BANKA SLOVENIJE

EVROSISTEM

Annual Report 2025

Title: Annual Report 2025

Issue: 36

Year: 2026

Issued by:
Banka Slovenije
Slovenska 35, 1505 Ljubljana, Slovenia
Tel: +386 1 4719000
email: pr@bsi.si
www.bsi.si

The Annual Report is based on figures and information available by 22 April 2026.

ISSN 1518-2103

(electronic edition)

This publication is also available in Slovene.

Contents

A Word from the Governor

Last year was only the latest in a series of years in which we have faced numerous risks from the international environment. The year was marked by rising uncertainty in trade, largely owing to the imposition of reciprocal tariffs on merchandise imports to the US. Global economic growth nevertheless remained robust, although developments varied across the major economies. Economic growth slowed slightly in the US, but rose slightly in the euro area compared with 2024 amid less restrictive monetary policy and improved financing conditions. The growth was mainly driven by private consumption and government consumption, while the contributions made by investment and by net exports were modest and negative respectively. Price developments eased at euro area level last year: inflation stood at 2.1% in 2025, down slightly on the previous year, but a fraction above the ECB monetary policy target rate.

Slovenia again saw a slowdown in economic growth in 2025: the rate of 1.1% was the lowest since the pandemic year of 2020. Growth in final consumption slowed amid the sluggish economy and the international uncertainty, while demand for goods was also weaker. Employment fell slightly in the private sector, but the unemployment rate remained below its long-term average. The worsening situation and the decline in exports continued to put a brake on investment in machinery and equipment, and hurt the manufacturing sector, which was reflected in a decline in value-added. The government helped to keep the economy moving forward, by means of a strengthened cycle of investment, particularly in construction. Headline inflation in Slovenia as measured by the HICP rose to 2.5% in 2025, driven largely by rising food prices in the first half of the year, before the headline rate began to ease in the second half of the year.

Despite the difficult conditions at home and internationally, the Slovenian banking system remained stable, liquid, and well-capitalised, and continued to support businesses and households. The risks to financial stability remained manageable, but demand constant attention, particularly given the potential for a further deterioration in the macroeconomic situation and in geopolitical factors.

Macroprudential supervision focused on managing credit risk, internal governance, risks related to climate change, and IT and cyber security at banks. Macroprudential policy remained in a preventive stance, with a focus on maintaining the resilience of the financial system. Resolution plans were again updated in 2025 in line with the Resolution and Compulsory Winding Up of Banks Act, and we tackled the tasks of the resolution authority.

Banka Slovenije also undertakes a number of other tasks that fall under its mandate, and ensuring the smooth functioning of the economy and the financial system. We are responsible for issuing cash, operating payment systems, and managing the official foreign exchange reserves and Banka Slovenije's other assets. We also act as the payments and fiscal agent of the state, we manage accounts for the state, for government bodies and for public-sector entities, and we manage the central credit register. We also work with international monetary institutions,

and are actively participating in the digital euro project as part of the Eurosystem. The preparation phase concluded at the end of 2025, and the project has now moved into the next phase, which will ensure technical readiness for first issuance of the digital euro and will include the digital euro pilot. Here we are aware that digitalisation requires additional work, but we remain committed to ensuring equal access to all reliable and generally accessible forms of payment, including cash. We are also working with the Ministry of Finance to address issues relating to access to basic banking services.

In this context we see Banka Slovenije's role as key to the further development of the financial environment in Slovenia. This also includes creating better deposit structures, encouraging balanced dynamics in interest rates, and strengthening the Slovenian capital market. Our objective is to put in place a stable, transparent and effective financial system that over the long term acts for the benefit of the public, and supports sustainable economic development.

Financial education has also been a strategic objective of ours since 2017. We are convinced that raising public awareness of issues in finance and central banking will contribute to greater financial literacy and responsibility on the part of individuals. In recent years we have strengthened our education programmes and our collaboration with other institutions. Our support for Slovenian culture and our commitment to responsible investment policy was demonstrated with our purchase of another violin for young musicians, giving them access to the very finest instruments, and supporting their development.

My assessment, which is shared by my colleagues on the Governing Board of Banka Slovenije, is that last year we were successful in fulfilling our mandate as set out by law. In the face of the numerous challenges brought by the fast-changing economic, technological and societal conditions, our key guiding principle remains ensuring that the financial environment is stable and trustworthy, with an emphasis on price stability, supervision of the financial system and the smooth operation of payment systems. The annual report is not just a review of this work, but also represents a starting point for understanding future challenges and guidelines.

We will also work consistently to fulfil our mandate in the future.

Primož Dolenc,
Governor and President of the Governing Board of Banka Slovenije

ABOUT BANKA SLOVENIJE

Banka Slovenije is the central bank of Slovenia. It was established by the Bank of Slovenia Act adopted on 25 June 1991. It has legal personality under public law, and freely and independently disposes of its own assets. Banka Slovenije is under exclusive state ownership, with autonomy in finances and governance. Banka Slovenije's financial statements are audited by an independent international auditor. Banka Slovenije's primary objective is price stability.

80% OF EMPLOYEES AT BANKA SLOVENIJE hold at least a Level VII qualification

€1.0 MILLION SURPLUS OF INCOME OVER EXPENSES IN 2025 — €1.2 million surplus of income over expenses in 2024

56.56 MILLION TRANSACTIONS executed by Banka Slovenije in 2025 for its 126 clients

BANKA SLOVENIJE'S KEY AREAS OF WORK AND TASKS

MONETARY POLICY

Banka Slovenije pursues the Eurosystem's fundamental objective of maintaining price stability.

- **2.5%** headline inflation in 2025 as measured by the HICP.
- **€6 billion** excess liquidity of the Slovenian banking system at the end of 2025.
- **€14.6 billion** portfolio of securities purchased for monetary policy implementation at the end of 2025.
- **4.22 tonnes** gold held in Banka Slovenije's intl. reserves. Gold and gold receivables amounted to €498 million at the end of 2025.

MICROPRUDENTIAL SUPERVISION

We supervise banks and savings banks for the purpose of promptly identifying risks.

- **108 breaches** identified in 2025 in the supervision of significant banks.
- **121 breaches** identified in 2025 in the supervision of less significant banks.
- **26 procedures** of licensing completed with an authorisation being granted.
- **12 authorisations** granted to members of management bodies in 2025.

MACROPRUDENTIAL POLICY

We identify, monitor and assess systemic risks to financial stability, and take measures to limit them and to strengthen the banking system's resilience to risks.

- **€57.7 billion** year-end balance sheet total of the banking system, which generated a pre-tax profit of €991 million in 2025.
- **1.6 %** NPE ratio in the banking system at the end of 2025.
- **8.6 %** year-on-year growth in the stock of loans to the non-banking sector.
- **20.8 %** total capital ratio of the banking system on a consolidated basis.

BANK RESOLUTION AND DEPOSIT GUARANTEE SCHEME

We provide for the orderly resolution of banks in difficulties, minimising the impact on the economy and on the public finances.

- **€201.8 million** assets under management of the bank liquidation fund at the end of 2025.
- **€290.7 million** assets under management of the deposit guarantee fund at the end of 2025.
- **€43.9 million** the banks' total contributions to the deposit guarantee fund in 2025.
- **€0 contributions** to the Single Resolution Fund in 2025, the fund having reached its target value.

PAYMENTS AND INFRASTRUCTURE

Banka Slovenije is responsible for ensuring that payment systems and securities settlement systems function undisrupted.

- **1,164,472 transactions** with a total value of €495.64 billion settled in T2 in 2025.
- **€17.9 billion** of transactions in securities settled by Slovenian market participants in T2S cash accounts in 2025.
- **3,233,407 transactions** with a total value of €4.56 billion settled in TIPS in 2025.

CENTRAL CREDIT REGISTER

Banka Slovenije is responsible for ensuring the smooth operation of the systems for exchanging data on the indebtedness of individuals (SISBON) and business entities (SISBIZ).

- **28.9 million records** processed in SISBON and SISBIZ in 2025.
- **86,046 views** of their own data by individuals and business entities in 2025.
- **79 irregularities** identified in 2025 in the supervision of SISBON and SISBIZ users.

BANKNOTES AND COINS

Banka Slovenije ensures that the Slovenian market is supplied with authentic and fit currency.

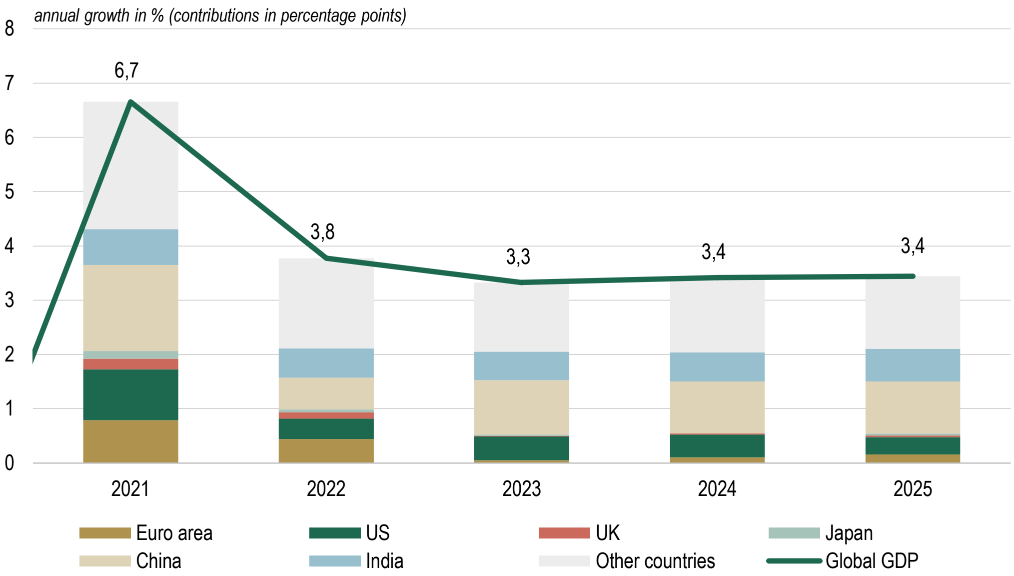
- **€19.5 billion** net total of cash issued into circulation by the end of 2025 by Banka Slovenije since the introduction of the euro.
- **€31.4 million** total value of tolar banknotes and payment notes still in circulation at the end of 2025.
- **140.7 million** banknotes and coins counted by our processing unit in 2025.

1 Economic Developments

1.1 International situation

Global economic growth remained robust in 2025 despite elevated uncertainty, although developments varied across the major economies. The year was marked by the introduction of so-called reciprocal tariffs on US imports of goods which led to a pronounced increase in the effective US tariff rate and heightened trade uncertainty. Nevertheless, the global economy grew by 3.4% again, considerably more than initially expected (see Figure 1). In the US, GDP growth slowed to 2.1%, down from 2.8% in the previous year. The main drivers of activity were robust private consumption and investment in AI. In the euro area, economic growth increased to 1.4%, up from 0.9% in 2024. The recovery was supported by less restrictive monetary policy and the associated more favourable financing conditions, while heightened uncertainty in international trade and geopolitical risks acted as a drag on growth. Growth was primarily driven by private and government consumption, with the contribution by investment remaining relatively modest, while net exports made a negative contribution. On the production side, activity was driven mainly by services, while manufacturing also made a positive contribution. Similar growth was seen in the UK (1.3%) and Japan (1.2%). China again recorded growth of 5%, largely supported by strong export activity, while domestic consumption remained weak amid persistent problems in the real estate sector.

Figure 1: **Global GDP across economies**



Sources: IMF, Banka Slovenije calculations.

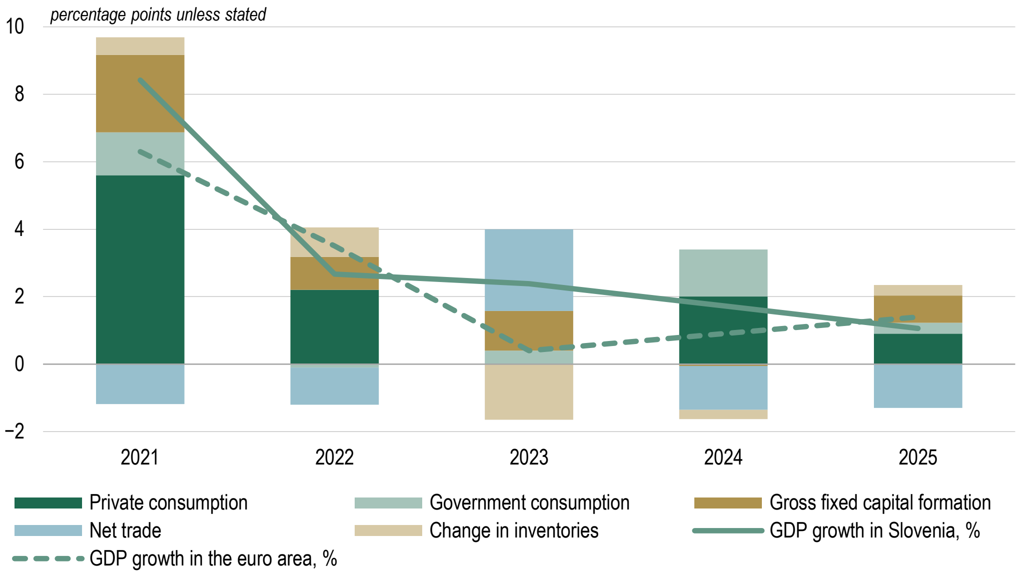
Global inflation moderated last year and inflation in the euro area settled slightly above the monetary policy target. Global inflation excluding the euro area stood at 3.1%, down from 4.0% in the previous year. Inflation in the euro area stood at 2.1% in 2025, 0.3 percentage points lower than in 2024. Throughout the year, the moderation in inflation was supported by easing price pressures in wholesale energy markets, with declining food commodity prices also contributing toward year-end. Energy prices in the euro area consequently fell for the second consecutive year and food price growth eased. Although still elevated, services inflation slowed somewhat as domestic price pressures related to the labour market gradually weakened. Other goods inflation moderated as well, reflecting weaker import price growth driven by the appreciation of the euro and imports of cheaper goods from China. As a result, core inflation stood at 2.4%, 0.4 percentage points lower than in 2024. Price developments in the euro area were also influenced by four further reductions in the ECB's key policy rates. Following its decline in 2025, headline inflation increased again at the beginning of 2026, as heightened geopolitical uncertainty led to higher energy prices.

Global GDP growth remained robust last year at 3.2%, but there was considerable variation between economies.

1.2 Slovenian economy

Economic growth in Slovenia slowed further to 1.1% in 2025, the lowest rate since 2020. The slowdown was driven primarily by weaker growth in final consumption, while foreign demand for goods also softened compared with the previous year. Growth in government consumption decelerated mainly for technical reasons, reflecting the fading one-off effect of the integration of supplemental health insurance into the public system in the previous year. In addition, the reconstruction efforts following the 2023 floods came to an end. Slower growth in private consumption reflected the deteriorating economic situation: private sector employment declined, real wage bill growth moderated, and heightened uncertainty persisted in the international environment. Falling exports continued to weigh on investment in machinery and equipment, and put further pressure on the manufacturing sector, where value-added fell by 1.3% amid lower output and weakened cost competitiveness. The government played an important role in sustaining economic activity by strengthening the investment cycle in connection with the elections and the absorption of EU funds. This provided a strong boost to the construction sector, where value-added increased by 7.3% over the year. At the same time, income policy supported growth in private consumption. Domestic demand remained resilient, causing imports to continue growing faster than exports. As a result, net trade made a negative contribution to GDP growth for the second consecutive year (see Figure 2).

Figure 2: **GDP growth in Slovenia**



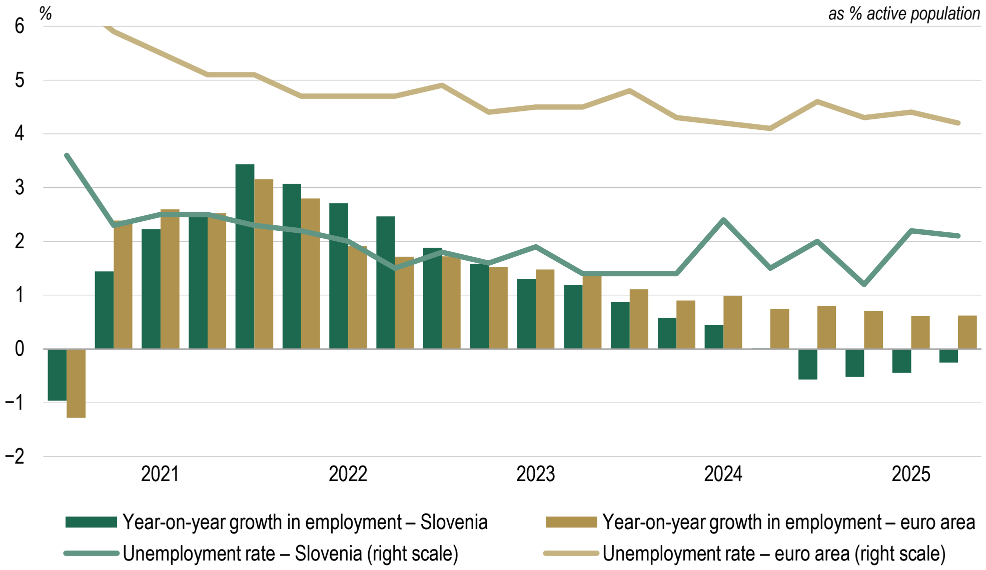
Sources: SORS, Eurostat, Banka Slovenije calculations.

A major driver of economic growth in 2025 was the government's stronger investment cycle, supported by the election cycle and the utilisation of EU funds.

Employment fell by 0.4% in 2025, the first annual decline since the pandemic year of 2020. The number of persons in employment stood at 1.099 million, 4,900 fewer than a year earlier (see Figure 3). Year-on-year growth in employment in the public sector remained positive over the entire course of the year, averaging 1.9%.[1] By contrast, employment in the private sector declined by 1.0%, with manufacturing recording the largest fall. The weakening demand for labour is confirmed by the survey data on employment expectations and vacancies. Structural imbalances nevertheless persist on the labour market, and are reflected in the shortage of qualified workers, which remains larger than its long-term average, and in the persistently low surveyed unemployment rate. The latter averaged 3.9% in 2025, 0.2 percentage points higher than in 2024, but below its long-term average and the euro area average (by 2.5 percentage points in the case of the latter). Firms continued to address the shortage of labour by hiring foreign nationals, whose share of the workforce in employment increased to 16.0%.

[1] Public sector activities comprise public administration (O), education (P), and human health and social work activities (Q) according to the Standard Classification of Activities 2008 (SKD 2008).

Figure 3: **Labour market in Slovenia and the euro area**

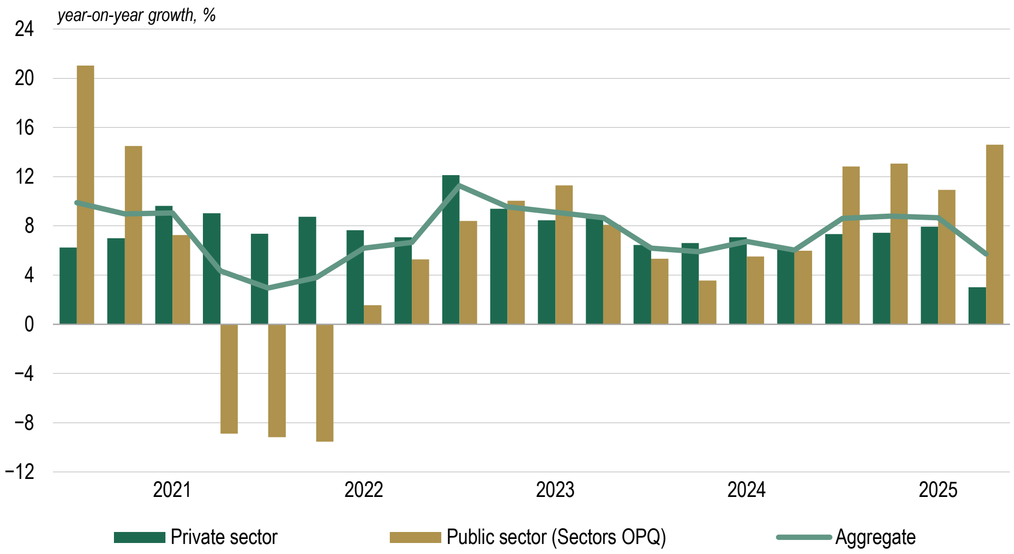


Sources: SORS, Eurostat, Banka Slovenije calculations.

Employment fell last year, although hiring in public sector mitigated the decline.

Nominal wage growth increased last year to average 7.9% over the year, up 1.7 percentage points on 2024 (see Figure 4).[2] Owing to the reform of the pay system, wage growth in public sector, at 12.9%, was approximately twice that in private sector, where it stood at 6.4%. Other factors in the aggregate wage growth were the rise in the minimum wage, which was raised by 1.9% in January, and the introduction of a mandatory winter leave allowance for all employees in the amount of half of the minimum wage. Real wage growth also strengthened, by just over 1 percentage point (to 5.3%), and remained substantially higher than labour productivity growth, which stood at 1.5%.[3]

Figure 4: **Wage growth in Slovenia**



Sources: SORS, Banka Slovenije calculations. Note: Wages are measured by employee compensation per employee.

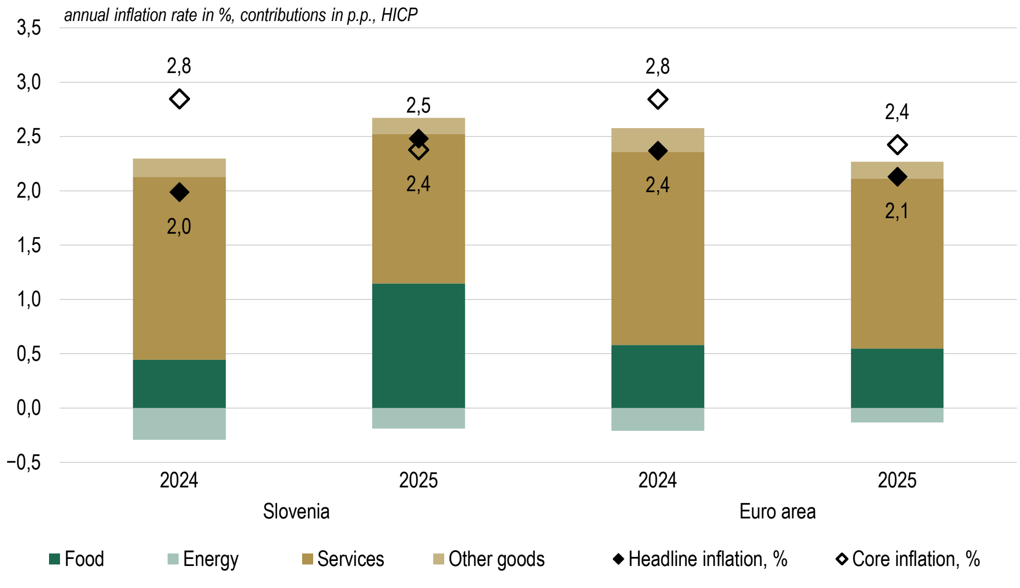
[2] Wages are defined as employee compensation per employee according to the national accounts methodology.
[3] Real wages are calculated using the HICP as a deflator.

Nominal wage growth strengthened last year and was significantly higher in the public sector.

Headline inflation in Slovenia rose last year, primarily as a result of higher food inflation. HICP inflation rose to 2.5% in 2025, up from 2.0% in the previous year (see Figure 5). The increase mainly reflected a larger contribution from food prices, particularly in the first half of the year, following developments on global food commodity markets in 2024. As these developments subsided at the beginning of 2025, consumer food prices stabilised in the second half of the year, although they remained, on average, 4.9% higher than a year earlier. Approximately one-tenth of the increase reflected the higher VAT rate on sugar-sweetened beverages introduced at the beginning of the year. By contrast, energy inflation declined again last year, reflecting stable conditions on global energy markets (see Figure 6).

Core inflation slowed in 2025, mainly owing to lower in services inflation. HICP inflation excluding energy and food prices slowed to 2.4% last year, down from 2.8% in the previous year. Services inflation declined by 1 percentage point compared with the previous year, but nevertheless remained elevated at 3.8%, significantly above its pre-pandemic level,[4] driven largely by strong labour costs growth. Conversely, other goods inflation remained low, at 0.6%. This mainly reflected challenging conditions in the export sector, which faced low foreign demand, particularly in manufacturing, and a deterioration in competitiveness.

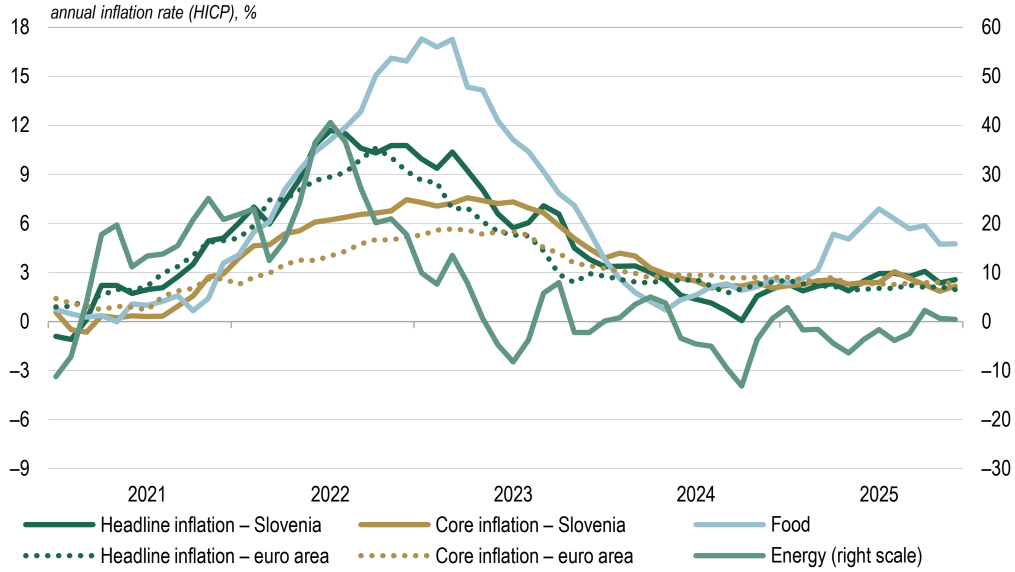
Figure 5: **Inflation in Slovenia and the euro area, breakdown by components**



Sources: SORS, Eurostat, ECB.

[4] Services inflation averaged 2.4% between 2005 and 2019.

Figure 6: **Inflation in Slovenia and the euro area, 2021 to 2025**



Sources: SORS, Eurostat.

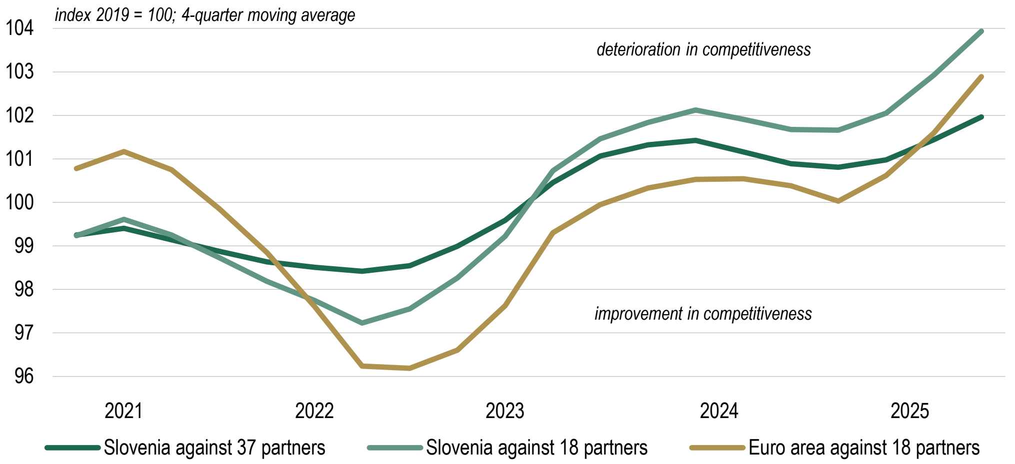
Inflation strengthened in 2025, driven primarily by rising food prices.

All key indicators of the external competitiveness of the Slovenian economy worsen last year. Price competitiveness deteriorated in the majority of euro area countries, with more than two-thirds of them seeing less favourable developments than Slovenia (which saw a deterioration of 1.1%; see Figure 7). Slovenia saw the least pronounced deterioration among the central and eastern European euro area member countries (CEE), while Estonia saw the strongest.[5] Production competitiveness also deteriorated in most euro area countries last year, with Slovenia recording an above-average decline (1.7%), behind only Estonia among CEE countries. Cost competitiveness in Slovenia deteriorated the most last year (3.6%). Only Croatia of the euro area countries saw less favourable developments. The levels of all external competitiveness indicators were last year worse than their long-term averages and pre-pandemic levels. The deterioration was recorded vis-à-vis both euro area and, even more notably, non-euro-area partners. The only exception was price competitiveness vis-à-vis euro area countries, which improved.

Slovenian exporters saw their competitiveness decline in 2025.

[5] CEE denotes the countries of central and eastern Europe that are catching up economically with the more advanced countries of western Europe. The euro area countries that are also CEE countries are Croatia, Estonia, Latvia, Lithuania, Slovakia and Slovenia. Bulgaria is not included in the analysis, having not yet joined the euro area in 2025.

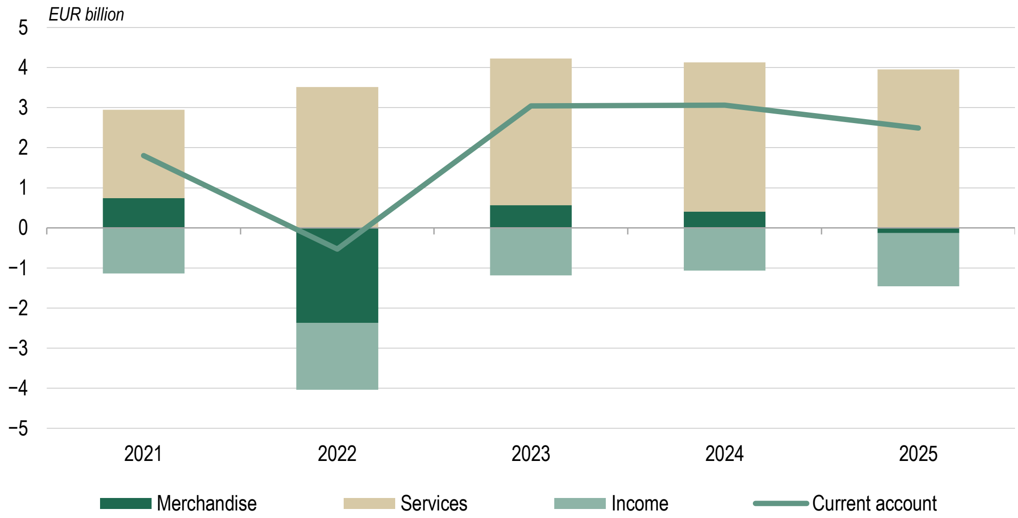
Figure 7: **Price competitiveness of Slovenia and the euro area**



Note: Price competitiveness is expressed by the effective euro exchange rate deflated by the HICP. A decline in the index denotes an improvement in price competitiveness, and vice-versa.
Sources: ECB, Banka Slovenije calculations.

The current account surplus narrowed, primarily as a result of a decline in merchandise export volumes and a wider deficit in secondary income. The surplus amounted to EUR 2.5 billion or 3.5% of GDP, down from EUR 3.1 billion or 4.5% of GDP in the previous year (see Figure 8). The majority of the decline was driven by the deterioration of almost EUR 540 million in the merchandise trade balance, which swung into deficit, largely as a result of lower export volumes of goods. An even larger decline was prevented by an improvement in the terms of trade (worth almost EUR 200 million). The surplus in services remained high at EUR 4.0 billion. It strengthened by almost EUR 225 million compared with the previous year, largely as a result of a slight improvement in the terms of trade, while the surpluses in transport and insurance services also widened. The deficit in income also widened, by EUR 260 million. This was attributable to an almost EUR 600 million larger deficit in secondary income, primarily owing to lower inflows from the EU budget and higher outflows of various current transfers.

Figure 8: **Components of the current account**

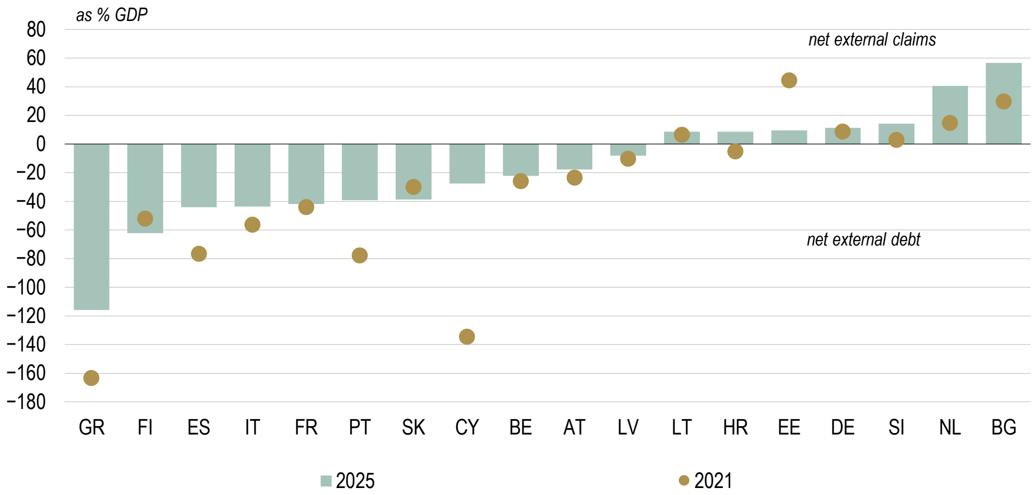


Source: Banka Slovenije.

The current account surplus narrowed last year, despite a slight improvement in the terms of trade.

The surplus on the financial account of the balance of payments also narrowed last year, but Slovenia nevertheless strengthened its net creditor position vis-à-vis the rest of the world. The financial account surplus of EUR 1.4 billion or 1.9% of GDP underperformed the result from the previous year. In terms of the main instruments, the net outflow of capital from the domestic economy proceeded mainly via net investments in securities, most notably purchases of foreign bonds by the financial sector. At the same time, net inflow of capital into Slovenia via other instruments, i.e. mainly non-residents' direct investments and their holdings of other assets, was significantly smaller. Slovenia disclosed no net external debt for the sixth consecutive year. Having amounted to 13.3% of GDP at the end of 2024, net debt claims against the rest of the world had increased to 14.3% of GDP by the end of last year. Besides Slovenia, around half of the euro area countries held net claims on the rest of the world, while the others remained net external debtors (see Figure 9). Within Slovenia, the general government sector remained the only net external debtor. Its net debt increased by just over 1 percentage point relative to GDP, reaching 26.7% of GDP. The private sector by contrast further strengthened its net creditor position vis-à-vis the rest of the world, to 30.3% of GDP.

Figure 9: **Euro area countries' net external positions in debt instruments**



Source: ECB.
Notes: The data illustrated for 2025 is for the end of the third quarter. No data is disclosed for Ireland (2021: 258%; 2025: 352%), Luxembourg (2021: 2,613%; 2025: 2,796%) or Malta (2021: 1,107%; 2025: 852%).

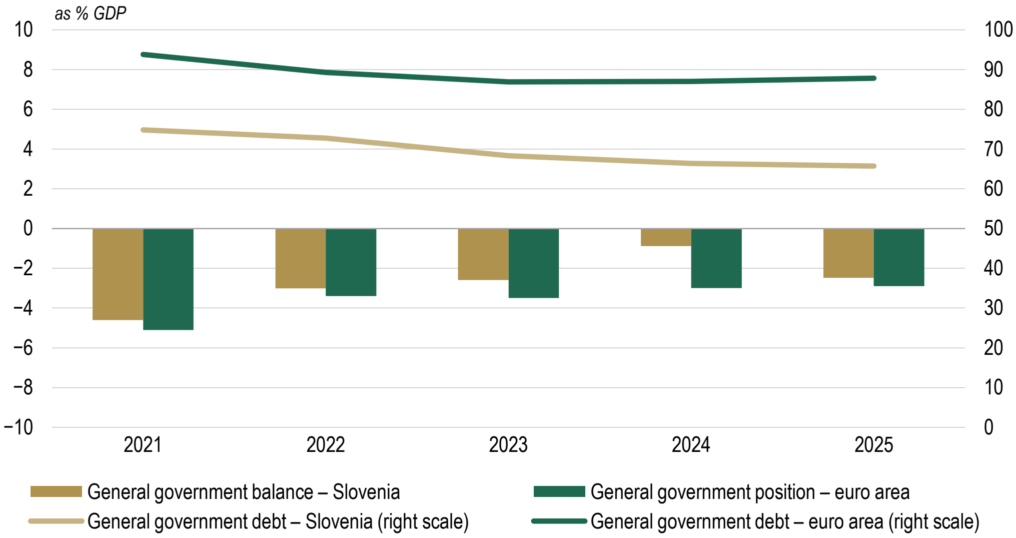
A financial account surplus saw Slovenia strengthen its net creditor position vis-à-vis the rest of the world.

The general government deficit increased as a ratio to GDP, while the ratio of debt to GDP declined further. The deficit reached 2.5% of GDP, 1.6 percentage points higher than in the previous year. General government revenues were up 7.9%, with the majority of the increase attributable to social security contributions as a result of wage developments and the introduction of the new long-term care contribution. Growth in general government expenditure stood at 11.6%, driven most notably by compensation of employees as a result of the pay reform in the public sector, and social benefits. Government investment also recorded high growth, and hit its record level as a ratio to GDP. Government debt as a ratio to GDP declined to 65.7% in the wake of continuing economic growth. As ratios to GDP, the general government deficit and debt remained below the euro area average (see Figure 10).

The general government deficit widened in 2025, primarily as a result of the pay reform in the public sector, high growth in investment, and the slowdown in economic growth.

Government borrowing terms remained broadly unchanged last year. Yields on 10-year government bonds on the secondary market remained at 3.1%, while the weighted average coupon rate on newly issued government bonds increased to 3.2%, slightly less favourable than in the previous year (3.0%). Spreads on Slovenian 10-year government bonds over the German benchmark narrowed over the course of the year as yields rose on German bonds; their average over the year of 45 basis points was significantly less than in the previous year. The government maintained a diversified funding strategy. Short-term borrowing continued to be undertaken primarily via the issuance of treasury bills, while bonds denominated in Japanese yen (Samurai bonds) were issued alongside those in domestic currency (which included sustainability bonds and, for the second consecutive year, retail bonds). Slovenia's sovereign credit ratings were upgraded by Standard & Poor's and Fitch during the year, while Moody's left its rating unchanged during 2025 amid a positive outlook, before eventually upgrading Slovenia's rating in February 2026 (see Table 1).

Figure 10: **Fiscal position: comparison between Slovenia and the euro area**



Sources: SORS, Eurostat.

Table 1: **Sovereign credit ratings at the end of 2025**

Rating agency	Rating	Outlook
S&P	AA	stable
Fitch	A+	stable
Moody's	A3	positive

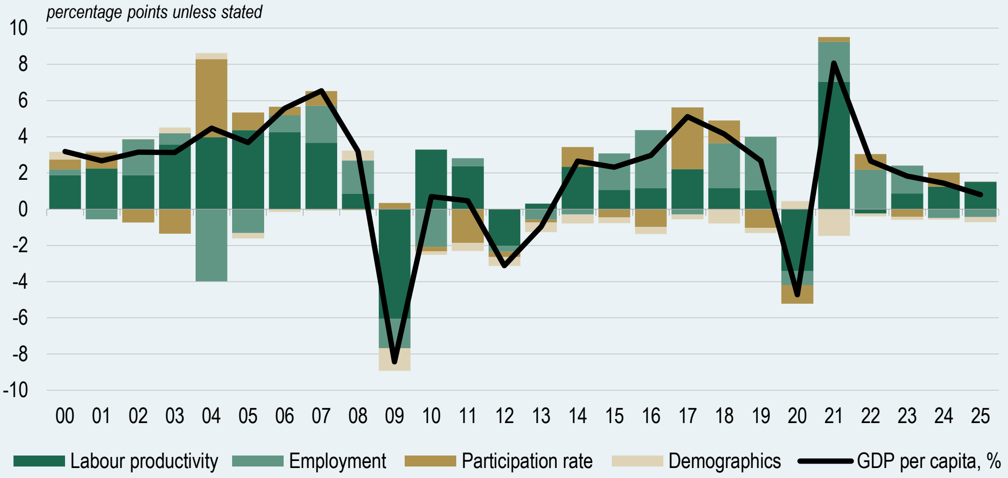
Source: Bloomberg.

Government borrowing terms remained broadly unchanged, while Slovenia's sovereign credit ratings were upgraded.

Box 1: **Structural challenges to the Slovenian economy**

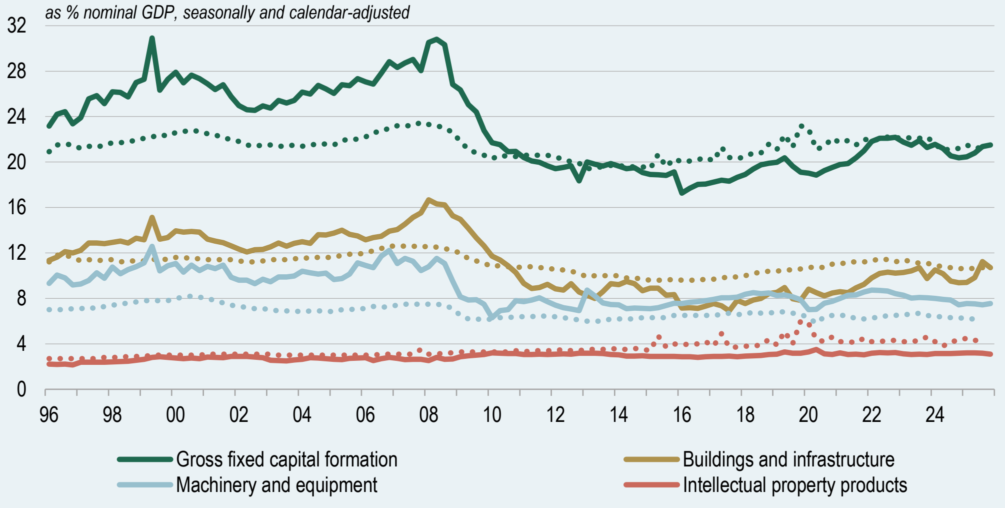
The Slovenian economy is facing increasingly pronounced structural challenges that will significantly shape the long-term sustainability of growth. An analysis of the drivers of output per capita growth reveals a marked shift in their composition over the past three decades. Before the 2008 global financial crisis, economic growth was driven primarily by productivity gains and investment activity. Since 2013, the contributions of both drivers has weakened, with GDP growth relying increasingly on rising employment. This pattern is unlikely to be sustainable over the long term, given the limited labour supply and adverse demographic trends. With the unemployment rate at a record low and employment at high levels, labour shortages have become a key constraint across numerous activities. Rising sickness-related absenteeism has further reduced the effective supply of labour in recent years. In this environment, stronger productivity growth is essential to maintaining competitiveness and supporting the economy's long-term potential growth.

