arrangements to enable users of financial statements to assess the impact of these arrangements on liabilities and cash flows and the entity's exposure to liquidity risk. These amendments are intended to enhance the transparency of disclosures about debt financing arrangements, but do not affect recognition and measurement principles. The amendments to the standard have no impact on the Branch's statements.

**2.3 Published standards and interpretations that are not yet effective and have not been previously applied by the Branch but may have an impact on the financial statements.**

In these separate financial statements, the Branch has not decided to apply the following published standards, interpretations or amendments to existing standards before their effective date:

**a) Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates"**

In August 2023, the Board issued amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates". The amendments are intended to make it easier for companies to determine whether a currency is convertible into another currency and to estimate the spot exchange rate when a currency is not convertible. In addition, the amendments to the standard require additional disclosures when currencies are not convertible on how an alternative exchange rate is determined.

As published, the amendments are effective for financial statements for periods beginning on or after 1 January 2025. The Branch does not expect the Standard to have a significant impact on its Financial Statements.

**b) Changes in the classification and measurement of financial instruments: Amendments to IFRS 9 and IFRS 7.**

In May 2024, the IASB published amendments to IFRS 9 and IFRS 7 to:

- clarify the recognition and derecognition dates for certain financial assets and liabilities, with an exemption for certain financial liabilities settled through electronic funds transfer;
- clarify and add further guidance on assessing whether a financial asset meets the SPPI criteria;
- add new disclosures for certain instruments whose contractual terms may alter cash flows; and
- update disclosures on equity instruments measured at fair value through other comprehensive income (FVOCI).

As published, the amendments are effective for financial statements for periods beginning on or after 1 January 2026. As at the date of these financial statements, the improvements have not yet been approved by the European Union.

**c) Annual Improvements to IFRSs**

“Annual Improvements to IFRSs” introduce amendments to standards: IFRS 1 “First-time Adoption of International Financial Reporting Standards”, IFRS 7 “Financial Instruments: Disclosures” IFRS 9 “Financial Instruments”, IFRS 10 “Consolidated Financial Statements” and IAS 7 “Statement of Cash Flows”.

The improvements include explanations and clarify the standard guidance for recognition and measurement. The amendments are not expected to have a material impact on the Branch’s statements.

As at the date of these financial statements, the improvements have not yet been approved by the European Union.

**d) IFRS 18 “Presentation and Disclosures in Financial Statements”**

In April 2024, the Board published the new standard IFRS 18 “Presentation and Disclosures in Financial Statements”. The standard is intended to replace IAS 1 - Presentation of Financial Statements and will be effective from 1 January 2027. The amendments from the superseded standard mainly concern three issues: the profit or loss statement, required disclosures on performance measures and issues related to the aggregation and disaggregation of information contained in financial statements.

As published, the standard will be effective for financial statements for periods beginning on or after 1 January 2027 or thereafter. As at the date of these financial statements, the improvements have not yet been approved by the European Union.

**e) IFRS 19 “Subsidiaries without public accountability: disclosure of information”**

In May 2024, the Board issued a new accounting standard, IFRS 19, which can be adopted by certain subsidiaries applying IFRS accounting standards to improve the effectiveness of disclosures in their financial statements. The new standard introduces simplified and limited disclosure requirements.

As a result, the qualifying subsidiary applies the requirements of other IFRS accounting standards except for the disclosure requirements and instead applies the limited disclosure requirements of IFRS 19.

Eligible subsidiaries are entities that are not subject to what is known as public accountability, as defined in the new standard. In addition, IFRS 19 requires the ultimate or intermediate parent of that entity to prepare publicly available consolidated financial statements in accordance with IFRS Accounting Standards.

Eligible companies may choose to apply the guidance of the new IFRS 19 for financial statements prepared for periods beginning on or after 1 January 2027.

As at the date of these financial statements, the improvements have not yet been approved by the European Union.

**f) IFRS 14 “Regulatory Accruals”**

This standard allows entities that prepare their financial statements in accordance with IFRS for the first time (on or after 1 January 2016) to recognise amounts arising from price-regulated activities in accordance with their existing accounting policies. To improve comparability, with entities that already apply IFRS and do not recognise such amounts, under published IFRS 14, amounts arising from price activities should be presented as a separate line item in both the statement of financial position and the profit and loss account and statement of other comprehensive income.

By the decision of the European Union, IFRS 14 will not be approved.

**g) Amendments to IFRS 10 and IAS 28 regarding the sale or contribution of assets between an investor and its associates or joint ventures**

The amendments solve the problem of the current inconsistency between IFRS 10 and IAS 28. The accounting treatment depends on whether non-monetary assets sold or contributed to an associate or joint venture constitute what is known as a “business”.

If the non-monetary assets constitute a “business”, the investor reports the full profit or loss on the transaction. If, on the other hand, the assets do not meet the definition of a business, the investor recognises a gain or loss from only to the extent of the portion representing the interests of other investors.

The amendments were published on 11 September 2014. As at the date of these financial statements, the approval of this amendment is postponed by the European Union.

## 2.4 Basis for valuation

The financial statements have been prepared on the basis of the historical cost principle.

## 2.5 Functional and presentation currency

The figures in the financial statements have been presented in Polish złoty (PLN), rounded up to full thousands. Polish złoty is the functional currency of the Branch.

## 2.6 Comparative figures

The comparative figures include data for the period from 01/01/2023 to 31/12/2023.

## Note 3 - Description of significant accounting policies applied

The accounting principles below have been applied to all reporting periods presented in the financial statements.

## Foreign currency transactions

Transactions denominated in foreign currencies are recorded in the functional currency of the Branch and translated at the average exchange rate of the National Bank of Poland announced on the day preceding the date of the transaction, with the exception of the situations described below under “Lease contracts”.
Non-monetary items measured at historical cost in a foreign currency are converted by the Branch using the exchange rate, as published before the transaction date. Exchange differences arising from translation are recognised in profit or loss for the current period.

## Financial instruments

### Classification

As at the balance sheet date, the Branch did not have any financial instruments classified as financial liabilities measured at fair value through profit or loss. The Branch’s only financial assets measured at fair value are cash measured at fair value through profit or loss.

### Measurement

On initial recognition, a financial asset or financial liability is measured at fair value, plus or minus, in the case of a financial asset or financial liability not classified at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.
The exceptions are trade receivables that do not have a significant financing component: the Branch recognises them in the transaction price.
After the initial recognition, the Branch measures financial assets and financial liabilities according to the category to which they are classified.
Measurement at amortised cost is made using the effective interest rate method to the gross carrying amount of the financial asset, taking into account impairment.

After initial recognition, other financial liabilities are measured at amortised cost the effective interest rate method. Other liabilities include loans, borrowings, overdraft facilities, trade payables and other liabilities.

**Grants and subsidies**

Government grants are recognised initially as deferred revenue at fair value when there is reasonable assurance that they will be received and that the conditions attached to them will be met and are then recognised in profit or loss of the current period and reported in other operating income.

In the case of uncertainty as to meeting the terms of the contract, the subsidy is presented in regulatory liabilities item.

**Hedge accounting**

The Branch does not apply hedge accounting.

**Operating segments**

The Branch operates in one operating segment.

**Impairment of financial assets**

Financial assets measured at amortised cost are evaluated by the Branch at each balance sheet date whether there is any objective evidence that any financial asset (or a group of financial assets) has lost value. Cash in foreign currencies is valued at the NBP exchange rate on the balance sheet date.

**Property, plant and equipment**

Items of property, plant and equipment and intangible assets are initially measured at cost. After the initial recognition of property, plant and equipment and intangible assets, the Branch carries them at cost less accumulated depreciation and any accumulated impairment losses. Fixed assets with a low unit value (less than PLN 4,500) are charged to costs in the month in which they are placed in service. For intangible assets, the limit is PLN 1,500.

It also includes right-of-use assets under IFRS 16, see “Leases” section below for details.