Figure 11: **Decomposition of GDP per capita growth**



Sources: SORS, Eurostat, Banka Slovenije calculations.

Figure 12: **Investment intensity in Slovenia**



Sources: SORS, Eurostat, Banka Slovenije calculations.
Note: The dotted lines represent the EU.

Empirical evidence confirms a strong positive relationship between productivity and investment activity. Over the past decade, Slovenia has consistently lagged behind the EU average in this metric, with the gap particularly pronounced in construction investment (especially residential construction), and investment in intellectual property. The latter is especially important, as it drives technological progress and strengthens the knowledge and skills that underpin long-term productivity growth.

An analysis of investment behaviour shows that Slovenian firms are in a relatively stable financial position and are among the least indebted in the euro area. However, their investment decisions remain highly procyclical and sensitive to changes in demand and capacity utilisation. Smaller and export-oriented firms are particularly vulnerable to temporary revenue shocks, while heightened macroeconomic uncertainty further discourages their investment.

Preserving the economy's long-term growth potential requires a gradual increase in investment, particularly in new technology (digitalisation and innovation), alongside systemic measures that strengthen labour productivity growth. At the same time, adapting to demographic change and labour market constraints are essential. Stronger investment and the resulting productivity gains therefore remain fundamental prerequisites for achieving stable long-term growth in the Slovenian economy.

2 Banking System

2.1 Credit institutions in Slovenia

A total of 14 credit institutions were operating in Slovenia at the end of 2025. Nine banks, three savings banks and two branches of EU Member State banks were operating in Slovenia at the end of the year. The banks held the dominant market share in the banking system, accounting for 91.7% of total assets, followed by the savings banks with 5.7%, and the branches of Member State banks with 2.7%. There were no significant changes in the breakdown compared with the previous year. The banking system accounted for two-thirds of the Slovenian financial system's financial assets at the end of last year. Concentration in the Slovenian banking system has been gradually increasing in recent years, which has been reflected in a fall in the number of banks, and an increase in the Herfindahl-Hirshman index (HHI) for total assets.

The banking sector's balance sheet total increased by EUR 3.4 billion or 6.3% in 2025 to EUR 57.7 billion. On the liability side the increase in the balance sheet total was driven mainly by increases in deposits by the non-banking sector, equity, and issued debt securities, while liabilities to banks declined. The largest decline on the asset side was in the most liquid assets in balances at the central bank, which were redirected into purchases of debt securities, and loans to the non-banking sector, which increased last year. The ratio of the banking system's balance sheet total to GDP remained at 79%.

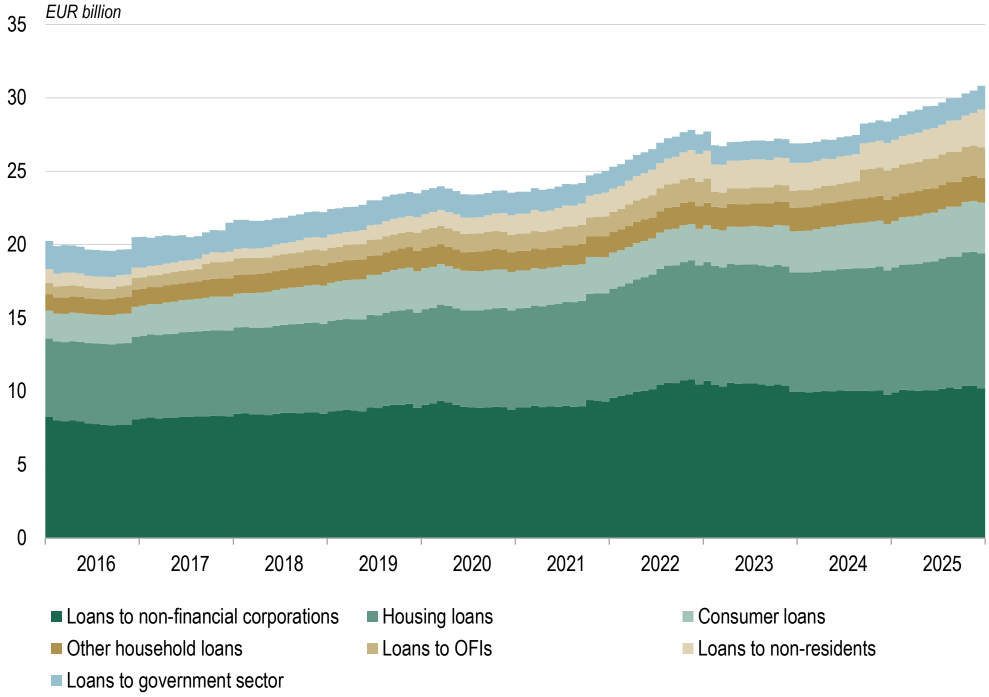
2.2 Lending to the non-banking sector

The stock of loans to non-financial corporations and households strengthened last year, with consumer loans recording the most pronounced growth.

Lending to the non-banking sector strengthened again last year. The loan stock at the end of 2025 was up EUR 2.4 billion in year-on-year terms, the year-on-year rate of growth strengthening to 8.6%, outpacing the euro area average (3.3%). Households and non-financial corporations remain the largest customer segments, with both recording an increase in loan stock.

Household lending continued to increase last year. There were increases in the stock of housing loans (EUR 750 million) and consumer loans (EUR 310 million) last year. After reaching a low of 3.4% in September 2023 following a year of decline, aggregate year-on-year growth in household loans strengthened almost continuously, reaching 7.9% in December of last year. It thus moved well away from the euro area average (2.8%). Last year consumer loans were again one of the most important segments of growth in loans to the non-banking sector. The dynamics remained similar to the second half of 2023 and 2024, when there was a significant increase in the monthly figures for new consumer loans following the changes to the macroprudential restrictions on consumer lending. Year-on-year growth in this segment strengthened sharply, reaching 16.8% in June 2024. The effect of the high base meant that it then gradually slowed, reaching 9.8% in December 2025, although new lending remained elevated. New housing loans were also higher last year than in 2023, which drove an increase in the stock of housing loans. Year-on-year growth in housing loans gradually rose from 0.6% in December 2023 to 8.8% in December 2025, outpacing the euro area average (2.8%). Alongside the relatively favourable economic situation with high employment and high real wage growth, another significant factor in this household lending was the level and dynamics of the fixed interest rates that prevail in the household segment. These fell in 2025 on consumer loans and housing loans alike, and were slightly below the euro area averages by the end of the year.

Figure 13: **Lending to the non-banking sector**

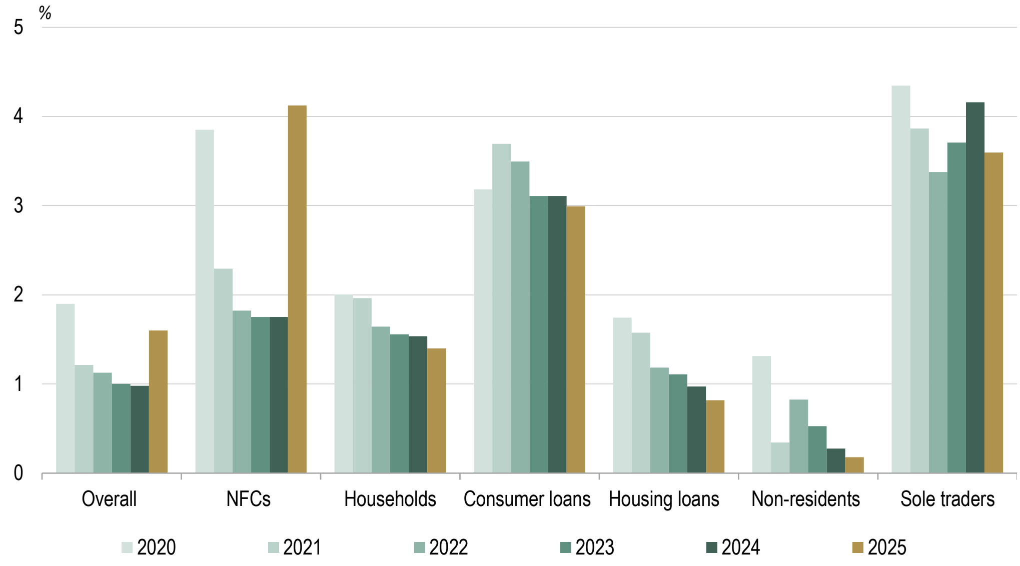


Source: Banka Slovenije.

2.3 Bank asset quality

Bank asset quality deteriorated slightly in 2025, on account of a deterioration in the NFCs portfolio. The NPE ratio in the total bank portfolio stood at 1.0% between April 2023 and the midpoint of 2025, the lowest figure since monitoring of this indicator began, but rose in the second half of last year to reach 1.6% in December. The rise in NPEs was driven by a small number of firms in manufacturing and in professional, scientific and technical activities with large exposures at banks, and did not represent a broader-based deterioration in debt servicing at banks. Last year thus saw a notable increase in the NPE ratio in the NFCs portfolio, which hit 4.1% in December, its highest level since 2020. The quality of claims against other customer segments improved slightly last year by contrast. The NPE ratio in the household portfolio stood at 1.4% in December, its highest level to date, and reflected the buoyant labour market and the solid financial position of the average household. The NPE ratios declined for household loans of all types. The NPE ratio in the housing loans portfolio stood at 0.8% in December, its lowest level to date. The NPE ratio in the consumer loans portfolio declined to 3.0%, following an increase in the stock of NPEs, but an even faster increase in total exposure to consumer loans. The NPE ratio in the other household loans portfolio also declined, reaching 1.2% in December. The already low NPE ratio in the non-residents portfolio declined further to 0.2%. The sole traders portfolio also saw a decline in its NPE ratio, to 3.6%, although it only accounts for a small share of all bank loans.

Figure 14: **NPE ratios in individual portfolio segments**



Source: Banka Slovenije.

The share of Stage 2 exposures (increased credit risk) declined in 2025 to its lowest level for several years. It stood at 4.1% in December, following a decline that was broadly based across customer segments, with households and NFCs accounting for the majority of the decline in the stock. While the decline in the stock of Stage 2 exposures in the household segment entailed an improvement in the quality of the loan portfolio, the stock of NPEs in the portfolio having undergone no increase, in the NFCs portfolio it entailed reclassification from Stage 2 to NPEs. The share of Stage 2 exposures in the household portfolio had declined to 6.7% by December of last year, entirely approaching its lower levels from five years ago, and continued to reflect the sound financial position of households as recognised by banks. The decline in the share was evident in housing loans and consumer loans, while the share of Stage 2 exposures in the portfolio of other household loans was up slightly at the end of the year. The reclassification of several larger exposures as NPEs reduced the share of Stage 2 exposures in the NFCs portfolio to 7.3% by December. Sole traders remain notable among other customer segments, but the share of Stage 2 exposures in this portfolio has stabilised over the last two years, and at 14.5% in December was close to its lowest level of this period. The share of Stage 2 exposures in the non-residents portfolio was close to its record low at 1.1%.

2.4 Coverage of NPEs by impairments and provisions

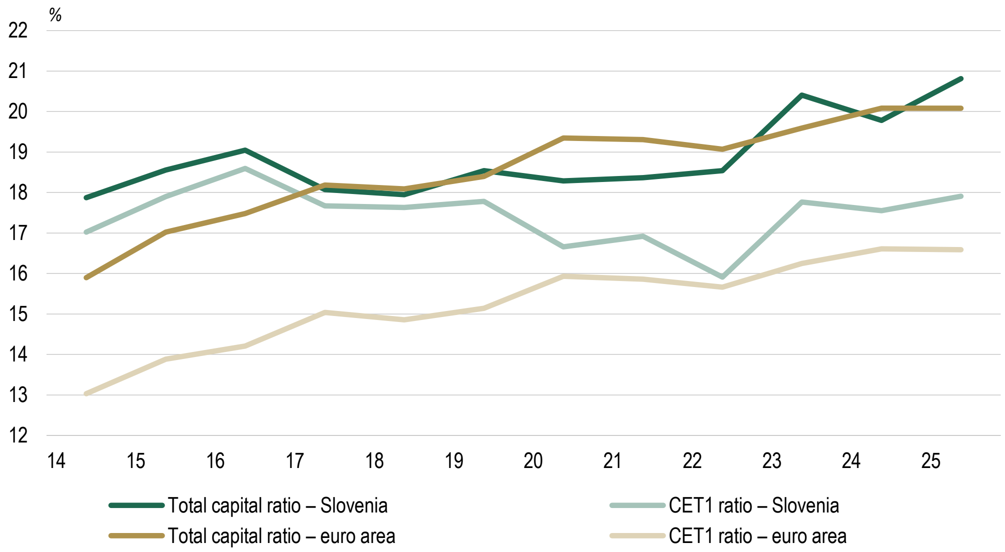
Coverage of NPEs by impairments and provisions declined significantly in 2025, while coverage of performing exposures also declined. While coverage of NPEs was gradually declining even from the beginning of the year, it declined significantly in November following the reclassification of poorly covered large exposures to the aforementioned firms as NPEs. It stood at 47.3% in the total bank portfolio in December, the lowest level since its similar low of 2020, while the figure of 42.6% for the NFCs portfolio was close to its record low for the last decade. Meanwhile the figure for the household portfolio remained unchanged from December 2024 at 67.0%. Coverage of performing exposures was more stable last year, but had also declined by the end of the year. The figure of 0.35% in December was the lowest to date. The decline was evident in both of the largest segments of the credit portfolio, namely NFCs and households. Coverage declined to 0.49% in the first, and 0.59% in the second. Aggregate coverage of the total bank portfolio increased slightly last year to 1.1%.

2.5 Banking system's capital position

The capital adequacy ratios at the end of 2025 remained high, indicating good solvency in the Slovenian banking system. The total capital ratio and the common equity Tier 1 capital (CET1) ratio on a consolidated basis both finished the year higher than at the beginning of the year (the first by 1 percentage point at 20.8%, and the second by 0.3 percentage points at 17.9%), the solvency of the system thereby improving further. The main factor reducing the capital ratios was the increase of 4.0% in risk-weighted exposure amounts (RWEAs) over the course of the year, but the increase of 9.3% in regulatory capital outpaced it and drove the capital ratios up. The increase in regulatory capital was mainly driven by retained earnings from last year, and the issuance of Additional Tier 1 capital instruments. The largest factor in the increase in total RWEAs during the year was the increase of 7.1% in credit exposures, where RWEAs for retail exposures and exposures secured by mortgages on immovable property were the main drivers, although there was also a significant increase in exposures in default. The total capital ratio and the CET1 ratio in the euro area overall stood at 20.1% and 16.6% respectively at the end of the third quarter.

Two-thirds of the banks succeeded in increasing their capital surpluses above assigned overall capital requirements in 2025, while the distribution of these surpluses widened further compared to 2024. This indicates differences among banks in capital surpluses above overall capital requirements, and thus in their capacity to absorb the potential realisation of risks or negative shocks from the environment.

Figure 15: **Capital ratios, comparison with the euro area, consolidated basis**[6]



Sources: Banka Slovenije, ECB Data Portal.

2.6 Banking system's liquidity

Despite a deterioration in certain indicators, the banking system's liquidity remained high. The liquidity coverage ratio (LCR) at the level of the banking system on an individual basis declined by 25 percentage points to 291%. Despite its decline, the LCR remained well above the regulatory minimum of 100%, and among the highest in the euro area. This means that the banking system's capacity to cover net liquidity outflows over a short-term stress period remained high. A change in liquidity structure was a major factor in the deterioration in the LCR: the banks continued to redirect some of the holdings

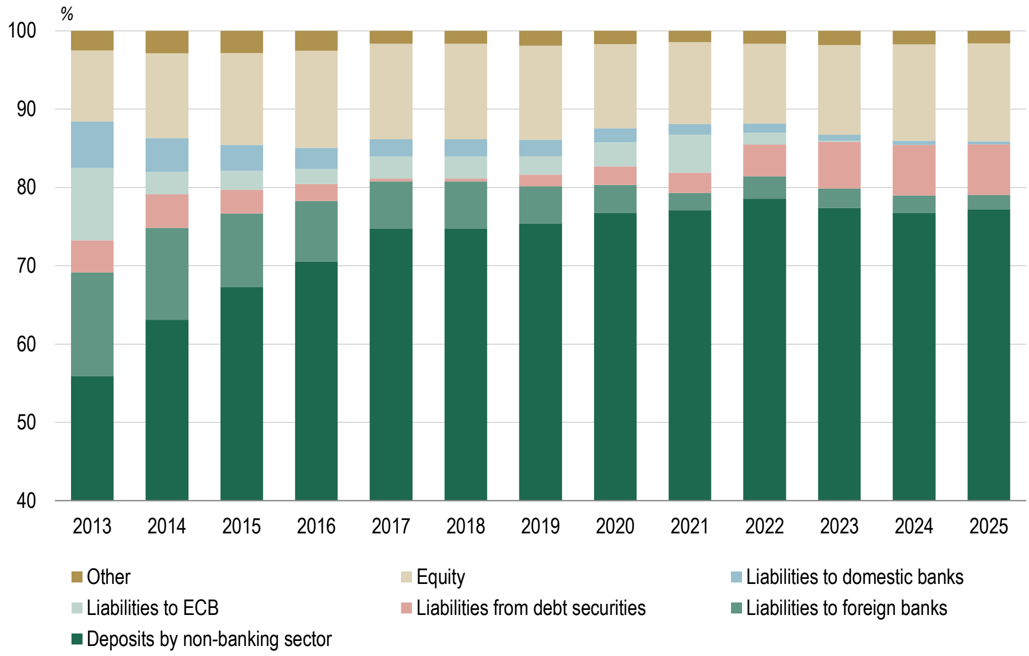
[6] The data for the euro area (EA) relates to the third quarter of 2025.

of cash and free reserves in balances at the central bank into purchases of debt securities and into loans. The net stable funding ratio (NSFR) also declined slightly, but at 165% in December remained relatively high compared with the regulated minimum of 100%. This indicates that the banking system retained its high capacity to cover its required stable funding over a longer period of one year. All the banks surpassed the regulatory minimums for the two indicators, but there remains considerable variation in the size of their liquidity surpluses and thus in their resilience to systemic risks.

Deposits by the non-banking sector increased sharply in 2025, as a result of inflows of deposits by households and non-financial corporations, which remain the most important sources of funding for Slovenian banks. Household deposits increased by EUR 1.9 billion or 6.8% (to EUR 29 billion), an inflow more than double that seen in 2024. The monthly inflows of household deposits were relatively high in the spring in particular, coinciding with the payment of annual leave allowance, and in December, which was attributable to the bonus payments typically seen at the end of a successful financial year and also, for the first time, to the payment of winter leave allowance to all employees and the winter bonus to all pensioners. After declining in 2024, deposits by non-financial corporations increased by EUR 808 million or 7.4% last year. Non-financial corporations hold appreciable savings in the amount of EUR 11.7 billion at banks, which they can use for current operations or investment. However, the unpredictable development of the geopolitical situation means that they remain cautious when deciding on new investment, which was a factor in last year's large increase in their holdings at banks. The continuing fall in interest rates deterred the majority of savers from fixing their deposits, which meant that sight deposits strengthened further. They accounted for 81% of total deposits by the non-banking sector at the end of the year.

Deposits by households and non-financial corporations strengthened in 2025, and remained the most important source of funding for Slovenian banks.

Figure 16: **Breakdown of bank funding at year end**



Source: Banka Slovenije.

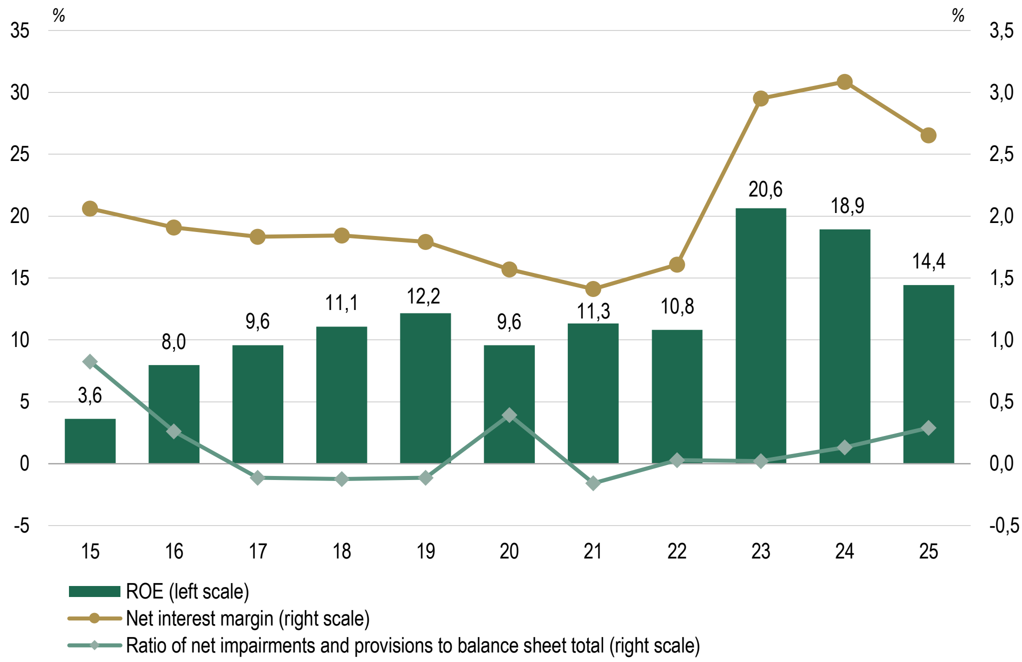
2.7 Banking system's profitability

Slovenian banks saw their profits remain high last year, despite a decline, while return on equity was above-average.

The Slovenian banking system generated a pre-tax profit of EUR 991 million in 2025, down 17.4% on the previous year. ROE was also down slightly on the previous year at 14.4%, but remained high compared with its level before the onset of the interest rate rises. The main factor in the decline in profit was a decline in net interest income, which alongside the slight rise in operating costs drove a decline in net income. Meanwhile the uncertain economic outlook and the reclassification of a number of firms as higher risk increased net impairments and provisions to EUR 161 million, further reducing profits.

After recording a figure well above average in 2024, net interest income was down a tenth in year-on-year terms in 2025 as interest rates fell further, but remained high. The net interest margin also declined as expected, but remained well above its long-term average at 2.65% over the 12 months to December. Net non-interest income was up 7.9% in year-on-year terms. The banks maintained stable growth in net fees and commission, which by December were up 6.1% on the previous year. Alongside fees and commission, which are the most important component of net non-interest income, dividend income has also been a significant factor in the rise in the latter in recent years. The otherwise solid growth in net non-interest income failed to fully compensate for the decline in net interest income, and gross income was thus down 4.4% on the previous year.

Figure 17: **ROE, net interest margin on interest-bearing assets, and ratio of net impairments and provisions to balance sheet total**



Source: Banka Slovenije.

2.8 Cyber risk and cyber incidents

Although Slovenian banks did not report any critical cyber incidents in 2025, the level of cyber threat posed by the elevated geopolitical risks remains high.

We assess that the number of critical cyber incidents in banking is not increasing. While Slovenian banks did not report any major cyber incidents in 2025, they did provide reports on incidents involving operational malfunctions or faults in payment systems, as well as instances of users being unable to access services provided by external contractors. Fake bank emails, online fraud and ransomware accounted for the majority of cyber incidents in Slovenia in 2025. These are the most common methods used by cyber criminals, who are primarily motivated by financial gain.

Cyberattacks are also becoming more sophisticated and complex. Criminals are using advanced social engineering techniques to obtain confidential information from their victims. Malicious emails and phishing are becoming increasingly more targeted and personalised, and consequently more effective. Rapidly advancing AI technologies, as well as deep fake technologies that enable highly realistic fake video content to be produced, are also helping criminals to target victims more effectively. Cyberattacks cause the most financial damage to individuals and SMEs. This can also indirectly impact the banking sector.

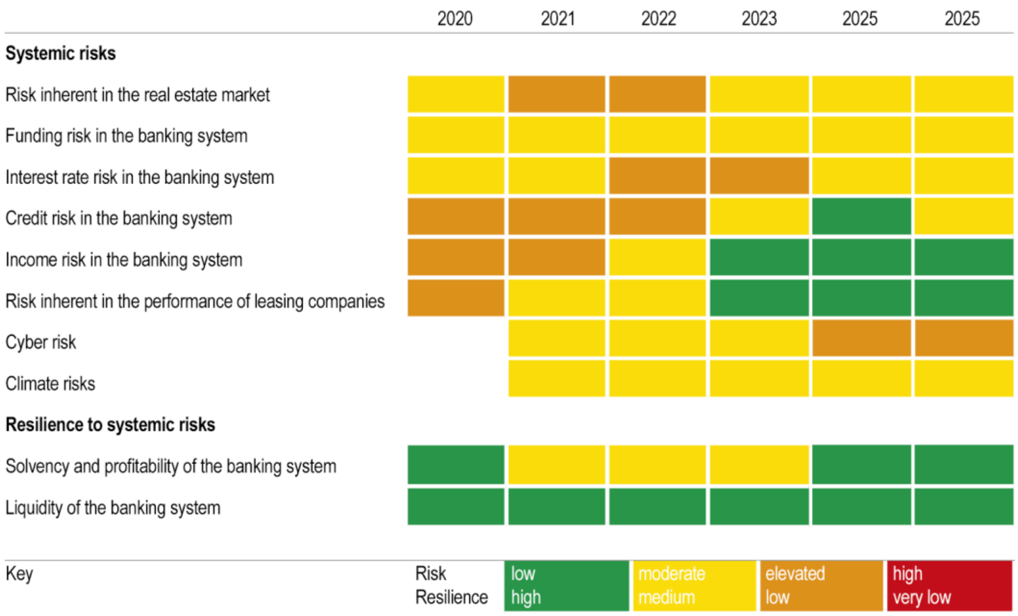
In 2025, we conducted a survey of Slovenian banks in 2025 on particular challenges. The results showed that banks still face three main forms of cyber vulnerability. These are (i) insufficient supervision of outsourcing and suppliers, (ii) the obsolescence of information systems, and (iii) issues with cyber hygiene. Banks are already at risk of AI-powered cyberattacks. Staff and customers are receiving phishing emails created using generative AI, which is one reason why banks are incorporating AI technologies into the security of their internal information systems. They are chiefly using AI to identify threats, simulate phishing attacks, analyse daily logs, protect email and carry out research. The majority of banks also have a strategy in place to defend themselves against AI-powered cyberattacks.

2.9 Systemic risks and resilience of the banking system

The general level of systemic risks remained moderate in 2025, while the banking system's resilience remained high.

The general level of systemic risks did not worsen significantly last year, despite the tensions in international trade and the geopolitical risks. In the wake of the first indications of a deterioration in the indicators of credit portfolio quality, we raised the assessment of credit risk to moderate as early as the first half of the year. It was held at this level until the end of the year, with the deterioration limited solely to a narrow segment of non-financial corporations, while asset quality improved further in the remaining segments of the credit portfolio. There were no changes in other risk assessments, with cyber risk continuing to have the highest risk assessment of elevated. The number of critical cyber incidents in banking is otherwise not rising, but cyberattacks are becoming more sophisticated and complex with the help of AI. The remaining risks continued to be assessed as either low or moderate. The resilience of the banking system remained high from the perspective of liquidity and from the perspective of solvency.

Figure 18: **Risk and resilience dashboard for the Slovenian banking system**



Note: The risk and resilience dashboard is based on analysis of key risks and resilience in the Slovenian banking system, and is defined as the set of quantitative and qualitative indicators for defining and measuring systemic risks and resilience.
Source: Banka Slovenije.

3 The Activities of Banka Slovenije

3.1 Banka Slovenije's mandate and institutional framework

Banka Slovenije fulfils its mandate independently and within the framework of the European System of Central Banks, based on four pillars of activity:

Monetary policy relates to the central bank decisions that exert an influence on prices and the availability of money in the economy, thereby exerting an effect on the chosen target of the monetary policy. Under the Bank of Slovenia Act, price stability is Banka Slovenije's fundamental objective, and it is also the primary objective of the European System of Central Banks, of which Banka Slovenije is part. Maintaining price stability is monetary policy's greatest contribution to economic growth and job creation. The Eurosystem target is to maintain growth in prices of goods and services (i.e. inflation) at around 2% over the medium term.[7]

Microprudential supervision is part of Banka Slovenije's mandate relating to the maintenance of financial stability. The objective of the supervisory activities is identifying risks in all areas of the operations of banks and savings banks (credit risk, liquidity risk, operational risk, capital risk, interest rate risk, profitability risk, internal controls, corporate governance, reputation, anti-money laundering) in timely fashion, and ensuring the stability of credit institutions and the financial system through effective action.

Macroprudential policy aims to mitigate the effects of financial cycles, and to increase the resilience of the financial system to disruptions. Macroprudential policy identifies, monitors and assesses systemic risks to financial stability, and adopts the requisite measures to prevent and mitigate systemic risks. Ultimately, the objective of macroprudential policy is to contribute to safeguarding the stability of the financial system as a whole, including strengthening the resilience of the financial system, and preventing and mitigating the build-up of systemic risks. This ensures a viable and sustained contribution to economic growth from the financial sector.

Bank resolution and deposit guarantee scheme: Banka Slovenije's basic mission in this context is ensuring the orderly resolution of a bank or banks in (serious) difficulties, while minimising the consequences to the economy and the public finances. The aim in establishing a resolution mechanism is transferring the burden of any bank resolution to the banking sector (and not to the public finances), thereby reducing the moral hazard and increasing confidence in banks on the part of the public and investors. At the same time Banka Slovenije is the operator of the deposit guarantee scheme, whose basic objective is to protect depositors and to maintain their confidence in the banking system. A sound and effective deposit guarantee scheme is one of the vital conditions for the maintenance of financial stability in a country.

We also perform certain other tasks as part of our legal mandate, such as issuing cash, operating payment systems, managing the official foreign exchange reserves and other Banka Slovenije assets, acting as the payment and/or fiscal agent of the state or as a representative of the state at international monetary organisations, managing accounts for the state, government bodies and public-sector entities, attending to financial, monetary, banking and balance of payments statistics, and managing the central

[7] A new monetary policy strategy was adopted within the framework of the Eurosystem in July 2021, and defines an adjusted inflation target for our monetary policy.

credit register. A number of our tasks relate to the operation of critical national infrastructure under the Critical Infrastructure Act.

Banka Slovenije's actions in 2025 were again fixed within an institutional framework at the European level.

In managing the Eurosystem and the European System of Central Banks, a key part of which is the implementation of monetary policy and the pursuit of the Eurosystem's primary objective (i.e. price stability), we worked on the ECB's decision-making bodies in the manner set out in the Treaty on the Functioning of the European Union, the Statute of the European System of Central Banks (ESCB) and of the ECB, and theRules of Procedure of the Governing Council, the General Council and the Executive Board of the ECB. The Governor of Banka Slovenije is, by function, one of the members of the Governing Council, which is the main decision-making body of the ECB and is responsible for taking the most important strategic decisions that are key to the functioning of the Eurosystem.

In the area of microprudential supervision and the setting of rules for banks and other supervised entities, we actively worked within the framework of the Single Supervisory Mechanism and the European Banking Authority. The Single Supervisory Mechanism (SSM) is one of the three pillars of the banking union, whose task is carrying out direct supervision of significant banks and bank groups in the euro area, and is also responsible for carrying out indirect supervision of less significant banks through the introduction of standard rules for conducting supervision in participating countries. The EBA is an independent EU authority whose purpose is ensuring effective and consistent prudential regulation and supervision in the European banking sector by putting in place a single European Single Rulebook. Vice-Governor Marko Pahor was a member of the ECB Supervisory Board as at 31 December 2025, while Vice-Governor Tina Žumer sat on the EBA's Board of Supervisors.

In the area of macroprudential supervision, we worked within the institutional framework of the ECB and the European Systemic Risk Board (ESRB), which is responsible for the macroprudential supervision of the financial system in the EU. The objective of the ESRB's work is preventing and mitigating systemic risks to financial stability in the EU, while its tasks include defining risks on the basis of which it may issue recommendations for remedial measures. The Governor of Banka Slovenije (by function) and one of the vice-governors are members of the ESRB's General Board (Acting Governor Primož Dolenc and Vice-Governor Tina Žumer were the two representatives as at 31 December 2025).

In the area of bank resolution, Banka Slovenije works within the framework of the Single Resolution Mechanism (SRM), which is responsible for drawing up resolution plans and analysing the resolvability of systemically important banks or groups, and for using the resolution fund. Our objective is to put in place a single European rulebook and standardised resolution processes, and to minimise the resolution costs and asset devaluation if a bank failure occurs. Like the SSM, the SRM operates at the pan-European national level by working with the national competent authorities, in this case the national resolution authorities. The centralised application of resolution powers has been assigned to the Single Resolution Board, whose membership includes representatives of each of the national resolution authorities (Vice-Governor Milan Martin Cvikl in the case of Banka Slovenije as at 31 December 2025), and to the national resolution authorities, where the rules on the establishment and operation of the SRM in Member States are applied directly.

Our work also encompasses collaboration with other authorities and institutions in Slovenia, the EU and further afield.

Under the **ECB** framework, the senior management of Banka Slovenije attended meetings of the Governing Council and the General Council of the ECB in 2025, taking full part in their discussions and decisions, sat on 21 committees, and were also involved in decisions made at meetings of the ECB Supervisory Board. Within the framework of the banking union, in addition to attending plenary sessions of the SRB, we also sat on three of its committees and ten of its working bodies. Within the European system of financial supervision, we participate in the board of supervisors, seven committees and 42 working bodies at the EBA, and also have representatives on the general board and five working bodies of the ESRB.

Banka Slovenije representatives also attended meetings of committees, working groups and other bodies that are active within **other institutions of the EU** with a focus on financial and monetary matters. The Acting Governor attended two meetings of the informal ECOFIN. We also attended meetings of the Economic and Financial Committee (EFC) and its sub-committees (Vice-Governor Tina Žumer was Banka Slovenije's representative as at 31 December 2025), and participated in several other bodies working under the aegis of the Council of the European Union, the European Commission and a number of other institutions. The meetings focused on issues such as strengthening the EU's competitiveness, simplifying European financial regulation, creating the savings and investment union, and developing the digital euro.

Participation in international institutions

Banka Slovenije is also responsible for representing Slovenia in certain other international institutions. **Slovenia is a member of the IMF, and the Governor of Banka Slovenije is a member of the IMF Board of Governors.** Slovenia's quota at the IMF stood at SDR 586.5 million[8] at the end of 2025, or 0.12% of the total IMF quota. A Banka Slovenije delegation attended the annual and spring meetings of the IMF and the World Bank Group in Washington in 2025. The main themes of the meetings were current developments in the global economy and on the international financial markets, risks in global trade, the consequences of geopolitical tensions and the acceleration of economic fragmentation, the IMF's role in providing financial assistance to members to deal with balance of payments difficulties, the completion of the 16th general review of IMF quotas, quota reforms and IMF governance within the framework of the upcoming 17th general review of IMF quotas, further strengthening of IMF loan and subsidy funds, and the development of collaboration within the G20 and the Paris Club framework on debt treatment and enhancing debt transparency.

The majority of EU Member States, including Slovenia, had already given their consent to the increase in their IMF quotas in line with the conclusion of the 16th general review of quotas, under which quotas are increased by 50% on an equiproportional basis. The quota increase had not yet become effective, as the required 85% consent threshold had not been reached. Owing to delays in the national procedures in certain IMF members, the deadline for consent was extended to 15 December 2025. The next general review of quotas, the 17th, is consequently also delayed. In 2025 the IMF began drafting the common principles to guide future discussions of quotas and governance. The extension of the existing bilateral borrowing agreements from 2020 was recognised as the most pragmatic temporary arrangement for maintaining the IMF's lending capacity

[8] Special drawing rights (SDRs) are a unit of account whose value is based on a basket of five currencies (US dollar, euro, renminbi, Japanese yen and pound sterling).

until the increase in IMF quotas takes effect. On this basis Slovenia also extended its current agreement until the increase in quotas takes effect or by the end of 2027, whichever is the earlier.

Slovenia also participated in the implementation of the IMF's Financial Transactions Plan (FTP). Slovenia's reserve tranche at the IMF increased by SDR 11 million last year to SDR 152 million, as the majority of transactions involving Slovenia through its participation in the FTP were associated with transfers of funds to the IMF.

The IMF's **annual Article IV Consultations with Slovenia** took place in November 2025. During the consultations the IMF delegation headed by Huidan Lin met representatives of Banka Slovenije, the Ministry of Finance, other ministries, the IMAD, the Fiscal Council, the HIIS, the Chamber of Commerce and Industry, the Slovenian-German Chamber of Commerce, the Institute for Economic Research, the National Assembly, the Bank Association of Slovenia, and selected commercial banks and trade unions. The purpose of the consultations was to review the latest economic developments, the functioning of the financial sector and the banking system, and future challenges. The **IMF and the World Bank Group constituency meetings at deputies level** were successfully held in May 2025 (see Box 2 for further details).

The Governor of Banka Slovenije attends meetings of central bank governors of BIS members, which are held every two months. The meetings discuss developments in the global economy and on the financial markets. The governors' meetings also provide an opportunity to exchange views on various central banking topics. In 2025, the focus was on reviews of the monetary policy frameworks, AI and human capital, and related challenges for central banks, the perceptions and expectations of households following the surge in inflation, recent reviews of the monetary policy strategy, and banks and financial stability in light of the ageing population. Banka Slovenije is a shareholder in the BIS, and the Acting Governor of Banka Slovenije attended the annual general meeting of the BIS in June 2025.

Representatives of Banka Slovenije participated in meetings of certain **committees and working groups of the Organisation for Economic Co-operation and Development (OECD).** They participated in meetings of the Economic Policy Committee, the Committee on Financial Markets, the Working Group on International Investment Statistics, the Working Party on Financial Statistics, and the Working Party on International Trade in Goods and Services, and provided information for the Working Party on SMEs and Entrepreneurship.

Box 2: **Slovenia hosts the IMF and the World Bank Group constituency meetings at deputies level**

In exercising its rights and obligations arising from its membership of the IMF and the World Bank Group, Slovenia pursues its interests within the framework of constituencies (groupings of countries). The formulation of positions is undertaken on the basis of regular and structured coordination between the members. The two constituencies operate in a transparent, collaborative and inclusive manner, based on the principles of consensus and partnership. Slovenia's representation in the two constituencies provides direct contact with the leadership of the two international financial institutions, their key departments and experts, as well as a swift flow of information.

Slovenia hosted the IMF and the World Bank Group constituency meetings at deputies level in Ljubljana between 22 and 24 May 2025. The annual meeting was hosted by Tina Žumer, vice-governor of Banka Slovenije, and Nikolina Prah, state secretary at the Ministry of Finance, who serve as deputy governors for their respective institutions. The event brought together senior representatives of the IMF and the World Bank Group, as well as representatives of finance ministries and central banks from Austria, Belgium, Czechia, Hungary, Kosovo, Luxembourg, Slovakia, Türkiye and Slovenia, who work together within the framework of the joint constituencies of the IMF and the WBG.

Photograph 1:
Constituency meetings of the IMF and the World Bank Group

The meeting opened with opening remarks by Tina Žumer, minister of finance Klemen Boštjančič, and Bo Li, deputy managing director of the IMF. The discussions focused on the current global, European and regional economic outlook, the review of the IMF's conditionality policy within the framework of IMF assistance programmes, the World Bank’s future strategic guidelines, and specific issues relevant to the functioning of the two constituencies.

The meetings helped to strengthen cooperation and to coordinate positions among members within the framework of the two international financial institutions. At the same time, they presented a valuable opportunity to exchange views and reflect on common challenges in these uncertain times, thereby confirming the importance of cooperation and partnership in addressing them.

Banka Slovenije has had its own office and a representative at the House of the Euro in Brussels ever since it was created in 2024. In 2025 the House of the Euro remained a central point of contact for exchanging knowledge, organising banking events, and deepening dialogue between the central banks of the Eurosystem, European institutions, and representatives of the private sector. Its discussions focused on major issues of European economic and financial policy, from monetary policy and financial stability, to the development of the capital markets, the digital euro and the impact of digitalisation on the financial system. Particular attention was devoted to matters concerning sustainable development, geopolitical risks, and supervisory priorities.

As part of its activity at the House of the Euro in 2025, Banka Slovenije organised an event for Slovenian officials working at EU institutions. Acting Governor Primož Dolenc opened the event by briefing participants on the latest decisions of the ECB's Governing Council, while the main topic of discussion was the digital euro project.

The work of the House of the Euro makes an important contribution to strengthening cooperation between the central banks of the Eurosystem in shaping and promoting joint positions in the European institutional environment, and helps to raise the profile of the Eurosystem in Brussels.

Strategy of Banka Slovenije 2021 to 2026

Banka Slovenije's activities are framed by the mandate conferred on us by the Bank of Slovenia Act and other national regulations. The performance of tasks where the focus is on development is set out in the Strategy of Banka Slovenije, which for the period of 2021 to 2026 was adopted at the end of 2021 and began to be implemented in 2022.

The fundamental building blocks of the strategy are:

1. **Mission**: helping to create a stable economic environment for a successful Slovenia, and the wellbeing of this generation and future generations.
2. **Values**: professionalism, responsibility and transparency.
3. **Vision**: a progressive, connective, sustainability-focused central bank.
4. **Strategic guidelines:**
   – developing a connective organisational culture;
   – supporting our employees to develop and thrive;
   – working efficiently and effectively;
   – co-creating the digital environment;
   – focusing on sustainability and social responsibility.

The strategy is being realised through **strategic objectives**. Steering the strategic objectives is the responsibility of their sponsors (members of the Governing Board of Banka Slovenije and the secretary-general), while implementing them is the responsibility of the owners of the strategic objectives (directors of departments) and members of working groups.

In 2025 our main focus with regard to the strategy was on its implementation, where we saw huge progress in all areas related to the strategy.

One of the important areas in the strategy is co-creating the digital environment, within the framework of which we created the working group for implementing the AI strategy, which is responsible for preparing, monitoring and implementing key measures in the digital transformation of operations. The planned development and use of AI was continued in 2025 as part of the implementation of our mandate and the pursuit of our strategic objectives.

The year's major achievements include the successful introduction of an in-house application using a language model that allows for secure working with confidential documents, which is used on a daily basis by almost 70% of staff. We completed testing of an ML/ATF tool to support supervision in the area of AML/CFT, which is on the verge of being moved into the production environment. In addition we are actively testing a number of agents, and are developing and testing tools to support programming and process automation.

To encourage the responsible and safe use of AI, we have created a special section on the intranet that features guidance, recommendations and examples of good practice. We also held several workshops focusing on the use of AI tools, and raising staff awareness of the benefits and risks of using AI. At the same time we are updating our bylaws and rules to ensure that the use of new technologies is safe and compliant in all business processes. When introducing new products or processes we encourage teams to consider the AI potential, and provide support for safe and careful implementation in line with internal policies and guidelines.

There were 11 active AI-related solutions in various phases of development or implementation in 2025, with a further 11 scheduled for launch in 2026. The working group regularly monitors the implementation of the strategy, and submits progress reports to the Governing Board.

Staff training is also prioritised: we provided a number of in-house and external training courses, including participation in international events, conferences and hackathons, where our staff unveiled innovative solutions and exchanged experience with other central banks and institutions.

Banka Slovenije remains committed to the safe, ethical and innovative use of AI. In so doing we aim to continue promoting the digital transformation and modernisation of our operations, and providing safe, effective and advanced support in fulfilling our mandate.

3.2 Monetary policy

The Eurosystem continued to gradually relax the restrictiveness of its monetary policy in 2025, with inflation converging sustainably on its 2% medium-term target rate. Between January and June every meeting of the Governing Council of the ECB lowered all three key interest rates, by 100 basis points in total, thereby cutting the interest rate on the deposit facility, which best reflects the monetary policy stance, from 3% to 2%. The fall in interest rates began to be reflected in a gradual improvement in the financing conditions, which helped to drive a recovery in demand for loans from non-financial corporations and households. Price pressures continued to ease, the longer-term inflation expectations remained firmly anchored, and the majority of the core inflation metrics suggested that inflation would stabilise close to its target level. Inflation stabilised around the 2% mark in the second half of the year in line with the forecasts, and therefore no changes were made to key interest rates over this period. Despite the challenges posed by global trade and geopolitical tensions, the euro area economy remained resilient, supported by the robust labour market, rising real incomes, favourable financing conditions and government spending.

With inflation converging sustainably on its 2% medium-term target rate, we continued the gradual easing of the restrictive monetary policy stance.

We maintained a data-driven approach in deciding on the future monetary policy stance. Each meeting of the Governing Council examined whether interest rates were at the right level on the basis of current assessments of the inflation outlook, incoming economic and financial data, the dynamics of underlying inflation and the intensity of monetary policy transmission. There was no precommitment to any future path for key policy interest rates. This approach will be maintained in the future. We remain committed to ensuring that inflation stabilises at its 2% target rate over the medium term.

Under our mandate we stand ready to adjust all monetary policy instruments to ensure that price stability is maintained, and to maintain the smooth transmission of monetary policy throughout the euro area.

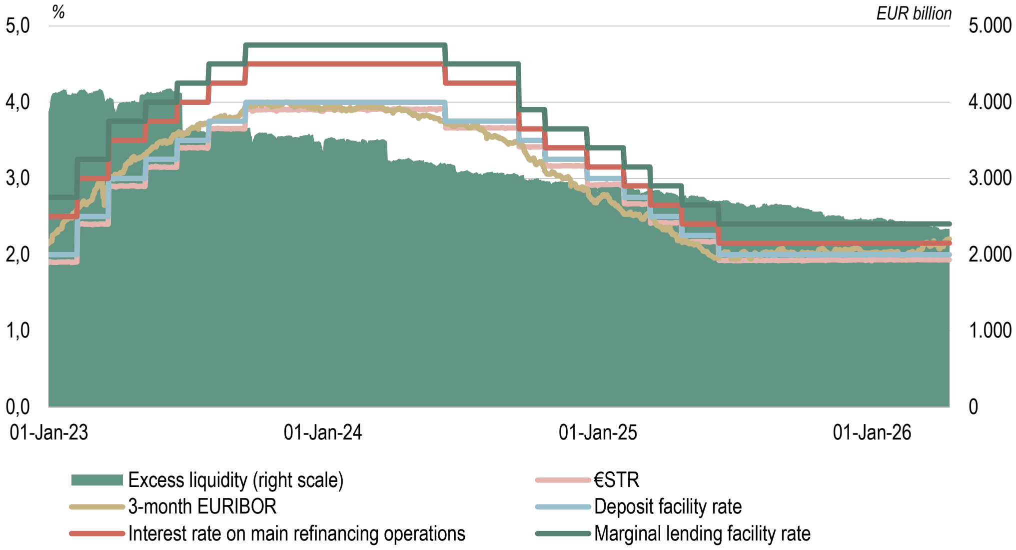
The gradual and predictable downsizing of the securities portfolios under the APP and the PEPP did not have any adverse impact on the functioning of the markets. The utilisation of refinancing operations remained low.

In line with the strategy of balance sheet normalisation, we continued the gradual and predictable downsizing of the portfolio of securities purchased for monetary policy purposes. After the ending of the reinvestment of maturing principal under the asset purchase programme (APP) in July 2023 and under the pandemic emergency purchase programme (PEPP) at the end of 2024, last year was the first year since 2014 when the Eurosystem made no purchases of securities for monetary policy purposes. By the end of the year the APP portfolio had been reduced by EUR 353 billion to EUR 2,324 billion measured at amortised cost. Securities of public-sector issuers accounted for 80% of the total holdings at the end of the year. The PEPP portfolio amounted to EUR 1,426 billion at amortised cost at the end of the year, down EUR 186 billion on a year earlier. Public sector issuers accounted for 97% of the securities in the portfolio. The passive reduction of the securities portfolios proceeded smoothly, without any adverse impact on the functioning of the markets, with demand for euro area securities from private investors replacing the downsizing of the Eurosystem's presence in the market.

To help maintain liquidity on the secondary bond markets and stability on the repo market, we continued to make the securities purchased under the APP and the PEPP freely available for lending. Given the sufficient and rising stock of available securities, lending from the monetary policy portfolios continued to decline last year.

Participation in the Eurosystem's ordinary credit operations, i.e. the one-week main refinancing operations and the three-month longer-term refinancing operations, remained low. The stock of the main refinancing operations tendered weekly averaged EUR 10.1 billion in 2025, while the stock of longer-term refinancing operations tendered on a monthly basis averaged EUR 13.5 billion. Bank demand for borrowing in US dollars was similarly modest: the stock of the seven-day operations tendered weekly averaged USD 0.1 billion. The low demand for operations from banks was a reflection of the persistently high excess liquidity and the more favourable terms for funding at comparable maturities available on the market compared with borrowing from the Eurosystem.

Figure 19: **ECB interest rates, interbank money-market rates and excess liquidity in the euro area**

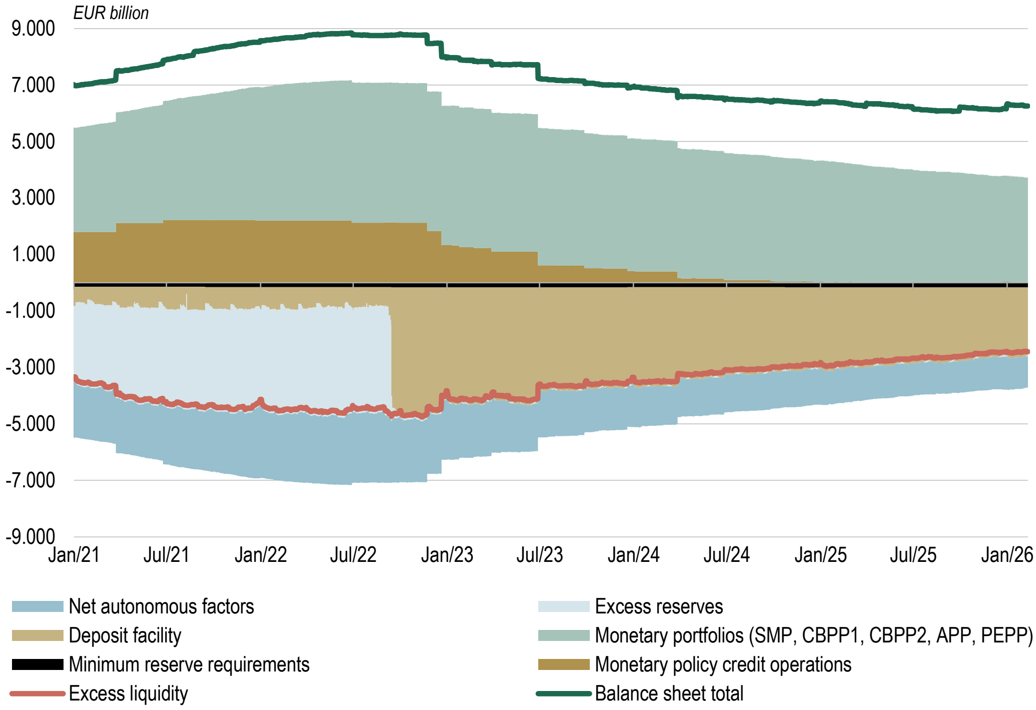


Source: Bloomberg.

The Eurosystem balance sheet continued to be gradually downsized.

The Eurosystem's balance sheet total declined by EUR 136 billion in 2025 to end the year at EUR 6,293 billion (see Figure 19). The decline was primarily attributable to the maturing of securities in the APP and PEPP portfolios, which was partly compensated for by an increase in other Eurosystem assets unrelated to monetary policy, driven largely by the rise in gold prices. Credit operations, the APP and the PEPP together accounted for 60% of the balance sheet total on the asset side at the end of the year (compared with 67% at the end of 2024), of which 1% were monetary policy credit operations (the same as in 2024).

Figure 20: **Simplified Eurosystem consolidated balance sheet**



Note: The more negative the excess liquidity is, the larger it is.
Source: ECB.

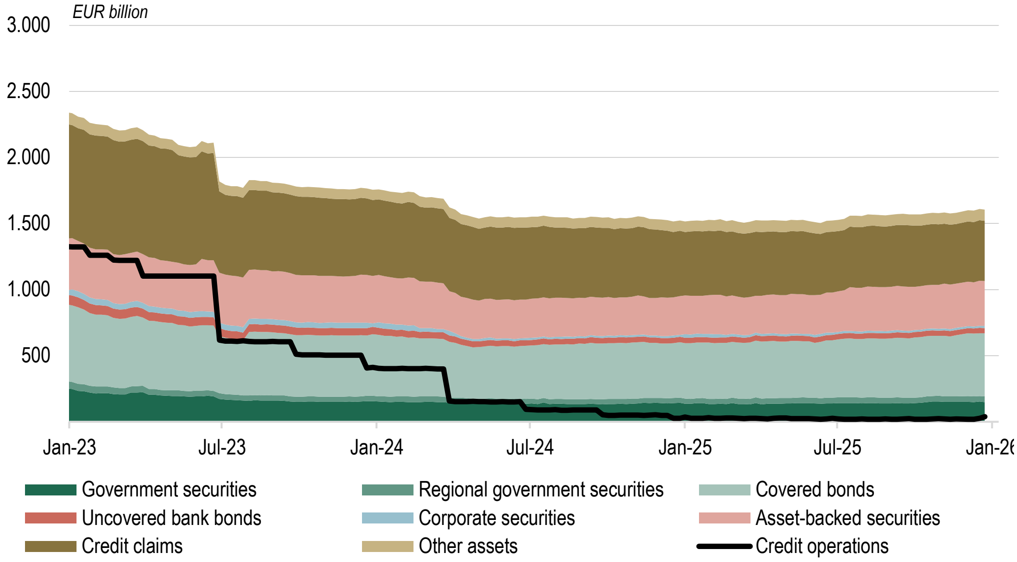
The euro area's excess liquidity also continued to decline.[9] The decline of EUR 396 billion to EUR 2,431 billion in 2025 was driven primarily by the downsizing of the APP and PEPP portfolios, even as a decline in net autonomous factors acted to increase excess liquidity. The most notable of the latter were the decline in deposits with the Eurosystem by non-bank customers, and the increase in central banks' own holdings of financial assets. Excess liquidity also continued to decline in the Slovenian banking system. It was down EUR 1 billion in 2025 to end the year at EUR 6 billion, the banks having again earmarked some liquidity for securities purchases.

The decline in the euro area's excess liquidity entailed a decline in the deposit facility and in banks' excess reserves. Banks continued to place the majority of their excess liquidity with the deposit facility, which was remunerated, in contrast to excess reserve, which did not accrue any interest. Use of the deposit facility averaged EUR 2,688 billion in 2025, EUR 480 billion less than in 2024. Excess liquidity amounted to between EUR 5 billion and EUR 7 billion after the fulfilment of reserve requirements, i.e. between 3% and 4% of the calculated reserve requirements. The figure was down on 2024. Use of the deposit facility by Slovenian banks averaged EUR 6.5 billion in 2025, down EUR 2.2 billion on the previous year. Excess reserves in the Slovenian banking system were up on 2024. They ranged from EUR 8 million to EUR 43 million in 2025, or between 2% and 10% of the calculated reserve requirements. Counterparties' excess reserves eligible for monetary policy operations will be remunerated at the deposit facility rate as of 17 June 2026.

The pool of eligible collateral for Eurosystem credit operations expanded by 5% in 2025 to stand at EUR 1,606 billion at the end of the year. After two years of decline, in 2025 banks increased the pool of securities and credit claims mobilised as collateral. The stock of credit operations was low over the course of the year, with banks only using 2% of the total pool of eligible collateral at the end of the year (compared with 7% a year earlier). Banks mainly held covered bonds, credit claims and asset-backed securities as collateral in 2025. The stock of covered bonds and asset-backed securities increased over the course of the year, while the stock of credit claims declined significantly, largely as a result of certain additional credit claims in individual euro area countries losing eligibility. The pool of financial assets mobilised as collateral at Banka Slovenije by banks in Slovenia amounted to EUR 2.5 billion at the end of the year, similar to a year earlier.

[9] Excess liquidity is the difference between total liquidity provided to the banking system by the Eurosystem, and the banks' liquidity needs. It is the sum of banks' reserves above the reserve requirements, i.e. holdings in accounts at the Eurosystem above the reserve requirement and in the deposit facility at the Eurosystem. The banks' liquidity needs are the sum of net autonomous factors and the reserve requirements. Autonomous factors include issued banknotes, deposits by public-sector entities at the central bank, and financial assets of the central bank that are not a consequence of the implementation of monetary policy (e.g. foreign exchange reserves).

Figure 21: **Pool of eligible collateral for Eurosystem credit operations and credit operations outstanding**



Source: ECB.

The central banks of the Eurosystem began using the new Eurosystem Collateral Management System (ECMS) in June 2025. The ECMS replaced the national platforms for managing the pool of eligible collateral. During the project to set up the ECMS Banka Slovenije guided the work of the Slovenian stakeholders, i.e. the banks and KDD, to adapt to the new platform, providing the necessary support in this process.

We announced a partial change in the approach to aggregating the credit ratings used for eligible collateral.

In February 2025 we took the decision to change the aggregation of credit ratings obtained from various sources (agencies) that are used for eligibility assessment of collateral by the Eurosystem. Had the existing aggregation been maintained, a rise in the number of accepted external credit rating agencies would distort the credit rating used. Under the new rules, financial assets issued by the private sector and financial assets issued by governments and other public-sector entities outside the euro area will be assessed on the basis of the second-best rating from an accepted rating agency, instead of the first-best rating.[10] For financial assets with only one rating from an accepted agency, a one-notch downgrade was started to be applied. The first-best rating remains applicable to other forms of financial asset. Given the time needed for technical implementation, the changes will take effect in the second half of 2026.

In collateral management, we strengthened the capacity to manage the financial risks in connection with climate change. Two measures were put in place in this respect:

1) At the end of 2025, all the internal rating systems of national central banks integrated common standards with regard to climate risks into their ratings of non-financial corporations.

2) In June 2025, a decision was taken to introduce a climate factor into the collateral framework, as a result of which a haircut is applied to marketable financial assets issued by non-financial corporations and their affiliates as of 15 June 2026, having regard for the issuer's exposure to transition climate risks.

[10] The second-best rating was already being used for asset-backed securities before February 2025.

3.3 Banking supervision

The supervisory activities in the Eurosystem in 2025 focused on the following priorities: credit risk with an emphasis on compliance with IFRS 9 and the management of geopolitical risks, IT and cyber resilience, internal governance and risk management, and management of climate-related and environmental risks.

Banka Slovenije is a member of the SSM, which is responsible for supervising significant institutions (SIs) in the European banking union. The ECB is responsible for supervising SIs, with Banka Slovenije participating in the supervision and the supervisory decisions as an equal partner. The supervision of banks and savings banks that do not meet the criteria for definition as SIs, i.e. the less significant institutions (LSIs), is conducted by Banka Slovenije.

The list of significant and less significant institutions remained unchanged in 2025.

Table 2: **Significant banks and less significant banks (as at 31 December 2025)**

Significant banks (SIs)	Less significant banks (LSIs)
Nova Ljubljanska banka d.d.	Deželna banka Slovenije d.d.
OTP banka d.d.	Delavska hranilnica d.d.
Gorenjska banka d.d.	Hranilnica Lon d.d.
UniCredit Banka Slovenija d.d.	Primorska hranilnica Vipava d.d.
Banka Intesa Sanpaolo d.d.	SID – Slovenska izvozna in razvojna banka*
Addiko Bank d.d.	
Banka Sparkasse d.d.	

Source: Banka Slovenije.
* Has special status as a bank specialising in the promotion of exports and development. In accordance with the Slovene Export and Development Bank Act (the ZSIRB), supervision of SID banka is conducted by Banka Slovenije, the Insurance Supervision Agency and the Ministry of Finance within the framework of their remits.

Two branches of banks and banking groups of Member States (BKS Bank AG, bančna podružnica, and RCI Banque Société Anonyme, bančna podružnica Ljubljana) were also operating in Slovenia at the end of the year.

Microprudential supervision

We set the following supervisory priorities in the Eurosystem in 2025, which also formed the starting point for the supervision of Slovenian banks:

- credit risk:
  - adequate management of credit risk and compliance with IFRS 9, with an emphasis on the incorporation of new risks, in particular geopolitical risks and climate-related and environmental risks;
  - collective valuation and creation of impairments in higher-risk portfolios;
- operational resilience and cyber risks:
  - management of IT and cyber risks, and outsourcing risk in connection with third-party ICT service providers;
  - implementation of the requirements of the Digital Operational Resilience Act (DORA);
- internal governance and risk management:
  - data governance and data quality;
- climate-related and environmental risks:
  - monitoring of full compliance with supervisory expectations with regard to climate-related and environmental risks;
  - inspections of the management of climate risks and environmental risks at banks;
- business model and digitalisation:
  - assessment of the impact of the digital transformation on bank strategies and the identification of the risks associated with new technologies.

The 2025 SREP confirmed the high capital adequacy, liquidity, profitability and asset quality of Slovenian banks. Despite the geopolitical and economic risks, performance remains stable, and the resilience of the system remains high. The overall capital requirement declined slightly relative to 2024, primarily owing to a decline in the Pillar 2 guidance (P2G), stress tests having shown a smaller adverse impact on capital adequacy, as a result of high profitability and the resulting increase in retained earnings, and favourable values for the initial credit parameters. The majority of the qualitative measures imposed within the framework of the SREP addressed deficiencies in the areas of capital risks (e.g. interest rate risk in the banking book, credit risk) and internal governance (e.g. the functioning and composition of supervisory bodies).

We remained attentive to geopolitical risks in 2025, and encouraged banks to improve their credit risk management frameworks. There was particular emphasis on rectifying structural deficiencies, monitoring geopolitical and macroeconomic uncertainties, and risks in vulnerable sectors. Through the supervisory dialogue we drew the banks' attention to the timely identification of increased risks, and the consistent application of the rules on unlikeliness to pay. At one significant bank we conducted a deep-dive inspection of its readiness to manage increased risks in the SMEs segment.

The operational resilience of banks, with an emphasis on ICT security, including cyber security and the risks posed by third-party ICT service providers, remains a supervisory priority of Banka Slovenije. As of January 2025 the DORA has required greater attention from banks, as it requires them to strengthen the management of ICT risks, including the risks posed by third-party ICT service providers, and the reporting of incidents related to ICT. The risks to cyber security and the risks related to the outsourcing of IT services remain a major challenge for banks, as the rising threats posed by geopolitical risks demand extra adjustments to their cyber security and the management of risks at third-party ICT service providers. We conducted a deep-dive inspection of the management of the risks posed by third-party ICT service providers at one of the significant banks in 2025. This area was also a subject of inspection at all the less significant banks and at SID banka. The follow-up letters and recommendations will be issued in 2026.

Internal governance and risk management remain key supervisory priorities, where greater attention was focused in 2025 on the area of risk data aggregation and risk reporting (RDARR). RDARR is vital to adequate risk management and effective decision-making, as deficiencies in data quality and reporting reduce a bank's ability to identify, monitor and manage risks. Reliable RDARR capabilities give banks greater operational effectiveness and competitiveness, and make it easier to use digital tools and innovative technologies such as AI and advanced analytics.

In 2025 three significant banks were included in horizontal supervision of compliance with supervisory expectations under the Guide on effective risk data aggregation and risk reporting, which was published by the ECB in May 2024. A follow-up letter with recommendations was issued to one bank on the basis of this inspection, while inspections in connection with RDARR were conducted at the two other banks. The two inspections confirmed that the banks needed to continue working on areas such as data governance, the use of the data governance framework, data architecture, and ICT infrastructure.

Three deep-dive inspections were conducted in the area of internal governance at three significant banks in 2025, covering the working of the internal audit function, the management of the bylaws of the bank and the banking group, and governance in the area of AML.[11] No major deficiencies were identified, and two banks were issued with letters with recommendations.

The digital transformation of banks and the use of new technologies require strong governance and risk management capacity. Digitalisation is not merely a question of technology, but mainly concerns the internal culture and capacities of the banks. Including innovation in business and ensuring the general level of digital readiness are the keys to the success of any digital strategy. The timeframe and scope of digitalisation remain a strategic decision for each bank, but can have a significant impact on their operational and financial risks and on their risk profiles.

The ECB carried out several supervisory activities in 2025 with the aim of obtaining insight into examples of the use of new technologies, and understanding how these examples affect the banks' risk management capabilities. The significant banks in Slovenia were also included in these activities. One significant bank hosted a workshop on the subject of digitalisation of operations, while a targeted inspection was conducted at another with a comprehensive review of digital strategy and levers for implementing

[11] The inspection was conducted within the frame of the ECB's powers as the prudential supervisor.

the strategy, including human resources and project management capacity, and an assessment of the financial and non-financial impact of digitalisation.

Five scheduled prudential inspections were conducted at significant banks in 2025. The inspections were conducted in the areas of credit risk, operational risk, data aggregation and quality, and climate-related and environmental risks.

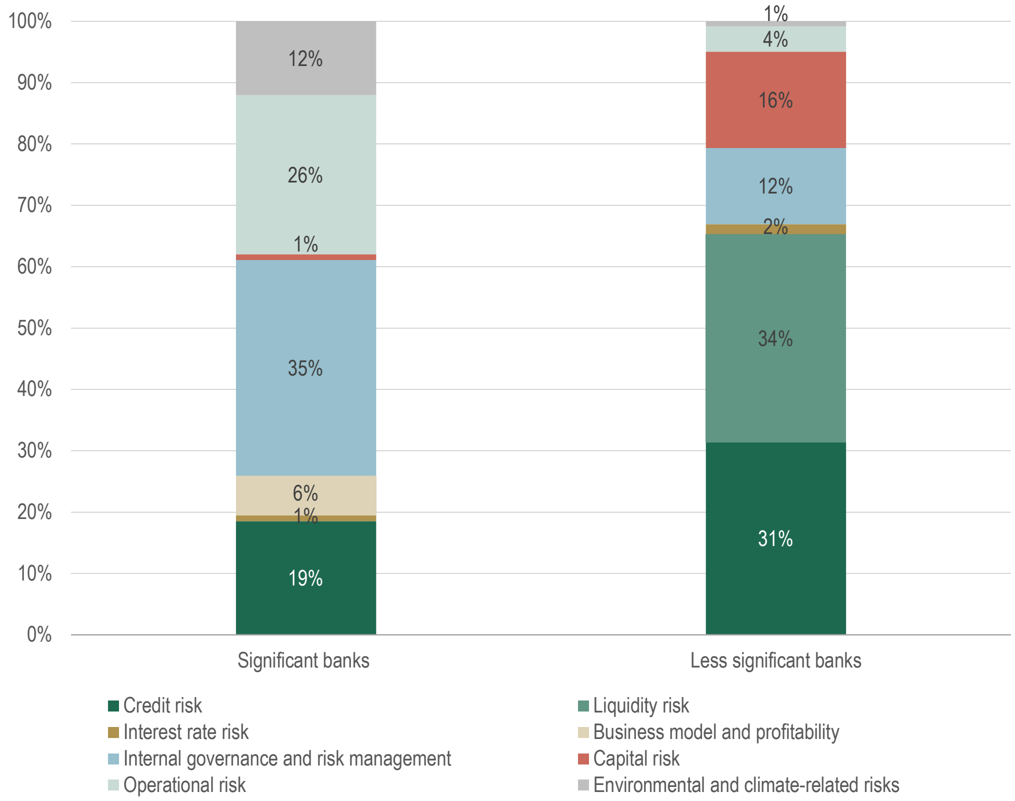
Five scheduled prudential inspections were conducted at less significant banks, in the areas of credit risk, the internal liquidity adequacy assessment process, and the internal capital adequacy assessment process.

With regard to the supervisory findings – which are a major outcome of scheduled supervisory activities and address deficiencies that banks are required to rectify – the largest share of irregularities identified in 2025 related to internal governance and risk management at significant banks, and to liquidity risk at less significant banks. This is to be expected, given that multiple activities and supervisory inspections were conducted at banks in the aforementioned areas. Several measures were also issued in the areas of credit risk and operational risk, which were key supervisory priorities in 2025.

Our supervision of significant banks in 2025 identified 108 irregularities and deficiencies, with most in the area of operational risk, followed by measures in the areas of recovery plans, credit risk, and climate-related and environmental risks (see Figure 22). The majority of the findings have a low or medium impact on the financial position, the level of capital, internal governance and controls, and risk management at banks, for which reason we mostly imposed measures on the banks in question in the form of a letter with recommendations (see Table 3).

Our supervision of less significant banks identified 121 irregularities and deficiencies, with most in the areas of liquidity risk and credit risk. A number of the identified irregularities were rectified in 2025, and we will follow up on the rectification of the others in 2026. The majority of the findings have a low or medium impact on the financial position of the banks in question.

Figure 22: **Breaches identified at banks and savings banks in 2025, by risk category**



Source: Banka Slovenije.

Table 3: **Supervisory measures imposed on banks and savings banks in 2025**

Type of measure	Number of measures imposed at significant institutions	Number of measures imposed at less significant institutions
Decision with supervisory measures	7	5
Follow-up letter	17	17
Order on rectification of breaches	0	5
Declaratory decision on rectification of breaches	0	3

Source: Banka Slovenije.

Supervisory measures are imposed on significant banks by the ECB. The most common forms of measures are the operational act and the letter with recommendations. The more important measures are imposed in the form of a decision, which is a legally binding act. Seven measures in the form of decisions were imposed on significant banks in 2025.

Supervisory measures are imposed on less significant banks by Banka Slovenije. The more important measures imposed on banks and savings banks, members of their management bodies, and shareholders are issued in the form of the binding legal acts set out by the Banking Act, i.e. in the form of orders and decisions. Five orders on the rectification of breaches, and five decisions on Pillar 2 requirements (P2R) and on Pillar 2 guidance (P2G) were imposed on the less significant banks and SID banka in 2025.

Supervision of the two branches of foreign banks and banking groups of Member States (one from Austria and one from France) is conducted via regular reports, requests for additional clarifications, and monitoring of the liquidity position. No measures were imposed on the branches in 2025.

Supervision of compliance and AML/CFT

In contrast to prudential supervision, non-prudential supervision is exclusively the responsibility of Banka Slovenije. The central focus is anti-money laundering and countering the financing of terrorism (AML/CFT), which in addition to banks and savings banks covers other entities supervised by Banka Slovenije in accordance with the Prevention of Money Laundering and Terrorist Financing Act (ZPPDFT-2), namely payment institutions, electronic money institutions and currency exchange operators. Alongside the AML/CFT activities, other supervisory activities in 2025 were conducted in connection with consumer lending in accordance with the Consumer Credit Act (ZPotK-2), and with restrictive measures and sanctions as regulated by the Act Governing Restrictive Measures Introduced or Implemented by the Republic of Slovenia in Compliance with Legal Instruments and Decisions Adopted by International Organisations (ZOUPAMO) and the relevant EU regulations. In accordance with Article 269 of the ZBan-3, Banka Slovenije operates a whistleblowing system.

The following activities were carried out in the area of AML/CFT:

- **inspections:**
  In accordance with the guidelines of the European supervisory authorities in favour of risk-based supervision, Banka Slovenije conducted five inspections of supervised entities in 2025, and also monitored them via other supervisory tools. We regularly exchange information with foreign supervisors within the framework of our powers, and participated in seven supervisory colleges in the area of AML/CFT.
- **international cooperation:**
  International focus on AML/CFT issues strengthened further in 2025, resulting in enhanced cooperation between Banka Slovenije and various bodies (the EBA's AML/CFT Standing Committee, the ECB, the European Commission, MONEYVAL at the Council of Europe, and the OECD. Intensified activities arose from the establishment of the EU's new Anti-Money Laundering Authority (AMLA) and the work of its committees and working groups (see Box 3). In 2025, significant efforts were dedicated during the sixth-round evaluation of Slovenia's AML/CFT regime, conducted by MONEYVAL within the framework of the Council of Europe.
- **drafting of regulations:**
  We are continuing our extensive activity to implement the EU legislative package passed in 2024 (AMLR, AMLD, AMLAR) including the drafting of national laws and the relevant EU secondary legislation, which is being undertaken on working groups at the EBA and now the AMLA (24 acts are in preparation). We also provided clarifications in 2025 with regard to the implementation of the Banka Slovenije Guidelines on the assessment of the risk of money laundering and terrorist financing, and responded to numerous requests, questions and initiatives.

– **other activities:**
  Banka Slovenije's other activities include actively participating in the completion of the update of the national assessment of ML/TF risks for Slovenia, and addressing the unwanted deviations on the market. As a supervisor in the AML/CFT area, we regularly cooperate with prudential supervisors, and the information exchanged within the framework of AML/CFT is included in the assessments in licensing procedures and in the F&P assessment of the members of management bodies. Owing to the transfer of the jurisdiction for AML/CFT, another major focus in 2025 was exchanging information with the SMA, particularly regarding the supervision of virtual currency service providers. After the completion of an international development project, within the framework of which we developed a platform up to the pilot phase in collaboration with the Jožef Stefan Institute for more effective implementation of supervisory activities in the area of AML/CFT, including via technology for processing large quantities of data, we are finalising activity to move the pilot into regular use.

Three inspections were conducted in 2025 to check bank compliance with the ZPotK-2, which governs consumer lending, while a good deal of supervisory activity also came in response to whistleblowing reports and complaints by users of financial services. Banka Slovenije collaborates with the Ministry of the Economy, Tourism and Sport, the Market Inspectorate, the Slovenian Consumers' Association, the European Commission and the EBA.

Owing to the ongoing war in Ukraine, and other crisis areas around the world, 2025 again saw numerous international restrictive measures in place, which continues to be reflected in Banka Slovenije's activity in this area. We are also diligent in monitoring the US's OFAC sanctions in connection with the International Criminal Court.

Inspections at supervised entities are still mostly conducted within the framework of comprehensive inspections in the area of AML/CFT (the area of restrictive measures was inspected at four supervised entities in 2025), but additional supervisory activities were also introduced because of the elevated risk of potential breaches of applicable restrictive measures and the need for a comprehensive overview of the situation. We adopted the EBA guidelines on internal policies, procedures and controls to ensure the implementation of restrictive measures, and participated in the reformulation of the guidelines for the effective implementation of restrictive measures issued by the permanent restrictive measures coordinating group (SKSOU), which is headed by the Ministry of Foreign and European Affairs. Mutual cooperation between the competent national bodies within the framework of SKSOU strengthened further in 2025, and we are continuing to provide relevant data on the implementation of financial restrictive measures to the European Commission.

Box 3: **New EU agency for anti-money laundering and countering the financing of terrorism (AMLA)**

The EU's new agency responsible for AML/CFT (the AMLA) began work in 2025. The AMLA is a new decentralised agency based in Frankfurt am Main, whose establishment is part of the EU's work to meet the requirements of the ambitious legislative package to strengthen its AML/CFT system, which was adopted in 2024. With the aim of ensuring the correct and consistent application of EU rules, the AMLA will coordinate the national supervisory authorities, oversee their work, transform supervision in the area of AML/CFT, and enhance cooperation among financial intelligence units (in Slovenia this is the Office for Money Laundering Prevention).

In January 2025 the Council of the EU appointed Bruna Szega from Italy as its first chair, and she represents the new agency and heads its two governing bodies, the General Board and the Executive Board. The members of the General Board are the national supervisory authorities responsible for AML/CFT, and the representatives of the FIUs, while the Executive Board leads the operational implementation of the AMLA's tasks. Banka Slovenije is a member of the General Board, and is also the standing joint representative with voting rights who represents all the AML/CFT supervisory authorities in Slovenia. The role of the General Board includes adopting the AMLA's regulatory acts, and issuing opinions to the Executive Board regarding decisions on financial institutions that the AMLA will supervise directly. The AMLA will begin conducting direct supervision of selected high-risk financial institutions in 2028.

The chair of the AMLA visited Slovenia in November 2025. The purpose of her visit was to establish relations with key stakeholders in this area, including representatives of professional and sector-specific organisations in the private sector, to outline the AMLA's priorities, to review the current situation, and to exchange experience and opinions regarding the EU's legislative package to strengthen the AML/CFT system.

Licensing and notification procedures

In 2025 Banka Slovenije granted authorisations in accordance with Slovenian legislation and EU legal acts, namely the Banking Act (ZBan-3), the Payment Services, Electronic Money Issuance Services and Payment Systems Act (ZPlaSSIED), Commission Delegated Regulation (EU) 2018/389, the Foreign Exchange Act (ZDP-2), the CRR, the EMIR, the Purchasers and Servicers of Non-Performing Bank Loans Act (ZKSNKB) and the Consumer Credit Act (ZPotK-2). We are also responsible for processing notifications under the ZBan-3, the ZKSNKB, the ZPotK-2 and the ZPlaSSIED,

conducting 32 procedures in accordance with the aforementioned regulations in 2025. Of these, 26 procedures concluded with the granting of an authorisation, with approximately half relating to members of the management body of a bank or savings bank, while six procedures were withdrawn or were pending at the end of the year and thus deferred to 2026. We issued 19 decisions to withdraw authorisations in accordance with the ZBan-3, the majority for performing the function of a member of the management body of a bank, and one decision to withdraw an authorisation to operate a payment system in accordance with the ZPlaSSIED. No bank was removed from the register of banks holding an authorisation to provide banking services, mutually recognised financial services and ancillary financial services in 2025, and neither was any payment institution removed from the register of payment institutions and electronic money institutions.

Banka Slovenije is also responsible for processing notifications under the ZBan-3, the ZPotK-2, the ZPlaSSIED and the ZKSNKB. Last year we received three new notifications of the direct provision of services in Slovenia by banks of EU and EEA Member States, and 49 new notifications of the provision of payment services by payment institutions of Member States and of the provision of electronic money issuance services and payment services by electronic money institutions. In addition we received two new notifications from credit intermediaries for real estate and one notification in connection with a credit servicer. One Slovenian bank established in Slovenia notified the direct provision of services in five other Member States in 2025. We also processed 14 withdrawals of notification, three regarding the provision of services in Slovenia, and 11 owing to withdrawals under the ZPlaSSIED.

3.4 Macroprudential policy

Macroprudential policy aims to identify, monitor, and assess systemic risks and to prevent or mitigate their impact on financial stability. Its ultimate objective is to safeguard the stability of the financial system as a whole by limiting the build-up of systemic risks and strengthening the financial system's resilience to shocks, thereby supporting the financial sector's sustainable contribution to economic growth. EU Member States have a range of macroprudential instruments at their disposal. These instruments are selected and calibrated according to the systemic risks identified and the resilience of the financial system. They can be broadly classified into three groups: capital-based, borrower-based, and liquidity-based measures. Capital-based measures primarily strengthen the banking system's capacity to absorb losses and may also help contain the build-up of systemic risks. Borrower-based measures set minimum credit standards and can help limit excessive credit growth. Liquidity-based measures, which are currently used less frequently, aim to reduce funding and liquidity and strengthen the banking system's resilience to liquidity shocks. Some macroprudential instruments are harmonised at EU level and applied within a common regulatory framework, while other may differ across Member States and are designed or calibrated to reflect country-specific systemic risks and the structural characteristics of individual banking systems.

Banka Slovenije is responsible for formulating and implementing of macroprudential policy in the banking sector and for leasing companies. The legal basis for the implementation of macroprudential policy consists of the Capital Requirements Regulation (CRR), the Banking Act (ZBan-3) and the Macroprudential Supervision of the Financial System Act (ZMbNFS).

The process of drawing up and implementing macroprudential policy can be divided into four interconnected phases:

1. identification and assessment of systemic risks,
2. selection and formulation (calibration) of macroprudential instruments,
3. implementation of macroprudential instruments,
4. evaluation of macroprudential policy and instruments.

Banka Slovenije assesses the level of systemic risks on the basis of a number of tools for monitoring financial stability. Systemic risk is defined as the risk of disruptions in the financial system that could have serious adverse effects on the functioning of the financial system and the real sector. There are two dimensions to systemic risk: cyclical and structural. The cyclical dimension relates to the evolution of risks in the financial system over time, while the structural dimension relates to the distribution of risks across the financial system. Banka Slovenije regularly publishes its risk and resilience dashboard for the financial system in the Financial Stability Review and in other publications. Banka Slovenije has developed a suite of indicators to monitor the evolution of systemic risks and to evaluate the attainment of individual intermediate macroprudential policy objectives. They include:

- to mitigate and prevent excessive credit growth and excessive leverage,
- to mitigate and prevent excessive maturity mismatch and market illiquidity,
- to limit direct and indirect exposure concentrations,
- to limit the systemic impact of misaligned incentives with a view to reducing moral hazard,
- to strengthen the resilience of financial infrastructures and the operations of institutions.

If the level of systemic risk is assessed as elevated and the resilience of the financial system is reduced, or there is a risk of the intermediate macroprudential policy objectives not being attained, Banka Slovenije can opt to impose macroprudential measures. The selection and calibration depend on the level and source of risk, and follow the principles described in the Strategic Framework for Macroprudential Policy.

Once selected and calibrated, the instrument is implemented and subjected to assessments of its effectiveness. A macroprudential instrument is successful if it contributes to the attainment of the intermediate macroprudential policy objectives, and indirectly helps to reduce systemic risks.

Implemented macroprudential instruments may also have adverse cross-border effects, and can be the subject of avoidance. This makes cross-border cooperation extremely important. The ESRB is involved in the coordination of macroprudential policy at the European level.

It is also responsible for issuing recommendations on the reciprocity of macroprudential measures. It can issue recommendations and warnings to national macroprudential authorities and other European bodies.

Table 4: **Banka Slovenije macroprudential measures valid in 2025**

Macroprudential measure	Type of instrument	Intermediate objective	Assessment of achievement of objective
Macroprudential restrictions on consumer lending (recommendation: LTV; binding measures: DSTI, cap on maturity, LTC)[1]	BINDING / RECOMMENDATION	To mitigate and prevent excessive credit growth and excessive leverage	Improved credit standards in approval of consumer loans and housing loans
O-SII buffer[2]	BINDING	To limit the systemic impact of misaligned incentives with a view to reducing moral hazard	Higher resilience as a result of higher requirements for CET1
Countercyclical capital buffer (CCyB)[3]	BINDING	To mitigate and prevent excessive credit growth and excessive leverage	The CCyB helps to increase the resilience of the banking system
Sectoral systemic risk buffers[4]	BINDING	To mitigate and prevent excessive credit growth and excessive leverage	Increased resilience of the banking system to systemic risks inherent in the residential real estate market

Source: Banka Slovenije
Notes:
[1] A recommendation with regard to LTV and DSTI was introduced in 2016 for housing loans. In 2018 the macroprudential recommendation was extended to consumer loans, to which a cap on maturity also applied alongside the cap on DSTI. The caps on DSTI and maturity became a binding macroprudential instrument in 2019. In response to the Covid-19 pandemic, adjustments were made to the cap on DSTI in 2020, allowing the banks under certain conditions to exclude the temporary loss of income during the pandemic when calculating DSTI. Additional changes to the restrictions on consumer lending entered into force on 1 July 2022. The latest changes to the restrictions on consumer lending entered into force on 1 July 2023.
[2] The methodology for reviewing the criteria for identifying banks as O-SIIs was adopted in 2015. The methodology for determining the O-SII buffer rate was adopted in 2017. The methodology for determining the O-SII buffer rate was modified in 2023.
[3] The measure has been effective as of 1 January 2016. At the end of 2022 Banka Slovenije approved a rise in the countercyclical capital buffer rate from zero to 0.5%, with the banks obliged to meet the requirement as of 31 December 2023. Banks are required to meet a (positive neutral) countercyclical capital buffer rate of 1.0% as of 1 January 2025.
[4] The two sectoral systemic risk buffers were introduced in 2022, and entered into force on 1 January 2023. The systemic risk buffer requirement for all retail exposures to natural persons secured by residential real estate was reduced from 1.0% to 0.5% of the total risk exposure amount in November 2023. The new buffer rate may be applied by banks as of 1 January 2025.

Macroprudential policy remained in a preventive stance in 2025, and focused on maintaining the resilience of the financial system.

Based on the assessments of systemic risks and the resilience of the financial system, only limited adjustments were made to the macroprudential toolkit in 2025. The overall policy stance remained preventive and focused on ensuring that the financial system remained resilient to potential shocks.

Institutions identified as O-SIIs are required to maintain an O-SII buffer to strengthen their resilience. O-SII buffer rates are reviewed and determined annually. Where a buffer rate is increased, banks are granted an appropriate phase-in period. In October 2025, the Governing Board of Banka Slovenije revised the methodology for determining O-SII buffer rates by introducing minimum buffer floors for individual systemic-importance buckets. The revised methodology was applied in the 2025 annual assessment to determine the buffer rates applicable from 1 January 2026. Five institutions were identified as O-SIIs for 2026, while both the number of identified institutions and their buffer rates remained unchanged.

Table 5 presents the estimated systemic importance scores of the individual O-SIIs and their corresponding buffer rates applicable from 1 January 2026.

Table 5: **Estimated systemic importance scores and corresponding buffer rates applicable in 2026**

O-SII	**Systemic importance score** (EBA guidelines)	**Capital buffer rate** (as % total risk exposure) effective 1 January 2026
NLB d.d.	4,348	1.25%
OTP banka d.d.	2,118	1.00%
SID banka d.d.	729	0.50%
Unicredit Slovenija d.d.	710	0.25%
Intesa Sanpaolo d.d.	596	0.25%

Source: Banka Slovenije.

Under the Regulation amending the Regulation on the exercise of options and discretions under European Union law (Official Gazette of the Republic of Slovenia, No. 108/24), the use of discretions under Article 124 of the CRR was abandoned at the beginning of 2025. As of 1 January 2025 the stricter criterion is no longer relevant to banks. It had stipulated that the part of an exposure secured by residential real estate that may be weighted more favourably was 60% of the value of the residential real estate (the CRR3 lowers this threshold to 55%).