**Depreciation and amortisation**

Depreciation is based on the cost of the asset less its residual value. Depreciation write-offs are made according to the straight-line method for the useful life of the property, plant and equipment or intangible assets and are presented in the profit and loss account.

The land is not depreciated. The estimated useful lives are as follows:

- investments in third-party fixed assets, in accordance with the contract period
- machinery and devices 3–5 years
- equipment 5–10 years
- means of transport for 5 years
- computer software 5 years
- licences, in accordance with the contract period
- right-of-use assets, in accordance with the contract period.

The residual value is subject to an annual estimation.

Depreciation rates resulting from the applicable tax regulations are adopted for the purpose of tax settlements.

**Cash and cash equivalents**

For the purposes of the cash flow statement, cash and cash equivalents comprise items due within three months of the date of acquisition, including cash and unrestricted funds at the bank.

The Branch offsets the balance of the bank account of the Company Social Benefits Fund against the liabilities of the Fund: the surplus is presented either as cash or as other short-term liabilities. This approach, consistent with common practice, is applied because the Branch does not control the Fund.

The Branch has funds in a restricted VAT account.

**Impairment write-off on assets other than financial assets**

The carrying amounts of the Branch's assets, are reviewed at the balance sheet date to determine whether there is any indication of impairment. If there is such a reason, the Branch estimates the recoverable amount of individual assets. The allowance for receivables is calculated on a simplified basis in accordance with IFRS 9, at an amount equal to the expected loss in value over their lifetime.

An impairment write-off is recognised if the book value of the asset or its cash-generating unit exceeds its estimated recoverable amount. The impairment write-off is recognised in the profit and loss account.

**Calculation of recoverable amount**

The recoverable amount for assets other than financial assets is the greater of selling value less costs to sell and value in use. To determine the value in use, the estimated future cash flows are discounted to their present value by a pre-tax discount rate, which reflects the current market expectations as to the money value and the asset-specific risk. For assets that do not generate independent cash inflows, the recoverable amount is determined for a given cash-generating unit to which these assets belong.

**Reversal of impairment write-offs**

An impairment write-off in relation to goodwill is not reversed. An impairment write-off on other assets is reversed if there has been a change in the estimates used for determining the recoverable amount.

An impairment write-off may be reversed only to the level at which the carrying amount of the asset does not exceed its book value, which would be established reduced by depreciation amount if the impairment write-off was not recognised.

**Lease contracts**

Liabilities show the remaining lease payments to be paid and use the marginal interest rate at the date of first application of IFRS 16 to discount.
As required by the standard, this choice has been applied consistently to all leases in which the Company is a lessee except for short-term and low value leases.
The Branch decided to use the following practical simplification and applied a single discount rate to a portfolio of leases with broadly similar characteristics:

* cars: 3%
* office space and car parks, depending on the length of the contract period: 0% – 3.04%

The Branch did not make use of any other permitted practical simplification and, for leases ending 12 months of the date of first application, also applied the new model.

In addition, the Branch did not apply the new model for line leases (either short-term or long-term) due to irrelevance.
The Branch has treated as short-term and low-value assets and liabilities for all leases with a term of more than 12 months, except where the asset is of low value.
In this case, the Branch considers USD 5,000 to be low. For the purpose of converting this threshold into PLN, the Branch applies the exchange rate of the NBP prior to the date of commencement of the lease.
The Branch also acts as a sublessee in the sublease of a separate floor of office space with allocated car parks, which it has recognised under the principles of IFRS 16 due to materiality.
After the date of commencement of the lease, an asset by virtue of the right of use is systematically depreciated for the term of the contract and the liability by virtue of the lease is settled (reduced) using an appropriate discount rate, with simultaneous recognition of interest.
The leased are calculated by the Branch in the original currency for a contract, and the conversion into PLN is made:
- in the case of depreciation of an asset, asset revaluation and liability as a result of addenda, at the Nordea Group rate used for the initial recognition of the contract,
- in the case of recognition of a new contract, at the Nordea Group’s exchange rate as at the end of the month in which the contract was entered in the accounts,
- in the case of settlement of a liability, at the current exchange rate of the Nordea Group, i.e. on the last day of the month.

As at the balance sheet date, liabilities are measured at the NBP rate.
In the case of an amendment to a lease contract causing a change in the amount and distribution of future cash flows (e.g. as a result of indexation, reducing or extending the contract term) without changing the scope of the contract, the Branch adjusts the value of the leasing asset and liability in the following manner:
a) it calculates the new value of the liability taking into account the provisions of the modified contract discounted to the beginning of the month in which the modification of the contract terms was approved,
b) it compares the value in a) with the value of the liability as at the same date calculated under the previous contractual terms;
c) the amount of the difference between the values in a) and b) is recognised as an adjustment to the value of the lease liability;
d) the same amount is recognised as an adjustment to the net value of assets under lease, and the value of assets so adjusted is the basis for calculating the updated monthly depreciation amount, taking into account any extension or reduction of the lease term, subject to e);

e) if, as at the date of the reconciliation of the change, the value of the lease asset is 0, then the amount in c) is recognised in profit or loss.

In the case of an amendment to a lease contract resulting in an increase in the scope, e.g. an increase in the leased area, with a simultaneous proportional increase in the fee for the lease, such a change is treated as a separate lease.
In the case of an amendment to a lease contract resulting in an increase in the scope, e.g. an increase in the leased area, while not increasing proportionally the fee for the lease, such a change is treated as a modification of the lease and the procedure is analogous to that in a–e above.
Both the modification of the original contract and the formation of a separate lease are calculated using the current discount rate.
In the case of an amendment to the lease which results in a reduction in scope, e.g. a decrease in the leased area, such a change is treated as a modification of the lease and is accounted for as follows:
a) the new value of the liability is calculated taking into account the provisions of the modified contract discounted to the beginning of the month in which the modification of the terms of the contract is approved;
b) the net asset value of the lease is reduced in proportion to the reduction in the scope of the lease, e.g. by the percentage of reduction in the area leased;
c) a comparison shall be made between the amount in (a) and the amount of net assets after the deduction referred to in (b),
d) any difference from c) is charged to the profit or loss;
e) the amount of the assets after the reduction referred to in b) forms the basis for calculating the updated monthly depreciation amount.
In the event of an early termination of the lease, the value of the lease liabilities is written down to zero on account of the lease as at the termination date in correspondence with the lease assets. The possible amount of the difference is referred to the profit or loss.

**Employee benefits**
The Branch maintains the employee pension plan (PPE) for its employees in the form of group life insurance. As an employer, fulfilling the obligations imposed by the law, it is obliged to pay and remit social and health insurance contributions for the employment of employees and contributions to the Labour Fund and Guaranteed Employee Benefits Fund. The Branch also operates the Company Social Benefits Fund, making write-offs in accordance with the generally applicable provisions of law. All these payments constitute an element of short-term employee benefits whose main components are salaries, bonuses and paid holidays. Short-term benefits are recognised in operating costs on general terms. The only elements of long-term employee benefits are provision for pension, disability and survivor benefits, provision for jubilee bonuses and liabilities for bonuses: in the part in which the payment will be made in the period after 12 months from the balance sheet date. These provisions/liabilities are updated once a year.

**Provisions**
Provisions are recognised in the balance sheet if the Branch has a liability arising from past events, as well as if it is probable that fulfilment of this obligation will result in the outflow of resources embodying economic benefits. If the effect is material, the provision amount is determined using the discounted expected cash flows at the pre-tax rate, reflecting the current market assessment of the time value of money and where it applies to the risk associated with a given liability.

**Service revenue**
The Branch recognises revenue when the performance is delivered by transferring the promised good (i.e. an asset) or service to the customer in accordance with the contracts entered into. An asset is transferred when the customer obtains control over the asset. The services provided by the Branch are on the basis of internal contracts on a continuous basis with billing periods set in the contract. Invoicing takes place at the end of the contractually agreed billing period. When the service is completed in a given (monthly or quarterly) billing period, the Branch recognises,

as revenue, an amount equal to the transaction price that has been attributed to the provision of the service. The Branch assigns the transaction price to each performance in an amount reflecting the amount of fee to which it is entitled in exchange for the transfer of promised goods or services to the customer.
If the Branch has met the obligation, it presents the contract as a contract asset in the statement of financial position. The Branch presents all unconditional rights to receive compensation separately as receivables.

As a general rule, revenue invoicing takes place on a monthly or quarterly basis, whereby:
a) invoices for banking process support services rendered in a given month are generally issued by the 15th day of the following month.
b) invoices for IT services rendered in a given month are generally issued by the end of the month.
c) invoices for IT services (under DC, C&C) rendered during the quarter are generally issued by the 15th of the following month after the close of the quarter.
d) invoices for IT services provided to an external customer provided in a given month are generally issued by the 15th of the following month.
In addition, in the case of business and administrative support services for banking processes, due to the net transaction margin method used, in accordance with the invoicing process adopted, provisions are made in the last month of a given year for the revenue of that period (receivables not invoiced at the balance sheet date). The payment period for services rendered is 30 days after invoicing.

**Other revenues**
Items not related directly to the operating activities of the Branch are presented as part of other revenue. In particular, income arising from the sale and disposal of fixed assets, revenue from re-invoicing, compensation received and revenue from the annual adjustment of VAT are recognised here.

**Financial revenue and expenses**

Financial revenue and expenses include interest revenue related to cash invested by the Branch. Interest revenue is recognised in profit or loss on the accrual basis, using the effective interest rate.

Interest expense for financial instruments is recognised in the profit and loss account in the amount resulting from the measurement at amortised cost using the effective interest rate method. Financial expenses include interest expense related to external financing, unwinding of discounts on recognised provisions and contingent payments.

The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments made over the expected life of the financial instrument, or where appropriate a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Branch estimates the cash flows, taking into account all the provisions of the financial instrument contract; however, it does not take into account potential future losses related to the unrecoverability of loans. The calculation includes all fees and points paid and received by the parties to the contract that are an integral part of the effective interest rate, transaction costs and discounts.

Foreign exchange gains and losses are reported on a net basis as either financial revenue or financial expenses, depending on their total net position.

**General and administrative expenses**

The costs are recognised on an accrual basis, i.e. in the periods to which they relate, regardless of the date of receipt or payment. The main cost items of the Branch's operations include salary costs, premises maintenance and rental costs, third-party IT services, business travel costs and depreciation.

**Income tax**

Income tax consists of current and deferred tax. Income tax is recognised in the profit and loss account.

The current tax is the expected tax liability relating to taxable income using the tax rate effective as at the balance sheet date, including all adjustments to the tax liability for previous years.

Deferred tax assets and provisions are calculated using the balance method, by calculating temporary differences between the carrying amount of assets and liabilities and their tax value.

Deferred income tax provision and assets are recognised in the statement of financial position as net value or as: Deferred tax assets, or as: Deferred tax provision.

Deferred tax assets in respect of all negative temporary differences are recognised to the that it is probable that taxable profit will be available against which the negative temporary differences can be utilised. The carrying value of deferred income tax assets is verified as at each balance sheet date and is reduced to the extent that it is not probable to realise the financial gains associated with the assets.

## Note 4 - Revenue from the sale of services

The Branch provides various administrative and operational process support services to Nordea Group entities located primarily in the Nordic countries. The Branch provides services to external customers only to a very limited extent.
The following breakdown reflects the structure of business lines as at the balance sheet date.

| Revenue from sale: business structure | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| **Area of banking process support services** | | |
| Group Functions | 762,082 | 655,124 |
| Commercial and business banking (Business Banking) | 21,330 | 17,878 |
| Personal Banking | 2,960 | 2,577 |
| Corporate banking (Large Corporates & Institutions) | 2,443 | 204 |
| Investment banking (Asset and Wealth Management) | 2,056 | 2,623 |
| **Total revenue in the area** | **790,871** | **678,406** |
| **Area of IT services** | | |
| Group Functions | 697,622 | 573,885 |
| Personal Banking | 7,380 | 7,606 |
| **Total revenue in the area** | **705,002** | **581,491** |
| **Total revenue from sales of services** | **1,495,873** | **1,259,897** |
| **Total revenue from the sale of services** | **1,495,873** | **1,259,897** |

In addition to the above-mentioned revenues, the Branch also generated other revenues that do not relate to its core operating activities. They are presented under "other operating revenue" and include the following amounts:

| Other revenues from the sale | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Revenue from re-invoicing | 379 | 496 |
| Other sales | 55 | 57 |
| Revenue from the sale of fixed assets | 234 | 101 |

| Sales by area | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Sweden | 464,140 | 404,837 |
| Denmark | 373,281 | 306,018 |
| Finland | 345,761 | 292,701 |
| Norway | 309,639 | 254,757 |
| United Kingdom | 1,507 | 1,057 |
| United States | 1,052 | 100 |
| Estonia | 438 | 375 |
| China | 55 | 52 |
| **Total sales** | **1,495,873** | **1,259,897** |

## Note 5 - Salary costs including surcharges and other employee benefits

| | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Wages and salaries | 961,877 | 808,376 |
| Compulsory social security contributions | 169,905 | 143,509 |
| Other employee benefits | 44,501 | 37,091 |
| Contributions to defined contribution plans | 17,902 | 13,597 |
| CSBF costs | 14,157 | 9,833 |
| Costs of National Fund for the Rehabilitation of Disabled fees | 10,463 | 8,644 |
| Training costs | 3,280 | 3,105 |
| **Costs of salaries with overheads and other employee benefits in total** | **1,222,085** | **1,024,155** |

## Note 6 - Third-party IT services

| | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| IT infrastructure maintenance costs | 42,714 | 23,256 |
| Other IT service costs | 2,762 | 3,372 |
| **Outsourced IT services in total** | **45,476** | **26,628** |

IT infrastructure maintenance costs are costs received from other Nordea Group entities related to the development and maintenance of the broadly understood IT facilities together with the necessary software used by the Branch employees.

### Note 7 - Other administrative expenses

| | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Administrative costs | 8,167 | 10,028 |
| Accounting and payroll services | 6,633 | 5,346 |
| Purchase of other materials | 7,342 | 6,582 |
| Promotion and advertising services | 1,822 | 2,440 |
| Services of recruitment companies | 2,146 | 997 |
| Postal and telecommunications charges | 1,987 | 1,631 |
| Costs of external consultants | 3,678 | 1,991 |
| Advisory costs | 1,677 | 735 |
| Lease and travel costs | 272 | 357 |
| Bank services | 431 | 453 |
| Other | 1,588 | 2,173 |
| **Total other administrative expenses** | **35,743** | **32,734** |

### Note 8 - Depreciation

| | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Leasehold assets | 44,148 | 44,852 |
| Fixed assets | 20,007 | 18,261 |
| Intangible assets | 2 | 4 |
| **Total depreciation** | **64,157** | **63,117** |

### Note 9 - Other operating expenses and other operating income

| Other operating expenses | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Loss on disposal of non-financial non-current assets | 0 | 267 |
| Other costs | 1,158 | 1,260 |
| **Other operating costs in total:** | **1,158** | **1,527** |

| Other operating income | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Reversal of unused provisions | 152 | 814 |
| Revenues from employee benefits | 2,353 | 1,398 |
| Re-invoiced cost revenues | 379 | 496 |
| Revenue from VAT adjustments for previous years | 1,407 | 704 |
| Profit from the sale of non-financial fixed assets | 179 | 0 |
| Other income | 490 | 651 |
| **Other operating revenue in total:** | **4,960** | **4,063** |