No adjustments to the macroprudential restrictions on consumer lending were necessary in 2025. The most recent adjustment to the macroprudential instrument related to restrictions on consumer lending was made at the end of the first half of 2023. On that occasion the lower creditworthiness limit was tied to the minimum cost of living (plus an amount for any family dependants), which is adjusted as necessary for the general level of inflation and for other factors. We introduced a single cap on DSTI of 50%, and reduced the level of allowable deviations from the cap on DSTI. Based on an assessment of the attributes of consumer loans made in 2025, our opinion is that no particular risks are being posed by household lending. Consequently the calibration of the macroprudential restrictions on consumer lending is still adequate.

A positive neutral countercyclical capital buffer rate of 1% was maintained in 2025. Last year saw the introduction of the positive neutral rate, which aims to ensure that the banking system has sufficient capital at its disposal for release in the event of unforeseeable shocks not necessarily related to excessive credit growth and the build-up of domestic imbalances. Banks have been required to meet the increased buffer requirement as of 1 January 2025. The buffer rate of 1.0% represents a positive neutral countercyclical capital buffer rate, which entails a buffer rate of 1.0% in a neutral environment. The neutral environment is one where cyclical risks are neither excessively high nor excessively low, and are being maintained at stable levels. To assess the phase of the financial cycle and a neutral risk environment, we use the existing set of individual risk indicators, a composite indicator and the indicator of a neutral environment. Each quarter we publish an assessment of cyclical systemic risks and the countercyclical capital buffer rate on our website.

Slovenia maintained two sectoral systemic risk buffers in 2025. Banks are required to maintain: (i) a systemic risk buffer in the amount of 0.5% for all retail exposures to natural persons secured by residential real estate, and (ii) a systemic risk buffer in the amount of 0.5% for all other exposures to natural persons other than the aforementioned. The buffers were adopted in April 2022, and banks have been required to comply with them since 1 January 2023. They were introduced to strengthen banks' resilience to risks arising from household lending, including a potential increase in credit risk following the easing of borrower-based measures in July 2022, and to address heightened risks in the real estate market. Based on regular risk assessments and the moderation of risks in the real estate market, with effect from 1 January 2025. The rate for other exposures to natural persons remained unchanged at 0.5%.

Macroprudential policy in Slovenia is formulated and implemented in conjunction with the sectoral supervisory authorities by the Financial Stability Board.

Slovenia's Financial Stability Board (FSB) once again discussed systemic risks in 2025, and received a briefing on the macroprudential measures taken by supervisors and the actions implemented in response to the ESRB's recommendations. The working group for the fintech and cyber security and the working group for the climate risks operated under the aegis of the FSB. The work of the FSB is presented in detail in its annual reports, which are published by the end of June each year.

3.5 Bank resolution and deposit guarantee scheme

The area of bank resolution and deposit insurance is regulated by several EU legal acts. Directive 2001/24/EC of the European Parliament and of the Council on the reorganisation and winding up of credit institutions was adopted on 4 April 2001, and Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms was adopted on 15 May 2014. A key role in bank resolution is played by the resolution authorities responsible for using resolution tools and exercising resolution powers. An important innovation within this framework came with Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund. The key EU legal act in the area of deposit insurance is Directive 2014/49/EU of 16 April 2014, which sets out the rules and procedures in connection with the establishment and functioning of deposit guarantee schemes.

Bank resolution

Under the Resolution and Compulsory Winding Up of Banks Act[12] (the ZRPPB-1), we exercise the powers and tasks of the designated national resolution authority. The aforementioned law transposes Directive 2001/24/EC and Directive 2014/59/EU into Slovenian legislation. The ZRPPB-1 regulates the responsibilities and procedures implemented by Banka Slovenije in exercising the powers and tasks of the

[12] Official Gazette of the Republic of Slovenia, Nos. 92/21, 133/23, and 102/24.

bank resolution authority, bank resolution planning, the resolution procedure and powers in connection with the use of resolution measures, and procedures for the compulsory winding-up of banks (compulsory liquidation and bankruptcy). The objectives of bank resolution are, through the use of resolution measures, to ensure the continuing implementation of critical functions, to prevent a serious adverse impact on financial stability, to protect public resources, to protect depositors whose deposits are covered, and investors in terms of guaranteed claims, and to protect the assets and resources of customers. The Single Resolution Board (SRB) was established by Regulation 806/2014/EU. Under the ZRPPB-1 and Regulation 806/2014/EU, Banka Slovenije exercises powers and tasks in connection with resolution, other than the powers and tasks for which the SRB is responsible in accordance with Regulation 806/2014/EU.

Banka Slovenije exercises the powers and tasks of the designated national resolution authority.

In 2025 Banka Slovenije focused on updating the resolution plans setting out measures for resolution or compulsory wind-up that could be implemented at banks should they fail. To this end Banka Slovenije independently draws up resolution plans for all banks under our remit, and participates in the SRB's internal resolution taskforces in creating and updating the resolution plans of systemically important banks and international banking groups operating in Slovenia. The SRB is responsible for drawing up resolution plans for banks and banking groups that are under the direct supervision of the ECB, and for all banking groups that pursue cross-border activities. The drafting of the resolution plans for banks under the remit of the SRB is undertaken by internal resolution taskforces in cooperation with all the national resolution authorities of the countries of the banking union where individual members of the banking group have a presence. Participation in internal resolution taskforces is via document exchange, regular teleconferences and meetings. Banka Slovenije is responsible for drawing up resolution plans for all banks that do not fall under the remit of the SRB.

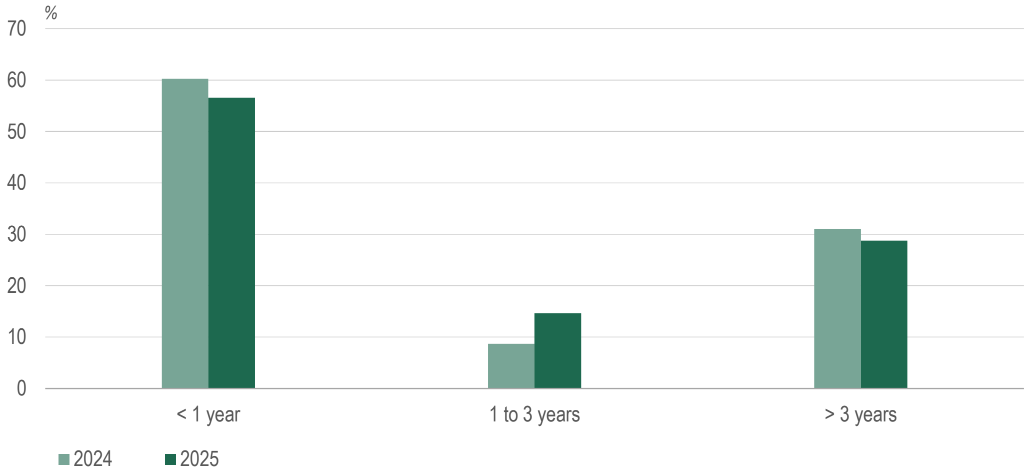
The bank liquidation fund began operating in December 2024 upon the entry into force of Amendment to Resolution and Compulsory Winding Up of Banks Act (hereinafter: the ZRPPB-1), which stipulates that the bank resolution fund, which was established in March 2015 on the basis of the Bank Resolution Authority and Fund Act, should continue operating as the bank liquidation fund, whose purpose is financing compulsory wind-up measures under the ZRPPB-1. The basis for this is the amended ZRPPB-1, which entered into force in December 2024. The target level of assets is 3.0% of the total amount of covered deposits in Slovenia as at 30 September 2014. Assets in the amount of 1.3% of the total amount of covered deposits were provided by the transfer of the founding contributions paid into the bank resolution fund in March 2015, while assets in the amount of 1.7% of the total amount of covered deposits are being provided by banks in the form of pledged liquid assets to cover extraordinary cash payments. Banks paid founding contributions to the bank resolution fund in the amount of EUR 191.1 million in March 2015. In accordance with Article 216n of the ZRPPB-1, the bank liquidation fund will cease operations as of 31 December 2030. Since the establishment of the bank liquidation fund, no measures that would require the use of its assets have been imposed on banks.

Banka Slovenije manages Slovenia's bank liquidation fund.

In order to minimise the cost of management, the assets of the bank liquidation fund are managed at Banka Slovenije together with the assets of the deposit guarantee fund. The bank liquidation fund and the deposit guarantee fund have a share of the joint fund (the bank liquidation and deposit guarantee fund) that is proportional to their respective holdings in the sum of assets of both funds.

The joint fund invested in highly liquid government, supranational, regional, agency and corporate debt instruments in 2025, generally restricting its investments to those with an internal Banka Slovenije rating of at least A-. Assets were also placed in short-term deposits at commercial banks, given that interest rates on short-term deposits were higher than interest rates on placements with Banka Slovenije. The interest rate exposure (modified duration[13]) of the fund was maintained close to its maximum allowed level in 2025. The maturity breakdown was as follows: 57% of the joint fund's assets were in the bucket of up to one year, 15% in the bucket of one to three years, and 29% in the bucket of more than three years.

Figure 23: **Maturity breakdown of joint fund assets**



Source: Banka Slovenije.

The bank liquidation fund's assets under management amounted to EUR 201.8 million at the end of 2025, while the value of the joint fund was EUR 492.5 million. The bank liquidation fund's operating result was a net profit of EUR 4,797,761 in 2025, while the joint fund recorded a net profit of EUR 11,006,276, on account of a fall in spreads on higher-risk euro area bonds during the year. Performance is disclosed in greater detail in the bank liquidation fund's annual report.

[13] Modified duration is a metric that expresses the sensitivity of an asset value to changes in interest rates.

Deposit guarantee scheme

As the deposit guarantee authority, Banka Slovenije exercises powers and tasks in connection with the deposit guarantee scheme in Slovenia in accordance with the Deposit Guarantee Scheme Act (ZSJV).[14] This law transposed Directive 2014/49/EU into Slovenian law. The ZSJV stipulates that Banka Slovenije should establish and operate a deposit guarantee scheme to guarantee a depositor's deposits in the event of the unavailability of deposits at a bank. The deposit guarantee is enforced by means of the repayment of covered deposits to depositors, or through other measures by which depositors' access to covered deposits is maintained in the event of the bank's resolution or compulsory wind-up. Deposits at each bank or savings bank established in Slovenia are covered up to the value of EUR 100,000 on the basis of the ZSJV. The deadline for the repayment of covered deposits is seven working days from the publication of the Banka Slovenije decision on deposit unavailability.

Banka Slovenije exercises the powers and tasks of the designated deposit guarantee authority.

In 2025 Banka Slovenije continued its periodic testing of the capture of data on covered deposits at banks in Slovenia. We continued our dialogue with the Ministry of Finance on the financial capacity of the deposit guarantee scheme and the envisaged procedures in the event of the payout of covered deposits.

Banka Slovenije established the deposit guarantee fund in 2016 as part of its operation of the deposit guarantee scheme. The fund may be used to make repayments of covered deposits, and to finance resolution or compulsory wind-up measures by means of which access to covered deposits is maintained for depositors. The fund is primarily financed via regular contributions by banks. Directive 2014/49/EU required the fund to reach its target level by 3 July 2024, in the amount of 0.8% of the total covered deposits in Slovenia. Additional contributions by the banks in 2024 ensured that this target was met. **An amendment to the ZSJV entered into force in January 2025, that raises the target value of the deposit guarantee fund's assets under management to 1.5% of covered deposits in Slovenia.** The fund is required to reach the new target value by 31 December 2030.

Should the fund's available assets not suffice for paying out covered deposits or for repaying the fund's other liabilities, banks will be ordered to make extraordinary contributions to the fund. The fund is also financed via income from its asset holdings, borrowing on the market, and loans obtained from other sources in accordance with the ZSJV. The ZSJV additionally envisages the possibility of an emergency liquidity loan from Banka Slovenije and a short-term loan from the state, if the fund is unable to secure sufficient funds in time from the aforementioned sources to meet its obligations.

The deposit guarantee fund's assets under management amounted to EUR 290.7 million at the end of 2025. The banks made total contributions of EUR 43.9 million to the deposit guarantee fund in 2025. The deposit guarantee fund's operating result was a net profit of EUR 6,203,391 in 2025. Its performance is disclosed in detail in its annual report.

[14] Official Gazette of the Republic of Slovenia, Nos. 27/16, 17/22 and 113/24.

The deposit guarantee fund has not been activated since its establishment.

Deposits at banks from EEA countries that provide banking services in Slovenia via a branch or directly are covered by the deposit guarantee scheme in the country in which the bank is established. The deposit guarantee scheme in Slovenia pays out coverage for deposits at a branch of a Member State bank in Slovenia at the request of and on behalf of the deposit guarantee scheme in the country in question. The deposit guarantee scheme of the aforementioned country provides funds in the amount of the covered deposits that will be paid out in Slovenia, and all necessary information and instructions for paying out the covered deposits of the branch.

Banka Slovenije is a signatory to the multilateral cooperation agreement of the European Forum of Deposit Insurers (EFDI).

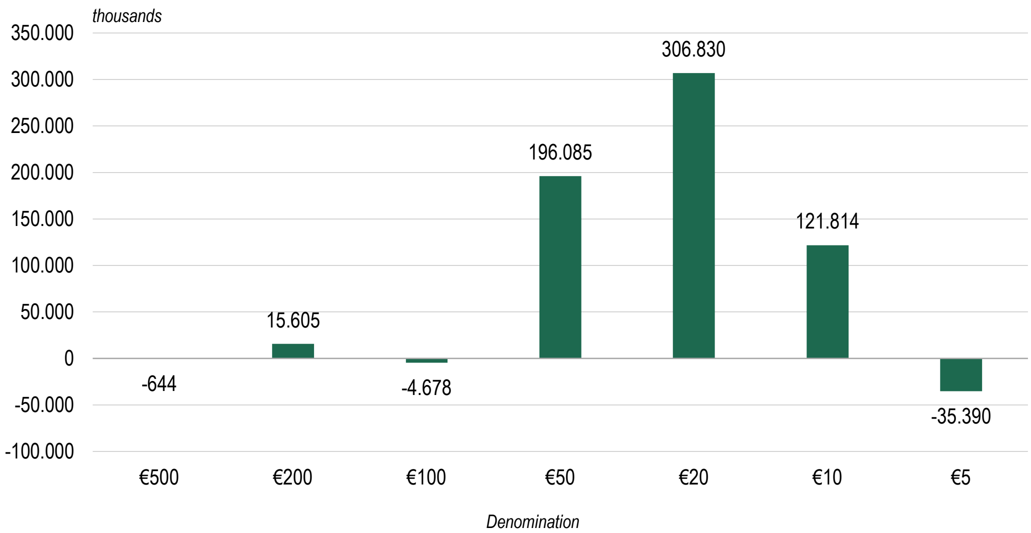
3.6 Banknotes and coins

Supplying fit and authentic cash to the market is one of Banka Slovenije's key tasks. To ensure that it has the right quantities of banknotes and coins at its disposal and that the market is kept smoothly supplied with cash, each year Banka Slovenije is involved in the printing of euro banknotes at Eurosystem level; in 2025 it was 20-euro notes that were printed.[15] In 2025 Banka Slovenije also minted the general circulation 1-cent and 2-cent coins with the Slovenian national sides.[16] In addition to the general circulation coins, Banka Slovenije also issues Slovenian commemorative coins, and its own numismatic products. We inform and educate professional audiences and the general public with regard to fit and authentic euro banknotes and coins.

A net total of EUR 19.5 billion of cash was issued into circulation by Banka Slovenije between the introduction of the euro on 1 January 2007 and 31 December 2025. Banka Slovenije issued a net total of EUR 1.5 billion of cash in 2025, the same as in 2024. The total net cash issuance of EUR 19.5 billion consists of EUR 19.3 billion in banknotes (599.6 million banknotes) and EUR 163.9 million in coins (652.9 million coins). In terms of quantity, the 20-euro note was the most heavily issued (306.8 million banknotes), followed by the 50-euro note (196.1 million banknotes), and the 10-euro note (121.8 million banknotes). Net issuance of the 500-euro, 100-euro and 5-euro notes since the introduction of the euro is negative (the number of banknotes issued by Banka Slovenije is less than the total number of banknotes returned to Banka Slovenije). The coins that were issued most heavily in terms of net quantity were the 1-cent (207.2 million coins) and 2-cent (141.1 million coins), while the lowest net quantity of issued coins was recorded by the 1-euro (17.5 million coins).

A net total of EUR 19.5 billion of cash was issued into circulation by Banka Slovenije between 1 January 2007 and 31 December 2025, of which EUR 1.5 billion was in 2025.

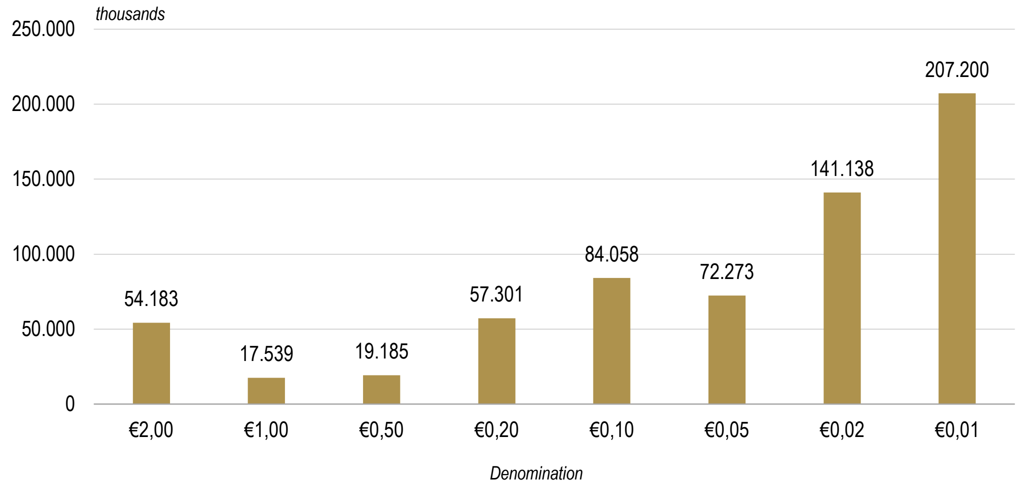
Figure 24: **Net issued banknotes by denomination as at 31 December 2025**



[15] For more, see the ECB website.

[16] For more, see the Banka Slovenije website.

Figure 25: **Net issued coins by denomination as at 31 December 2025**



Source: Banka Slovenije.

The cash processing unit sorted 140.7 million banknotes and coins returned from circulation in 2025, up 1.6% on the previous year. This consisted of 140.3 million banknotes, and 0.4 million coins. A total of 21.2 million euro banknotes were withdrawn from circulation and destroyed in order to maintain the general quality of banknotes in circulation, up 8.2% on the previous year.

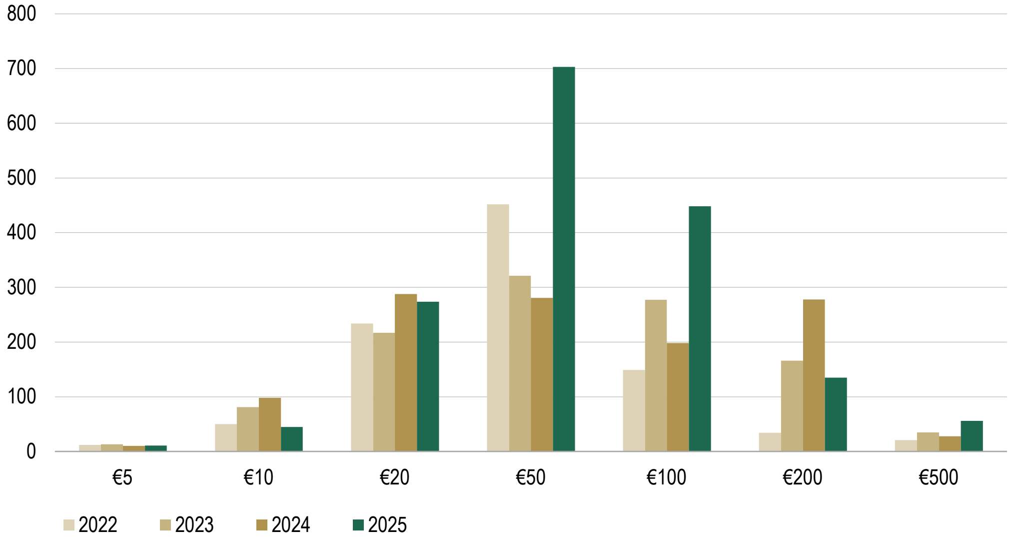
Last year Banka Slovenije made 466 exchanges of tolar banknotes and payment notes, up 1.8% on the previous year. A total of EUR 74.3 thousand worth of tolar banknotes and payment notes were returned from circulation in 2025 (22.4% less than in 2024). The total value of the tolar banknotes and payment notes still in circulation as at 31 December 2025 was EUR 31.4 million. Payment notes and tolar banknotes are exchangeable at Banka Slovenije counters with no time limit, while the exchange of tolar coins ended on 3 January 2017 in accordance with the Introduction of the Euro Act.

The total value of the tolar banknotes and payment notes still in circulation at the end of 2025 was EUR 31.4 million.

The likelihood of receiving counterfeit euro cash remains low. By monitoring the functioning of our cash processing machines and providing training in checking the fitness and authenticity of cash, Banka Slovenije ensures that our machines and employees are able to identify counterfeits, and thus ensures that all counterfeit banknotes and coins are withdrawn from circulation. According to the figures of the National Analysis Centre and the Coin National Analysis Centre, a total of 1,672 counterfeit banknotes were withdrawn from circulation in 2025, up approximately 42% on 2024. The most frequently detected counterfeits were 50-euro, 100-euro and 20-euro notes, which together accounted for over 85% of all counterfeits withdrawn from circulation in Slovenia in 2025. The total value of counterfeit euro cash detected in Slovenia amounted to EUR 140,935 in 2025, up approximately 28% on the previous year. Despite the increase, the number of counterfeits withdrawn from circulation in Slovenia remains low, placing Slovenia in the bottom half of the euro area countries in terms of the number of counterfeits detected.

A total of 4,859 counterfeit euro coins were also withdrawn from circulation in Slovenia in 2025, down approximately 27% on 2024. The most common counterfeit remains the 2-euro coin (approximately 82% of the total number). Given the size of the net issuance of authentic euro banknotes and coins, the share of counterfeits in circulation in Slovenia is very low.

Figure 26: **Breakdown of counterfeit euro banknotes withdrawn from circulation, by denomination**



Source: Banka Slovenije.

Banka Slovenije organises the issueance, distribution and storage of general circulation and occasional coins for the Republic of Slovenia on the basis of the Occasional Coins Act.[17] Banka Slovenije issued a commemorative 2-euro coin into circulation to mark the 100th anniversary of the birth of Miki Muster (1 million coins were minted), and collector coins to mark the European Capital of Culture 2025 Nova Gorica – Gorizia (750 gold, 1,250 silver and 68,250 bimetallic 3-euro coins). For the collector market we also issued a collection of euro coins minted in 2025 in ordinary and proof versions, and a 2-euro commemorative coin and 3-euro collector coin, both proof-quality. The numismatic products can be purchased at the Banka Slovenije counters, and at selected branches of our agent for numismatic products, Deželna banka Slovenije d.d. A list of the numismatic products and selling prices can also be found on the Banka Slovenije website, with those marked in red no longer available.

[17] For more, see the Numismatics section on the Banka Slovenije website.

Photograph 2: **Collector coins marking the European Capital of Culture 2025 Nova Gorica – Gorizia (gold, silver and 3-euro coins)**

Photograph 3: **Commemorative coin marking the 100th anniversary of the birth of Miki Muster**

Box 4: **New ES3 series of euro banknotes**

The preparation of a new series of euro banknotes is proceeding according to the timetable, with the aim of protecting against counterfeiting, increasing environmental sustainability, and raising their profile for the European public.

The Governing Council of the ECB selected two potential themes for the new banknotes in late 2023, namely “European culture”, and “Rivers and birds”, which represent the cultural heritage and natural diversity of the continent.

In 2024 a multidisciplinary advisory group, including experts from various relevant fields, compiled a list of potential motifs that best represent the two selected themes. The motifs for the two themes were selected in January 2025 by a decision issued by the Governing Council, taking account of the feedback from public surveys and from the expert groups, and are presented below.

Table 6: **Motifs for the European culture theme**

Banknote	Front	Reverse
€5 Performing arts	Maria Callas	Street performers (music/dance/theatre) entertaining passersby
€10 Music	Ludwig van Beethoven	A song festival with a choir of children and young adults singing
€20 Universities and schools	Marie Curie (née Skłodowska)	A school or university with a female teacher with young students. There are notebooks and books on the tables
€50 Libraries	Miguel de Cervantes Saavedra	A library with some adults reading paper and digital books. A little boy and girl in front of a bookcase trying to get a book
€100 Museums and exhibitions	Leonardo da Vinci	Adults and children admiring some examples of street art, contemporary art, etc.
€200 Public squares	Bertha von Suttner	A tree-covered square allowing people to come together, with adults and children talking, walking, playing, etc.

Source: ECB

Table 7: **Motifs for the rivers and birds theme**

Banknote	Front	Reverse
€5	Mountain spring Wallcreeper next to a mountain landscape	European Parliament
€10	Waterfall Kingfisher in a waterfall or run pool	European Commission
€20	Confined river valley Bee-eater colony in a sand wall on the side of a large, confined river valley along a riverbank	European Central Bank
€50	Meandering river White stork flying over a meandering river in an unconfined river valley	Court of Justice of the European Union
€100	River mouth Avocet sweeping over the surface of a mud flat	European Council and Council of the European Union
€200	Seascape Northern gannet flying over big ocean waves	European Court of Auditors

Source: ECB

July 2025 saw the launch of a design contest, open to graphic designers residing in the EU. The applicants were assessed on the basis of criteria set out in advance, and those selected are already working on complete sets of designs for the banknote series in each of the selected themes. The proposals will be assessed by an expert jury, with each country having its own representative (Slovenia is represented by Tomato Košir). The jury will choose up to five design proposals for each theme, and these will go forward to face a public survey. Banka Slovenije is involved in all phases of the process of preparing the new series of euro banknotes.

A final decision on the appearance of the banknotes is expected to be made by the Governing Council before the end of 2026. Given the demanding nature of the technical preparations for production, the new banknotes will enter into circulation several years after the Governing Council takes the decision to issue.

Cash thus remains an important public good even in the digital environment, and the new banknotes aim to strengthen the European identity, the availability to all users, and the long-term confidence in the euro as a physical means of payment.

Box 5: **Inclusion of the right to use cash in the Constitution of the Republic of Slovenia**

On the basis of an initiative submitted to the National Assembly in November 2023 by a group of more than 50,000 voters aiming to safeguard cash as a means of payment, the Constitution of the Republic of Slovenia was amended in December 2025. A new Article 74a was added to the third section of the constitution, based on which everyone has the right by law to use cash in banking and other forms of legal transactions. The aforementioned amendment aims to continue ensuring the mandatory acceptance of cash in principle (which is already regulated by EU law), and to continue ensuring proper access to cash via cash points such as ATMs and bank branches.

The voters' proposal was discussed by the constitutional commission, which appointed a special expert group for the purpose of drafting a constitutional law and the corresponding arguments. As part of the expert consultations, the formulation of positions and the drafting of a new article of the constitution, consultations were held with representatives of several institutions, Banka Slovenije among them, and an opinion was obtained from the ECB.

On the basis of the new article of the constitution, the Ministry of Finance is preparing a draft implementing law, which will regulate the area of cash acceptance and access to cash in Slovenia in greater detail. Banka Slovenije is offering the Ministry of Finance technical support in the preparation of this draft implementing law. Similar activities to reinforce the acceptance of cash and to protect access to cash are being undertaken in several other euro area countries and further afield.

3.7 Payment and settlement systems

Payment and settlement systems are financial market infrastructure that facilitates the transfer of cash and securities, and are a fundamental component of the financial system. By ensuring the efficient, uninterrupted and secure processing of a large number and high value of financial transactions (i.e. the exchange and settlement of payments and securities), they make a significant contribution to the smooth functioning of financial markets, and thereby to general economic stability and efficiency.

As the (joint) operator of market infrastructure owned and operated by the Eurosystem, Banka Slovenije provides market participants with settlement in risk-free central bank money. We are also involved in making decisions on the direction of the development of this infrastructure. Through the TARGET-Slovenija payment system, on behalf of participants we manage cash accounts used (primarily) for the settlement of large-value payments in T2, cash accounts for the settlement of securities transactions in TARGET2-Securities (T2S), and cash accounts for the settlement of instant payments in TARGET Instant Payment Settlement (TIPS). Additionally, we offer access to pan-European retail payment systems for Slovenian banks and savings banks, a number of their subsidiaries in the area of the Western Balkans, and one central bank from this region. As the supervisor we ensure the compliance of payment and settlement systems, providers of payment services and electronic money issuance services, and currency exchange operators with the regulatory requirements. We also act as a catalyst for the activities of market participants in the area of payments and market infrastructure for payments and securities.

Besides our ordinary tasks in the area of payment and settlement systems that were carried out in line with plans in 2025, we were also actively involved in the Eurosystem's digital euro project and in the development of Eurosystem solutions for the future settlement of large-value transactions in central bank money using innovative technologies (such as distributed ledger technology - DLT) within the framework of the Pontes and Appia projects.

Box 6: **Pontes and Appia: Eurosystem strategy for a competitive and integrated tokenised financial ecosystem in Europe**

The Eurosystem is actively engaged in introducing new technologies in the area of the settlement of financial transactions, where tokenisation and DLT are at the forefront of our activities. Following the successful exploratory work conducted in 2024, and in response to the strong interest from the financial market participants the Eurosystem decided to continue work in two closely related projects: Pontes, which is a short-term solution, and Appia, which focuses on long-term development.

Under the Pontes project a DLT infrastructure will be put in place to serve as a bridge between licensed DLT platforms on the market, where settlement of the asset leg of transactions in financial instruments will take place, and the TARGET system, where settlement of the cash leg will take place in central bank money. In the first phase of the project, a pilot solution will be deployed in 2026, enabling participants to open a wallet with cash tokens and to execute transactions with connected DLT platforms on the delivery-versus-payment principle. The pilot solution will be upgraded into a final solution in 2028, which will be legally and technically integrated into the TARGET system and will include additional functionalities, including the possibility of settlement 24 hours a day, 365 days a year, and support for multiple currencies.

In the Appia project we will work with market participants and public-sector stakeholders in developing a long-term solution for the settlement of financial transactions in central bank money using DLT, the aim of which is to maintain the role of central bank money as the safest, most-liquid form of asset even when using new technologies, and at the same time to prevent the fragmentation of the capital markets that might arise in the absence of a clear, long-term vision in this field. The activities in 2025 focused mainly on formulating the concept of the long-term solution, coordinating the key requirements and keeping market stakeholders informed about the Eurosystem’s activities.

Management of payment infrastructure

At the end of 2025, Banka Slovenije managed main cash accounts and dedicated cash accounts in the T2 payment system for 16 Slovenian participants. During the year these participants settled a total of 1,164,472 transactions (down 1.5% on 2024) with a total value of EUR 495.64 billion (up 3.2% on 2024). We also managed 24 dedicated cash accounts for settling securities transactions on the T2S platform for 9 Slovenian participants, who settled 72,459 transactions over the course of the year (up 41.5% on 2024) in the total amount of EUR 17.9 billion (up 43.6% on 2024). For the settlement of instant payments in TIPS, we managed one dedicated cash account per each of the 14 Slovenian participants, via which 3,233,407 instant payments (up 66.8% on 2024) in the total amount of EUR 4.56 billion (up 111.8% on 2024) were settled in 2025.

Slovenian participants settled 1,164,472 transactions in the total amount of EUR 495.64 billion in T2, 72,459 transactions in the total amount of EUR 17.9 billion in cash accounts in T2S, and 3,233,407 transactions in the total amount of EUR 4.56 billion in cash accounts in TIPS in 2025.

In the cross-border retail payments segment, we enabled Slovenian banks and savings banks, their branches in the Western Balkans region, and one central bank in this region to exchange SEPA credit transfers with more than 3,500 payment service providers and SEPA direct debits with more than 2,700 payment service providers across Europe.

Last year we were involved in the further development of market infrastructure owned and managed by the Eurosystem, where the activities mostly focused on improving the functioning of the infrastructure and ensuring greater (cyber) resilience and availability.

Supervision of payment and settlement systems and of payment service providers

With the aim of ensuring efficient, continuous and secure operation of payment and settlement systems and payment service providers, Banka Slovenije monitors and analyses their operations and issues supervisory measures. In accordance with Payment Services, Electronic Money Issuance Services and Payment Systems Act (ZPlaSSIED), Banka Slovenije supervises payment systems, credit institutions, payment institutions and electronic money institutions. Under the Act Implementing the Markets in Cryptoassets Regulation (ZIUTK), Banka Slovenije is also responsible for supervising electronic money institutions and credit institutions that issue e-money tokens, and, in conjunction with the Securities Market Agency (SMA), for supervising credit institutions that issue asset-referenced tokens and provide cryptoasset services. We are also responsible for supervising currency exchange operators under the Foreign Exchange Act (ZDP-2). Under the Decree implementing Regulation (EU) No 909/2014 on improving securities settlement in the European Union and on central securities depositories, Banka Slovenije shares supervisory authority with the SMA in supervising a settlement system operator. We granted extension of authorisation to one electronic money institution in accordance with the ZPlaSSIED. In accordance with Commission Delegated Regulation 2018/389/EU, we granted one credit institution an authorisation for exemption from the requirement to provide a fallback mechanism. In relation to payment system operators, we determined in accordance with the ZPlaSSIED that one authorisation to operate a payment system had expired, and completed the process of assigning the status of significant payment system to one payment system. We withdrew an authorisation to provide currency exchange services from one currency exchange operator in accordance with the ZDP-2, and conducted an on-site inspection of one credit institution regarding compliance in the area of payment services and an on-site inspection of a payment system operator in accordance with the ZPlaSSIED in 2025. On-site inspections were also conducted at three currency exchange operators in accordance with the ZDP-2.

Guiding and encouraging the actions of market participants

In 2025 we continued to guide the activities of market participants with the aim of improving competition and accelerating the development of payment and securities markets, in line with Eurosystem policy. In doing so, we act collaboratively, with the aim of finding synergies among market participants. We focus on the objectives that participants in the aforementioned markets are unable to attain alone, or that require the alignment of various interests. Playing the role of catalyst demands a system-wide view of the market, knowledge, reputation and awareness that we are not acting on the market as a competitor to other participants.

Our regular activities include promoting harmonisation with pan-European (and global) practices and standards in the area of payments, securities settlement and financial collateral management, and efforts to raise the level of cyber resilience and business continuity in market infrastructure for payments and securities. In this regard we guided the activities of market participants on the National Payments Council (NPC), the National Group of Stakeholders for Market Infrastructure for Securities and Financial Collateral, and the National Group of Stakeholders for Market Infrastructure for Payments.

The majority of the NPC's activities in 2025 related to the ongoing work under the first three strategic initiatives of the Strategy for the development of the payments market in Slovenia for the period of 2024 to 2028, which address key needs in the contemporary payments market: (1) the user experience, (2) the security of electronic payments, and (3) the possibility of electronic payments at the point of interaction (POI). The NPC monitored the implementation of the Instant Payments Regulation in 2025, focusing in particular on consistent and aligned communications with users. It also embarked on coordinated messaging for consumers about the right to a basic payment account. To this end the NPC created the *Nobody without a payment account* leaflet, which summarises the key information about the right to a basic payment account and the process of opening one in a transparent and understandable way.

The subjects discussed within the framework of the National Group of Stakeholders for Market Infrastructure for Securities and Financial Collateral, and the National Group of Stakeholders for Market Infrastructure for Payments in 2025 mostly related to encouraging the harmonisation of activities in the domestic environment in the area of securities settlement, including the initial activities in connection with shortening the securities settlement cycle, financial collateral management, and the further development of market infrastructures managed by the Eurosystem.

Via the Banka Slovenije's fintech innovation hub contact point we also provide clarifications in connection with regulatory requirements falling under our remit to market entities whose financial services are based on advanced technologies. The majority of the questions received at the hub in 2025 from domestic and foreign innovative businesses related to cryptoasset services and payment services. We are also active at international level in the area of innovations in financial services, where we participate in the European Forum for Innovation Facilitators and in the BIS Innovation Hub. We were also active participants in the European blockchain regulatory sandbox in 2025, the aim of which is to put in place a pan-European framework for regulatory dialogue and to increase legal certainty for innovative solutions in the aforementioned area.

Digital euro

Banka Slovenije was also an active participant in the Eurosystem's digital euro project in 2025. We are involved in the project through the high-level task force, which is steering the digital euro project, and through numerous operational groups addressing the technical, legal, security and other aspects of the digital euro.

We again worked with the key market participants in the domestic environment in 2025, in particular within the framework of the National Participants Group on a Digital Euro (NSGDE), hosted a senior ECB representative at a public event, and briefed market participants about the progress of the digital euro project on various consultative bodies. In July and November we held sessions of the NSGDE, which discussed technical, legal and communications issues, and the progress of the digital euro project. We organised a public event in July entitled *Shifting payment landscape: what a digital euro will bring*, where the main guest was Piero Cipollone, a member of the Executive Board of the ECB and chair of the high-level task force for the digital euro. During his visit he also took part in discussions with CEOs of Slovenian banks and savings banks, and attended a session of the NSGDE, at which representatives of market participants in the Slovenian payments market outlined their positions on the digital euro. Discussions with the Slovenian banking system continued at the technical level within the framework of the digital euro working group at the Bank Association of Slovenia.

We will continue informing the professional audience and the general public about the progress of the digital euro project via regular updates on the Banka Slovenije website. We will also continue our active dialogue and exchange of opinions with Slovenian market participants within the framework of the relevant existing bodies.

Box 7: **Digital euro project**

October 2025 saw the end of the preparation phase of the digital euro project, which laid the groundwork for the potential issuance of a digital euro. The main achievements of this phase were the preparation of a technical rulebook of the payment scheme for digital euro, which will lay out a single set of rules, standards and procedures that supervised entities would have to follow when distributing the digital euro, the selection of the European firms that will develop parts of the final solution for the digital euro, and successful experiments in the area of technology and user research.

Following confirmation by the Governing Council of the ECB, the next phase of the digital euro project began in November, the aim of which is technical readiness for the issuance of a digital euro. The key activities in this phase include a digital euro pilot, working with market participants, and support for the legislative process. The further development of the digital euro will proceed flexibly and in modular fashion, having regard for progress on the legislative proposal (proposal for Regulation on the establishment of the digital euro) in the European Parliament and the Council of the EU.

A key step in the current phase of the project will be the digital euro pilot, which aims to check the readiness of the technical and legal solutions of the digital euro before any decision is made on issuance, to improve the functionalities that the digital euro would bring to end users, and to determine how a digital euro would be issued. Employees and points of sale at central banks of the Eurosystem, and certain payment service providers will be included in the digital euro pilot. The pilot will be carried out in a supervised Eurosystem environment, and will encompass actual payment transactions in four use cases. This will test the working of the digital euro for peer-to-peer payments with or without an internet connection, at physical points of sale, and for online or mobile purchases. The final selection of the payment service providers who will participate in the digital euro pilot is expected to be made by the end of the first half of 2026, while the pilot is scheduled for launch in the second half of 2027, and will last one year.

3.8 Joint management of the ECB's foreign reserves

Banka Slovenije manages part of the ECB's foreign exchange reserves. The value of the foreign exchange reserves transferred to the ECB when Slovenia joined the euro was EUR 200.5 million as at 31 December 2025. The main purpose of the ECB's foreign reserves is to ensure adequate liquidity for possible Eurosystem's interventions on the currency market. They are jointly co-managed by all the central banks of the Eurosystem.

Banka Slovenije jointly co-manages the ECB's foreign reserves.

Banka Slovenije manages the reserves in conjunction with the central bank of Luxembourg. In addition to the foreign exchange reserves transferred to the ECB, Banka Slovenije also holds a portion of its financial assets in foreign currency in case the ECB calls for additional foreign exchange reserves, in accordance with Article 30 of the Protocol on the Statute of the ESCB and the ECB.

3.9 Management of Banka Slovenije's financial assets

Banka Slovenije manages its own portfolio of financial assets, with the aim of strengthening its capital over the medium term, thereby helping to ensure its financial independence in performing its central banking tasks. In addition to pursuing this primary objective, we also strive for socially responsible and sustainable investing. Banka Slovenije's financial assets that are not related to the implementation of Eurosystem monetary policy amounted to EUR 6.5 billion at the end of 2025, up EUR 0.8 billion on 2024.

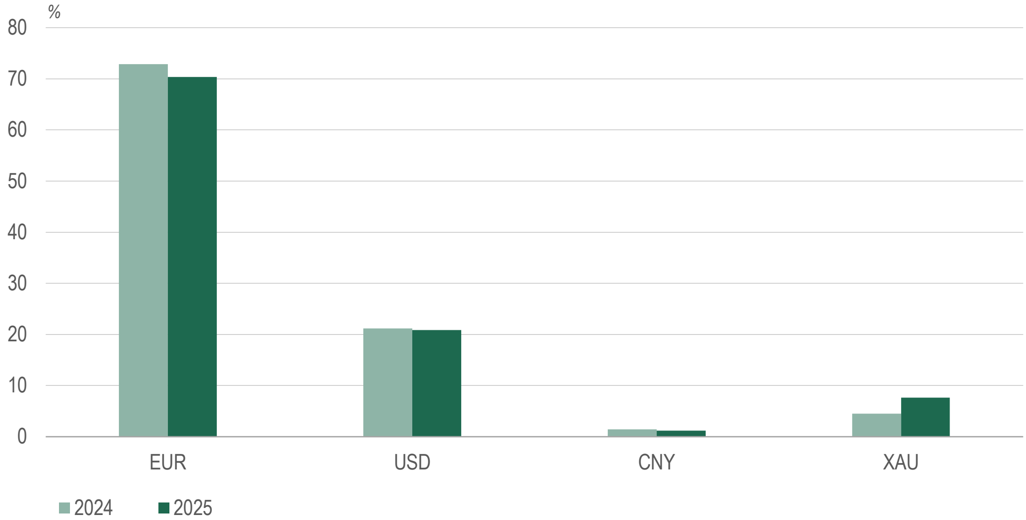
Banka Slovenije's portfolio of financial assets amounted to EUR 6.5 billion at the end of 2025.

The asset breakdown is determined on the basis of the strategic asset allocation, which is updated once a year, having regard for all limits, by optimising the expected return while keeping quantitatively expressed financial risks to an acceptable level. The strategic asset allocation is approved annually by the Governing Board of Banka Slovenije at the proposal of the investment committee. Under the strategic asset allocation, Banka Slovenije's financial assets are spread across several portfolios, which differ either in terms of currency or in terms of investment class. Approximately 45% of Banka Slovenije's portfolio of financial assets is actively managed against a benchmark portfolio. Banka Slovenije's financial assets encompass holdings of sovereign, supranational, agency, regional, covered, and corporate debt (financial and non-financial). In addition, with the aim of diversifying risks and attaining higher medium-term returns we invest a portion of our financial assets in exchange-traded funds (ETFs), which track the movements of a global share index that is diversified in terms of geographical region, currency and sector. Monetary gold also constitutes part of our financial assets.