## Note 10 - Costs of operation and maintenance of the premises

| | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Operating costs | 21,159 | 21,928 |
| Other rental costs ` | 5,000 | 6,029 |
| Security services | 1,891 | 1,676 |
| **Total** | **28,050** | **29,633** |

## Note 11 – Financial revenue and expenses

| Financial revenue | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Interest revenue on bank accounts | 4,287 | 5,243 |
| Lease interest income, accrued at amortised cost | 4 | 6 |
| Net exchange differences | 2,860 | 11,093 |
| **Financial revenue, total** | **7,151** | **16,342** |

| Financial expenses | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Lease interest expense, accrued at amortised cost | 387 | 431 |
| Other interest expense | 77 | 57 |
| **Total financial expenses** | **464** | **488** |

## Note 12 - Income tax

| Income tax | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| **Current part** | **24,244** | **16,075** |
| Income tax for the reporting period | 24,244 | 16,075 |
| **Deferred part (calculation Note 15) included in the result** | **(2,744)** | **3,920** |
| Occurrence of temporary differences | (2,744) | 3,920 |
| **Income tax, total** | **21,500** | **19,995** |
| **Deferred part (calculation Note 15) included in Other comprehensive income** | **(203)** | **153** |

| Calculation of corporate income tax | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| **Gross profit** | **99,254** | **91,136** |
| **Amounts that increase the tax base** | **105,943** | **117,002** |
| Foreign exchange losses | 3,317 | 26,288 |
| Balance sheet depreciation of fixed assets and intangible assets | 20,009 | 18,264 |
| Cost of liquidated, unamortised fixed assets | 566 | 1,046 |
| Right to use leased assets, depreciation | 44,148 | 44,852 |
| Right to use leased assets, lease interest | 383 | 425 |
| Representation costs | 148 | 130 |
| Provision for costs | 3,294 | 2,564 |
| Right to use leased assets, other including sublease | 709 | 674 |
| Actuarial reserve | 16,043 | 8,869 |
| State Fund for the Rehabilitation of the Disabled costs | 10,463 | 8,644 |
| Donations, non tax-deductible | 50 | 0 |
| Tax income and expenses relating to prior periods recognised on the balance sheet in the current period | 2,462 | 1,051 |
| Trade union costs | 42 | 32 |
| Operating costs of passenger cars | 1,004 | 1,078 |
| VAT payable on the free transfer of services and goods | 1,148 | 1,179 |
| Other costs not constituting tax deductible costs | 2,157 | 1,906 |
| **Amounts that reduce the tax base** | **74,067** | **123,693** |
| Tax depreciation of fixed assets and intangible assets | 20,291 | 23,251 |
| Right to use leased assets, space and cars | 46,836 | 49,325 |
| Tax value of liquidated fixed assets | 370 | 932 |
| Tax expenses recognised on the balance sheet in the previous period | 0 | 7,074 |
| Unrealised and realised exchange rate gains not constituting tax income | 6,565 | 43,112 |
| Other non-tax revenues | 5 | (1) |
| **Tax base** | **131,130** | **84,445** |
| Other deductions, donations | 50 | |
| **Tax base at the end of the financial year** | **131,080** | **84,445** |
| **Income tax** | **24,905** | **16,045** |
| Adjustments related to current income tax for previous years | (661) | 30 |
| **Total current income tax** | **24,244** | **16,075** |

| Reconciliation of effective tax rate | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| **Profit/loss before tax** | **99,254** | **91,136** |
| **Tax based on the applicable tax rate (19%)** | **(18,858)** | **(17,316)** |
| Expenses not deductible for tax purposes | (2,849) | (2,429) |
| Other | 207 | (250) |
| **Tax in the Statement of Comprehensive Income** | **(21,500)** | **(19,995)** |

**Note 13 - Property, plant and equipment, including right to use leased assets**
**Property, plant and equipment from 01/01/2024 to 31/12/2024**

| | Own fixed assets | | | Right to use leased assets | | Total |
|---|---|---|---|---|---|---|
| | Investments in third party fixed assets | Plant and machinery | Capital work in progress | Office premises and parking areas | Cars | |
| **Gross value as at 01/01/2024** | **74,447** | **99,136** | **6,129** | **374,373** | **1,076** | **555,161** |
| **Additions** | **986** | **16,579** | **13,940** | **7,971** | **9** | **39,485** |
| purchase | 0 | 0 | 13,940 | 0 | 0 | **13,940** |
| conclusion/amendment of the lease contract | 0 | 0 | 0 | 7,971 | 9 | **7,980** |
| reclassification | 986 | 16,579 | 0 | 0 | 0 | **17,565** |
| **Reductions** | **(1,358)** | **(12,174)** | **(17,564)** | **(9,138)** | **(606)** | **(40,840)** |
| reclassification | 0 | 0 | (17,564) | 0 | 0 | **(17,564)** |
| lease contract termination | 0 | 0 | 0 | (5,620) | (603) | **(6,223)** |
| liquidation | (1,358) | (4,361) | 0 | 0 | 0 | **(5,719)** |
| sale | 0 | (7,813) | 0 | 0 | 0 | **(7,813)** |
| other | 0 | 0 | 0 | (3,518) | (3) | **(3,521)** |
| **Gross value as at 31/12/2024** | **74,075** | **103,541** | **2,505** | **373,205** | **479** | **553,805** |
| **Depreciation and impairment losses as at 01/01/2024** | **(37,861)** | **(66,093)** | **0** | **(175,701)** | **(857)** | **(280,512)** |
| **Additions** | **(6,947)** | **(13,059)** | **0** | **(43,943)** | **(205)** | **(64,154)** |
| amortisation/depreciation | (6,947) | (13,059) | 0 | (43,943) | (205) | **(64,154)** |
| **Reductions** | **1,060** | **11,906** | **0** | **5,620** | **603** | **19,189** |
| lease contract termination | 0 | 0 | 0 | 5,620 | 603 | **6,223** |
| liquidation | 1,060 | 4,303 | 0 | 0 | 0 | **5,363** |
| sale | 0 | 7,603 | 0 | 0 | 0 | **7,603** |
| other | 0 | 0 | 0 | 0 | 0 | **0** |
| **Depreciation and impairment losses as at 31/12/2024** | **(43,748)** | **(67,246)** | **0** | **(214,024)** | **(459)** | **(325,479)** |
| **Net value at 31/12/2024** | **30,326** | **36,295** | **2,505** | **159,181** | **20** | **228,326** |

**Property, plant and equipment from 01/01/2023 to 31/12/2023**

| | Own fixed assets | | | Right to use leased assets | | Total |
|---|---|---|---|---|---|---|
| | Investments in third party fixed assets | Plant and machinery | Capital work in progress | Office premises and parking areas | Cars | |
| **Gross value as at 01/01/2023** | **76,011** | **104,100** | **7,292** | **369,884** | **1,342** | **558,629** |
| **Additions** | **200** | **14,404** | **13,441** | **21,032** | **0** | **49,077** |
| purchase | 0 | 0 | 13,441 | 0 | 0 | **13,441** |
| conclusion/amendment of the lease contract | 0 | 0 | 0 | 21,032 | 0 | **21,032** |
| reclassification | 200 | 14,404 | 0 | 0 | 0 | **14,604** |
| **Reductions** | **(1,764)** | **(19,367)** | **(14,604)** | **(16,545)** | **(266)** | **(52,544)** |
| reclassification | 0 | 0 | (14,604) | 0 | 0 | **(14,604)** |
| lease contract termination | 0 | 0 | 0 | (16,158) | (253) | **(16,411)** |
| liquidation | (1,764) | (459) | 0 | 0 | 0 | **(2,222)** |
| sale | 0 | (9,995) | 0 | 0 | 0 | **(9,995)** |
| other | 0 | (8,913) | 0 | (387) | (13) | **(9,312)** |
| **Gross value as at 31/12/2023** | **74,447** | **99,136** | **6,129** | **374,373** | **1,076** | **555,162** |
| **Depreciation and impairment losses as at 01/01/2023** | **(32,696)** | **(73,083)** | **0** | **(147,312)** | **(804)** | **(253,895)** |
| **Additions** | **(6,929)** | **(11,332)** | **0** | **(44,546)** | **(306)** | **(63,113)** |
| amortisation/depreciation | (6,929) | (11,332) | 0 | (44,546) | (306) | **(63,113)** |
| **Reductions** | **1,764** | **18,322** | **0** | **16,158** | **253** | **36,496** |
| lease contract termination | 0 | 0 | 0 | 16,158 | 253 | **16,411** |
| liquidation | 1,764 | 394 | 0 | 0 | 0 | **2,158** |
| sale | 0 | 9,457 | 0 | 0 | 0 | **9,457** |
| other | 0 | 8,471 | 0 | 0 | 0 | **8,471** |
| **Depreciation and impairment losses as at 31/12/2023** | **(37,861)** | **(66,093)** | **0** | **(175,701)** | **(857)** | **(280,512)** |
| **Net value as at 31/12/2023** | **36,585** | **33,043** | **6,129** | **198,672** | **219** | **274,649** |

### Capital work in progress

As at 31 December 2024, the Branch classified as capital work in progress the funds which will be put into use in subsequent fiscal years with a value of PLN 2,505,000 (investments in a third-party facility, computer hardware, conference equipment, server equipment, furniture and mobile phones).

**Impairment**

As at 31 December 2024, the Branch Director ordered an impairment test of property, plant and equipment and the right to use leased assets, which showed no need for write-downs.

### Note 14 - Intangible assets

### Table of movements of intangible assets 01/01/2024 to 31/12/2024

| Specification | Licences, computer software | Intangible assets under construction | Total |
|---|---|---|---|
| **Gross value as at 01/01/2024** | **61** | **0** | **61** |
| **Gross value as at 31/12/2024** | **61** | **0** | **61** |
| **Depreciation and impairment losses as at 01/01/2024** | **(47)** | **0** | **(47)** |
| amortisation/depreciation | (2) | 0 | **(2)** |
| **Depreciation and impairment losses as at 31/12/2024** | **(49)** | **0** | **(49)** |
| **Net value at 31/12/2024** | **12** | **0** | **12** |

### Table of movements of intangible assets 01/01/2023 to 31/12/2023

| Specification | Licences, computer software | Intangible assets under construction | Total |
|---|---|---|---|
| **Gross value as at 01/01/2023** | **61** | **0** | **61** |
| **Gross value at 31/12/2023** | **61** | **0** | **61** |
| **Depreciation and impairment losses as at 01/01/2023** | **(43)** | **0** | **(43)** |
| amortisation/depreciation | (4) | 0 | **(4)** |
| **Depreciation and impairment losses as at 31/12/2023** | **(47)** | **0** | **(47)** |
| **Net value as at 31/12/2023** | **14** | **0** | **14** |

### Impairment

As at 31 December 2024, the Branch Management carried out an impairment test on intangible assets, which showed no need for impairment losses.

**Note 15 - Deferred tax assets and deferred tax liabilities**

Deferred tax assets and liabilities were recognised with respect to the following components of assets and liabilities:

| | Assets | | Liabilities | | Net value | |
|---|---|---|---|---|---|---|
| | 31/12/2024 | 31/12/2023 | 31/12/2024 | 31/12/2023 | 31/12/2024 | 31/12/2023 |
| Property, plant and equipment and intangible assets | 0 | 0 | 5,130 | 5,075 | (5,130) | (5,075) |
| Cash and cash equivalents | 15 | 0 | 0 | 7 | 15 | (7) |
| Trade and other receivables | 2 | 0 | 0 | 0 | 2 | 0 |
| Provisions | 28,233 | 24,304 | 0 | 0 | 28,233 | 24,304 |
| Liabilities for the right to use leased assets | 31,942 | 40,545 | 0 | 0 | 31,942 | 40,545 |
| Receivables from the right of use leased assets | 0 | 0 | 30,248 | 37,789 | (30,248) | (37,789) |
| Receivables from subletting leased space | 0 | 0 | 391 | 502 | (391) | (502) |
| **Deferred income tax assets/liabilities** | **60,192** | **64,849** | **35,769** | **43,373** | **24,423** | **21,476** |
| **Deferred income tax assets/liabilities recognised in the statement of financial position** | **60,192** | **64,849** | **35,769** | **43,373** | **24,423** | **21,476** |

## Note 16 - Long-term investments

| | as at 01/01/2024 | received | increases | interest accrued | repayment | reductions | as at 31/12/2024 |
|---|---|---|---|---|---|---|---|
| Lease receivables | 2,644 | 170 | 0 | 4 | (713) | (44) | 2,061 |

The Branch signed a sublease contract in August 2021 for one floor in a group of buildings in Gdynia. The entity reclassified the corresponding value of the right of use in long-term investments (receivable from sublease of office space).

| Lease receivables by maturity | 01/01/2024 - 31/12/2024 | 01/01/2023 - 31/12/2023 |
|---|---|---|
| Up to 1 year | 705 | 673 |
| from 1 to 2 years | 707 | 675 |
| from 2 to 3 years | 649 | 676 |
| from 3 to 4 years | 0 | 620 |
| **Total** | **2,061** | **2,644** |

Invoices for subleases are issued with a 30-day payment deadline. At the moment, the Branch has not recorded any payment bottlenecks.

| Financial result on office sublease | 01/01/2024 - 31/12/2024 | 01/01/2023 - 31/12/2023 |
|---|---|---|
| Leasing costs relating to leased space | (677) | (674) |
| Proceeds from sublease | 715 | 709 |
| **Result from sublease** | **38** | **35** |

## Note 17 - Trade receivables, uninvoiced receivables and other receivables

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Trade receivables from related undertakings | 181,694 | 153,977 |
| *of which not invoiced at the balance sheet date* | *0* | *13* |
| Other trade receivables | 267 | 138 |
| *of which not invoiced at the balance sheet date* | *11* | *26* |
| Receivables from taxes, subsidies, customs, social security, health insurance and other benefits | 0 | 1,593 |
| Other receivables | 209 | 18 |
| **Total** | **182,170** | **155,726** |

## Note 18 - Cash and cash equivalents

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Cash in hand and at bank | 137,703 | 114,635 |
| Restricted cash (VAT account) | 1,411 | 0 |
| **Cash and cash equivalents presented in the statement of cash flows** | **139,114** | **114,635** |

## Note 19 - Long-term liabilities due to settlements with Branch Headquarters

The Bank's branch does not have equity. Settlements with the Bank's Headquarters make up profits or losses for the financial years of the Branch. In 2023, the Branch paid PLN 103,482,000 to Nordea ABP, Finland, for the settlement of retained earnings. In 2024, there were further disbursements totalling PLN 78,117,000. The Branch's operations are financed from its working capital.

| Long-term liabilities for settlements with the Bank's Head Office | 01/01/2024 - 31/12/2024 | 01/01/2023 - 31/12/2023 |
|---|---|---|
| **At the beginning of the period** | **110,477** | **142,168** |
| Net profit/loss | 76,890 | 71,791 |
| Profit transfer | (78,117) | (103,482) |
| **As at the end of the period** | **109,250** | **110,477** |

## Note 20 - Liabilities due to loans, borrowings and other debt instruments

**Terms and schedule for repayment of loans and borrowings**

As at 31 December 2024, the Branch does not have a bank overdraft; the loan agreement expired on 24 November 2020. The current global limit as at 31/12/2024 is PLN 8 million.