Investments in debt instruments are generally restricted to those with an internal Banka Slovenije rating of at least A-. Furthermore, investments in different types of debt are additionally limited by maximum allowable aggregate exposure to an individual type of debt, and are limited to a list of eligible issuers. There is also an upper exposure limit per individual issuer or group of connected issuers, which depends on the internal Banka Slovenije rating. Any deviations from the aforementioned limits are approved by the Governing Board of Banka Slovenije, or by the Investment Committee under the Governing Board's guidelines. The Investment Committee also monitors the asset management process on a monthly basis.

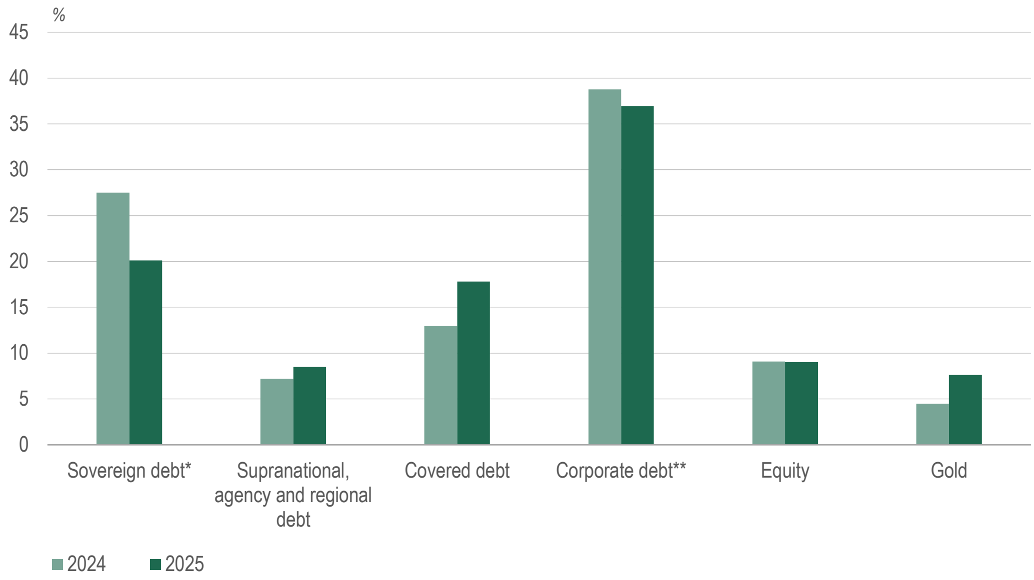
The majority of our financial assets are denominated in euros (EUR 4.6 billion), with the remainder in foreign currencies and gold. The share accounted for by gold increased in 2025 (to 8%), as a result of additional purchases (1.05 tonnes, taking the total to 4.22 tonnes) and the sharp rise in the price of gold. Conversely the share accounted for by investments denominated in euros declined slightly (to 70%), while the share of investments denominated in US dollars remained unchanged (at 21%). In the breakdown of Banka Slovenije's financial assets by investment class, in addition to the increase in the share of gold there was also an increase in the shares of covered debt (to 18%) and supranational, agency and regional debt (to 8% in total). The shares of sovereign debt and corporate debt declined (to 20% and 37% respectively), while the share of equity ETFs remained unchanged (at 9%). There was no significant change in the breakdown of the portfolio in terms of maturity in 2025. The largest component consisted of financial assets in the maturity bucket of more than three years (51%, including holdings in a BIS fund and of equity ETFs, which have no maturity), followed by the buckets of up to one year (26%) and one to three years (23%). The share of assets rated AAA amounted to 28%, those rated AA amounted to 24%, and the remainder were rated below AA (including holdings of equity ETFs, which are unrated).

Figure 27: **Currency breakdown of Banka Slovenije's portfolio of financial assets**



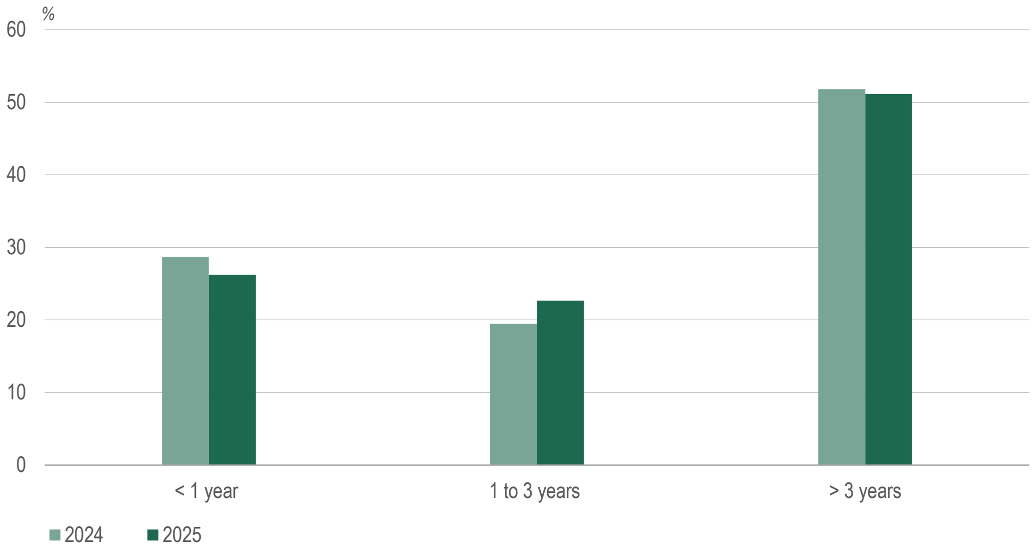
Source: Banka Slovenije.

Figure 28: **Investment class breakdown of Banka Slovenije's portfolio of financial assets**



* Includes account balance.
** Financial and non-financial corporate debt.
Source: Banka Slovenije.

Figure 29: **Maturity breakdown of Banka Slovenije's portfolio of financial assets**



Source: Banka Slovenije.

3.10 Central credit register

The Central Credit Register is the central national database of the debts of individuals and business entities. The register was established in 2016 with the aim of increasing efficiency in the exercise of Banka Slovenije's key powers and tasks, and with the aim of providing data for a system for exchanging information about the indebtedness of individuals (SISBON) and business entities (SISBIZ). The information exchange system allows for improvements to be made to the process of assessing and managing credit risk at lenders. Furthermore it promotes policies and measures for responsible lending and sustainable borrowing by individuals and business entities, thereby preventing overleveraging. A new Central Credit Register Act was adopted at the end of 2025, whose innovations will further strengthen existing processes and policies in the area of monitoring and managing credit risk.

SISBON

At the end of 2025 the SISBON system held data on 1,565,731 individuals and their 3,109,554 different credit operations.

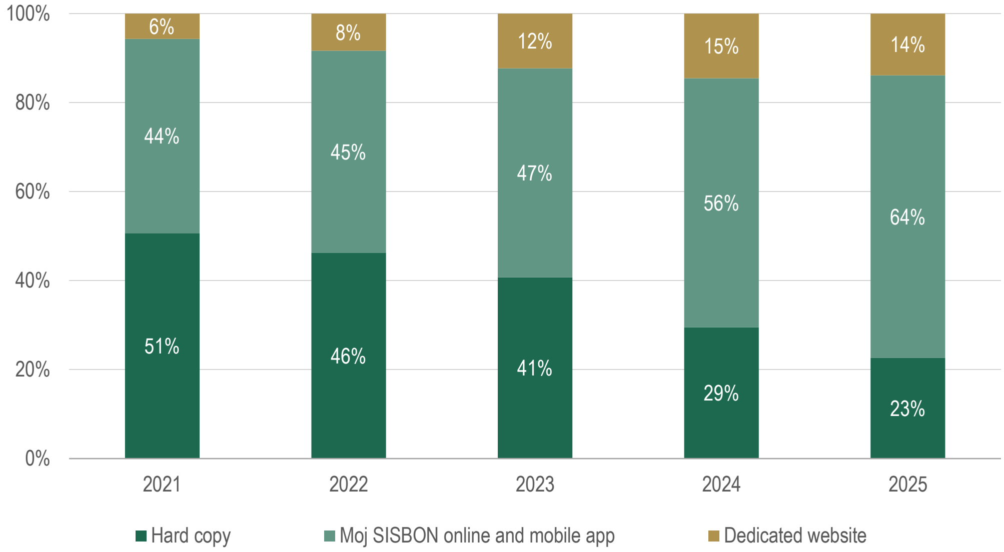
The **database of individual indebtedness, SISBON**, held processed data on the credit operations[18] of 1,565,731 individuals as at 31 December 2025, down 0.07% on a year earlier. There were 58 different creditors at the end of 2025 with access to the data in the SISBON system. Of these, 37 were members (entities referred to in Article 15 of the Central Credit Register Act), who have access to all data in the SISBON system, and 21 were included creditors, who have access to a limited amount of data only, as set out by the third paragraph of Article 19 of the aforementioned law. Data on 3,109,554 credit operations was held in the SISBON system on 31 December 2025, down 0.2% on the previous year. They consisted of 1,122,695 personal account overdrafts (down 1.4% on 2024), 816,963 credit card limits (down 1.9%), 523,889 consumer loans (up 5.6%), 296,894 limits on other payment instruments (down 2.7%), 181,988 housing loans (up 1.5%), and 167,125 finance leases (up 2.2%).

The SISBON system was managed in accordance with the Central Credit Register Act, giving system members and other lenders a system that operated without disruption 24 hours a day, every day of the year. Individuals whose data is included in the system were allowed to exercise their rights, and were offered comprehensive technical and substantive support. We actively encouraged the use of various digital options for viewing data, which helped to further raise the share of digital transcripts compared with hard copy. The use of identification via the SI-PASS service and the new chipped personal ID card, which have been available since 2024, remains very widespread among individual users, and contributes to increased security and simplicity of access. A total of 19,605 data transcripts were sent to individuals in 2025, of which 15,169 were digital and 4,436 were hard copy. The share of digital transcripts is continuing to rise, and was up 7 percentage points on 2024, which is confirmation of the success of the digitalisation of procedures and the adaptation to the needs of users. We also gave individuals 2,085 clarifications regarding queries in connection with the SISBON system by phone or by email.

[18] Data on individual credit operations is processed in the SISBON system, is visible for four years after the credit operation has been completed, and then becomes inactive.

The continual investment in improving the user experience and the security of the system should also be highlighted, as should the regular information provided to users about the importance of personal data security and responsible use of the system.

Figure 30: **Breakdown of data viewings in SISBON by method and year**



Source: Banka Slovenije.

In the SISBON system we focused in particular on monitoring the members and included creditors, particularly with regard to the conditions of membership and for access to data, system security, and the accuracy of data reporting. To verify compliance with the regulations governing the information exchange system, we conducted 21 audits of SISBON members, which identified 52 instances of non-compliance. The identified non-compliances were rectified by the members by the deadlines set with regard to the nature of each instance of non-compliance. The number of complaints by individuals, and in particular the share of substantiated complaints, is an important indicator of compliance in the correct reporting of data. A total of 2,353 complaints covering 37 members were submitted in 2025 in connection with the accuracy of the data in the SISBON system, up 28% on the previous year. The level of complaints is nevertheless relatively low: it was equivalent to 0.15% of all individuals whose data is managed in the system. It is encouraging that the share of substantiated complaints fell: 28% of all complaints were substantiated in 2025, down 9 percentage points on the previous year. The most common reasons for complaints relate to requests for the early deletion of adverse events from the SISBON system, and the incorrect handling of completion of enforcement and of transactions in connection with personal bankruptcy proceedings.

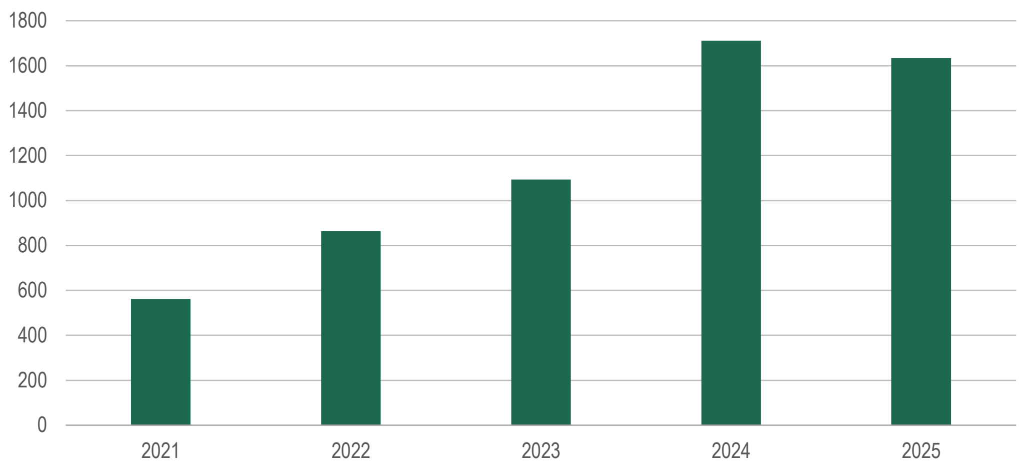
SISBIZ

The SISBIZ system held data on 293,680 credit operations for 137,179 business entities at the end of 2025.

The **database of business entities' indebtedness, SISBIZ**, held processed data on the credit operations[19] of 137,179 business entities as at 31 December 2025, down 0.7% on a year earlier. Sole traders and other self-employed individuals accounted for 53% of the total, capital and personal corporations for 41%, and other forms of business entity (societies, institutes, chambers, interest associations, etc.) for the remaining 6%. The share accounted for by sole traders and other self-employed individuals was unchanged from 2024, while the share accounted for by capital and personal corporations rose by 1 percentage point. The share accounted for by other forms of business entity declined by 1 percentage point. A total of 35 creditors with the status of system member (entities referred to in Article 15 of the Central Credit Register Act) were able to access data in the SISBIZ system in 2023. As of 31 December 2025 the SISBIZ system held data on 293,680 active credit operations, of which 108,687 were loans (up 6% on 2024), 39,405 were loans and receivables under payment cards and credit cards (up 7%), 69,276 were finance leases (up 3%), 20,287 were sureties (down 1% on 2024), 32,931 were factoring operations (up 21%) and 23,094 were financial guarantees and other contingent liabilities (up 6%).

We managed the SISBIZ system with a high level of reliability and effectiveness in 2025. The system was available uninterrupted, 24 hours a day, every day of the year, to system members and to business entities whose data is held in the system. Business entities were able to smoothly exercise their legal rights in connection with their own data, and were provided with comprehensive technical and substantive support. Business entities viewed their own data in digital form via the Moj SISBIZ online app 1,634 times in 2025. We also gave business entities 1,482 clarifications regarding queries in connection with the SISBIZ system by phone or by email.

Figure 31: **Number of business entities' enquiries into their own data**



Source: Banka Slovenije.

One of our primary tasks in 2025 was ensuring that SISBIZ members comply with the requirements of the Central Credit Register Act. We conducted 13 audits of SISBIZ members to this end, to verify compliance with the conditions of membership and for access to data in the system, system security and the accuracy of data reporting. The audits identified 27 cases of non-compliance, the majority of which related to inaccuracies in data reporting. The identified deficiencies were rectified by members by the deadlines set with regard to the nature of the particular case. The number of complaints by business entities remains a significant indicator of members' compliance

[19] Data on individual credit operations is processed in the SISBIZ system, is visible for four years after the credit operation has been completed, and then becomes inactive.

with regard to data reporting. Business entities submitted a total of 76 complaints in 2025, down 20% on 2024, which covered just 0.06% of all business entities whose data is held in the system. The share of substantiated complaints was up slightly on the previous year: it stood at 49%, 1 percentage point more than in 2024. The main reasons for the complaints were unchanged from previous years: the majority relate to reporting of the past-due liabilities and the credit rating of the business entity.

Through our responsible and professional management of the central credit register and the SISBON and SISBIZ information exchange systems, we made a significant contribution to the stability and transparency of the financial system in 2025. We systematically ensured that the systems were functioning reliably, securely and without disruption, which allowed users (individuals and business entities alike) to access their data simply and transparently, and to efficiently exercise their rights under law. By continually improving processes and acting quickly to rectify irregularities, we strengthened confidence in the system and ensured a high level of compliance with legislative requirements. For the future we remain committed to further developing and upgrading the systems, strengthening security and transparency, and ensuring a high service level for all users. In this way we will continue contributing to the resilience of and confidence in the Slovenian financial system.

3.11 Payment services for Banka Slovenije customers

Banka Slovenije is a payment service provider, and manages accounts for customers, of whom the largest group are budget spending units. Banka Slovenije administers the government's single treasury account and the single municipal treasury accounts for certain municipalities. The accounts of direct and indirect spending units of the state budget and municipal budgets, which include, among others, the Health Insurance Institute and the Pension and Disability Insurance Institute, are opened as sub-accounts of the single government or municipal treasury accounts. The sub-accounts are administered by the Public Payments Administration of the Republic of Slovenia.

Banka Slovenije additionally manages purpose-specific current accounts for the Ministry of Finance, and provides payment bank services on its behalf. It holds a cash account in TARGET2 Securities to provide the services for the Ministry of Finance. The KDD holds a transaction account with Banka Slovenije for its own resources, and foreign financial institutions, and well as EU institutions are also among our customers.

The number of Banka Slovenije customers fell to 126 in 2025; they held 132 accounts. Six municipalities closed their single municipal treasury accounts, and transferred their payment transactions together with their budget spending units to new sub-accounts opened within the framework of the government's single treasury account.

Banka Slovenije enables its customers to execute (instant) credit transfers and direct debits.

We executed 56.56 million payments in 2025, up 1.08 million or 1.95% on 2024. To make these payments, we participate in several payment and other systems, and have in place a network of correspondent accounts abroad. We thereby ensure that our customers are able to smoothly make payments to their counterparties and receive payments from them. The payment services are provided with a high degree of automation: merely 0.04% of all transactions were processed manually.

We continued developing instant payments in 2025 in the role of payment service provider. Consequently 15.7 million of our domestic SEPA credit transfers, almost 62% of the total, were executed as instant payments. The Slovenian banking sector has committed to migrating all domestic SEPA credit transfers to instant payments by no later than February 2027. Most of the provisions of the Instant Payments Regulation took effect on 9 October 2025. The aim of the regulation is to increase the accessibility, effectiveness and security of instant payments. With the aim of ensuring that budget spending units can enjoy the same benefits of the regulation as offered to all other payment service users in Europe, we implemented its requirements by the date of regulation's application. In 2025, we are thus started offering two new services to budget spending units: instant payments services and payee verification services. We offered payee verification services for all SEPA credit transfers, not solely for instant payments. To provide these services, we joined a Verification of Payee (VOP) scheme.

At Banka Slovenije we regularly update and upgrade our IT software and review and update operating procedures, to ensure the safe and efficient execution of payment services for our customers. Our software support has been adapted to the new standards in the area of SEPA payments, and has been upgraded to allow for the execution of cross-border SEPA payments via TIPS. In addition, we made certain adjustments to the software used in exchanging correspondent banking messages, as well as further automated payment services provision.

3.12 Statistics

In 2025 Banka Slovenije successfully carried out all regular tasks in connection with monetary and financial statistics, external statistics, national financial accounts statistics, supervisory data and other statistics, including publications and the comprehensive provision of statistics to users in the form of data series on the website. We were also successful in expanding the set of data and information for our users.

Financial institutions and markets

Items of the **balance sheet of monetary financial institutions (BSI statistics)** were submitted to the ECB on monthly and quarterly bases in 2025 in accordance with Regulation (EU) 2021/379. This included the collection, processing and quality assessment of data from banks and money-market funds, and its submission to the ECB. We also carried out additional reporting of individual balance sheet items to improve the availability of data related to the basis for calculating reserve requirements, including retrospective data from 2022 onwards.

We reported regularly on **interest rates, new operations and the stock of borrowing (MIR statistics)** to the ECB on the basis of Regulation (EU) 1072/2013. In addition to the aggregated data on the balance sheet and interest rates, in 2025 we also reported regularly on individual (itemised by individual bank) BSI and MIR data in accordance with the ECB's requirements.

We collected and processed **detailed data on credit and credit risk** in accordance with Regulation ECB/2016/13 (AnaCredit) that credit institutions have approved for legal persons and whose exposure from credit operations exceeds EUR 25,000 per observed agent. Data quality for Slovenian reporting entities remained at a high level.

Banka Slovenije issued an updated Regulation on reporting by investment funds (Official Gazette of the Republic of Slovenia, No. 26/25) in 2025, and also required managers of alternative investment funds to report alongside investment fund management companies. The updated Regulation (EU) 2024/1988 on **statistics on investment funds** sets out the reporting of data on assets, liabilities, income received, dividends paid, and fees paid by the shareholders to the investment fund (IF statistics). Alongside the regular reporting of data by the SMA for asset management companies, 2025 saw intensive preparations for a change in reporting and the creation of an online app for direct reporting to Banka Slovenije by managers of alternative investment funds. The first reporting in accordance with the updated regulation captures data as at 31 December 2025.

We undertook quarterly and annual statistical reporting of data on **pension funds** under Regulation (EU) 2018/231 in 2025. The data is obtained from the SMA and the Insurance Supervision Agency (ISA), to avoid any additional reporting burdens. Data on the stock of assets and liabilities of pension funds was published on the Banka Slovenije website in the form of time series for the first time in 2025.

Alongside the regular submission of quarterly and annual data from **insurance corporations** according to ECB regulations, we gradually introduced the new ECB requirements in 2025.

Last year we again regularly reported data to the **register of institutions and affiliates data** (RIAD) under Guidelines (EU) 2018/876 and 2019/1335. The same applies to data for supervisory purposes and data intended for the EBA in the EUCLID system in accordance with Guideline (EU) 2020/497. Intensive preparations also continued for the use of reference data of business entities collected in the RIAD, for the purposes of the integrated reporting framework (IReF). One of the key activities was the preparation of the relevant legal basis at euro area level, which will allow the sharing of basic reference data with banks. In early 2025 we successfully uploaded sectoral data of all Slovenian business entities in the register according to the 2025 classification. Following the adoption of Regulation (EU) 2024/1988, in the second half of 2025 we prepared for the adoption and reporting of new reference data on investment funds, which will be reported for the first time in early 2026.

In the area of **payments statistics (SPI)** we devoted much activity to data quality. Reporting of payments statistics to the ECB was undertaken regularly, as was the release of data series in the area of payments statistics on the website. The existing time series were augmented with additional tables in the area of payments in electronic money and information about terminals provided directly in Slovenia by non-residents. In addition we drew up a new report for the EBA, reporting data on fees paid for credit payments and instant credit payments, and payment accounts, and on the share of transactions rejected on the grounds of targeted financial restrictive measures (SEPA_IPR), which in substantive terms overlaps with payments statistics. This reporting will begin in April 2026.

The investigation phase of the project **integrated reporting framework (IReF)** is continuing at the level of the ESCB, and will collect the Eurosystem's statistical requirements for banks into a single framework. It will apply to the entire euro area, and will be voluntary in other EU Member States. The main purpose of harmonising reporting is to reduce the reporting burden of banks and to improve data quality. Harmonisation of the requirements for statistical reporting will later be augmented with data requirements for the purposes of banking supervision and bank resolution. This development is proceeding under the aegis of the joint bank reporting committee (JBRC), amid collaboration with the EBA. The project activities in 2025 related to the drafting of the IReF regulation, and the determination of the business and IT aspects of the reporting framework and a detailed launch plan. On the working bodies of the ESCB Banka Slovenije endeavours to ensure that the major time series are unbroken, while optimising the reporting requirements. In Slovenia the majority of coordinating activity with banks is undertaken via the mixed working group for reporting under the aegis of the BAS.

External statistics

In June 2025 we made a revision to the **balance of payments and the international investment position for 2020 to 2024**, which resulted in larger surpluses in the current account, capital account and financial account (EUR 69 million, EUR 181 million and EUR 843 million respectively). The statistical error for this period was reduced by EUR 0.6 billion in total (from negative EUR 2.1 billion to negative EUR 1.5 billion), while the net international investment position improved by EUR 1.2 billion (from EUR 5.5 billion to EUR 6.7 billion at the end of 2024). The largest change was caused by reconciliation of households' holdings in the rest of the world with the financial accounts statistics for 2020 to 2023, which entailed an increase of just under EUR 1 billion in households' holdings vis-à-vis the rest of the world, which were distributed across various instruments.

The **Direct Investment 2024** publication was released in October 2025. It discloses data on inward and outward foreign direct investment by country and by sector, and data on the origin of foreign direct investment in Slovenia.

As part of the **development of data sources**, under an agreement with the FARS we obtained data in the area of VAT, which we began to use as an additional source in the capture of services trade. A new **Standard Classification of Economic Activities (SKD 2025)** was introduced in 2025, replacing the SKD 2008. Data sources needed to be properly updated to be able to restate complete data on direct investment under the new classification.

We drafted a **methodological note** of differences between **merchandise trade** as disclosed by the SORS, and merchandise trade in the balance of payments statistics according to Banka Slovenije's calculations. This issue was addressed in the online publication of the September 2025 issue of the Review of macroeconomic developments. In October 2025 we took part in Statistics Day, where these issues were presented to the public.

In conjunction with the SORS we met the new requirements for business statistics deriving from Regulation (EU) 2019/2152 on European business statistics (EBS). The requirements relate to the area of international services trade, which includes additional itemisation by corporate size class, affiliation, and mode of supply (STEC and MOS data). Close cooperation between the two institutions is key in both areas. We prepared the STEC data and some of the MOS data, which the SORS augmented with its own data, and conducted procedures to ensure confidentiality. The prepared and protected data was reported to Eurostat by the SORS. The collaboration between the two institutions also yielded a description of the methodology for STEC and MOS. August 2025 brought the release of International services trade by enterprise characteristics in 2024, while at the end of the year the SORS released the MOS data in the Structure of service imports and exports by mode of supply 2023 to 2024, together with the methodological notes, which we also collaborated on.

Within the framework of the Eurosystem 2025 saw us take part in the **initiative to reduce bilateral asymmetries** in the area of performance indicators of firms in the rest of the world under Slovenian control. In so doing we obtained data from Croatia's government statistics office on firms in Croatia owned by nationals of Slovenia in 2022, and in September 2025 included them in the dataset published under *Firms in the rest of the world controlled by Slovenian investors 2024* and the corresponding time series.

Financial accounts statistics

Last year Banka Slovenije drew up high-quality annual and quarterly financial accounts data in timely fashion, and submitted it to the ECB and Eurostat. We also conducted the **annual revision**, which did not have a major impact on the data. On the website we **published** annual and quarterly financial accounts data, and the quarterly Financial Accounts of Slovenia.

One of the focuses on the Eurostat working groups was an **update of the statistics standards**. Based on feedback from data users and compilers, a proposal for a new reporting programme for the annual financial accounts was drawn up. Meanwhile, given the need to harmonise with the updated statistics standards, the ECB working group for quarterly financial accounts undertook preparation of a new medium-term strategy for the quarterly financial accounts, which includes an update to the reporting requirements and the legal basis. Activities in this area will be continued in 2026.

In the financial accounts for the government sector we continued monitoring the spending of funding from the **Recovery and Resilience Mechanism**, while particular attention was also given to **defence spending**. An **update of the existing methodological basis** of the European system of national and regional accounts was at the forefront for the working group for government accounts under the aegis of Eurostat. We continued collaborating with the SORS and the Ministry of Finance on resolving methodological issues, and ensuring consistency between the financial and non-financial accounts for the government sector.

As part of the European Commission's programme of **technical assistance** for central banks of the western Balkans region, we hosted a representative of the central bank of Montenegro. We briefed him in detail on all phases of the preparation of financial accounts statistics, including the collection of data inputs, compilation, reporting, and publication of the final data.

Supervisory reporting and statistics

Within the framework of the supervisory reporting requirements **changes were made in 2025 in the EBA reporting package in connection with the CRR3 and the CRD6**, in relation to the output floor, credit risk and operational risk, and leverage. New reporting for comparative analysis of practice in connection with diversity was introduced. An update to the ITS reporting package brought an upgrade to the EBA DPM (4.0), which also introduced modified data architecture (v2.0) for the modified modules. Given the major changes, additional technical controls were built in and thematic inspections of data quality were conducted.

For future reporting at EBA level **we coordinated the additional updates of reporting requirements in connection with the CRR3 and CRD6, and the anticipated entry into force of IFRS 18, including with regard to the needs of supervision.** In the second half of the year our work focused on intensive coordination regarding the possibility of changes to the supervisory reporting requirements from the perspective of **simplification and reduction of costs for reporting entities**. More attention was also devoted to a review of national reporting requirements and the possibility of their abolition.

In the area of the simplification of the reporting framework in the part relating to regulatory reporting requirements, the ECB works constructively with the EBA. The ECB embarked on the optimisation of its own requirements at the same time. The two institutions are also working to **align the reporting requirements and disclosure requirements**. In addition to using the reported data for multiple purposes, they aim to increase transparency in the area of reporting by publishing the reporting requirements, and to put in place an assessment of the retention of individual reports by regularly reviewing reports.

For the purposes of performing the tasks imposed on the EBA by the **Digital Operational Resilience Act (DORA)**, **reporting on major incidents was put in place** in 2025. Under the DORA institutions are required to put procedures in place to manage incidents in connection with ICT, including procedures for the assessment and classification of incidents and for reporting major incidents to Banka Slovenije. The option of providing information about significant cyber threats was also put in place as part of the reporting on major incidents.

In addition to putting the reporting on major incidents in place, **collation of registers of third-party ICT service providers** was also put in place at EU level. There is a broad set of reporting entities, which also includes all credit institutions. Reporting entities are required to submit an updated list each year for the assessment of key third-party service providers. Major incidents in the area of cyber risk can also have cross-border effects, for which reason an internal single portal was put in place to collect information about all major incidents occurring in the European financial environment, which includes insurance and securities trading alongside banking. Similarly many third-party ICT service providers pursue their activities internationally, for which reason a common space for collating registers is being put in place for the assessment of the significance and criticality of individual providers.

Other statistics and technical support

At the ESCB level we collaborated in **developing data and indicators for analysing the risks posed by climate change**. Updated statistical indicators for assessing the impact of climate change on the financial sector were published at the end of 2025, including advanced methodologies and new datasets to allow for more accurate monitoring of the impact of climate risks and efforts to decarbonise.

In conjunction with SID banka we conducted a **survey on access to finance of enterprises**, including **questions on firms' investment activity**. The results of the Banka Slovenije survey improved insight into the availability of external financing for firms. They were presented at a conference organised by Banka Slovenije and the EIB.

For internal data users we imported and maintained numerous **databases** and made regular improvements to data descriptions. We successfully made the changeover to the new Standard Classification of Economic Activities (SKD 2025), which required adjustments to the register of business entities and coordination with internal users. At the end of the year we made preparations for the introduction of the new European classification of individual consumption uses (ECOICOP V2), which will enter into force in 2026, and set up new classification lists and methodological bases in conjunction with the SORS. We worked together to upgrade the Banka Slovenije website and statistics pages, where displays in the form of cards and tables were enabled. We also prepared for the transition to a new variant of the time series, with an updated user interface, new output formats and data access, and reliable functioning.

In the early part of the year we worked with the ECB to complete the validation of the **household finance and consumption survey** (HFCS) for the period of 2023/24, making Slovenia one of the first six countries in the euro area to do so. Last year also saw the adoption of the guidelines for this survey, which commits countries to the collection of data and reporting as early as 2026.

Banka Slovenije again coordinated the fulfilment of the ***Statistical Data Dissemination Standard Plus (SDDS Plus)*** in 2025 as the highest level of the provision and disclosure of (macroeconomic) statistical data. The requirements were met successfully in conjunction with the SORS and the Ministry of Finance.

3.13 Banka Slovenije as the lender of last resort

One of our key objectives under the Bank of Slovenia Act is ensuring financial stability. Within this framework we may act as a lender of last resort, i.e. in exchange for collateral we lend to a solvent bank or savings bank in liquidity difficulties.

There was no demand for loans of this type in 2025.

4 Sustainability and environmental activity at Banka Slovenije

Our sustainability action in 2025 was based on the climate plan adopted in 2024 and based on five pillars:

- resilience of the banking system,
- macroeconomic analysis and monetary policy,
- statistical data and indicators,
- asset management,
- own carbon footprint.

Implementation of the climate plan was successful in 2025, with all the planned activities realised.

As part of the activity to ensure the **resilience of the banking system**, we participated in an inspection of the management of climate and environmental risks at one of Slovenia's systemically important banks conducted by a joint supervisory team. Addressing these risks is one of Banka Slovenije's supervisory priorities, and so we have incorporated them into the regular SREP, where the risk profile of each bank is assessed under our supervision. We remain strongly involved in international working groups (particularly under the aegis of the ECB, the European Commission and the Network of Central Banks and Supervisors for Greening the Financial System [NGFS]) engaged in developing analytical tools and strengthening internal capacity to monitor the aforementioned risks.

In the area of **macroeconomic analysis** we continued upgrading the model infrastructure for assessing the effects of climate change and released new publications on this subject. In **monetary policy** we are continuing updating the Eurosystem collateral and credit operations frameworks by incorporating climate aspects and sustainability. In so doing we are taking into account the Paris Agreement and the EU targets on climate neutrality, and are providing information about this on the Banka Slovenije website.

Development of **statistical data and indicators** is continually underway. We have updated and expanded the description and analysis of indicators for the euro area and Slovenia, which are also published on our website. In the most recent survey on access to finance we added questions in connection with the financing of the green transition at firms. These results are also available on the website.

Banka Slovenije manages its **portfolio of financial assets** to strengthen its capital while reducing the carbon footprint of the portfolio. In 2025 we again conducted climate stress tests, and published a report on socially responsible and sustainable investing, where we applied an upgraded reporting framework for socially responsible investment that we helped develop within Eurosystem working groups.

To reduce our **carbon footprint**, we take organisational and technical measures, following up regularly on those measures and introducing new ones. We made improvements to cooling at our business premises, and fully modernised the fleet of company cars. New measures to reduce emissions in 2026 and onwards have already been prepared.

4.1 Monetary policy in light of climate change

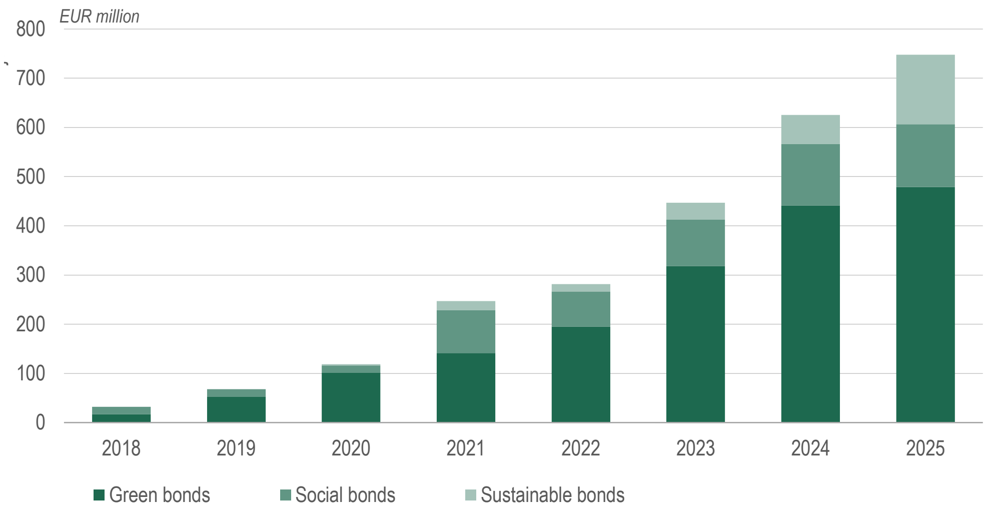
In the implementation of monetary policy we continued our efforts to monitor climate risks. As part of the Eurosystem we published the third annual report on financial disclosures in connection with climate risks for the monetary policy portfolios and ECB's foreign exchange reserves. According to the report, carbon emissions in connection with these assets are continuing to decrease. In addition, the Governing Council of the ECB has set intermediate targets for monitoring the decarbonisation of the corporate securities portfolio. In connection with the pool of eligible collateral for Eurosystem operations, we continued our efforts to incorporate climate risks into credit ratings. In this connection we introduced common standards for the in-house credit assessment systems of national central banks, and are also continuing our regular conversations with external credit assessment institutions on this subject. In July 2025 the Governing Council took the decision to i) introduce a so called climate factor, which will begin to apply to the collateral framework in June 2026, and ii) defer the requirement for compliance with the EU directive on sustainability reporting as a criterion for the eligibility of collateral. The deferral of the requirement is related to the package for the simplification of these requirements proposed by the European Commission.

4.2 Socially responsible and sustainable investing

Last year saw us continue the pursuit of our long-term climate target. In line with the EU's climate neutrality strategy, which supports the Paris Agreement, within the framework of our long-term climate target we are continuing to strive to get as close as possible to net zero emissions in our own portfolio of financial assets. We are pursuing two medium-term targets to meet this commitment.

Within the framework of our first medium-term target we have further increased our holdings of green, social and sustainable bonds. Holdings of these bonds increased by EUR 122 million in 2025 to EUR 748 million, thus enabling us to meet our first medium-term target (holdings of at least EUR 600 million by the end of 2025). By increasing holdings of these bonds, we are continuing to ensure the financing of projects that contribute to the decarbonisation of the economy and a general improvement in the socioeconomic position of the public.

Figure 32: **Holdings of green, social and sustainable bonds**



Source: Banka Slovenije.

In line with our second medium-term target, we continued to reduce the carbon footprint of our investments in private-sector issuers. We reduced the carbon footprint of our non-financial corporate bonds portfolio by further applying the criteria for excluding firms from the list of eligible issuers, taking the maximum possible account of the recommendations of the EU benchmarks aligned with the Paris Agreement. In 2025 we further reduced the carbon footprint of our equity holdings by continuing the switch to low-carbon ETFs. Through the ongoing application of these strategies, last year we further reduced the weighted average carbon intensity of our portfolios of non-financial corporate bonds and shares, by approximately 50% and 74% respectively. This means that the weighted average carbon intensity of our portfolios of non-financial corporate bonds and shares is approximately 81% and 84% lower respectively than the comparable reference indices.

We will continue realising the existing strategy of socially responsible investing in the future. We will meet the long-term climate target by continuing to (i) invest in green, social and sustainable bonds (target by the end of 2030: holdings of at least EUR 800 million), and (ii) reduce the carbon footprint of our holdings of private-sector issuers.

Detailed climate-related information on our entire portfolio of financial assets is published as part of our annual report on socially responsible and sustainable investing. By publishing this report we aim to provide transparency regarding climate risks and opportunities within the framework of our own portfolio of financial assets. The framework for disclosure of climate information is upgraded each year in close cooperation with other members of the Eurosystem and taking into account the recommendations of various initiatives such as the Partnership for Carbon Accounting Financials (PCAF) and the Network for Greening the Financial System (NGFS).

4.3 Legislative arrangements for climate risks and other ESG risks

After several years of intense development of sustainability (ESG) legislation, we are entering a period of revision. While the requirements of the original legislation are still gradually entering into force, 2025 saw the beginning of a process of simplification and downsizing with the aim of reducing the burden on the economy and increasing competitiveness.

The most important for the banking system are the changes to the CSRD,[20] which sets out the requirements with regard to sustainability reporting by certain larger companies. April 2025 saw the publication of Directive (EU) 2025/794,[21] which first delayed the gradual implementation of the requirements of the CSRD for new reporting entities for two years,[22] before an agreement on a substantive overhaul of the CSRD (Omnibus I) was reached in December 2025.[23] The latter significantly reduces the number of reporting entities for sustainability reporting (the size threshold is raised to 1,000 employees and annual turnover of EUR 450 million, from former 250 employees and annual turnover of EUR 50 million), and together with the revision of the ESRS[24] is driving a substantive simplification and downsizing of the disclosure requirements. The aforementioned changes are reducing the reporting burden, including for banks, but are also reducing the availability and quality of the data necessary for managing ESG risks at banks.

At the same time as the CSRD, the CSDDD[25] is being amended, also in the direction of significantly reducing the number of reporting entities and discernibly easing the substantive requirements[26], as well as the requirements related to the Taxonomy Regulation,[27] where secondary legislation[28] is being used to simplify the disclosures regarding compliance with taxonomy and certain criteria for assessing this compliance.

The requirements of banking legislation in the area of ESG risks, which form the basis for Banka Slovenije's supervisory activities, are still being gradually introduced. The CRR3, which entered into force at the beginning of 2025, did bring new requirements with regard to bank disclosures and reporting in connection with ESG risks, but delays in publishing the technical standards have caused its enforcement to be postponed to 2026 and 2027.

[20] Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, as regards corporate sustainability reporting.

[21] The Stop-the-Clock Directive: Directive (EU) 2025/794 of the European Parliament and of the Council of 14 April 2025 amending Directives (EU) 2022/2464 and (EU) 2024/1760 as regards the dates from which Member States are to apply certain corporate sustainability reporting and due diligence requirements.

[22] The first of the three groups of reporting entities is already publishing disclosures in accordance with the requirements of the CSRD (for 2024 for the first time). These are large companies that previously had been obliged to publish a non-financial statement as prescribed by Directive 2014/95/EU or the NFRD (listed large undertakings, and banks and insurance companies with more than 500 employees).

[23] Directive (EU) 2026/470 of the European Parliament and of the Council of 24 February 2026 amending Directives 2006/43/EC, 2013/34/EU, (EU) 2022/2464 and (EU) 2024/1760 as regards certain corporate sustainability reporting requirements and certain corporate sustainability due diligence requirements.

[24] The ESRS are a set of standards that set out in detail the approach to and content of sustainability disclosures. A brief addition to the ESRS for reporting entities under the CSRD to cover the most urgent changes (June 2025) was followed by a thorough substantive overhaul, which at the time of writing this report was in its final phase.

[25] Directive (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 on corporate sustainability due diligence and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859.

[26] The size threshold for determining reporting entities is increasing to 5,000 employees and turnover of EUR 1.5 billion (previously 1,000 employees and turnover of EUR 450 million). Alongside the easing of requirements for business partners in the chain of activities, other notable examples of substantive easing were the abolition of the requirement to draw up a transition plan, a reduction in criminal and civil liability for potential perpetrators, and a smaller role for stakeholders and civil society in due diligence processes.

[27] Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

[28] Commission Delegated Regulation (EU) 2026/73 of 4 July 2025 amending Delegated Regulation (EU) 2021/2178 as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities and Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486 as regards simplification of certain technical screening criteria for determining whether economic activities cause no significant harm to environmental objectives.

The requirements of the ZBan-4,[29] which transposes the CRD requirements into Slovenian law, entered into force in 2026, and refer in part to the inclusion of ESG elements in strategies and policies and in other important governance processes and systems at banks, applying the principle of proportionality.

Banka Slovenije played an active part in drafting the aforementioned EU and national legislation. As part of EBA working groups we also helped to draft secondary legislation and guidelines for its implementation. New EBA guidelines on the management of ESG risks[30] and EBA guidelines on environmental scenario analysis[31] were published in connection with ESG risks in 2025. The remainder of the year is expected to see publication of the technical standards for disclosures and reporting of ESG risks, and updates to certain existing guidelines with ESG content.