The table below shows a reconciliation of movements in liabilities arising from the financial position:

| Item | As at 01/01/2024 | increases | interest accrued | repayment | valuation | Lease contract termination | As at 31/12/2024 |
|---|---|---|---|---|---|---|---|
| Credit card liabilities | 983 | 5,588 | 0 | (5,378) | 0 | 0 | 1,193 |
| Lease liabilities | 213,393 | 8,143 | 387 | (46,837) | (3,454) | (3,521) | 168,112 |

## Note 21 - Contingent liabilities

As at the balance sheet date of 31/12/2024, the Branch has no loan commitments.

**Bank guarantees**

Bank guarantees were opened in connection with the Branch's lease contracts for office space. Guarantees were concluded between the landlords (beneficiaries) and the tenant (Branch) to secure claims in the event of damage caused by non-performance or improper performance of the lease contract. The security is the equivalent of a 3-month rent and the amount of rent VAT, down payment for the Maintenance Fee for 3 months and the amount of VAT on the fee.

Bank guarantees were granted by mBank SA.

| | | | | 31/12/2024 | |
|---|---|---|---|---|---|
| Beneficiary | Guarantee number | Currency | Expiry date | EUR | PLN |
| Tensor Poland Sp. z o.o. | 13029KPA19 | EUR | 31 March 2025 | 703 | 0 |
| Olivia Star SA | 13085KPA18 | PLN | 31 August 2026 | 0 | 3,599 |
| Łużycka Park Investment Sp. z o.o. | 13127KPA17 | PLN | 31 August 2025 | 0 | 1,378 |
| Łużycka Park Investment Sp. z o.o. | 13128KPA17 | PLN | 31 August 2025 | 0 | 1,336 |
| Pancole Sp. z o.o. (Libra Business Centre II) | 13203KPA19 | EUR | 31 January 2026 | 639 | 771 |

**Guarantees received:**

Under a contract concluded on 30/08/2021, the Branch subleases office space in Gdynia. As collateral for the receivables, it received a bank guarantee of PLN 331,000.

| | | | | 31/12/2024 | |
|---|---|---|---|---|---|
| Debtor | Guarantee number | Currency | Expiry date | EUR | PLN |
| Schenker Sp. z o.o. | MT22397KPA21 | PLN | 30/08/2026 | 0 | 331 |

### Note 22 - Provisions

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Provision for pensions and related benefits - as at 1 January** | **44,750** | **36,684** |
| **Creation of provisions** | **18,916** | **9,408** |
| long- and short-term actuarial provisions | 18,916 | 9,408 |
| **Release of provisions** | **(2,369)** | **(1,341)** |
| long- and short-term actuarial provisions | (1,805) | (1,341) |
| restructuring provision | (564) | 0 |
| **Use of provisions** | **(2,369)** | **(1,341)** |
| **Value at 31 December** | **61,297** | **44,750** |
| **Provision for pensions and related benefits:** | **61,297** | **44,751** |
| short-term part | 3,479 | 2,555 |
| long-term part | 57,818 | 42,196 |

### Note 23 - Trade and other payables

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Other long-term liabilities** | **958** | **461** |
| liabilities for employee benefits | 958 | 461 |
| **Short-term liabilities** | **228,851** | **201,052** |
| **Trade liabilities** | **882** | **695** |
| trade payables from other undertakings | 882 | 695 |
| **Other short-term liabilities** | **227,969** | **200,357** |
| provision for costs to be paid | 86,048 | 82,504 |
| public law liabilities | 39,802 | 32,602 |
| short-term liabilities to employees | 102,033 | 85,251 |
| deferred income | 86 | 0 |
| **Income tax liabilities** | **10,100** | **0** |
| **Trade and other liabilities** | **239,909** | **201,513** |

In the “short-term liabilities to employees” item, the Branch mainly includes provisions for salaries and wages of PLN 99,651,000.

## Note 24 - Leases

**Lease payments**

Payments for lease contracts are as follows:

**Leases in the period from 01/01/2024 to 31/12/2024**

| | Office premises and parking areas | Cars |
|---|---|---|
| Fixed lease payments | 46,712 | 215 |
| Variable lease payments* | 658 | 0 |
| **Total** | **47,370** | **215** |

**Leases in the period from 01/01/2023 to 31/12/2023**

| | Office premises and parking areas | Cars |
|---|---|---|
| Fixed lease payments | 49,329 | 322 |
| Variable lease payments* | 308 | 0 |
| **Total** | **49,637** | **322** |

**the variable lease payments include, in the case of office space and car parks, the effect of annual rent adjustment for the past months, and in the case of cars, the effect of changes in rent payments introduced by amendments for the past months. Penalties associated with the termination of lease contracts are also recorded here.*

*Lease payments for office space and car parks according to contracts are subject to annual indexation. For most contracts, indexation is based on the Eurozone inflation index (MUICP or HICP) for the previous year. As this index is published a few months after the end of the year and the contracts usually stipulate that the rent adjustment applies from 1 January each year, lessors are able to issue the first invoice according to the new rates usually for February. In addition, they recalculate the rent for the already invoiced month of January by issuing a correcting invoice. The amounts from these adjustment invoices are treated by the Branch as variable lease payments, while with effect from the month for which the first invoice with the adjusted rent is issued (usually from February), the Branch updates the lease payment schedule, recognising this as an amendment to the lease contract.*

*The level of MUICP/HICP ratio equal to 1% would translate into an increase of total lease payments for office space and car parks by 1%.*

*In the case of cars, an increase in the rent rate during the contract is rare, no general mechanism for determining it has been created (it is of a discretionary nature) and in such situations a relevant amendment is signed. Here, too, it may happen that it applies retroactively and the lessor issues correcting invoices for past months: the amounts of such adjustments are treated by the Branch as variable lease payments.*

*Due to the discretionary nature of such increases, negotiated individually, there is no connection between the external, objective factor/measure and the change of lease payments.*

Payments under short-term and low-value lease contracts are presented below:

| Short-term and low-value leases | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Short-term lease | 292 | 656 |
| Low-value lease | 34 | 34 |
| **Total** | **326** | **690** |

**Lease liabilities by maturity**
The table below presents financial liabilities based on contractual maturities.
The amounts presented in the table are discounted cash flows:

| Lease commitments by maturity | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Up to 1 year | 44,636 | 45,281 |
| 1–5 years | 106,782 | 140,180 |
| Over 5 years | 16,694 | 27,932 |
| **Total** | **168,112** | **213,393** |

The undiscounted cash flows from lease liabilities are presented by the Branch in Note 27 - Liquidity risk. Estimated future variable lease payments (understood as described above, i.e. assuming that lessors of office space and parking space will issue corrective invoices taking into account the effect of rent indexation for 2024 in February for January) will be PLN 81,000 in 2025.

**Explanation of the statement of comprehensive income lease related items**
There are items in the statement of comprehensive income:

| Lease-related costs | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Costs of operation and maintenance of the premises | 28,050 | 29,633 |
| Other administrative expenses, lease | 272 | 357 |
| Financial expenses, lease interest expenses | 387 | 431 |

| Depreciation and amortisation | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Office premises and parking areas | 43,943 | 44,546 |
| Cars | 205 | 306 |
| **Total** | **44,148** | **44,852** |

| Lease cash flow | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Repayment of the principal | 46,837 | 49,325 |
| Interest | 387 | 431 |
| **Total lease in financial activities** | **47,224** | **49,756** |
| Lease flows in operating activities | 984 | 998 |
| **Total cash outflows** | **48,208** | **50,754** |

**Weighted average lease interest rate**
The weighted average marginal lease interest rate applied by the Branch is 0.2%.
It is divided into classes:
Office premises and parking areas 0.2%
Cars 3.0%
It was calculated for contracts in force as at 31/12/2024.

## Note 25 - Transactions with related undertakings

The Branch provides its services to other entities in the Nordea Group, including the Bank of which it is a Branch, as well as to other branches of the Bank, and to the Bank's affiliates and joint ventures, and all transactions are carried out on an arm's length basis.

### Transactions with executives

**Loans to the management of the Branch**
No loans were granted to the Branch's Management.
**Executive remuneration**
The costs of base salary paid out in 2024 to the Branch Management were PLN 2,010,000 (2023: PLN 1,162,000). The cost of bonuses and rewards paid to Executives in 2024 was PLN 69,000 (2023: PLN 16,000). Employee pension plan contributions for 2024 for the Branch Management was PLN 48,000 (2023: PLN 38,000).

### Transactions with related undertakings in the Group

| Sales of services | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| Nordea Bank Abp, filial i Sverige | 460,673 | 401,982 |
| Nordea Bank Abp | 336,527 | 284,266 |
| Nordea Danmark, filial af Nordea Bank Abp | 371,924 | 304,662 |
| Nodea Bank Abp, filial i Norge | 306,719 | 252,377 |
| Nordea Finance Finland Ltd | 9,236 | 8,432 |
| Nordea Finans Sverige AB | 3,471 | 2,851 |
| Nordea Finans Norge AS | 2,876 | 2,377 |
| Nordea Finans Danmark A/S | 1,360 | 1,353 |
| Nordea Bank Abp London Branch | 1,507 | 1,057 |
| Nordea Bank Abp Estonia | 438 | 375 |
| Nordea Bank Abp (publ) New York Branch | 1,052 | 100 |
| Nordea Bank Abp Shanghai Branch | 55 | 52 |
| Nordea Finance Equipment AS Norway Branch | 47 | 0 |
| **Total sales of services** | **1,495,886** | **1,259,884** |

| Other transactions | 01/01/2024 – 31/12/2024 | 01/01/2023 – 31/12/2023 |
|---|---|---|
| **Other operating income** | | |
| Nordea Bank Abp | 22 | 13 |
| Nordea Bank Abp, filial i Sverige | 7 | 4 |
| Nordea Danmark, filial af Nordea Bank Abp | 29 | 7 |
| Nordea Bank Abp, Norwegian Branch | 0 | 2 |
| Nordea Bank Abp Estonia Branch | 2 | 0 |
| **Other operating revenue in total:** | **59** | **26** |
| **Costs of IT services** | | |
| Nordea Bank Abp Denmark Branch | 0 | (1) |
| Nordea Bank Abp, filial and Sver | 0 | (1) |
| Nordea Bank Oyj | 0 | (1) |
| **Costs of IT services in total** | **0** | **(3)** |
| **TP IT service costs** | | |
| Nordea Danmark, filial af Nordea Bank Abp | (13,668) | (7,907) |
| Nordea Bank Abp, filial i Sverige | (12,814) | (6,744) |
| Nordea Bank Abp | (11,533) | (6,047) |
| Nodea Bank Abp, filial i Norge | (4,699) | (2,558) |
| **Total costs of IT TP services** | **(42,714)** | **(23,256)** |
| **Other expenses** | | |
| Nordea Bank Abp | (0) | (1,167) |
| **Other costs in total** | **(0)** | **(1,167)** |
| **Total other transactions** | **(42,655)** | **(24,400)** |

| Settlements with entities in the Group | 31/12/2024 | 31/12/2023 |
|---|---|---|
| **Trade receivables (including non-invoiced)** | | |
| Nordea Bank Abp, filial i Sverige | 43,394 | 37,360 |
| Nordea Bank Abp | 44,431 | 39,299 |
| Nodea Bank Abp, filial i Norge | 38,935 | 30,930 |
| Nordea Danmark, filial af Nordea Bank Abp | 52,037 | 44,696 |
| Nordea Finance Finland Ltd | 705 | 623 |
| Nordea Finans Norge AS | 545 | 387 |
| Nordea Finans Danmark A/S | 148 | 207 |
| Nordea Bank Abp London Branch | 279 | 192 |
| Nordea Finans Sverige | 723 | 205 |
| Nordea Bank Abp Estonia Branch | 68 | 60 |
| Nordea Bank Abp (publ) New York Branch | 396 | 15 |
| Nordea Bank Abp Shanghai Branch | 3 | 3 |
| Nordea Finance Equipment AS Norway Branch | 30 | 0 |
| **Total trade receivables (including uninvoiced)** | **181,694** | **153,977** |

All transactions with related undertakings were concluded under market conditions.

## Note 26 - Financial instruments: fair value and other disclosures

**Breakdown of financial instruments into categories**

The table below shows the Branch’s financial instruments by categories:

| | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Cash and cash equivalents | 139,114 | 114,635 |
| **Total financial assets measured at fair value through profit or loss** | **139,114** | **114,635** |
| Lease receivables | 2,061 | 2,644 |
| Trade and other receivables* | 182,170 | 155,726 |
| **Total financial assets measured at amortised cost** | **184,231** | **158,370** |
| Trade liabilities | 882 | 695 |
| Lease liabilities | 168,112 | 213,393 |
| **Total financial liabilities measured at amortised cost** | **168,994** | **214,088** |

* The item includes invoiced and uninvoiced trade receivables and deposits paid.

**Fair value of financial assets and liabilities**

Fair value is the amount for which an asset could be exchanged, or a liability discharged, between knowledgeable and willing parties in an arm’s length transaction other than a forced sale or liquidation and is best represented by the market price, if available.

Financial instruments are measured at fair value broken down by individual measurement methods. Respective levels are defined as follows:

- prices quoted (not adjusted) from active markets for identical assets or liabilities (Level 1)
- inputs other than quoted prices included within Level 1 that are observable or observable for asset or liability, either directly (i.e. in the form of prices) or indirectly (i.e. through price-based calculations) (Level 2)
- inputs for the valuation of an asset or liability that are not based on market data (i.e. unobservable inputs) (Level 3)

Below is a summary of the carrying amounts and fair values of each group of assets and liabilities.

| Fair value of assets and liabilities | | 31/12/2024 | | 31/12/2023 | |
|---|---|---|---|---|---|
| | | Carrying amount | Fair value | Carrying amount | Fair value |
| **Financial assets** | | | | | |
| Cash and cash equivalents | Level 1 | 139,114 | 139,114 | 114,635 | 114,635 |
| Trade and other receivables | Level 2 | 182,170 | 182,170 | 155,726 | 155,726 |
| **Financial liabilities** | | | | | |
| Trade liabilities | Level 2 | 882 | 882 | 695 | 695 |

### Determining the fair value

Below is a summary of the main methods and assumptions used when estimating the fair value for financial instruments presented in the table above.
In the case of short-term financial assets and liabilities, it is assumed that the carrying amount of these instruments is approx. equal to their fair value.
Cash and cash equivalents: In the case of bank deposits and funds in the Branch's current accounts, it is assumed that their fair value does not differ materially from their carrying value due to their short maturity.
Trade and other receivables are reported net of impairment losses. In the opinion of the entity manager, individual write-downs do not materially affect the Branch's view of its assets and financial position. Due to the short maturity, it is assumed that the carrying amount is equal to fair value.
Loans and trade payables, in the case of loans without fixed repayment schedules, the fair value is taken to be the amount that would have been paid on demand at the balance sheet date.
In the case of liabilities to suppliers, it is assumed that their fair value does not significantly differ from the carrying amount, due to short maturity.

### Other disclosures

The Branch did not reclassify financial instruments between categories in the current or previous period.
The Branch does not offset financial assets and liabilities.
No collateral for liabilities or contingent liabilities was established against the Branch's financial assets.
The Branch has no derivative instruments.
The only item in the statement of comprehensive income that relates to financial instruments is interest expense on leases, disclosed in Note 24.

## Note 27 - Financial risk management

### Credit risk

The carrying amounts of financial assets correspond to the maximum exposure to credit risk. At the end of the reporting period, the maximum credit risk exposure is as follows:

| Financial assets | Note | 31/12/2024 | 31/12/2023 |
|---|---|---|---|
| Receivables | 17 | 182,170 | 155,726 |
| Cash | 18 | 139,114 | 114,635 |

The table above includes all receivables exposed to credit risk, including those that do not constitute financial assets. By credit risk, the Branch understands the probability that the counterparty will meet the obligations untimely or will completely fail to meet them. Financial assets potentially exposing the Branch to the concentration of the credit risk include mainly trade receivables.