[29] Banking Act (Official Gazette of the Republic of Slovenia, No. 15/26 of 25 February 2026).

[30] Guidelines on the management of environmental, social and governance (ESG) risks (EBA/GL/2025/01).

[31] Guidelines on environmental scenario analysis (EBA/GL/2025/04).

4.4 Climate risks in the macroprudential area

In the macroprudential area we continued to develop the framework for climate risks, with the monitoring and addressing of climate risks relying on data availability and methodological developments. In 2025 we included physical risks in the risk and resilience dashboard of the banking system for the first time.[32] We also conducted additional analysis on the expected impact (losses) of physical risks.[33]

Climate risks were assessed as moderate in 2025, with a moderate assessment of transition risks, while physical risks were assessed as low. The carbon indicators improved further during 2025, primarily reflecting a decline in exposure to the most polluting sectors. The portfolio tilt in financing polluting sectors declined as a result, reaching a record low at the end of the year. Credit risk in climate-sensitive sectors worsened in 2025 as economic growth slowed, most notably in the second half of the year. This reflects the economic weakness of firms in certain sectors (e.g. manufacturing). The concentration of climate-sensitive sectors in the NPEs of the NFCs portfolio thus rose to a record high, while the NPE ratio of the climate-sensitive segment exceeded the NPE ratio of the entire NFCs portfolio for the first time. Transition risks are assessed as moderate. The outlook for transition risks is subject to various uncertainties surrounding the unfolding of geopolitical and macroeconomic risks, and the timeline of the green transition. Access to financing for climate-sensitive sectors remains a key issue.

Physical risks were included in the risk and resilience dashboard in 2025 and were assessed as low in the household and NFCs portfolios. At the same time it should be noted that in contrast to transition risks, these risks are structural in nature. The assessments are based on the composite indicator of physical risks, which accounts for six types of physical risk, and the indicator of high exposure to acute physical risks.[34] The NPE ratios of municipalities with high exposure to total or acute physical risks remain low. The banking system is most exposed to extreme heat and least exposed to flood risk across types of physical risk.

Our activities in the scope of the European Commission's technical assistance project are ongoing. The aim of the international project launched in 2023 is to develop a new ESG risk supervisory approach. In addition to the common activities involving ten other participating countries, the technical assistance also encompasses certain specific tasks for Banka Slovenije, related to the assessment of climate risks for financial stability.

[32] Based on Environment Agency data, the analysis defined a composite indicator for two chronic physical risks (increased temperature and precipitation), and four acute physical risks (floods, droughts, storms and heatwaves).

[33] In the event of 100-year floods. The estimates were made within the framework of the Schumann programme.

[34] The assessment is based on indicators for the core RCP 4.5 scenario for the period of 2011 to 2040.

4.5 Monitoring of environmental risk at banks

Within the framework of **banking supervision** our aim is for banks to adequately identify, manage and disclose the risks posed by climate change and environmental degradation. In this way we are strengthening the banks' resilience to these risks, and contributing to the security and stability of the banking system. Given that exposure to climate-related and environmental risks is one of the key vulnerabilities for banks, addressing these risks is one of Banka Slovenije's supervisory priorities.

Monitoring of the management of climate and environmental risks at banks is becoming part of our regular supervisory activities. Last year we continued regular dialogue with banks regarding progress in the management of climate and environmental risks, and included these risks in the annual supervisory review and evaluation process (SREP). We also conducted the first inspection in the area of the management of these risks at one of the significant banks. Once again we followed up on the recommendations issued to ensure compliance with the supervisory expectations from the ECB guide, which mainly focused on putting in place a framework for stress testing and the inclusion of climate and environmental risks in the internal capital adequacy assessment process. Our general finding is that banks have satisfactorily included climate and environmental risks in their stress testing frameworks, and based on the results have calculated the impact on internal capital to estimate the capital requirements deriving from these risks. We believe that there is room for progress in the process of incorporating climate and environmental risks into the internal capital assessment, where the calculations are not yet comprehensive and properly substantiated. Over the upcoming period of 2026 to 2028, there will be more supervisory attention on ensuring that the obligations imposed in the management of climate and environmental risks by the CRR3/CRD6 package are met, and on the ongoing monitoring of the adequate management of these risks in form of supervisory inspections at banks and within the framework of the annual SREP.

4.6 Own carbon footprint

Banka Slovenije is actively pursuing the strategic objective of reducing our own carbon footprint set out within the framework of the Banka Slovenije strategy for 2021 to 2026 and geared towards a focus on sustainability in our operations. We are taking steps in the areas of indirect and direct greenhouse gas emissions, whereby we are reducing our own negative environmental impact. In the medium term we are focused on meeting stage-by-stage targets for each period, and in so doing reducing our own carbon footprint.

Last year we set targets and took measures to reduce indirect emissions. The measures included optimising cooling in our business premises, establishing a timetable for heating water, and monitoring the efficiency of the cooling plants at the computing centre. In the desire to act in support of energy efficiency, in 2025 we activated our own independent measurement site at one of our buildings. The year also saw us fully replace our fleet of company cars with more environment-friendly vehicles. Activities targeting a reduction in the adverse environmental impact were also carried out as part of our promotion of sustainability among the staff.

Table 8: **Banka Slovenije's carbon footprint**

Emissions	(tCO_2)
Scope 1: direct emissions (for providing our services)	23.1
Scope 2: indirect emissions (all purchased energy – electricity, heat)	702.1
Scope 3: other types of indirect emissions	4,221.8
Total	4,947.0

For 2025 we made a measurement of our own carbon footprint based on the requirements of the GHG Protocol Corporate Standard. This standard classifies emissions into three scopes, meaning that in calculating greenhouse gas emissions we covered all direct and indirect emissions generated through our operations. The measurements included all the locations at which business processes take place. For direct emissions we measured fuel consumption emissions for company cars, generator emissions and similar direct emissions. For indirect emissions the carbon footprint calculation included the consumption of electricity and thermal energy, the footprint of employees caused by emissions in travelling to work, business travel emissions, and the use of paper and waste. The total emissions in 2025 amounted to 4,947.0 t CO_2 equivalent.

In the coming years the focus will be on setting and meeting targets that will drive us in the direction of net zero over the long term.

Diagram 1: **Management of environmental factors at Banka Slovenije**

GOVERNANCE	STRATEGY	METRICS AND TARGETS
- committee for climate change and the green agenda - working group for reducing our own carbon footprint	- reducing our own carbon footprint	- putting in place a methodology for monitoring greenhouse gas emissions - GHG Protocol Corporate Standard - 4,947.0 t CO_2 equivalent in 2025

5 Financial Education at Banka Slovenije

Banka Slovenije has been involved in providing financial education since 2017, and in recent years we have stepped up efforts in this area. We are fulfilling the aims by expanding and presenting technical and professional content to the public, we are strengthening our presence on social media, and we are more open to the general public. We also invest a good deal of effort into financial education with a focus on children and young people. In various ways we are seeking to make financial and central banking issues more accessible to the general public, so in May 2021 we opened the Banka Slovenije museum, whose primary purpose is education. In the strategy for 2021 to 2026 we defined financial literacy as one of the strategic objectives.

Boosting financial literacy is one of Banka Slovenije's strategic objectives for the period of 2021 to 2026.

To meet the set targets as far as possible, we are linking up within Slovenia and further afield with other important stakeholders in financial literacy.

Since 2021 we have initiated a series of informal interdepartmental meetings, which are attended by representatives of the finance ministry, the education ministry, the education institute, the vocational education centre and the financial administration. Since 2023 we have also been a member of an official interdepartmental group headed by the finance ministry, which drew up the national financial literacy programme in 2024. Under the aegis of the Slovenian Institute for Adult Education, we participated in a research group that formulated formal and informal financial literacy programmes for adults, and drew up material for programme providers. We hold seminars for teachers and managers of education institutions as part of our nationwide education projects and further afield. Each year we also run joint projects with other non-governmental institutions, such as EU House and the Association of Friends of Youth, and we are continuing to collaborate with the office of the president of Slovenia on the Masters of the Digital Future debate project. We are working even more closely with the finance ministry, with whom we run the Bodi FIN financial education project for primary schools, and are preparing other content to give better insight into financial literacy in Slovenia and to ensure more targeted education in the future.

In 2026 we will conclude the European Commission's technical assistance programme for financial literacy, which we applied to in conjunction with the finance ministry. The project saw us conduct a nationwide financial literacy survey and a review of good financial literacy practice across Europe and around the world in 2025. It also envisages the creation of interactive tools for Banka Slovenije's financial education portal, and a digital update for the Banka Slovenije museum to provide an even better user experience.

Internationally we are members of working groups at the ECB and EBA dealing with financial literacy and consumer protection, we also monitor the work of the OECD/INFE, and each year through various initiatives we are involved in marking Global Money Week, which is held under the auspices of the OECD. We have bilateral ties with other central banks in the area of financial literacy, and share our experience and knowledge at meetings.

5.1 Education programmes

More than 9,000 participants of various ages took part in our various educational offerings in 2025 (education days, holiday days, seminars, workshops). This compared with approximately 6,000 participants in 2024.

The **Banka Slovenije education days** were started in 2017. They are intended in particular for primary and secondary school students, and in recent years we have expanded them to preschool children, students and pensioners. A two-hour programme features Banka Slovenije's principal tasks, our participation in the Eurosystem, and a number of special themes in the banking field. The level of difficulty is adjusted to the level of knowledge and understanding of the participants, who can add a tour of the Banka Slovenije museum to their immersion in the educational content and workshops. We hosted almost 6,000 participants of all ages in 2025, and also provided numerous education programmes at schools and remotely, and presented information about central banking as part of other educational content.

Banka Slovenije's educational programmes reached more than 9,000 children, young people and adults in 2025.

The **Banka Slovenije holiday day** was launched in 2022, and is aimed at primary school students. They can spend a day with us and get to know the workings of Banka Slovenije, other central bank topics, they can connect with peers who have similar interests, tour our museum, learn all about the function of money and saving in workshops, be creative and thoroughly enjoy a day off. We held six holiday days in 2025, which were attended by over 120 children.

Each year we join the Slovenia-wide marking of Global Money Week, which is held under the auspices of the OECD/INFE. Each day of the week is devoted to special education and museum programmes, and we also announce the winners of an art competition. A total of 320 children from 20 different primary schools and nursery schools took part in the art competition in the 2025/26 school year, under the title *From word to image*. They created images that could decorate the 2026 commemorative coins honouring Cankar and Kosovel.

In December 2025 we organised two seminars for 140 primary and secondary school teachers and head teachers as part of the FINA-PISMA programme. Following an open call by the education ministry, mentors and project coordinators last year created a variety of financial educational content for primary and secondary school students. At our seminars they heard about themes such as the main pillars of central banking, inflation and the management of price stability, monetary policy, modern payments and trends, and learned about Banka Slovenije's financial education and teaching content.

May 2025 saw the climax of the second season of the Masters of the Digital Future debating project. The final tournament, where an active role was also played by the co-sponsors of the project, President Nataša Pirc Musar and Acting Governor Primož Dolenc, saw the best primary and secondary school teams face off. The team from Gimnazija Bežigrad were the victors in the secondary school competition, while National Hero Maks Pečar Primary School took the honours at primary level. The prize for the best debaters was a special reception at the presidential palace, and a trip to Vienna, where they visited the Austrian central bank and its museum.

In the 2025/26 school year the MDF project remains close to the theme of digitalisation, with a focus on the digital euro on this occasion. The competition has also gained an international element, with this year's winners at secondary school level representing Slovenia on 22 May 2026 in an international tournament facing off against six other European countries.

The 2025/26 school year also saw the Bodi FIN education project for primary schools run for the second consecutive year in conjunction with the finance ministry.

Mentors and their students in the second and third triads of primary school were given content covering basic financial concepts and financial security online. We held more than 60 workshops at schools, where students tackled the exercises with their mentors, thus gaining in-depth knowledge of the themes. In March 2026 we organised a competition in conjunction with the DMFA, with the best competitors being rewarded with a trip to Zagreb to visit the Croatian central bank and its Moneterra money museum.

The project also included a one-day introductory seminar for mentors and other teachers, held on 28 November last year. A total of 5,000 students from 110 different primary schools across Slovenia took part in the year-long second season of the project. An open day was also held for the two showcase education projects (Bodi FIN and Masters of the Digital Future) on 7 November, and was attended by more than 400 students and mentors.

5.2 Banka Slovenije museum

The Banka Slovenije museum had more visitors in 2025 than in previous years, attracted by interesting new content and a number of special events. On certain special days (Prešeren Day, Museum Day, Museum Night, Family Week, Children's Week, Merry Day of Culture) visitors were able to take part in a variety of programmes aimed at all age groups: interactive tours for families, creative workshops, Atlas's Secret, guided tours, and the Hunt for Lost Money digital game). The last takes place in the open air, but is related to the museum, in that players use an interactive map to explore various points in the city with ties to the images used on the tolar, Slovenia's first independent currency, which is featured at the museum. The museum is open every third Thursday of the month, and also at other times for groups by appointment.

The museum welcomed more than 6,000 visitors in 2025, who took part in a variety of educational and special programmes. The museum was also visited by numerous foreign and Slovenian dignitaries, and expert groups from other financial institutions in Slovenia were also given guided tours.

Every second Thursday in the month we publish the e-newsletter of the Banka Slovenije museum, featuring news from the museum and from the central bank world, educational games, quizzes, interesting links, photographs and an upcoming calendar of events to which we invite the general public. We also have an active presence on Instagram and Facebook.

In the autumn we also introduced the museum and the education programmes to the general public for the first time at the Festival of the Third Age, which on this occasion was held at Cankarjev Dom. Visitors were able to get to know the Banka

Slovenije museum, to weigh up which visiting programme might suit them, to learn something about the security elements of banknotes, to discover the education programmes for young people and adults, and to hear a lecture entitled *Advanced payment methods: quick, safe, for all generations*.

6 Banka Slovenije's reporting to the National Assembly

Under Article 26 of the ZBS-1, Banka Slovenije reports on its work to the National Assembly of the Republic of Slovenia, and attends meetings of other National Assembly bodies when invited to do so. In 2025 Banka Slovenije representatives reported to the National Assembly's finance and monetary policy committee during the presentation of *Banka Slovenije's 2024 Annual Report* and the *Financial Stability Board's 2024 Annual Report*. We also presented the *Banka Slovenije Annual Report* to the National Council's committee on economics, small businesses, tourism and finance.

Under Article 33 of the Bank of Slovenia Act, the representative of the National Assembly's finance and monetary policy committee and the finance minister are regularly invited to meetings of the Governing Board of Banka Slovenije, but they do not hold voting rights. To this end and in accordance with the level of confidentiality, they receive all the material and proposed decisions drawn up by Banka Slovenije staff that are being decided on at the meeting. This ensures that the executive and legislative branches of government are briefed promptly on matters under the remit of the Governing Board.

Another integral part of Banka Slovenije's reporting to the National Assembly is its financial statements, which are audited by an independent international auditor selected for a three-year period (Article 52 of the ZBS-1) in accordance with Article 27(1) of the Statute of the ESCB and of the ECB. The statute lays down that the accounts of the ECB and national central banks must be audited by independent external auditors recommended by the Governing Council of the ECB and confirmed by the Governing Board of Banka Slovenije. The auditors have the power to examine all books and accounts of the ECB and national central banks, and to obtain complete information about their transactions. The Governing Board of Banka Slovenije selects and proposes a candidate to go forward to the final selection procedure following the prior collection of tenders at least six months before the expiry of the contract signed with the previous auditor.

7 Report on the Work of Banka Slovenije

7.1 Decision-making bodies

Under the Bank of Slovenia Act, Banka Slovenije's decision-making bodies are the Governor and the Governing Board of Banka Slovenije. The Governing Board comprises five members: the Governor and four vice-governors. The Governor presides over the Governing Board. The Governor of Banka Slovenije acts as its statutory representative, directs its business, organises its work, executes the decisions of the Governing Board, and issues individual and general bylaws of Banka Slovenije that are not the responsibility of the Governing Board. The Governor may also issue guidelines for implementing resolutions by the Governing Board.

Banka Slovenije's decision-making bodies are the Governor of Banka Slovenije and the Governing Board of Banka Slovenije.

The Governing Board of Banka Slovenije comprised the following as at 31 December 2025:

- Dr Primož Dolenc, acting governor;
- Tina Žumer, vice-governor;
- Milan Martin Cvikl, vice-governor;
- Dr Marko Pahor, vice-governor.

Banka Slovenije was headed by Boštjan Vasle as Governor until 8 January 2025, and thenceforth by its acting governor, Dr Primož Dolenc.

The members of the Governing Board of Banka Slovenije are independent in performing their duties set out by the Bank of Slovenia Act, and are not bound by the resolutions, positions or instructions of government bodies or any other bodies, and may not seek the guidance or instructions of such bodies. Since the introduction of the euro on 1 January 2007 the members of the Governing Board of Banka Slovenije have upheld the Statute of the ESCB and of the ECB in performing their duties.

7.2 Work of the Governing Board of Banka Slovenije in 2025

The Governing Board decides upon matters falling under the remit of Banka Slovenije. This remit is set out by the Bank of Slovenia Act and other laws governing banking, bank resolution and compulsory winding-up of banks, payment services and payment systems, macroprudential supervision, the deposit guarantee scheme, AML/CFT, consumer credit and foreign exchange operations. **The Governing Board's rules of procedure set out in detail how the Governing Board functions when taking decisions under its remit.**

Within this framework the Governing Board takes decisions on the adoption of secondary legislation and other general regulations under its remit. It also takes positions on draft laws, secondary legislation and other general regulations governing matters falling under Banka Slovenije's remit but not adopted by it.

The Governing Board grants and revokes authorisations and imposes measures in the supervision of banks, savings banks and other entities. It grants authorisations to provide banking services, financial services and ancillary financial services to banks and financial institutions.

Under the Bank of Slovenia Act, the Governing Board also has the right to take decisions on other matters affecting Banka Slovenije's operations, and may propose an external international auditor, regulate employment rights and obligations for members of the Governing Board, identify any incompatibility of functions for members of the Governing Board, and take a position on Banka Slovenije's internal administrative issues.

The Governing Board also decides on the strategic allocation of Banka Slovenije's financial assets, an increase in its share capital from the general reserves, and the distribution of the surplus of income over expenses within the limits and in the scope set out by the Bank of Slovenia Act, and adopts the annual report and the financial and business plan. These decisions ensure Banka Slovenije's independence in conducting its monetary policy.

The Governing Board also acts as the appeals body in objections to specific legal acts issued by the Governor when so envisaged by the law. It adopts bylaws on the rights, obligations and responsibilities of staff in accordance with the Bank of Slovenia Act, and secondary legislation setting out the method and scope of the recording, collection, processing, disclosure and transfer of data and information required for the functioning of Banka Slovenije's information system.

The Governing Board is also responsible for regulating internal organisational matters, such as the appointment and dismissal of staff with special authorisations, and the adoption of bylaws regulating the rights, obligations and responsibilities of staff at Banka Slovenije, including approval of the collective agreements entered into by Banka Slovenije. In addition it is regularly briefed on reports on the implementation of important tasks submitted by working bodies and staff.

The Governing Board decides on relevant matters at meetings, where a decision is passed if at least three members vote in favour.

The members of the Governing Board convened at 21 ordinary meetings and six correspondence sessions in 2025. The timetable of meetings is set in advance for the current calendar year. In drawing up the timetable, account is taken primarily of the meetings of various working bodies in the euro area. To ensure maximum attendance, it is sometimes necessary on rare occasions to postpone a meeting date. As part of the preparations for a meeting the members of the Governing Board, as heads of division, pay particular attention to the preparation of materials, and the clarification and coordination of positions with other board members and staff, which is reflected in the proposed decisions that are generally adopted unanimously, and very rarely with a majority vote or abstention.

The Governing Board discussed a total of 398 agenda items in 2025, most often in the area of banking supervision and licensing, as is the case every year, with somewhat fewer items in the areas of financial stability, bank resolution, cash operations, and payment and settlement systems. Items concerning economic and monetary policy were tied to the timeframe of ECB Governing Council meetings and the availability of data.

7.3 Banka Slovenije's performance in 2025

The results presented in Banka Slovenije's financial statements reflect the financial effect of the performance of its tasks and objectives.

Balance sheet developments in 2025

The balance sheet total stood at EUR 35.4 billion as of 31 December 2025, down a fraction on the end of 2024 (EUR 35.9 billion).

The main declines on the liability side were in deposits by commercial banks (in the amount of EUR 1.2 billion) and deposits by the government and other clients (EUR 0.8 billion). There was an increase of EUR 1.4 billion in liabilities to the Eurosystem from adjustments in euro banknotes. This liability represents the difference between the value of banknotes belonging to Banka Slovenije as the legal issuer of 0.45% of all banknotes in circulation in the Eurosystem, and the value of banknotes actually placed into circulation by Banka Slovenije. The amount of banknotes in circulation according to the capital key increased by EUR 0.1 billion.

On the asset side, while Banka Slovenije's own portfolio holdings in euros and foreign currencies increased by EUR 1.0 billion, the discontinuation of reinvestment of the APP and PEPP portfolios meant that holdings of securities for monetary policy purposes declined by EUR 1.2 billion, where the largest exposure is still Slovenian government bonds (EUR 13.2 billion). Another factor in the contraction on the asset side was a decline in Banka Slovenije's claims under cross-border transactions with other national central banks and the ECB via the TARGET system (by EUR 0.3 billion), which was a reflection of the other aforementioned developments.

Financial performance in 2025

The main source of Banka Slovenije's income is interest on monetary policy instruments and portfolios, and on its own holdings of securities. Net interest income amounted to EUR 29.0 million in 2025. This was a significant improvement compared with the net interest expenses in the amount of EUR 165.1 million recorded in 2024. The main driver was the ongoing gradual fall in key interest rates in 2025, which narrowed the spread between interest rates on mostly short-term liabilities and long-term assets.

The net gain realised on the sale of securities and foreign exchange positions amounted to EUR 67.5 million. Banka Slovenije marks its positions to market at the end of the year, disclosing the negative revaluation effects as an expense. These expenses amounted to EUR 74.4 million in 2025, and were the result of the depreciation in the US dollar, the Chinese renminbi and consequently the SDR at the end of the year relative to the average price of the positions. The net result from the pooling of Eurosystem monetary income was an expense of EUR 31.1 million in 2025. Net fees and commission (EUR 15.6 million), income from participating interests (EUR 9.4 million), and other income (EUR 2.7 million) amounted to EUR 27.7 million. Operating costs amounted to EUR 56.8 million in 2025.

Provisions in the net amount of EUR 39.1 million were released in 2025 for the coverage of expenses arising from exposure to financial risks. In light of Banka Slovenije's exposure to financial risks, general provisions can be created to cover expenses from changes in interest rates, exchange rates, prices and credit developments.

Banka Slovenije held EUR 122.5 million of general provisions at the beginning of the year on the basis of past operations, part of which it released.

Banka Slovenije thus generated a surplus of income over expenses in the amount of EUR 1.0 million. The distribution of the surplus will be undertaken in line with applicable legislation.

Table 9: **Banka Slovenije's contributions to Slovenia's state budget, EUR million**

Year	Surplus	Statutory contribution to state budget	Contribution to state budget
2021	37.1	9.3	9.3
2022	1.7	0.4	0.4
2023	1.0	0.2	0.2
2024	1.2	0.3	0.3
2025	1.0	0.2	0.2
Total			10.5

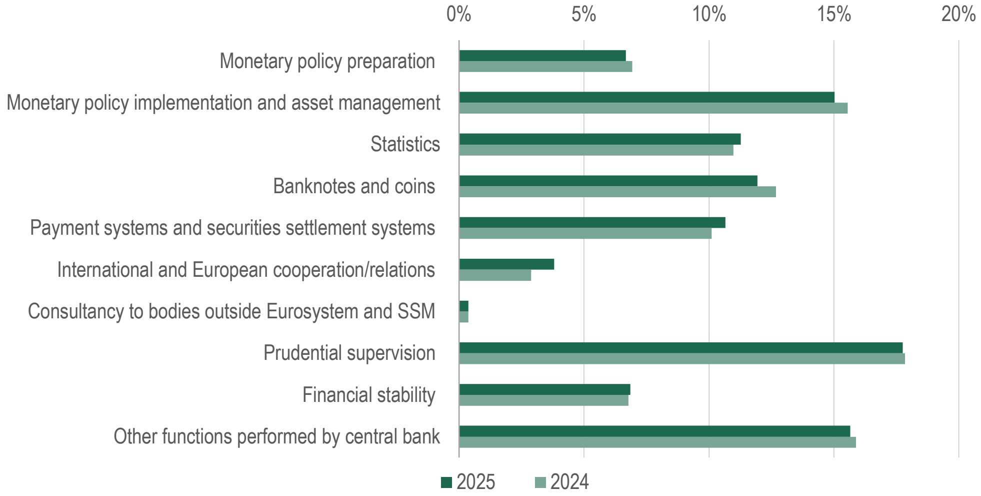
Source: Banka Slovenije.

Operating costs

Banka Slovenije's operating costs are the result of the implementation of its tasks set out by law. Figure 33 shows the allocation of costs by task. In addition to direct costs, these include the imputed indirect costs of support functions (information technology, accounting, legal services and similar internal services).

Operating costs amounted to EUR 56.8 million in 2025, up EUR 2.6 million on the previous year. Labour costs make up the majority (68%) of Banka Slovenije's operating costs. They include costs of wages and salaries and other labour costs together with the corresponding taxes and social security contributions. They amounted to EUR 38.5 million in 2025 (EUR 35.2 million in 2024). The increase was the result of a rise in the basic wage in accordance with the agreement on the indexation of the basic wage, the introduction of organisational changes, and changes in staff qualifications structure caused by turnover and promotions. The change in provisions for employees is included in labour costs in accordance with IAS 19 (Employee Benefits). Other operating costs, banknote printing costs, amortisation and depreciation of non-current assets, and other costs amounted to EUR 18.3 million, down EUR 0.7 million on 2024.

Figure 33: **Breakdown of costs by individual task**



Source: Banka Slovenije.

Table 10: Year-end balance sheet, 2021 to 2025, EUR million

Assets	2021	2022	2023	2024	2025
1. Gold and gold receivables	165	174	191	257	498
2. Claims on non-euro-area residents denominated in foreign currency	1,836	1,955	1,954	2,465	2,510
3. Claims on euro area residents denominated in foreign currency	25	41	40	26	76
4. Claims on non-euro-area residents denominated in euro	1,079	1,089	1,193	1,392	1,560
5. Lending to euro area credit institutions related to monetary policy operations denominated in euro	2,363	771	74	-	-
6. Other claims on euro area credit institutions denominated in euro	4	5	0	0	0
7. Securities of euro area residents denominated in euro	17,782	18,470	18,183	17,978	17,254
8. General government debt denominated in euro	-	-	-	-	-
9. Intra-Eurosystem claims	9,501	10,163	15,798	13,278	12,958
10. Items in course of settlement	-	0	0	0	0
11. Other assets	402	467	542	541	499
Total assets	33,157	33,136	37,975	35,938	35,356

Liabilities	2021	2022	2023	2024	2025
1. Banknotes in circulation	6,842	6,964	6,888	7,219	7,361
2. Liabilities to euro area credit institutions related to monetary policy operations denominated in euro	9,748	8,877	11,069	7,381	6,157
3. Other liabilities to euro area credit institutions denominated in euro	582	377	392	223	81
4. Debt certificates issued	-	-	-	-	-
5. Liabilities to other euro area residents denominated in euro	6,489	5,837	6,806	7,117	6,476
6. Liabilities to non-euro-area residents denominated in euro	292	269	272	220	252
7. Liabilities to euro area residents denominated in foreign currency	6	37	27	20	8
8. Liabilities to non-euro-area residents denominated in foreign currency	-	-	-	-	-
9. Counterpart of special drawing rights allocated by the IMF	962	974	946	976	907
10. Intra-Eurosystem liabilities	5,909	7,599	9,413	10,624	11,984
11. Items in course of settlement	4	5	-	-	-
12. Other liabilities	125	175	248	234	175
13. Provisions	697	559	318	136	98
14. Revaluation accounts	241	208	342	523	594
15. Capital and reserves	1,224	1,251	1,253	1,262	1,263
16. Surplus of income over expenses for the current year	37	2	1	1	1
Total liabilities	33,157	33,136	37,975	35,938	35,356

Source: Banka Slovenije.

Table 11: **Profit and loss account, 2021 to 2025, EUR million**

	2021	2022	2023	2024	2025
1. Net interest income	160	131	-162	-165	29
2. Net result of financial operations and write-downs	-4	-216	4	83	-7
3. Net result from pooling of monetary policy income	-23	-27	-59	-70	-31
4. Net income from fees and commissions	13	14	13	14	16
5. Other income	10	9	11	13	12
6. Operating costs	-43	-46	-48	-54	-57
7. Transfer to/from risk provisions	-75	137	242	181	39
Surplus of income over expenses for the current year	37	2	1	1	1

Source: Banka Slovenije.

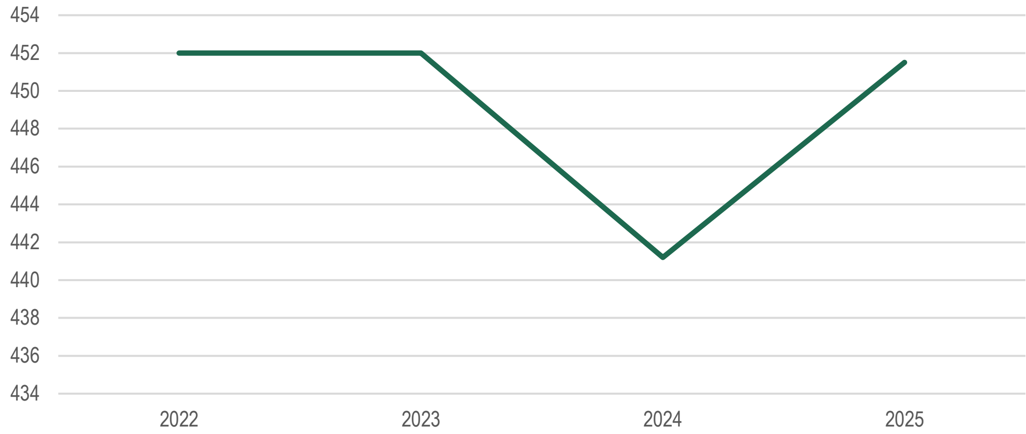
Human resources

In the area of HR and organisation we continued our established good practice, and also introduced several new approaches. In early September we transferred all existing personnel files to digital folders. Another major innovation within the framework of the strategic objectives was the launch of an in-house academy for leaders and experts, which brings together the best practices in education, talent identification, and the strengthening of inclusive culture. Banka Slovenije has held full Family-Friendly Company certification for several years now. In 2025 we continued to introduce new measures to give our employees better work-life balance. One of the innovations was the first governor’s day, which allows employees to spend more time with their families, and we also introduced holiday days for the children of staff.

A total of 33 vacancies were advertised last year. The highest response from jobseekers came for positions in banking supervision, financial statistics, and banking operations. We recruited 27 new staff, and two staff members returned from a period of contract suspension. Last year 26 staff members left: eight retired, 13 are continuing their careers outside Banka Slovenije, three saw their temporary employment contracts come to an end, and two agreed on the suspension of their employment contracts. The average age of staff members at Banka Slovenije was 47 years and 6 months last year, up seven months on the previous year. The gender balance is 53% women, 47% men. Of the management positions, 45% are occupied by women. Some 80% of staff members hold at least a Level VII qualification.

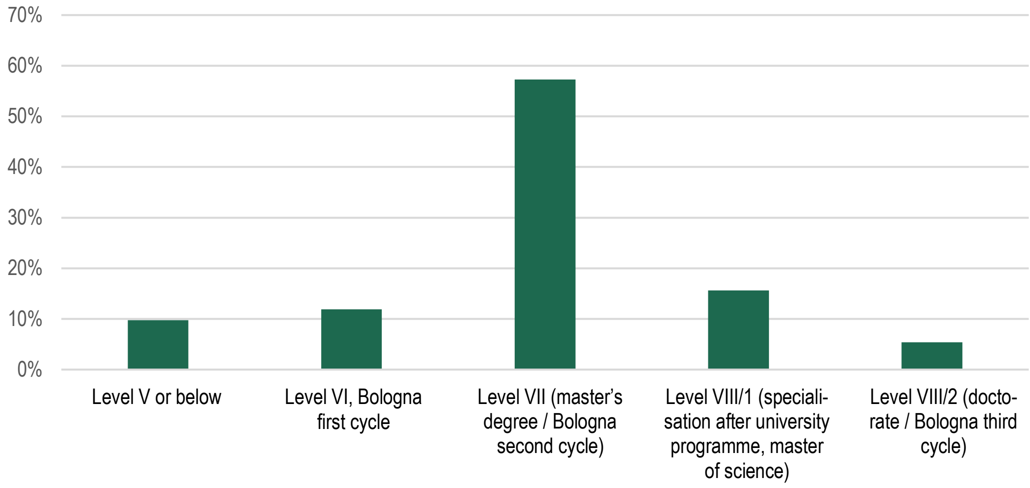
Banka Slovenije's headcount stood at 451 FTEs[35] as at 31 December 2025.

Figure 34: **Number of FTEs at Banka Slovenije**



Source: Banka Slovenije.

Figure 35: **Breakdown of staff qualifications, 31 December 2025**



Source: Banka Slovenije.

[35] This number does not include staff members absent on the grounds of contract suspension or maternity leave, but does include those on long-term sick leave (more than 30 days) and those taking paternity leave.

7.4 Public relations

At Banka Slovenije we endeavour to communicate with all audiences in a clear, substantive and effective manner. In this way we make sure that our message reaches the right audience at the right time. Our transparent communications help to raise Banka Slovenije's profile, and to build our reputation in the domestic and foreign environments.

Media and other public communications

In 2025 we fielded and answered a total of more than 530 questions from journalists, and issued 93 press releases, 58 Banka Slovenije publications and four ECB publications. Our representatives took part in numerous major interviews, gave 20 statements to TV or radio, and organised five full press conferences and numerous informal briefings for journalists. We also organised four major panel discussions involving representatives of the profession and the media.

The questions most frequently raised by journalists concerned the powers of the acting governor, and potential restrictions on participation in meetings of the Governing Council of the ECB. They also asked questions about the situation in the Slovenian banking system, our forecasts, the volume of lending, and the state of the real estate market. Other questions related to the digital euro, neobanks and online fraud, while at the end of the year it was bank branch closures that came to the forefront.

More than 3,000 stories in connection with Banka Slovenije were published in the media in 2025. These appeared for the most part in online media, most notably Sta.si, Bloombergadria.si, Delo.si and Dnevnik.si, with print media, television and radio the next most common outlets.

In addition to media questions, in 2025 Banka Slovenije received and responded to 986 questions from the general public, individuals and businesses alike. We also dealt with a large number of complaints from consumers, and responded to multiple questions regarding numismatic products, licensing, and other banking regulations.

Publications

The following periodical publications were issued in 2025:

- Seven issues of the Review of macroeconomic developments were released. In it we analysed key macroeconomic trends. The medium-term macroeconomic projections for Slovenia made up the centrepiece of the June and December issues.
- The Financial Stability Review came out in April and October. In it we analysed and explained the systemic risks in the Slovenian financial system.
- The Report on bank performance with commentary gave key balance sheet data for the banking system, current data on interest rates and non-performing loans, data on the capital market, and data on the performance of leasing companies. It was released in June and December.

The regular statistical publications were the *Bulletin* (monthly),Slovenia's International Economic Relations(monthly), the Financial Accounts of Slovenia (quarterly), Services Trade by Enterprise Characteristics (annual) and Direct Investment (annual).

Various periodical research papers, surveys and reports can be found on the Banka Slovenije website, such as the Survey on access to finance of enterprises (annual), the Retail banking service price comparison (annual) and Socially responsible and sustainable investing (annual).

Other noteworthy annual publications include the Annual report of the liquidation and deposit guarantee fund for 2024, the Annual report of the deposit guarantee fund for 2024 and the Annual report of the bank liquidation fund for 2024.

There is also an extensive list of original publications. In these Banka Slovenije analysts and specialists provide a detailed discussion of various areas of banking that are currently attracting interest and fall under the wider framework of the works and tasks of the central bank, with a focus on monetary policy analysis, the banking system, the financial markets and the balance of payments. Last year saw the release of two papers in the *Banka Slovenije Working Papers* collection, four in the *Discussion Papers* collection, and 13 in the *Short Economic and Financial Analyses* series.

Prizes, public events, conferences and seminars

Together with the EIB, Banka Slovenije organised an international conference in the spring on promoting investment for a sustainable future. The conference offered insight into key economic challenges and opportunities for Slovenia and Europe. The roundtable discussed the reasons for Europe's sluggish productivity growth compared with major global economies, and the obstacles to investing in advanced technology, infrastructure and the energy sector.

Progress on the digital euro project was examined at several events. In the summer we hosted a talk by Piero Cipollone, a member of the Executive Board of the ECB, entitled *Shifting payment landscape: what a digital euro will bring*. Debate on this subject continued at the Bled Strategic Forum, where we organised a panel discussion entitled *Shaping Europe's Economic Resilience: Strategic Responses, Integration of Payment Systems, and the Digital Euro* featuring Madis Müller and Irena Radović, respectively governors of the central banks of Estonia and Montenegro, and other high-level guests.

We hosted representatives of central banks and international institutions. This included a talk given by Martin Kocher, governor of the Austrian central bank. At the end of the year, as part of a conference on exchange rates, we hosted another member of the ECB's Executive Board, Philip R. Lane, who spoke about the euro area and the global economy. We also organised several events at the House of the Euro in Brussels, where Banka Slovenije has a permanent office.

At a roundtable entitled ***Long-term viability of economic growth and its structural challenges***, we presented Banka Slovenije's findings from its latest analysis, and held discussions with the guests on changes in the structure of economic growth, weak investment activity by firms, and sluggish productivity growth in the backdrop of an ageing population, a tight labour market, and unfavourable demographic trends.

We once again awarded prizes to the best doctoral and master's dissertations in the fields of economics, banking, insurance, finance and financial law. Dr Ivan Ribnikar prizes were awarded to the four best master's dissertations.

In conjunction with the University of Ljubljana's School of Economics and Business, we held a series of 16 BS/EF seminars at Banka Slovenije aimed in particular at a professional audience.

Banka Slovenije library

The Banka Slovenije library is a specialist library, whose range of informative resources and literature provides support for the work process of its host organisation. The material is scanned into Cobiss, and is thus available for borrowing by external users. Our external users are mostly specific, and use the library as a research source for a variety of economics material that cannot be obtained elsewhere, most notably various reports and financial data from global monetary institutions and banks (IMF, OECD, Fed).

The library is home to around 16,000 bibliographic units, primarily in the areas of banking and central banking, finance, economics, legislation and information technology. We forwarded 31 online professional papers and reports issued by various financial institutions that we monitor, and purchased 25 print versions of books and 179 serial publications (financial journals and foreign dailies specialising in economics and finance). For our staff we borrowed 38 books under inter-library loans. Subscriptions were renewed for 21 different databases used by staff members in their work.

Banka Slovenije's Mala Galerija

Each year the Mala Galerija plans and holds a series of exhibitions featuring artists and creatives from various departments and schools within the University of Ljubljana who work in fine art, sculpture, photography, design, textiles, architecture and landscape architecture, music, computer tech and acting. We participated in a number of high-profile domestic and international art events held in Ljubljana, and in all the major cultural and museum events in the city. Exhibitions are accompanied by a range of talks, roundtables, workshops, literary and music evenings, auctions and similar events.

A total of 11 exhibitions were held in 2025, which together with their accompanying events attracted 3,976 visitors.

In cooperation with the University of Ljubljana we staged six exhibitions in 2025 featuring a range of artistic fields, and in this way supported the work of young, as yet unestablished artists. Mala Galerija offered a platform for artistic work and projects by students from the University of Ljubljana's Faculty of Architecture, the Academy of Fine Arts and Design, and the textile and fashion design programme at the Department of Textiles, Graphic Arts and Design at the Faculty of Natural Sciences and Engineering.

We hosted two independent exhibitions: one by young artist Tim Topić in a coproduction with the Academy of Fine Arts and Design, and one by the Sreda v sredo collective (Žiga Artnak, Urban Cerjak, Matic Flajs).

Another enhancement to the gallery programme was made by participating in the 31st City of Women international arts festival and Ljubljana Art Weekend. The Mala Galerija was one of a number of exhibition spaces in the capital during the two festivals.

We have also expanded the Mala Galerija's work into the international sphere. In conjunction with the Academy of Fine Arts and Design we hosted Formal Settings, a graphic design studio based in Berlin and Copenhagen, who prepared a one-day pop-up exhibition and typography workshop for students.

Banka Slovenije has a long tradition of cooperation with key cultural institutions in Slovenia. The Banka Slovenije annual exhibition in 2025 was organised in collaboration with the Koroška Museum of Modern and Contemporary Art. An exhibition entitled *The Imagined City: The Public Sculpture of Franc Berneker* was held to mark the 150th anniversary of the birth of this overlooked Slovenian sculptor, whose work includes the mighty atlantes on the main façade of the Banka Slovenije building. The exhibition attracted 220 visitors.

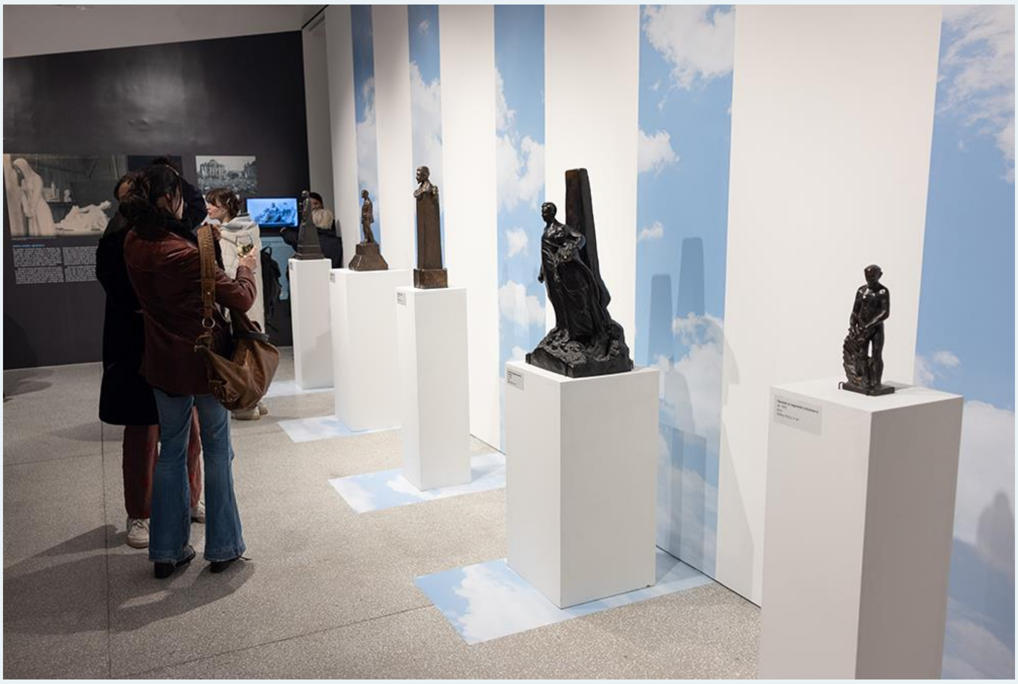
Box 8: **Banka Slovenije exhibition in collaboration with the Koroška Museum of Modern and Contemporary Art – The Imagined City: The Public Sculpture of Franc Berneker**

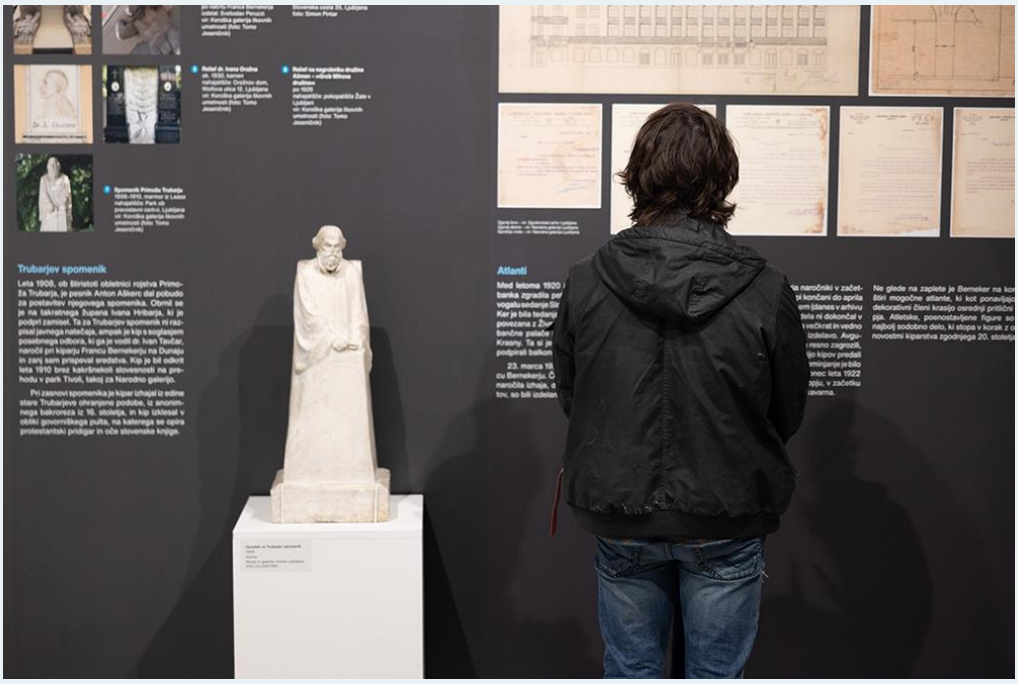
The Banka Slovenije building on what is now Ljubljana's central street, Slovenska cesta, today remains one of the finest examples of early 20th century architecture, without which it would be hard to imagine the appearance of the city's main street. The building was designed by Czech architect František Krásný, while individual sections were executed by local master builders. This led to the commission for the mighty atlantes on the main facade, who hold up the first floor of the building, being awarded to Franc Berneker (1874-1932). Berneker lived and pursued his creative career in a momentous period of Slovenian history, during the awakening of national consciousness, the period of Slovenian modernism and contemporaneously with the impressionist painters, with whom he connected in the Sava arts club. He wrote himself into the history of Slovenian art as a pioneer of modern Slovenian sculpture, but due to the hardship of his living circumstances and his unenviable financial status, very few of his works were completed for us to see today.

The Imagined City brings to the fore Berneker's public sculpture work in Ljubljana, covering both the few examples of executed sculptures and reliefs – including the atlantes on the Banka Slovenije façade, which stand out as his most monumental work – and also those works that remained simply maquettes. This marked the second consecutive year of collaborating with the Koroška Museum of Modern and Contemporary Art, whose exhibition *Franc Berneker: The Petrified Dream* (December 2024 to March 2025) was also the basis for last year's exhibition at Mala Galerija. Through the correspondence between the artist and client, the exhibition for the first time outlined the creation of the atlantes on the façade, while providing some background to the artist's financial struggles and illustrating the frequent delays in the completion of the commission.

The exhibition displayed just a few maquettes of monuments that Berneker planned but for various reasons never completed. The main wall of the gallery showed five maquettes for monuments created between 1908 and 1918: *Maquette for a monument to Adamič and Lunder, maquette for a Kette monument, maquette for a monument to Krek, maquette for a monument and maquette for a gravestone ("Metalworker").* There was a spotlight on the statue of France Prešeren, which at the time of its creation generated some major controversy. Berneker received honourable mention for his design, but the commission for the statue, which we can see today in Prešeren Square, was awarded to sculptor Ivan Zajec. Berneker's maquette is not even preserved in a photograph, but using written sources and artificial intelligence we attempted to recreate it. In this way the exhibition was devoted precisely to those works by Franc Berneker that were never executed, thereby seeking to present an imagined city of what might have been today.

Photographs 4 and 5: ***The Imagined City: The Public Sculpture of Franc Berneker***





7.5 Risk management

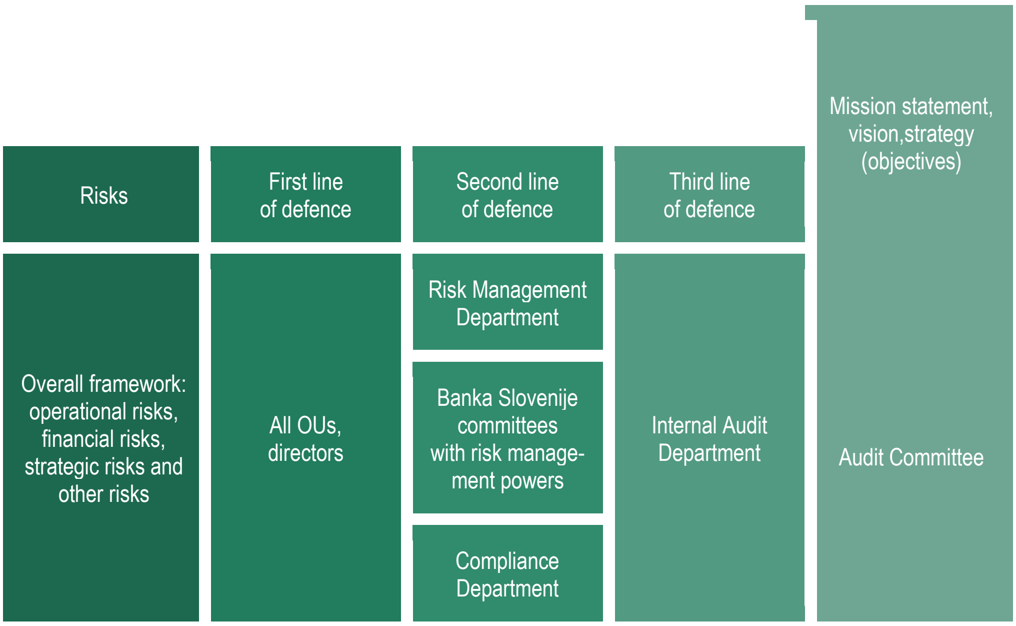
Banka Slovenije manages risks on the basis of a structured systemic approach, which is set out by the overall risk management framework. The overall framework defines the principal types of risk that Banka Slovenije faces and manages.

The actions of the risk management system focus on supporting Banka Slovenije's decision-making bodies in the risk management process, primarily by providing structured comprehensive information on what the overall risk exposure is at any given moment, and how we can continually actively manage or mitigate the identified risks in full. Risk management at Banka Slovenije does not constitute an independent business process separate from its principal activities and business processes, but instead constitutes an integral part of the senior management's responsibilities, and an integral part of all business processes, including strategic planning and all change management projects and processes. Activities to ensure that there is an effective risk management process are included in the business plans of all our organisational units.

The concept for the risk management system is based on the model of three lines of defence, as described by the overall risk management framework. The functioning of the system ensures the identification of risks that could endanger the realisation of Banka Slovenije's strategic and other objectives. The risk management framework defines the main strategic elements of the risk management system, and represents the starting point for subordinate bylaws, policies, methodologies and guidance for managing the identified types of risk.

The **first line of defence consists of the organisational units** whose business decisions actively manage the specific identified risks, and who are primarily responsible for implementing the policies in each area for managing individual types of risk.

Diagram 2: **Risk management system at Banka Slovenije based on three lines of defence**



Source: Overall risk management framework at Banka Slovenije.

The second line of defence consists of our committees, the Risk Management Department, and the Compliance Department. The primary purpose of the committees is supporting the Governor and the Governing Board in regularly monitoring, coordinating and providing information about risk management. On the basis of the standard definition of the system, the Risk Management Department coordinates the functioning of sub-systems for managing financial, operational, strategic, IT, legal, project and other risks, and our various ways of responding to interruptions in business caused by contingencies (business continuity for various periods during contingencies). In the assessment of operational risk, the Compliance Department provides general opinions of compliance risks and, as necessary, takes a position on self-assessments and plans for managing compliance risks drawn up by business process custodians.

The Risk Management Department is connected to two Banka Slovenije committees holding risk management powers: the Risk Committee and the Investment Committee. The first works principally in the area of non-financial risks, and the second has a mandate from the Governing Board to manage the financial risks of Banka Slovenije's financial assets. Last year the Risk Committee met six times to discuss issues in connection with operational risk, resilience, business continuity and information security risk, while the Investment Committee met 12 times to primarily discuss issues in connection with the management of Banka Slovenije's portfolio of financial assets.

The third line of defence consists of the Internal Audit Department and the Audit Committee. The Risk Management Department reports to the Audit Committee on the functioning of the integrated risk management system.

The **Governing Board** is committed to putting in place a comprehensive and effective risk management system that reduces the occurrence of unforeseen consequences for Banka Slovenije. Regular monitoring of the implementation of the overall framework is conducted by the Governing Board, which also discusses current issues of relevance to risk management.

7.6 Compliance and the Banka Slovenije Code of Ethics

Banka Slovenije endeavours to build and maintain public confidence in good governance at the institution in the performance of its public tasks. Banka Slovenije has put a compliance function in place to this end.

The Compliance Department is responsible for implementing an effective internal governance system based on the principles of ethical, responsible and transparent conduct. The Compliance Department acts to complement the system of checks and balances at the bank by monitoring the level of compliance in the bank's operations and its employees' conduct with regulations, bylaws, codes of ethics and standards, and is responsible for expanding the culture of compliance to encourage lawful, fair, ethical and transparent conduct on the part of the bank and its employees.

In its functioning the Compliance Department is independent from other organisational units, and answers directly to the Governor. The compliance officer reports on their work once a year to the Governing Board, to the Audit Committee and to the Risk Committee.

The Code of Ethics of Banka Slovenije sets out the rules of ethical conduct for employees at Banka Slovenije and other persons working for or providing services for Banka Slovenije on the basis of a contract or agreement. The Code of Ethics of Banka Slovenije sets out the key principles in the area of internal governance, and upholds the highest standards of ethical conduct on the part of employees, in accordance with joint guidance and values formulated within the framework of the ESCB and the ECB, in relation to employees and Banka Slovenije's partners. In this the code provides detailed guidelines regarding how to handle conflicts of interest, receiving gifts and benefits, performing activities beyond professional duties and the incompatibility of functions and tasks, public and non-public contacts with external stakeholders, protection of non-public information, concluding financial transactions, the prohibition on abuse of inside information and restrictions regarding the pursuit of gainful activity after ceasing work at Banka Slovenije (cooling off period). The requirements and prohibitions set out by the code strengthen the mechanisms for employees to act impartially and independently in performing the tasks under Banka Slovenije's remit, and raise the confidence that in their conduct at Banka Slovenije employees are exclusively upholding the public interest.

7.7 Internal auditing

Internal auditing is an independent, impartial service of providing assurances and advice with the aim of adding value and improving the functioning of the organisation. It aids the organisation in meeting its objectives through a systematic, disciplined approach to evaluating and improving the performance of governance, risk management and control processes.

The aim of the internal audit function is to assist Banka Slovenije's senior management in making improvements to quality, efficiency and effectiveness within the framework of applicable legislation, and Banka Slovenije's strategy, business policies and business plans. In its work the Internal Audit Department devotes particular attention to reviewing and assessing the system of internal controls and risk management at Banka Slovenije.

In its functioning the Internal Audit Department is independent from other organisational units, and reports directly to the Governor. It audits functions, processes, data/information, projects and systems at all levels of Banka Slovenije's operations, and in all elements of the operations of the Eurosystem, the ESCB and the SSM, that are present at Banka Slovenije.

The Internal Audit Department is responsible for:

- drawing up and implementing its annual plan of work;
- reporting on the outcome of audit engagements, which may include an assessment as to whether:
  – the risks associated with attaining the strategic objectives have been properly identified and managed,
  – the conduct of employees and contract-based workers complies with laws, regulations, policies and bylaws,
  – the processes and systems put in place facilitate compliance with laws, regulations, policies and bylaws,
  – the results of activities are aligned with the corresponding objectives,
  – activities are being carried out effectively;
- following up and assessing the implementation of issued recommendations, and reporting on their realisation;
- providing advice about good business practice, corporate governance, internal controls and prevention of fraud;
- coordinating activities in connection with the external auditor of Banka Slovenije's financial statements, and those of the funds under its management;
- carrying out tasks in connection with the handling of reports of breaches by employees (in connection with Banka Slovenije's bylaws governing this area).

The Internal Audit Department reports periodically to the Audit Committee, the Governor and the Governing Board on the outcomes of audits, its findings, the follow-up of recommendations, other investigations, and its own performance.

7.8 Audit Committee

Alongside its internal working bodies, Banka Slovenije has an Audit Committee, which aims to improve governance at Banka Slovenije by means of additional independent oversight alongside the internal and external auditors. Banka Slovenije's Audit Committee, which is headed by an external expert, assists the Governor and the Governing Board in exercising their powers in accordance with the Bank of Slovenia Act, by discussing its conclusions and recommendations and reporting them to the aforementioned authorities.

The Audit Committee provides support to the Governing Board regarding:

- the integrity and reliability of financial information; and
- the selection of the external auditor, the compilation of the financial statements, and the external auditing of the financial statements.

The Audit Committee provides support to the Governor regarding:

- the functioning of internal auditing; and
- the procedures and findings of audits by the Court of Audit.

Banka Slovenije's Audit Committee complements the internal and external control environment already put in place at the bank, with the aim of improving governance by providing additional independent oversight.

The Audit Committee met seven times in 2025. It addressed the external auditor's report on the audited financial statements of Banka Slovenije, the bank resolution fund, the deposit guarantee fund, and the resolution and deposit guarantee fund for 2024. Although Banka Slovenije is not subject to the requirements of Regulation (EU) No 537/2014 and Directive 2014/56/EU, which apply to audits of public-interest entities, after conducting the closing audit and at the request of the Audit Committee the external auditor revised the audit report in accordance with Article 11 of the aforementioned regulation, which prescribes mandatory elements for an additional report to the audit committee.[36]

The Audit Committee also discussed a report on the selection of the external auditor of Banka Slovenije's financial statements for the period from 2027 to 2029. A call for applications led to the selection of audit firm Ernst & Young under the prescribed procedure, the selection then being confirmed by the Governing Council of the ECB and the Council of the European Union.

The Audit Committee was also briefed on reports on the work and findings of the Internal Audit Department, issued opinions with regard to all audit engagements, followed up the implementation of internal audit recommendations and the work of the external auditor, and discussed the reports of the commission for investigating internal breaches at Banka Slovenije.

In 2025 the Audit Committee was also briefed on the Banka Slovenije risk reports compiled by the Risk Management Department, and the report on the Compliance Department's work completed in the previous year.

[36] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014R0537.

7.9 Data management

Activity in the area of data management in 2025 mainly focused on **analysis of the current state of affairs**, the preparation of **key proposals for improvement**, and the creation of a strong basis for a **more systematic long-term approach to handling data**.

Regular collaboration was restored with the methodological group of **chief data stewards**, where discussion focused on data stewardship, data quality and methodological approaches. Specific operational issues were resolved (e.g. certificate flow), changes to data sources were discussed, and regular briefings were put in place. Towards the end of the year the focus shifted to the **IReF project**, and to the **ESCB Analytical Data (ADA)** portal. In-depth analysis is planned for early 2026 to determine whether the proposed functionalities of the ADA portal adequately support the existing approaches to data use at Banka Slovenije.

In the analytics field the user requirements for **setting up the central server environment for R and Python tools** were gathered and coordinated. This environment will allow for the safe, stable and standardised implementation of analysis and data processing, irrespective of the individual user's pre-existing technical knowledge. The project is currently in the technical phase, where preparation of the appropriate system support is the key.

Much of the year was also devoted to a **review of data architecture**, namely the approach to how data is structured, linked and managed. User roles and data access were analysed, particularly in the area of PORFI reporting. A target data architecture was drawn up, with a proposal of activities to set up a data catalogue and a data glossary. This would provide for better oversight of data, a reduction in duplication, and gradual optimisation of the reporting burden.

Within the framework of the **IReF project** (see also the statistics section) a similar comparison was made between the existing PORFI reporting and the new IReF Core data model (standardised data structure at ECB level). Mapping of the existing PORFI data to the new IReF Core model was conducted, together with gap analysis. Where the PORFI data was not captured in the IReF Core model, a local extension (ExTL) was created, which allows for all the necessary information to be retained after the changeover to the new reporting. The impact on staff and processes and on the functionalities of the ADA portal was also analysed. A clear link was demonstrated between the IReF project and the project for the construction of the target data architecture, as a successful transition will require a well-organised data architecture.

Much of the activity also took place on the **ESCB working groups**, where we coordinated the national requirements and assessed the functionalities of the CDM system and the ADA portal from the perspective of their impact on Banka Slovenije's functioning.

7.10 Court proceedings

Eight administrative disputes were pending at the end of 2025, where Banka Slovenije is an accessory participant in two disputes against a decision by the Information Commissioner, while in six cases Banka Slovenije is the defendant in connection with administrative decisions and calls, namely one case of supervisory proceedings, one case of bank resolution proceedings, and four cases of proceedings relating to a dispute in connection with the payment of the fee for ruling on an objection to a decision to disclose information in connection with misdemeanours proceedings.

Banka Slovenije was involved in 163 pending litigation proceedings at the end of 2025, either as the defendant or co-defendant, or as an accessory participant. All related to compensation claims by holders of qualified bank credit who were subject to extraordinary measures in 2013 and 2014.

Five cases were pending at the end of 2025 with regard to misdemeanours decisions following the lodging of requests for judicial review, while Banka Slovenije was involved in three cases of bankruptcy proceedings as a creditor.

8 Financial Statements

Statement of responsibilities of the Governing Board of Banka Slovenije

The Banka Slovenije Act requires Banka Slovenije to prepare financial statements to give a true and fair view of the state of affairs of Banka Slovenije and the surplus or deficit of Banka Slovenije for a given period. The financial statements are adopted by the Governing Board of Banka Slovenije. In preparing the financial statements, Banka Slovenije is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, namely the Guideline of the European Central Bank of 14 November 2024 on the legal framework for accounting and financial reporting in the European System of Central Banks (ECB/2024/31 (recast))[1] and the provisions of the Banka Slovenije Act relating to accounting; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that Banka Slovenije will continue in business.

The Governing Board of Banka Slovenije has a general responsibility for taking such steps as are reasonably open to it to safeguard the assets of Banka Slovenije.

[1] OJ L 2024/2941, 11.12.2024.

Independent Auditor's Report

To the Governing Board of Banka Slovenije

Opinion

We have audited the financial statements of **Banka Slovenije**, which comprise the balance sheet as at 31 December 2025, the profit and loss account for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the enclosed financial statements of Banka Slovenije for the year ended 31 December 2025 are prepared, in all material respects, in accordance with Guideline (EU) 2024/2941 of the European Central Bank of 14 November 2024 on the legal framework for accounting and financial reporting in the European System of Central Banks (ECB/2024/31) (recast) and the provisions of the Banka Slovenije Act relating to accounting.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibility for the Audit of the Financial Statements* section of this report. We are independent of Banka Slovenije in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in Slovenia and we have fulfilled all our other ethical requirements in accordance with these requirements and the IESBA Code.

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

Responsibility of the Governing Board of Banka Slovenije and the Audit Committee of Banka Slovenije for the Financial Statements

The Governing Board of Banka Slovenije is responsible for the preparation of the financial statements in accordance with Guideline (EU) 2024/2941 of the European Central Bank of 14 November 2024 on the legal framework for accounting and financial reporting in the European System of Central Banks (ECB/2024/31) (recast) and the provisions of the Banka Slovenije Act relating to accounting and for such internal control as the Governing Board of Banka Slovenije determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Board of Banka Slovenije is responsible for assessing Banka Slovenije's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Board of Banka Slovenije either intends to liquidate Banka Slovenije or to cease operations, or has no realistic alternative but to do so.

The Audit Committee of Banka Slovenije assists the Governing Board of Banka Slovenije in overseeing Banka Slovenije's financial reporting process.

This auditor's report is a direct translation from the Slovenian original enclosed to the financial statements for the financial year then ended and material accounting policy information with other explanatory information. The translation is for information purposes only and is not signed.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Banka Slovenije's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governing Board of Banka Slovenije.
- Conclude on the appropriateness of Governing Board of Banka Slovenije's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Banka Slovenije's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organisation to cease to continue as a going concern.

We communicate with the Audit Committee of Banka Slovenije regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ljubljana, 23 March 2026

FORVIS MAZARS, družba za revizijo, d.o.o.

M. Sc. Teja Burja
Certified Auditor

This auditor's report is a direct translation from the Slovenian original enclosed to the financial statements for the financial year then ended and material accounting policy information with other explanatory information. The translation is for information purposes only and is not signed.

Constitution

Banka Slovenije was constituted by the Law on Banka Slovenije of 25 June 1991. Banka Slovenije is a legal entity governed by public law which independently disposes of its own property. Banka Slovenije is wholly owned by the state and is autonomous as regards its finances and administration. Banka Slovenije is supervised by Parliament. The primary objective of Banka Slovenije shall be to maintain price stability. In pursuing this objective, Banka Slovenije shall strive for financial stability, while taking into account the principles of an open market economy and free competition. According to the Banka Slovenije Act, on the day of introduction of the euro as the Republic of Slovenia's currency, Banka Slovenije shall begin to perform its tasks in accordance with the Treaty establishing the European Community and in accordance with the Statute of the ESCB and the ECB.[2]

Accounting policies

Introduction of the euro
The Republic of Slovenia introduced the euro as a new legal tender on 1 January 2007. Banka Slovenije thus became part of the Eurosystem and took over joint responsibility for defining and implementing monetary policy and for exercising the common strategic goals of the ESCB.[3]

Accounting principles and standards
Banka Slovenije applies the Guideline of the European Central Bank of 14 November 2024 on the legal framework for accounting and financial reporting in the European System of Central Banks (ECB/2024/31 (recast)) (the Accounting Guideline) as the legal basis for accounting and reporting. According to the Banka Slovenije Act and the Statute of the ESCB and of the ECB, this legal framework was adopted by the Governing Board of Banka Slovenije at its 342nd meeting on 20 December 2006.

Financial statements are presented in accordance with the valuation rules as defined by the Accounting Guideline.

In cases that are not covered by the Accounting Guideline or are governed by non-mandatory provisions, the valuation principles in accordance with international financial reporting standards valid in the EU and with the Banka Slovenije Act are applied.

Basic principles
The financial statements are prepared in conformity with the provisions governing the Eurosystem's accounting and reporting procedures, which follow accounting principles harmonised by Community law, with generally accepted international financial reporting standards valid in the EU, and with the Banka Slovenije Act.

The following fundamental accounting principles have been applied:

- Economic reality and transparency: the accounting methods and financial reporting shall reflect economic reality, be transparent, and respect the qualitative characteristics of understandability, relevance, reliability and comparability;
- Prudence: the valuation of assets and liabilities and income recognition shall be carried out prudently. In the context of the Accounting Guideline, this implies that unrealised gains shall not be recognised as income in the profit and loss account but shall be recorded directly in a revaluation account and that unrealised losses shall be taken at year-end to the profit and loss account if they exceed previous revaluation gains registered in the corresponding revaluation account;

[2] Protocol (No. 18) (ex. No. 3) on the Statute of the European System of Central Banks and of the European Central Bank (Protocol annexed to the Treaty establishing the European Community, OJ C 191, 29.07.1992).

[3] The term "ESCB" (European System of Central Banks) refers to the 27 national central banks (NCBs) of the Member States of the European Union on 31 December 2025 plus the European Central Bank (ECB). The term "Eurosystem" refers to the 20 NCBs of the Member States participating in the Monetary Union plus the ECB on the same date.

- Materiality: deviations from the accounting rules shall only be allowed if they can reasonably be considered as immaterial in the overall context and presentation of the financial statements;
- Consistency and comparability: the criteria for balance sheet valuation and income recognition shall be applied consistently in terms of commonality and continuity of approach to ensure comparability of data in the financial statements;
- Going concern basis: accounts shall be prepared on a going concern basis;
- Accruals principle: income and expenditure shall be recognised in the accounting period in which they are earned or incurred and not in the period in which they are received or paid;
- Post-balance-sheet events: assets and liabilities shall be adjusted for events that occur between the annual balance sheet date and the date on which the financial statements are approved by the Governing Board if they materially affect the fair presentation of assets or liabilities at the balance sheet date.

Recognition of assets and liabilities
An asset or liability is only recognised on the balance sheet when it is probable that any associated future economic benefit will flow to or from Banka Slovenije, substantially all of the associated risks and rewards have been transferred to Banka Slovenije, and the cost or value of the asset or the amount of the obligation can be measured reliably.

Economic approach
On the basis of the definition of alternative economic approach in the Accounting Guideline, transactions in financial assets and liabilities are reflected during the year in the accounts on the date on which they were settled.

For transactions in foreign currency agreed in one year but maturing in a subsequent year, the trade date approach is applied. Transactions are recorded in off-balance-sheet accounts on the trade date. On the settlement date, the off-balance-sheet entries are reversed, and transactions are booked on-balance-sheet. Purchases and sales of foreign currency affect the net foreign currency position on the trade date, and realised results arising from sales are also calculated on the trade date.

Securities transactions are recorded according to the cash/settlement approach. Accrued interest, premiums and discounts related to financial instruments in foreign currency are calculated and booked daily from the settlement date, and the foreign currency position is also affected daily by these accruals.

Conversion of foreign currencies
Foreign currency transactions whose exchange rate is not fixed against the euro are recorded in the balance sheet at market rates prevailing on the day of the transaction. At year-end, both financial assets and liabilities are revalued at current market rates as of the last day of the year, as derived from the ECB’s daily quotation of reference exchange rates. This applies equally to on-balance-sheet and off-balance-sheet transactions. The revaluation takes place on a currency-by-currency basis.

Income and expenses are converted at the exchange rate prevailing on the recording date.

Gold and gold receivables
Gold and gold receivables are valued at the market price prevailing at the year-end. No distinction is made between the price and currency revaluation differences for gold. Instead, a single gold revaluation difference is accounted for, based on the euro price per fine ounce of gold, derived from the gold price in US dollars as at the balance sheet date.

Securities held for monetary policy purposes
Debt securities currently held for monetary policy purposes are accounted for at amortised cost subject to impairment.

Other securities
Marketable securities (other than debt securities currently held for monetary policy purposes and those classified as held-to-maturity) and similar assets are valued either at the mid-market prices or on the basis of the relevant yield curve prevailing on the balance sheet date, on a security-by-security

basis. Options embedded in securities are not separated for valuation purposes. For the year ending 31 December 2025, mid-market prices on 31 December 2025 were used.

Marketable debt securities classified as held-to-maturity and non-marketable securities are valued at amortised cost subject to impairment. Illiquid equity shares and any other equity instruments held as permanent investments are valued at cost, subject to impairment.

Investment funds are valued at market prices on a net basis and not on the basis of the underlying assets, provided that they meet certain predetermined criteria in relation to the level of influence of Banka Slovenije on the day-to-day operations of the fund, the legal status of the fund and the way the investment is evaluated. There is no netting between the revaluation results of different investment funds.

Securities lending transactions under automated security lending contracts are conducted as part of the management of Banka Slovenije's assets. Securities lending transactions are collateralised. Income resulting from lending operations is included in the profit and loss account. Securities lending is conducted via agent and custodian banks. Transactions outstanding at year-end are recorded off-balance-sheet.

Tangible fixed assets
Depreciation is calculated on a straight-line basis, beginning with the month following acquisition, so as to write off the cost of the assets over their estimated economic lifetime at the following annual percentage rates:

	2025	2024
Buildings	1.3–1.8%	1.3–1.8%
Hardware and software	20–33%	20–33%
Other equipment	10–25%	10–25%

Gains and losses related to disposal of fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the profit and loss account.

Properties located in Austria are included in Banka Slovenije's fixed assets. They are carried at a value in the middle interval of the estimated fair values and are not depreciated. The fair value is based on a middle value in the range of appraised values, obtained by an external certificated valuer (Banka Slovenije revalues these properties once every five years; the last revaluation was carried out in 2024). This revaluation method gives a more appropriate and accurate view to the reader of the financial statements.

Leases
For all long-term leases involving a tangible asset, the related right-of-use asset and liability are recognised on the balance sheet at the lease commencement date at the present value of the future lease payments and included under the asset item "Tangible and intangible fixed assets" and the liability item "Sundry". Right-of-use assets are valued at cost less depreciation, which is calculated on a straight-line basis.

ECB capital key
The capital key is essentially a measure of the relative size of EU Member States and is a 50:50 composite of GDP and population size. The key is used as the basis for the allocation of each NCB's share of capital in the ECB and must be adjusted every five years under the Statute of the ESCB and of the ECB or whenever there is a change in the composition of the ESCB national central banks.

The Eurosystem key is an individual NCB's share in the total key held by Eurosystem members and is used as the basis for allocation of monetary income, the ECB's income on euro banknotes in circulation, the ECB's (net) income arising from securities held for monetary policy purposes and the ECB's profit/loss.

Banknotes in circulation
The ECB and the euro area NCBs, which together comprise the Eurosystem, issue euro banknotes.[4,5] The total value of euro banknotes in circulation is allocated to the Eurosystem central banks on the last working day of each month in accordance with the banknote allocation key.[6]

The ECB has been allocated an 8% share of the total value of euro banknotes in circulation, whereas the remaining 92% has been allocated to NCBs according to their weightings in the capital key of the ECB. The share of banknotes allocated to each NCB is disclosed in the balance sheet under the liability item "Banknotes in circulation".

The difference between the value of the euro banknotes allocated to each NCB in accordance with the banknote allocation key and the value of the euro banknotes that it actually puts into circulation also gives rise to remunerated[7] intra-Eurosystem balances. These claims or liabilities are disclosed under the sub-item "Intra-Eurosystem: Net claims/liabilities related to the allocation of euro banknotes within the Eurosystem" (see "Intra-ESCB balances/Intra-Eurosystem balances" in the notes on accounting policies).

From the cash changeover year[8] until five years following the cash changeover year, the intra-Eurosystem balances arising from the allocation of euro banknotes are adjusted in order to avoid significant changes in NCBs' relative income positions compared to previous years. The adjustments are affected by taking into account the differences between the average value of banknotes in circulation of each NCB in the reference period[9] and the average value of banknotes that would have been allocated to them during that period under the ECB capital key. The adjustments will be reduced in annual stages until the first day of the sixth year after the cash changeover year, when income on banknotes will be allocated fully in proportion to the NCBs' paid-up shares in the ECB's capital. In the year under review, the adjustment resulted from the accession of Hrvatska narodna banka (in 2023) and will terminate at the end of 2028.

The interest income and expense on these balances are cleared through the accounts of the ECB and disclosed under "Net interest income / (expense)" in the profit and loss account.

Intra-ESCB balances / Intra-Eurosystem balances
Intra-Eurosystem balances result primarily from cross-border payments in the EU that are settled in central bank money in euro. These transactions are for the most part initiated by private entities (e.g. credit institutions, corporations and individuals). They are settled in TARGET[10] and give rise to bilateral balances in the TARGET accounts of EU central banks. Payments conducted by the ECB and the national central banks (NCBs) also affect these accounts. All settlements are automatically aggregated and adjusted to form part of a single position of each NCB vis-à-vis the ECB. The movements in TARGET accounts are reflected in the accounting records of the ECB and the NCBs on a daily basis.

[4] Decision of the European Central Bank of 13 December 2010 on the issue of euro banknotes (recast) (ECB/2010/29), OJ L 35, 09.02.2011, pp. 26–30, as amended. The unofficial consolidated text with the list of amendments is also available.

[5] Bulgarian National Bank have only participated in the Eurosystem since 2026.

[6] The "banknote allocation key" reflects the percentages that result from taking into account the ECB's share in the total euro banknote issue and applying the subscribed capital key to the NCBs' share in such total.

[7] Decision of the European Central Bank of 3 November 2016 on the allocation of monetary income of the national central banks of Member States whose currency is the euro (recast) (ECB/2016/36), OJ L 347, 20.12.2016, pp. 26–36, as amended. The unofficial consolidated text with the list of amendments is also available.

[8] The cash changeover year refers to the year in which the euro banknotes are introduced as legal tender in the respective Member State; for Banka Slovenije this was 2007.

[9] The reference period refers to the 24 months which start 30 months before the day on which euro banknotes become legal tender in the respective Member State; for Banka Slovenije this is the period from July 2004 to June 2006.

[10] Trans-European Automated Real-time Gross Settlement Express Transfer system.

The intra-Eurosystem balance of Banka Slovenije vis-à-vis the ECB arising from TARGET is presented in the balance sheet of Banka Slovenije as an asset or liability position under either "Claims related to TARGET" or "Liabilities related to TARGET". Intra-ESCB balances vis-à-vis non-euro area NCBs not arising from TARGET are disclosed under either "Claims on non-euro area residents denominated in euro" or "Liabilities to non-euro area residents denominated in euro".

Intra-Eurosystem claims arising from Banka Slovenije's participating interest in the ECB are reported under "Participating interest in the ECB". In particular this balance sheet item includes (i) the NCBs' paid-up share in the ECB's subscribed capital, (ii) any net amount paid by the NCBs due to the increase in their share in the ECB's equity value[11] resulting from all previous ECB capital key adjustments, and (iii) contributions in accordance with Article 48.2 of the Statute of the ESCB and the ECB with respect to the central banks of Member States whose derogations have been abrogated.

Intra-Eurosystem claims arising from the transfer of foreign reserve assets to the ECB by Banka Slovenije at the time of joining the Eurosystem are denominated in euro and reported under "Claims equivalent to the transfer of foreign reserves".

Intra-Eurosystem balances arising from the allocation of euro banknotes within the Eurosystem are included as a single net asset/liability under "Net claims related to the allocation of euro banknotes within the Eurosystem" or "Net liabilities related to the allocation of euro banknotes within the Eurosystem" (see "Banknotes in circulation" in the notes on accounting policies).

Other intra-Eurosystem balances denominated in euro (e.g. the ECB's interim profit distributions to NCBs, if any, correspondent accounts and the balance due to the difference between monetary income to be pooled and redistributed) are presented as a single net asset or liability position under either "Other claims within the Eurosystem (net)" or "Other liabilities within the Eurosystem (net)".

ECB profit distribution
The Governing Council of the ECB has decided that the seigniorage income of the ECB, which arises from the 8% share of euro banknotes allocated to the ECB, as well as the income arising from the securities held under (a) the securities markets programme (SMP), (b) the third covered bond purchase programme (CBPP3), (c) the asset-backed securities purchase programme (ABSPP), (d) the public sector purchase programme (PSPP) and (e) the pandemic emergency purchase programme (PEPP) is distributed in January of the following year by means of an interim profit distribution, unless otherwise decided by the Governing Council.[12] Any such decision is taken where, on the basis of a reasoned estimate prepared by the Executive Board, the Governing Council expects that the ECB will have an overall annual loss or will make an annual profit that is less than this income. The Governing Council may also decide to transfer all or part of this income to a provision for financial risks. Furthermore, the Governing Council may also decide to reduce the amount of the income on euro banknotes in circulation to be distributed in January by the amount of the costs incurred by the ECB in connection with the issue and handling of euro banknotes.

Provisions
Provisions are recognised when Banka Slovenije has a present legal or other obligation as a result of past events when it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

In compliance with Article 49.a of the Banka Slovenije Act, after the introduction of the euro as the Republic of Slovenia's currency, the Governing Board of Banka Slovenije may, with the intention of maintaining the real value of assets, take a decision to create general provisions for anticipated exchange rate, interest rate and price risks. Provisions may not be created if they should, together

[11] Equity value means the total of the ECB's reserves, revaluation accounts and provisions equivalent to reserves, minus any loss carried forward from previous periods. In the event of capital key adjustments taking place during the financial year, the equity value also includes the ECB's accumulated net profit or net loss until the date of the adjustment.

[12] Decision of the European Central Bank of 15 December 2014 on the interim distribution of the income of the European Central Bank (recast) (ECB/2014/57), OJ L 53, 25.02.2015, pp. 24–26, as amended. The unofficial consolidated text with the list of amendments can be found here.

with the unrealised exchange rate differences, securities valuation effects and gold valuation effects, exceed 20% of identified net income. With the amendment of the Accounting Guideline, which entered into force as at the end of 2012, the legal background was also given for the creation of provisions for credit risks. Following the amendment of the Accounting Guideline at the end of 2019, which extended the area of provisioning to all financial risks, Banka Slovenije also created provisions for equity risks for the first time in 2019. The relevant amount of provisions for all such financial risks is determined annually on the basis of the Expected Shortfall (ES) method at a 99% confidence level. The ES is defined as the expected or average loss in the selected period for those events that are worse than the VaR[13] figure at the same confidence level and holding period, with an unchanged investment structure. Banka Slovenije also creates provisions for risks arising from the asset–liability mismatch.

Income recognition

Income and expenses are recognised in the financial year in which they are earned or incurred. Realised gains and losses are taken to the profit and loss account.

From the beginning of 2007, the foreign exchange and price valuation has been performed on a quarterly basis in accordance with the Accounting Guideline. Net unrealised positive valuation effects which arose before the adoption of the euro are separated from the unrealised positive valuation effects recorded after that date. They are considered as “Pre-Stage Three” revaluation reserves and are included in the liability balance sheet item “Reserves”.

At the end of the year, unrealised positive valuation effects are not recognised as income in the profit and loss account but are recorded on the revaluation accounts on the liability side of the balance sheet.

Unrealised negative valuation effects are taken to the profit and loss account if they exceed previous positive valuation effects registered in the corresponding revaluation account. Such losses cannot be reversed against any future unrealised positive valuation effects in subsequent years. Unrealised valuation effects in respect of securities and foreign currency denominated items are entered on an item-by-item basis and a currency-by-currency basis. Netting is not allowed.

Premiums and discounts arising from purchased securities are calculated and presented as part of the interest income and are amortised over the remaining life of the securities according to the internal rate of return (IRR) method.

Cost of transactions

With regard to gold, foreign currencies and securities, the average cost method as defined in the Accounting Guideline is used daily to establish the acquisition cost of items sold when calculating the effects of exchange rates and prices.

When net acquisitions of currency or gold are made, the average acquisition cost for the day’s acquisition with regard to each individual currency is added to the previous day’s holdings to obtain a new weighted average of the exchange rate or gold price. In the case of net sales, the realised result is calculated on the basis of the average acquisition cost of the previous day for the respective foreign currency position.

Gains and losses on disposals of securities are calculated on the basis of the weighted average price of an individual security.

The market prices and rates applied in the opening balance sheet as at 1 January 2007 were considered as the opening average cost of Banka Slovenije’s assets and liabilities. In the case of foreign currency positions and gold, the opening costs were the exchange rates prevailing on 1 January 2007, communicated by the ECB. For securities investments, the securities prices as at 31 December 2006 represented the opening average prices, which served as a starting point for premium and discount amortisation and calculation of realised gains and losses in the event of their sale.

[13] VaR is defined as the maximum loss of portfolio with a given diversification at a given confidence level (99%) and for a given holding period (one year).

Off-balance-sheet instruments
Forward legs of foreign exchange swaps are disclosed off-balance-sheet and are included in the net foreign currency position for the purpose of calculating the average cost of currencies and foreign exchange gains and losses. Gains and losses arising from the forward legs are recognised and treated in a similar manner to on-balance-sheet instruments. Unrealised positive valuation effects are not recognised as income but are transferred to the revaluation accounts. Unrealised negative valuation effects are taken to the profit and loss account when exceeding previous positive valuation effects registered in the revaluation accounts. Unrealised valuation effects of the forward legs of foreign exchange swaps are recorded from the trade date to the settlement date under “Other assets/liabilities”.

Since spot and forward amounts in foreign currencies are converted to euros at the same exchange rate, foreign exchange swaps do not influence the profit and loss account or the revaluation accounts on the liability side.

Cash flow statement
Taking into account Banka Slovenije’s role as a central bank, publishing a cash flow statement would not provide readers of the financial statements with any additional relevant information. Therefore, such a statement is not included as part of these statements.

Taxation
Banka Slovenije is not subject to Slovenian corporate income tax.

Appropriations
In accordance with the Banka Slovenije Act, net profit is allocated to general reserves and the budget of the Republic of Slovenia. Unrealised positive valuation effects deriving from exchange rate and price changes are allocated in their entirety to the revaluation accounts and are not included in the net profit available for distribution. Revaluation accounts may only be used to cover a shortfall deriving from unrealised negative valuation effects as a result of exchange rate and price movements.

A net loss of Banka Slovenije is covered from general reserves. Should the net loss arise from unrealised exchange rate and price changes, it shall be covered from the special reserves created for that purpose. Any net loss which cannot be covered from general reserves is covered by the budget of the Republic of Slovenia.

Post-balance-sheet events
Assets and liabilities are adjusted for events that occur between the annual balance sheet date and the date on which the Governing Board approves the financial statements if such events materially affect the condition of assets and liabilities on the balance sheet date.

Pursuant to Council Decision 2025/1407/EU of 8 July 2025, taken in accordance with Article 140(2) of the Treaty on the Functioning of the European Union, Bulgaria adopted the single currency on 1 January 2026. In accordance with Article 48.1 of the Statute of the ESCB and the legal acts adopted by the Governing Council on 31 December 2025, Bulgarian National Bank paid up the remainder of its capital subscription to the ECB. In accordance with Article 48.1, in conjunction with Article 30.1, of the Statute of the ESCB, Bulgarian National Bank transferred foreign reserve assets to the ECB in an amount corresponding to its subscribed capital share. As a result of the change in the capital key following Bulgarian National Bank’s entry into the Eurosystem, Banka Slovenije’s share in the ECB’s paid up capital (Eurosystem key) declined from 0.4942 % to 0.4884%. Banka Slovenije’s share in the ECB’s subscribed capital is 0.4041%.

We estimate that there were no other significant events after the balance sheet date that might affect the presented financial statements, taking into account the impact of the current geopolitical situation.

Changes to accounting policies
In 2025, there were no changes to the accounting policies applied by Banka Slovenije.