In the case of the Branch, the majority of counterparties are units of the same group and are financial institutions (banks) or leasing and factoring companies. In the opinion of the Branch Management, the financial performance of individual entities of the Nordea Group do not indicate a risk in connection with meeting the obligations to the Branch. Moreover, since most of them are banks, it is obligatory for them to have adequate liquidity and provisions to secure it.

The Branch does not believe that the current risk concentration is significant: counterparties are from several dozen different countries, the Branch defines its credit risk exposure as total unsettled receivables (including overdue balances) and monitors balances regularly for each counterparty. The adopted repayment period for receivables related to the normal sales of services is from 14 to 30 days.

Below there is the concentration of trade receivables as a percentage of total trade receivables:

| Trade receivables (net) without impairment | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Denmark | 28.7% | 29.1% |
| Finland | 24.8% | 25.9% |
| Sweden | 24.3% | 24.4% |
| Norway | 21.7% | 20.3% |
| United States | 0.2% | 0.0% |
| United Kingdom | 0.2% | 0.1% |
| Poland | 0.1% | 0.1% |
| Estonia | 0.0% | 0.1% |
| **Total** | **100.0%** | **100.0%** |

The table above includes both invoiced receivables (including sales of fixed assets) and uninvoiced receivables, excluding receivables from deposits paid.

**Trade receivables without impairment according to the overdue period**

| Receivables | Non-past due receivables | Past due receivables in days | | |
|---|---|---|---|---|
| | | 1–30 | 31–90 | more than 90 |
| from related undertakings | 181,429 | 43 | 222 | 0 |
| from other undertakings | 180 | 1 | 0 | 86 |
| **Total** | **181,609** | **44** | **222** | **86** |

The table above includes both invoiced receivables (including sales of fixed assets) and uninvoiced receivables, excluding receivables from deposits paid.
The credit quality of overdue receivables without impairment is satisfactory. These are mainly receivables from related undertakings, the other banks of the Nordea Group that have liquidity at a safe level.
In the opinion of the entity manager, individual write-downs do not materially affect the Branch's view of its assets and financial position.

**Liquidity risk**
The main task in the liquidity risk management process is ongoing control and planning of the liquidity level.
The liquidity level is controlled by preparing a cash flow forecast. Cash flow realisation is cyclically verified and includes the analysis of unrealised cash flows, their causes and effects.
Safeguarding against liquidity risk, the Branch has free working capital in the bank account of more than PLN 100,000,000 as at 31 December 2024.
The Branch places a portion of the funds received in the form of a Short-Term Deposit, which is taken into account in the calculation of the liquidity reserve.
As at 31/12/2024, there is a surplus of current assets over current liabilities approximately PLN 37 million. This is mainly due to an increase in cash in bank accounts, influenced by an increase in the Branch's turnover as well as an improvement in revenue recovery. Management sees no liquidity risk. Nordea Bank Abp, as the parent company of the Branch, monitors its liquidity on an ongoing basis and is prepared to support its Branch financially. The table below shows an analysis of financial liabilities by maturity according to the remaining period to contractual maturity at the balance sheet date for all non-derivative financial liabilities. The amounts shown in the table represent the contractual undiscounted cash flows.

| Maturities of financial liabilities as at 31/12/2024 | Less than 3 months PLN '000 | 3–12 months PLN '000 | 1–5 years PLN '000 | More than 5 years PLN '000 | Total contractual cash flows PLN '000 | Balance sheet of liabilities PLN '000 |
|---|---|---|---|---|---|---|
| Trade liabilities | 882 | - | - | - | 882 | 882 |
| Loans | - | - | - | - | - | - |
| Lease liabilities | 10,465 | 34,171 | 106,782 | 16,694 | 168,112 | 168,112 |
| **Total** | **11,347** | **34,171** | **106,782** | **16,694** | **168,994** | **168,994** |

The Branch had no derivatives in 2024.

| Maturities of financial liabilities as at 31/12/2023 | Less than 3 months PLN '000 | 3–12 months PLN '000 | 1–5 years PLN '000 | More than 5 years PLN '000 | Total contractual cash flows PLN '000 | Balance sheet of liabilities PLN '000 |
|---|---|---|---|---|---|---|
| Trade liabilities | 695 | - | - | - | 695 | 695 |
| Loans | - | - | - | - | - | - |
| Lease liabilities | 11,481 | 34,192 | 140,755 | 27,950 | 214,378 | 213,393 |
| **Total** | **12,176** | **34,192** | **140,755** | **27,950** | **215,073** | **214,088** |

The Branch had no derivatives in 2023.

### Risk of currency fluctuations

The revenue and expenses of the Branch are expressed mainly in the Polish currency. A portion of trade payables and receivables are expressed in foreign currencies, euro, US dollar, Danish krone, Swedish krone and Norwegian krone. The table below presents the main currency exposures of the Branch and potential foreign exchange profits/losses on these exposures resulting from a hypothetical 10% appreciation/depreciation of the PLN against other currencies.

| Financial instrument (PLN '000) | Exposure affecting the financial result as at 31/12/2024 | | Sensitivity to a change in the PLN exchange rate against other currencies as at 31/12/2024 | |
|---|---|---|---|---|
| | Currency | PLN | +10% PLN | -10% PLN |
| Trade receivables (EUR) | 15,029 | 64,220 | 70,642 | 57,798 |
| **Total** | **15,029** | **64,220** | **70,642** | **57,798** |

The above table only includes invoiced receivables and liabilities, without any deposit receivables.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows from a financial instrument will change as a result of changes in interest rates. As the Branch does not have any loan commitments, it was not exposed to interest rate risk arising from any loan commitments in 2024.
As at the balance sheet date, the Branch had no loan commitments.

## Note 28 - Employment

The average annual headcount in the Branch was 5,889 (2023: 5,525).
All persons employed are white-collar workers.

## Note 29 - Fee for the entity authorised to audit financial statements

The entity auditing the financial statements of the Branch is PricewaterhouseCoopers Polska Spółka z ograniczoną odpowiedzialnością Audyt Sp. k.
The table below shows the fee for this entity for 2024:

| Type of service (PLN '000) | 31/12/2024 | 31/12/2023 |
|---|---|---|
| Audit of the financial statements: | 293 | 270 |
| **Total** | **293** | **270** |

No other entity from the network to which the auditing company belongs provided services for the Branch in 2024.

## Note 30 - Impact of Russia's aggression against Ukraine and the entity's financial position

The Russian aggression in Ukraine, which began on 24 February 2022 in the opinion of the Branch Manager, does not currently have a direct impact on the Branch's operational risk. As at the balance sheet date, there are few employees from the countries involved in the conflict. However, the situation may have an impact on exchange rate risk.
At the time of preparation of the financial statements, the banking sector and the financial industry in which the Branch operates appear stable. The Branch's management does not receive any signals from counterparties that the demand for services provided by the Branch is expected to decrease in the near future.

## Note 31 - Events after the end of the reporting period

There were no other events requiring inclusion in the Financial Statements for 2024 after the balance sheet date.

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| | |
|---|---|
| Signed by /<br>Podpisano przez:<br>Agnieszka Dzięgielewska-<br>Jończyk<br><br>Date/Data:<br>2025-02-27 15:31 | Signed by /<br>Podpisano przez:<br>Joanna Bielasiak-<br>Stachowiak<br><br>Date/Data:<br>2025-02-27 14:52 |
| ...................................................... | ........................................... |
| Agnieszka Dzięgielewska-Jończyk | Joanna Bielasiak-Stachowiak |
| Branch Director | Deputy Branch Director |
| | *Person responsible for preparing the financial statements* |

END OF THE TRANSLATION
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