Other issues
On 13 March 2024, the Governing Council decided on the changes to the operational framework for implementing monetary policy.[14] In the same context, the Governing Council also decided that from 1 January 2025 the interest rate applied to the deposit facility offered by the Eurosystem would become the reference rate used in the context of the allocation of monetary income,[15] as well as the basis for the remuneration of (i) claims/liabilities related to the allocation of euro banknotes within the Eurosystem, (ii) TARGET balances and (iii) claims equivalent to the transfer of foreign reserves. Until the end of 2024, the basis for such remuneration was the interest rate used by the Eurosystem in its tenders for main refinancing operations.

On 15 June 2024, the Act on the Judicial Protection Procedure for Holders of Eligible Bank Liabilities (ZPSVIKOB-1) entered into force. The act provides that former holders of shares and subordinated bonds may bring an action to claim compensation for measures taken by Banka Slovenije. Former holders may therefore bring an action against Banka Slovenije, whereby the Republic of Slovenia will assume responsibility for the potential damage in the first stage of the proceedings. If it has to pay compensation, the Republic of Slovenia will be able to decide whether to sue Banka Slovenije for reimbursement of the compensation paid in a special procedure. Proceedings under the ZPSVIKOB-1 have not yet been initiated, so the provisions of the act do not affect the financial statements for the year ended 31 December 2025.

Auditing of financial statements
The financial statements were audited by Forvis Mazars d.o.o., who were appointed as the external auditor of Banka Slovenije for the financial years 2024 to 2026.

[14] See the press release of 13 March 2024 on the Governing Council’s decisions.

[15] Decision (EU) 2016/2248 of the European Central Bank of 3 November 2016 on the allocation of monetary income of the national central banks of Member States whose currency is the euro (ECB/2016/36) (OJ L 347, 20.12.2016, p. 26), as amended. The unofficial consolidated text with the list of amendments is also available.

Balance Sheet as at 31 December 2025 and 31 December 2024

		ASSETS (thousand euros)	Note number	31 December 2025	31 December 2024
1		**Gold and gold receivables**	**1**	**498,453**	**256,671**
2		**Claims on non-euro area residents denominated in foreign currency**	**2**	**2,509,844**	**2,464,990**
	2.1	Receivables from the IMF		1,151,160	1,205,240
	2.2	Balances with banks and security investments, external loans and other external assets		1,358,684	1,259,750
3		**Claims on euro area residents denominated in foreign currency**	**3**	**76,116**	**26,279**
4		**Claims on non-euro area residents denominated in euro**	**4**	**1,559,714**	**1,392,428**
	4.1	Balances with banks, security investments and loans		1,559,714	1,392,428
	4.2	Claims arising from the credit facility under ERM II		-	-
5		**Lending to euro area credit institutions related to monetary policy operations denominated in euro**	**5**	**-**	**-**
	5.1	Main refinancing operations		-	-
	5.2	Longer-term refinancing operations		-	-
	5.3	Fine-tuning reverse operations		-	-
	5.4	Structural reverse operations		-	-
	5.5	Marginal lending facility		-	-
	5.6	Credits related to margin calls		-	-
6		**Other claims on euro area credit institutions denominated in euro**	**6**	**216**	**267**
7		**Securities of euro area residents denominated in euro**	**7**	**17,253,928**	**17,977,574**
	7.1	Securities held for monetary policy purposes		14,645,099	15,875,092
	7.2	Other securities		2,608,829	2,102,482
8		**General government debt denominated in euro**		-	-
9		**Intra-Eurosystem claims**	**8**	**12,958,229**	**13,278,429**
	9.1	Participating interest in ECB		91,359	91,359
	9.2	Claims equivalent to the transfer of foreign reserves		200,458	200,458
	9.3	Claims related to TARGET		12,666,412	12,986,612
	9.4	Net claims related to the allocation of euro banknotes within the Eurosystem		-	-
	9.5	Other claims within the Eurosystem (net)		-	-
10		**Items in the course of settlement**	**9**	**7**	**6**
11		**Other assets**	**10**	**499,214**	**541,211**
	11.1	Coins of euro area		7,304	4,029
	11.2	Tangible and intangible fixed assets		62,097	62,579
	11.3	Other financial assets		50,507	52,736
	11.4	Off-balance-sheet instruments revaluation differences		-	7,756
	11.5	Accruals and prepaid expenditure		245,365	258,390
	11.6	Sundry		133,940	155,721
Total assets				**35,355,722**	**35,937,854**

LIABILITIES (thousand euros)		Note number	31 December 2025	31 December 2024
1	**Banknotes in circulation**	**11**	**7,360,787**	**7,219,023**
2	**Liabilities to euro area credit institutions related to monetary policy operations denominated in euro**	**12**	**6,156,508**	**7,381,309**
2.1	Current accounts (covering the minimum reserve system)		1,328,325	896,077
2.2	Deposit facility		4,828,184	6,485,232
2.3	Fixed-term deposits		-	-
2.4	Fine-tuning reverse operations		-	-
2.5	Deposits related to margin calls		-	-
3	**Other liabilities to euro area credit institutions denominated in euro**	**13**	**80,988**	**223,404**
4	**Debt certificates issued**		-	**-**
5	**Liabilities to other euro area residents denominated in euro**	**14**	**6,476,347**	**7,116,808**
5.1	General government		5,635,915	6,570,834
5.2	Other liabilities		840,432	545,974
6	**Liabilities to non-euro area residents denominated in euro**	**15**	**251,729**	**219,897**
7	**Liabilities to euro area residents denominated in foreign currency**	**16**	**7,846**	**20,432**
8	**Liabilities to non-euro area residents denominated in foreign currency**		**-**	**-**
8.1	Deposits, balances and other liabilities		**-**	-
8.2	Liabilities arising from the credit facility under ERM II		**-**	-
9	**Counterpart of special drawing rights allocated by the IMF**	**17**	**906,855**	**975,943**
10	**Intra-Eurosystem liabilities**	**18**	**11,983,695**	**10,624,167**
10.1	Liabilities equivalent to the transfer of foreign reserves		**-**	-
10.2	Liabilities related to TARGET		**-**	-
10.3	Net liabilities related to the allocation of euro banknotes within the Eurosystem		11,952,566	10,554,018
10.4	Other liabilities within the Eurosystem (net)		31,129	70,149
11	**Items in the course of settlement**		**-**	**-**
12	**Other liabilities**	**19**	**174,822**	**234,064**
12.1	Off-balance-sheet instruments revaluation differences		1,003	21
12.2	Accruals and income collected in advance		83,552	127,402
12.3	Sundry		90,267	106,641
13	**Provisions**	**20**	**97,807**	**136,171**
13.1	Risk provisions		83,484	122,542
13.2	Other provisions		14,323	13,629
14	**Revaluation accounts**	**21**	**594,182**	**523,166**
15	**Capital and reserves**	**22**	**1,263,188**	**1,262,227**
15.1	Capital		8,346	8,346
15.2	Reserves		1,254,842	1,253,881
16	**Accumulated losses carried forward**		**-**	**-**
17	**Profit / (loss) for the year**		**968**	**1,243**
Total liabilities			**35,355,722**	**35,937,854**

Profit and loss account for the years ending 31 December 2025 and 2024

	(thousand euros)	Note number	2025	2024
1	Net interest income / (expense)	26	28,994	-165,086
1.1	*Interest income*		*633,439*	*890,564*
1.2	*Interest expense*		*-604,445*	*-1,055,650*
2	Net result of financial operations and write-downs	27	-6,851	82,661
2.1	*Realised gains / (losses) arising from financial operations*		*67,543*	*87,660*
2.2	*Write-downs on financial assets and positions*		*-74,394*	*-4,999*
3	Net result of pooling monetary income	28	-31,129	-69,944
4	Net income / (expense) from fees and commissions	29	15,646	13,692
5	Income from equity instruments and participating interests	30	9,361	9,768
6	Other income	31	2,689	3,496
7	Staff costs	32	-38,471	-35,162
8	Administrative expenses	33	-12,883	-12,582
9	Depreciation of tangible and intangible fixed assets	34	-2,559	-2,329
10	Banknote production services	35	-1,454	-1,532
11	Other expenses	36	-1,434	-2,584
	Profit / (loss) before transfer (to) / from risk provisions and other charges		**-38,090**	**-179,603**
12	Transfer (to) / from risk provisions	37	39,058	180,846
13	Income tax and other government charges on income		-	-
	Profit / (loss) for the year	**38**	**968**	**1,243**

The notes on pages 16 to 35 form an integral part of the financial statements.

The unaudited financial statements were approved by the Governing Board on 24 February 2026, and these final financial statements were approved by the Governing Board on 23 March 2026 and were signed on its behalf by the Acting President of the Governing Board:

Primož Dolenc
Acting President of the Governing Board
Acting Governor of Banka Slovenije

In accordance with Article 49 of the Banka Slovenije Act, Banka Slovenije shall inform the National Assembly of the Republic of Slovenia of these annual financial statements.

Notes to the balance sheet

1. Gold and gold receivables

With the exception of the stock of gold held at Banka Slovenije, Banka Slovenije's gold holdings consist of gold in foreign bank accounts. In the annual accounts, gold is valued on the basis of the euro price per fine ounce derived from the quotation in USD established at the London fixing on 31 December 2025. This price, communicated by the ECB, amounts to EUR 3,669.106 per ounce of fine gold, compared with EUR 2,511.069 on 31 December 2024. The unrealised positive valuation effects of EUR 349.1 million were disclosed under the liability balance sheet item "Revaluation accounts".

	000 EUR	Fine troy ounces
Balance as at 31 December 2023	**190,922**	**102,216**
Revaluation of gold stock as at end of 2024	65,749	-
Balance as at 31 December 2024	**256,671**	**102,216**
Purchase of gold in 2025	100,000	33,635
Revaluation of gold stock as at end of 2025	141,781	-
Balance as at 31 December 2025	**498,453**	**135,851**

2. Claims on non-euro area residents denominated in foreign currency

This item includes holdings of SDRs allocated by the IMF and the foreign currency claims on non-euro area residents included in Banka Slovenije's foreign reserves.

Sub-item 2.1, "Receivables from the IMF", consists of the reserve tranche, holdings in the SDR account at the IMF and the deposit in the PRGT-DIA.[16] Claims are remunerated by the IMF at a remuneration rate that is calculated weekly.

The reserve tranche represents the difference between the quota of the Republic of Slovenia in the IMF and the IMF's euro holdings at Banka Slovenije.

Holdings in the SDR account at the IMF are reserve assets created and allocated by the IMF to its members in order to increase international liquidity. They are used in transactions between official monetary authorities.

The deposit in the PRGT-DIA is intended to generate Slovenia's subsidy contribution to the benefit of the PRGT.

The SDR is defined in terms of a basket of currencies. Its value is determined as the weighted average of the exchange rates of five currencies (USD, GBP, JPY, EUR and CNY). All claims in the balance sheet are shown on the basis of the market rate of SDR 1 = EUR 1.1656 (31 December 2024: SDR 1 = EUR 1.2544), calculated by the ECB at the end of the year for all central banks participating in the Eurosystem. At the balance sheet date, the market rate of the SDR was below the average cost, and negative valuation effects were therefore recognised in accordance with the accounting rules as expense in the profit and loss account.

[16] Poverty Reduction and Growth Trust – Deposit and Investment account.

	31 December 2025		31 December 2024		Change	
	000 SDR	**000 EUR**	**000 SDR**	**000 EUR**	**000 SDR**	**000 EUR**
Quota	586,500	683,624	586,500	735,706	-	-52,081
Less IMF holdings of euro	-434,708	-506,695	-445,695	-559,080	10,988	52,385
Reserve tranche at the IMF	151,792	176,929	140,805	176,626	10,988	304
SDR holdings	760,820	886,811	745,005	934,534	15,815	-47,723
Deposit in the PRGT Fund	75,000	87,420	75,000	94,080	-	-6,660
Total	**987,612**	**1,151,160**	**960,810**	**1,205,240**	**26,802**	**-54,079**

Sub-item 2.2, “Balances with banks and security investments, external loans and other external assets”, includes the foreign currency assets held with non-euro area residents. Foreign currency assets are shown under this sub-item at their euro equivalent as calculated on the basis of the market exchange rates as at 31 December 2025.

Breakdown of foreign currency assets by type of investment:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
Sight deposits	1,612	1,645	-33
Time deposits	32,766	-	32,766
Debt securities	658,876	658,619	258
Investment funds	665,430	599,486	65,943
Total	**1,358,684**	**1,259,750**	**98,934**

Breakdown of foreign currency assets by currency:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
USD	1,281,224	1,176,925	104,299
CNY	76,694	82,217	-5,523
Other currencies	765	608	158
Total	**1,358,684**	**1,259,750**	**98,934**

Breakdown of debt securities according to their residual maturity:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
≤ 1 year	135,412	84,830	50,582
>1 year and ≤ 5 years	288,547	327,770	-39,222
> 5 years	234,917	246,019	-11,102
Total	**658,876**	**658,619**	**258**

3. Claims on euro area residents denominated in foreign currency

The foreign currency assets held with euro area residents are invested in sight deposits and debt securities in foreign currencies.

Foreign currency assets are shown at their euro equivalent as calculated on the basis of the market exchange rates on 31 December 2025.

Breakdown of foreign currency assets by type of investment:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
Sight deposits	7	9	-2
Time deposits	40,511	-	40,511
Debt securities	35,599	26,270	9,329
Total	**76,116**	**26,279**	**49,838**

Breakdown of foreign currency assets by currency:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
USD	76,116	26,279	49,838
Total	**76,116**	**26,279**	**49,838**

Breakdown of debt securities according to their residual maturity:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
≤ 1 year	2,545	-	2,545
>1 year and ≤ 5 years	6,048	9,469	-3,421
>5 years	27,006	16,802	10,205
Total	**35,599**	**26,270**	**9,329**

4. Claims on non-euro area residents denominated in euro

The claims on non-euro area residents denominated in euro included under this balance sheet item are invested in sight deposits and debt securities.

Breakdown of euro-denominated assets by type of investment:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
Sight deposits	0	0	-
Debt securities	1,559,714	1,392,428	167,286
Total	**1,559,714**	**1,392,428**	**167,286**

Breakdown of debt securities according to their residual maturity:

	31 December 2025	31 December 2024	Change
	000 EUR	**000 EUR**	**000 EUR**
≤ 1 year	221,526	314,599	-93,073
>1 year and ≤ 5 years	987,357	754,485	232,872
>5 years	350,831	323,344	27,487
Total	**1,559,714**	**1,392,428**	**167,286**

5. Lending to euro area credit institutions related to monetary policy operations in euro

This item shows operations carried out by Banka Slovenije within the framework of the single monetary policy of the Eurosystem and reflects the volume and structure of Banka Slovenije's refinancing of the Slovenian credit institutions.

The total Eurosystem holding of monetary policy assets amounts to EUR 36,707 million (31 December 2024: EUR 34,221 million). At the end of 2024 and 2025, the bank does not have any positions under this item. In accordance with Article 32.4 of the Statute of the ESCB and the ECB, losses from monetary policy operations, if they were to materialise, are shared, by decision of the Governing Council, in full by the Eurosystem NCBs in proportion to the prevailing ECB capital key shares.

Losses can only materialise if both the counterparty fails and the recovery of funds received from the resolution of the collateral provided by the counterparty is not sufficient. For specific collateral, which can be accepted by NCBs at their own discretion, risk sharing has been excluded by the Governing Council of the ECB.

6. Other claims on euro area credit institutions denominated in euro

This item, amounting to EUR 0.2 million (31 December 2024: EUR 0.3 million), comprises claims on credit institutions which do not relate to monetary policy operations. Funds are invested in sight deposits.

7. Securities of euro area residents denominated in euro

This item includes securities held for monetary policy purposes and other securities issued by euro area residents denominated in euro.

As at 31 December 2024, sub-item 7.1, "Securities held for monetary policy purposes", consisted of debt securities acquired by Banka Slovenije within the scope of the third covered bonds purchase programme (CBPP3),[17] the public sector purchase programme (PSPP)[18] and the pandemic emergency purchase programme (PEPP).[19]

In 2025 the asset purchase programme (APP)[20] and PEPP[21] portfolios continued to decline at a measured and predictable pace, as the Eurosystem no longer reinvested the principal payments from maturing securities.

The debt securities purchased by Banka Slovenije under these programmes are accounted for at amortised cost subject to impairment (see "Securities held for monetary policy purposes" in the notes on accounting policies).

---

[17] Decision of the European Central Bank of 3 February 2020 on the implementation of the third covered bond purchase programme (recast) (ECB/2020/8), OJ L 39, 12.02.2020, pp. 6–11, as amended.

[18] Decision of the European Central Bank of 3 February 2020 on a secondary markets public sector purchase programme (recast) (ECB/2020/9), OJ L 39, 12.02.2020, pp. 12–18.

[19] Decision of the European Central Bank of 24 March 2020 on a temporary pandemic emergency purchase programme (ECB/2020/17), OJ L 91, 25.03.2020, pp. 1–4, as amended.

[20] The APP programme consists of CBPP3, the asset-backed securities purchase programme (ABSPP), the PSPP and the corporate sector purchase programme (CSPP). Further details on the APP can be found on the ECB's website: https://www.ecb.europa.eu/mopo/implement/omt/html/index.en.html.

[21] Further details on the PEPP can be found on the ECB's website: (https://www.ecb.europa.eu/mopo/implement/pepp/html/index.en.html).

The amortised cost of the debt securities held by Banka Slovenije and their market value[22] (which is not recorded in the balance sheet or in the profit and loss account but is provided for comparison purposes only) were as follows:

	31 December 2025		31 December 2024		Change	
	Amortised cost	Market value	Amortised cost	Market value	Amortised cost	Market value
	000 EUR	000 EUR	000 EUR	000 EUR	000 EUR	000 EUR
Third covered bond purchase programme	66,126	65,132	201,587	198,308	-135,460	-133,176
Public sector purchase programme	9,627,911	8,630,885	10,324,955	9,305,105	-697,044	-674,221
Pandemic emergency purchase programme	4,951,062	4,254,270	5,348,551	4,598,138	-397,489	-343,868
Total	**14,645,099**	**12,950,287**	**15,875,092**	**14,101,552**	**-1,229,993**	**-1,151,265**

Breakdown of securities held for monetary policy purposes according to their residual maturity:

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
≤ 1 year	1,304,772	1,113,125	191,647
>1 year and ≤ 5 years	4,999,269	5,107,566	-108,298
> 5 years	8,341,059	9,654,402	-1,313,343
Total	**14,645,099**	**15,875,092**	**-1,229,993**

The Governing Council assesses on a regular basis the financial risks associated with the securities held under these programmes. In this context, impairment tests are conducted on an annual basis using year-end data and are approved by the Governing Council. In these tests, impairment indicators are assessed separately for each programme. In cases where impairment indicators are observed, further analysis is performed to confirm that the cash flows of the underlying securities have not been affected by an impairment event.

The total Eurosystem holding of CBPP, SMP, ABSPP, PSPP, CSPP and PEPP securities amounts to EUR 3,745,459 million (31 December 2024: EUR 4,283,371 million), of which Banka Slovenije holds EUR 14,645 million (31 December 2024: EUR 15,875 million). In accordance with the decision of the Governing Council taken under Article 32.4 of the Statute of the ESCB and the ECB, losses from holdings of SMP, CBPP3, ABSPP, CSPP and PEPP (except those issued by the public sector) securities and PSPP securities issued by an international organisation or a multilateral development bank, if they were to materialise, are shared in full by the Eurosystem NCBs in proportion to the prevailing ECB capital key shares.

Based on the results of this year’s impairment tests, no losses have been recorded by Banka Slovenije for the debt securities held in its monetary policy portfolios in 2025.

[22] Market values are indicative and calculated on the basis of market quotes. When market quotes were not available, market prices were estimated using internal Eurosystem models.

Sub-item 7.2, “Other securities”, covers the portfolio of marketable securities issued by governments and credit and corporate institutions of the euro area.

Breakdown of securities per portfolio:

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
Marketable securities other than those held to maturity	2,608,829	2,102,482	506,347
Total	**2,608,829**	**2,102,482**	**506,347**

Breakdown of securities according to their residual maturity:

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
≤ 1 year	402,445	349,208	53,236
>1 year and ≤ 5 years	1,368,981	1,035,293	333,688
> 5 years	837,403	717,981	119,423
Total	**2,608,829**	**2,102,482**	**506,347**

8. Intra-Eurosystem claims

Sub-item 9.1 shows Banka Slovenije’s participating interest in the ECB and includes (i) Banka Slovenije’s paid-up share in the ECB’s subscribed capital, (ii) the net amount paid by Banka Slovenije due to the increase in its share in the ECB’s equity value resulting from all previous ECB capital key adjustments, and (iii) the contributions in accordance with Article 48.2 of the Statute of the ESCB and the ECB.

As per Article 28 of the ESCB Statute, the ESCB national central banks are the sole subscribers to the capital of the ECB. Pursuant to Article 29 of the Statute of the ESCB, the weightings assigned to the NCBs in the key for subscription of the ECB’s capital are determined according to the shares of the respective Member States in the total population and gross domestic product of the EU, in equal measure. These weights are adjusted every five years and whenever there is a change in the number of NCBs of EU Member States that contribute to the ECB’s capital.

The capital key is applied to ECB’s subscribed capital, amounting to EUR 10,825 million, to determine the share of subscribed capital for each NCB.

The euro area NCBs have fully paid up their share of subscribed capital, while the non-euro area NCBs have paid up 3.75% of their subscribed capital as a contribution to the operational costs of the ECB.

The subscribed and paid-up capital of the 27 European central banks in the capital of the ECB on 31 December 2025 is as follows:

	Capital key	Subscribed capital	Of which fully paid up	Eurosystem key
	%	EUR	EUR	%
Nationale Bank van België/ Banque Nationale de Belgique	3.0005	324,804,337	324,804,337	3.6695
Deutsche Bundesbank	21.7749	2,357,134,464	2,357,134,464	26.6301
Eesti Pank	0.2437	26,380,542	26,380,542	0.2980
Central Bank of Ireland	1.7811	192,804,201	192,804,201	2.1782
Bank of Greece	1.8474	199,981,181	199,981,181	2.2593
Banco de España	9.6690	1,046,669,934	1,046,669,934	11.8249
Banque de France	16.3575	1,770,700,531	1,770,700,531	20.0047
Hrvatska narodna banka	0.6329	68,511,470	68,511,470	0.7740
Banca d'Italia	13.0993	1,418,000,151	1,418,000,151	16.0201
Central Bank of Cyprus	0.1802	19,506,663	19,506,663	0.2204
Latvijas Banka	0.3169	34,304,447	34,304,447	0.3876
Lietuvos bankas	0.4826	52,241,484	52,241,484	0.5902
Banque centrale du Luxembourg	0.2976	32,215,221	32,215,221	0.3640
Central Bank of Malta	0.1053	11,398,732	11,398,732	0.1288
De Nederlandsche Bank	4.8306	522,912,792	522,912,792	5.9077
Oesterreichische Nationalbank	2.4175	261,694,546	261,694,546	2.9565
Banco de Portugal	1.9014	205,826,684	205,826,684	2.3254
Banka Slovenije	**0.4041**	**43,743,854**	**43,743,854**	**0.4942**
Národná banka Slovenska	0.9403	101,787,541	101,787,541	1.1500
Suomen Pankki	1.4853	160,783,830	160,783,830	1.8165
Total euro area NCBs	**81.7681**	**8,851,402,606**	**8,851,402,606**	**100.0000**
Bulgarian National Bank	0.9783	105,901,044	3,971,289	
Česká národní banka	1.9623	212,419,114	7,965,717	
Danmarks Nationalbank	1.7797	192,652,651	7,224,474	
Magyar Nemzeti Bank	1.5819	171,240,787	6,421,530	
Narodowy Bank Polski	6.0968	659,979,031	24,749,214	
Banca Naţională a României	2.8888	312,712,804	11,726,730	
Sveriges Riksbank	2.9441	318,699,033	11,951,214	
Total non-euro area NCBs	**18.2319**	**1,973,604,464**	**74,010,167**	
Total euro area and non-euro area NCBs	**100.0000**	**10,825,007,070**	**8,925,412,773**	

In accordance with Article 48.2 of the Statute of the ESCB and the ECB and the legal acts adopted by the Governing Council of the ECB, Banka Slovenije also made a contribution of EUR 36.7 million to the ECB's foreign exchange, gold and security price revaluation accounts and to the ECB's provision for financial risks in 2007. The payment was made in two parts. As a result of a difference between the euro equivalent of foreign reserve assets to be transferred to the ECB at current exchange rates and the claim of Banka Slovenije in accordance with its capital key (disclosed under asset item 9.2), the amount of EUR 7.6 million was used as the advance contribution to the ECB reserves, provisions and revaluation accounts on 3 January 2007. The rest of the contribution was paid after the approval of the ECB's 2006 Annual Accounts by the Governing Council of the ECB in March 2007.

Due to changes in the ECB's capital key on 1 January 2009, 1 July 2013, 1 January 2014 and 1 January 2024, the additional contributions were made to the ECB's net equity by Banka Slovenije on 9

March 2009, 12 July 2013, 21 February 2014 and 23 February 2024. As a result of the ECB's capital key changes on 1 January 2019 and 1 February 2020, the relative share of Banka Slovenije in the accumulated net equity of the ECB decreased.

	31 December 2025
	000 EUR
Contribution to revaluation accounts	
- paid on 3 January 2007	7,647
- paid on 12 March 2007	18,105
Contribution to reserves and provisions	
- paid on 12 March 2007	10,947
Contribution paid on 9 March 2009	2,700
Contribution paid on 12 July 2013	50
Contribution paid on 21 February 2014	5,350
Contribution received on 22 February 2019	-2,618
Contribution received on 28 February 2020	-504
Contribution paid on 23 February 2024	5,938
Total	**47,615**

Sub-item 9.2 represents Banka Slovenije's claims, amounting to EUR 200.5 million, arising from the transfer of foreign reserve assets to the ECB when Banka Slovenije joined the Eurosystem. In line with Article 30.2 of the Statute of the ESCB, these contributions are fixed in proportion to NCBs' share in the subscribed capital of the ECB.

Since 1 January 2025, the remuneration of these claims has been calculated on a daily basis at the latest available interest rate applied to the deposit facility offered by the Eurosystem, adjusted to reflect a zero return on the gold component. Until that date, such remuneration was calculated at the latest available marginal interest rate used by the Eurosystem in its tenders for main refinancing operations, also adjusted to reflect a zero return on the gold component.

Sub-item 9.3, "Claims related to TARGET", amounting to EUR 12,666.4 million (31 December 2024: EUR 12,986.6 million), represents the position of Banka Slovenije vis-à-vis the ECB (see "Intra-ESCB balances/Intra-Eurosystem balances" in the notes on accounting policies).

Since 1 January 2025, the remuneration of this claim has been calculated on a daily basis at the latest available interest rate applied to the deposit facility offered by the Eurosystem. Until that date, such remuneration was calculated at the latest available marginal interest rate used by the Eurosystem in its tenders for main refinancing operations.

9. Items in course of settlement

These claims comprise transactions that were not yet settled as at the end of the financial year.

10. Other assets

Banka Slovenije's holding of coins, issued by the Republic of Slovenia in the amount of EUR 7.3 million, is shown in sub-item 11.1, "Coins of euro area" (31 December 2024: EUR 4.0 million).

Sub-item 11.2, “Tangible and intangible fixed assets”, comprises land and buildings, computer hardware and software, furniture, and other equipment.

	Land and buildings	Computers & equipment	Total
	000 EUR	**000 EUR**	**000 EUR**
Cost or valuation			
At 31 December 2024	**59,490**	**37,972**	**97,462**
Additions	117	1,991	2,108
Disposals	-	1,822	1,822
At 31 December 2025	**59,607**	**38,141**	**97,748**
Depreciation			
At 31 December 2024	**3,787**	**31,096**	**34,883**
Disposals	-	1,820	1,820
Charge for the year	479	2,108	2,588
At 31 December 2025	**4,266**	**31,385**	**35,651**
Net book value			
At 31 December 2024	**55,703**	**6,876**	**62,579**
At 31 December 2025	**55,341**	**6,756**	**62,097**

As at 31 December 2025, an amount of EUR 30.6 million related to investment properties in Austria is included in land and buildings (31 December 2024: EUR 30.6 million). From 2019 onwards, Banka Slovenije has recognised long-term leases as a right-of-use asset among fixed assets.

Sub-item 11.3, “Other financial assets”, amounting to EUR 50.5 million (31 December 2024: EUR 52.7 million), contains Banka Slovenije’s participating interests in international financial organisations and other financial assets.

Sub-item 11.4, “Off-balance-sheet instruments revaluation differences”, amounting to EUR 7.8 million at the end of 2024, included positive revaluation effects arising from the forward legs of foreign currency swaps agreed in 2024 and settled in 2025. As at 31 December 2025, no such positive revaluation effects were recorded.

Sub-item 11.5, “Accruals and prepaid expenses”, in the amount of EUR 245.4 million (31 December 2024: EUR 258.4 million), contains the accrued income identified at 31 December 2025. This consists mainly of interest income which is due in the subsequent financial year.

Sub-item 11.6, “Sundry”, amounting to EUR 133.9 million (31 December 2024: EUR 155.7 million), consists of fiduciary and other assets.

11. Banknotes in circulation

This item consists of Banka Slovenije’s share of the total euro banknotes in circulation (see “Banknotes in circulation” in the notes on accounting policies).

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
Total value of euro banknotes put into circulation by Banka Slovenije	19,313,353	17,773,041	1,540,311
Liability resulting from the ECB's share of euro banknotes in circulation	-640,303	-627,971	-12,332
Liability according to Banka Slovenije's weighting in the ECB's capital key	-11,312,263	-9,926,047	-1,386,217
Total banknotes in circulation	**7,360,787**	**7,219,023**	**141,763**

During 2025, the total value of banknotes in circulation within the Eurosystem increased by 2.0%. According to the allocation key, Banka Slovenije had euro banknotes in circulation worth EUR 7,360.8 million at the end of the year compared with EUR 7,219.0 million at the end of 2024. The value of the euro banknotes actually issued by Banka Slovenije in 2025 increased by 8.7% from EUR 17,773.0 million to EUR 19,313.4 million. As this was more than the allocated amount, the difference of EUR 11,952.6 million (compared to EUR 10,554.0 million at the end of 2024) is shown under liability sub-item 10.3, "Net liabilities related to the allocation of euro banknotes within the Eurosystem".

12. Liabilities to euro area credit institutions related to monetary policy operations denominated in euro

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
Current accounts (covering the minimum reserve system)	1,328,325	896,077	432,248
Deposit facility	4,828,184	6,485,232	-1,657,049
Total	**6,156,508**	**7,381,309**	**-1,224,801**

Current accounts contain the credit balances on the transaction accounts of credit institutions that are required to hold minimum reserves, excluding funds of credit institutions that are not freely disposable, and accounts of credit institutions exempt from minimum reserve requirements, which are disclosed separately under liability item 3, "Other liabilities to euro area credit institutions denominated in euro".

Banks' minimum reserve balances were remunerated at the latest available marginal interest rate used by the Eurosystem in its tenders for main refinancing operations until 20 December 2022 and at the Eurosystem's deposit facility rate between 21 December 2022 and 19 September 2023. Following a Governing Council decision on 27 July 2023, these balances have been remunerated at zero percent since 20 September 2023.

The deposit facility refers to overnight deposits placed by Slovenian banks that access the Eurosystem's liquidity absorbing standing facility at the pre-specified rate.

13. Other liabilities to euro area credit institutions denominated in euro

Item 3 “Other liabilities to euro area credit institutions denominated in euro”, amounting to EUR 81.0 million (31 December 2024: EUR 223.4 million), contains cash received as collateral in connection with the APP and own investments’ securities lending.

14. Liabilities to other euro area residents denominated in euro

Sub-item 5.1, “General government”, encompasses the balances of the government sight deposits in euro. The deposits of other public depositors constitute balances held by local communities, the Bank Liquidation Fund and the Deposit Guarantee Fund.

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
Government sight deposits and special funds	5,234,831	6,168,051	-933,220
Other public sector deposits	401,084	402,782	-1,698
Total	**5,635,915**	**6,570,834**	**-934,918**

Sub-item 5.2, “Other liabilities”, amounting to EUR 840.4 million (31 December 2024: EUR 546.0 million), includes accounts of the Central Securities Clearing Corporation and Bankart.

15. Liabilities to non-euro area residents denominated in euro

The balance sheet item “Liabilities to non-euro area residents denominated in euro”, amounting to EUR 251.7 million (31 December 2024: EUR 219.9 million), contains cash received as collateral in connection with the APP and own investments’ securities lending and euro balances of international and supranational organisations. The IMF account No. 2 is also included in this balance sheet item.

16. Liabilities to euro area residents denominated in foreign currency

This item, amounting to EUR 7.8 million (31 December 2024: EUR 20.4 million), contains foreign currency sight deposits and special funds of central government.

17. Counterpart of special drawing rights allocated by the IMF

This item, amounting to EUR 906.9 million (31 December 2024: EUR 975.9 million), represents the liability of Banka Slovenije towards the IMF, which corresponds to the allocation of SDRs to the Republic of Slovenia as a result of its membership in the IMF. At the end of 2025, the liability is shown in the balance sheet on the basis of the market rate of SDR 1 = EUR 1.1656 (31 December 2024: SDR 1 = EUR 1.2544), calculated by the ECB at the end of the year for all central banks participating in the Eurosystem. The decrease in the amount of this liability in 2025 is solely due to valuation effects, i.e. the depreciation of the SDR against the euro.

18. Intra-Eurosystem liabilities

Sub-item 10.3, “Net liabilities related to the allocation of euro banknotes within the Eurosystem”, amounting to EUR 11,952.6 million, consists of the claims and liabilities of Banka Slovenije vis-à-vis the Eurosystem relating to the allocation of euro banknotes within the Eurosystem (see “Banknotes in circulation” and “Intra-ESCB balances/Intra-Eurosystem balances” in the notes on accounting policies).[23] The increase of net liability in comparison to 2024 (by EUR 1,399 million) was due to the increase in banknotes put into circulation by Banka Slovenije in 2025 (which represents an increase of 8.7%), as well as the rise in banknotes in circulation in the Eurosystem as a whole (increase of 2.0% compared to 2024).

Since 1 January 2025, the remuneration of these liabilities has been calculated on a daily basis at the latest available interest rate applied to the deposit facility offered by the Eurosystem. Until that date, such remuneration was calculated at the latest available marginal interest rate used by the Eurosystem in its tenders for main refinancing operations.

Sub-item 9.4, “Other claims within the Eurosystem (net)”, represents the position vis-à-vis the ECB in respect of pooling and allocation of monetary income within the Eurosystem pending settlement. This position had a credit balance of EUR 31.1 million at year-end (31 December 2024: EUR 70.1 million) (see “Net result of pooling of monetary income” in the notes to the profit and loss account).

19. Other liabilities

Sub-item 12.1, “Off-balance-sheet instruments revaluation differences”, amounting to EUR 1.0 million, includes the negative revaluation effects arising from the forward legs of foreign currency swaps agreed in 2025 which are to be settled in the subsequent year. At the end of 2024, the balance included the valuation results of foreign exchange spot transactions agreed in 2024 and settled in 2025.

Sub-item 12.2, “Accruals and income collected in advance”, amounting to EUR 83.6 million (31 December 2024: EUR 127.4 million), contains the accrued interest and other expenses identified at 31 December 2025 which are due in the new financial year or later but were incurred in the financial year just ended.

Sub-item 12.3, “Sundry”, amounting to EUR 90.3 million (31 December 2024: EUR 106.6 million), consists mainly of fiduciary liabilities and non-returned tolar banknotes.

[23] According to the accounting regime chosen by the Eurosystem on the issue of euro banknotes, a share of 8% of the total value of the euro banknotes in circulation is allocated to the ECB on a monthly basis. The remaining 92% of the value of the euro banknotes in circulation is allocated to the NCBs also on a monthly basis, whereby each NCB shows in its balance sheet a share of the euro banknotes issued corresponding to its paid-up share in the ECB’s capital. The difference between the value of the euro banknotes allocated to the NCB according to the aforementioned accounting regime and the value of euro banknotes put into circulation is recorded as “Net claim related to the allocation of euro banknotes within the Eurosystem” or “Net liability related to the allocation of euro banknotes within the Eurosystem”.

20. Provisions

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
Risk provisions	83,484	122,542	-39,058
Other provisions	14,323	13,629	694
Total	**97,807**	**136,171**	**-38,364**

Sub-item 13.1, "Risk provisions", includes provisions for general risks. Taking into account Banka Slovenije's exposure to financial risks, general provisions for covering losses arising from changes in interest rates, exchange rates and prices, as well as for covering losses from credit events, can be created. If the estimated risks for which general provisions have previously been created are realised and a loss is incurred as a result, this is first covered by a surplus of Banka Slovenije's revenue over its expenditure. If this is not sufficient, Banka Slovenije makes use of general provisions. Provisions in the net amount of EUR 39.1 million were thus released in 2025 to cover losses resulting from the exposure to financial risks.

Sub-item 13.2, "Other provisions", contains provisions for employees and for known risks.

Provisions for employees include provisions for severance pay and long-service awards and are calculated in accordance with IAS 19 – "Employee benefits". These take into account the stipulations of Banka Slovenije's collective agreement, expected future salary increases, employee turnover and a rate to discount future obligations. Provisions are calculated based on actuarial assumptions as at 31 December 2025.

Provisions for known risks relate to potential liabilities of Banka Slovenije stemming from on-balance-sheet positions and potential liabilities arising from the performance of the tasks of Banka Slovenije.

21. Revaluation accounts

The positive difference between the market value and the average acquisition costs in the case of gold holdings, net positions in each foreign currency and the securities portfolio is shown in this balance sheet item.

	31 December 2025	31 December 2024	Change
	000 EUR	000 EUR	000 EUR
Gold	**349,113**	**207,331**	**141,782**
Foreign currency	**1**	**113,112**	**-113,111**
- USD	-	100,302	-100,302
- SDR	-	10,320	-10,320
- other foreign currencies	1	2,491	-2,489
Securities	**245,067**	**202,722**	**42,345**
- securities in foreign currencies (asset items 2 and 3)	131,147	72,766	58,381
- securities in euros (asset items 4 and 7)	113,920	129,956	-16,036
Total	**594,182**	**523,166**	**71,016**

The acquisition cost of gold was EUR 1,099.287 per fine ounce of gold at the end of 2025 (2024: EUR 482.700), compared to the market price at the end of 2025, which was EUR 3,669.106 per fine ounce of gold (2024: EUR 2,511.069). The market value of the gold position exceeded its acquisition price and resulted in positive valuation effects amounting to EUR 349.1 million (2024: EUR 207.3 million).

In the case of foreign currency positions, positive valuation effects at the end of 2025 are negligible due to the depreciation of the USD and SDR against the euro (2024: EUR 113.1 million). The average acquisition cost of foreign currencies at the end of 2025 was USD 1.1257 for EUR and EUR 1.2066 for SDR (2024: USD 1.1320 for EUR and EUR 1.2051 for SDR), while the market rate was USD 1.1750 for EUR and EUR 1.1656 for SDR (2024: USD 1.0389 for EUR and EUR 1.2544 for SDR).

In the case of the valuation of securities, positive valuation effects of EUR 113.9 million arose from the valuation of the EUR-denominated portfolio (2024: EUR 130.0 million), EUR 121.7 million from the valuation of the USD-denominated portfolio (2024: EUR 63.5 million) and EUR 9.4 million from the valuation of the CNY-denominated portfolio (2024: EUR 9.2 million).

22. Capital and reserves

In accordance with Article 5 of the Banka Slovenije Act, the capital of Banka Slovenije was created in 2002 from the general reserves in the amount of EUR 8.3 million. Banka Slovenije's initial capital may be increased by allocating funds from the general reserves in an amount to be determined by the Governing Board.

The reserves of Banka Slovenije are composed of general reserves and special reserves. General reserves serve to cover general risks associated with the operations of Banka Slovenije. They are generated through the allocation of the annual surplus of Banka Slovenije. Special reserves serve to cover exchange rate and price risks. Investment properties revaluation reserves are created from the valuation gains arising mainly from the appraisal of the investment properties in Austria, performed by the independent real estate assessor.

The composition of reserves is as follows:

	31 December 2025	**31 December 2024**	**Change**
	000 EUR	**000 EUR**	**000 EUR**
General reserves	1,030,088	1,029,156	932
Special reserves for foreign exchange differences	174,214	174,214	-
Special reserves for price risk (gold)	19,736	19,736	-
Valorisation reserves	30,804	30,775	29
Total	**1,254,842**	**1,253,881**	**961**

Notes to the off-balance-sheet items

23. Foreign currency swaps

As at 31 December 2025, the forward foreign currency position arising from EUR/foreign currency swap transactions amounted to EUR 22.9 million (31 December 2024: EUR 94.3 million).

The forward claims and forward liabilities in foreign currencies are revalued at the same exchange rates as those used for spot holdings in foreign currencies.

	31 December 2025		31 December 2024		Change	
	000 USD	**000 EUR**	**000 USD**	**000 EUR**	**000 USD**	**000 EUR**
Forward claims in USD	26,900	22,894	98,000	94,331	-71,100	-71,437
Total	**26,900**	**22,894**	**98,000**	**94,331**	**-71,100**	**-71,437**

24. Securities lending

As at 31 December 2025, securities with a market value of EUR 266.9 million (31 December 2024: EUR 481.3 million) were lent under automated securities lending contracts with agents. The collateral received was reinvested into reverse repo transactions or deposited with Banka Slovenije.

25. Other off-balance-sheet items

The following other financial claims and liabilities of Banka Slovenije were stated off-balance-sheet as at 31 December 2025:

- an obligation under the IMF's statute to provide currency on demand in exchange for SDRs up to three times the amount that Banka Slovenije received from the IMF, which was equivalent to EUR 1,573.2 million as at 31 December 2024 (31 December 2024: EUR 1, 993.3 million);
- an obligation under the Loan Agreement between Banka Slovenije and the IMF to lend the IMF an SDR-denominated amount up to the equivalent of EUR 392.0 million (31 December 2024: EUR 392.0 million);
- a contingent liability of EUR 202.1 million, equivalent to Banka Slovenije's share of the maximum of EUR 50 billion reserve assets that the ECB may additionally request the euro area NCBs to transfer under Article 30.1 of the Statute of the ESCB and of the ECB (31 December 2024: EUR 202.1 million);
- a contingent claim arising from credit lines as an instrument of intraday liquidity provision within TARGET, amounting to EUR 80.0 million, granted based on eligible collateral and by means of overdraft on participants' settlement accounts (31 December 2024: EUR 60.0 million).

Notes to the profit and loss account

26. Net interest income / (expense)

Interest income

Interest income consists of interest income from foreign reserve assets, euro-denominated assets, intra-Eurosystem claims, loans to credit institutions related to monetary policy and receivables from the IMF and other interest income.

	2025	2024	Change
	000 EUR	000 EUR	000 EUR
Current accounts and deposits	**2,082**	**236**	**1,846**
- in foreign currency	2,082	236	1,846
Securities	**270,158**	**241,547**	**28,611**
- in foreign currency	25,765	20,769	4,995
- in euro	244,394	220,778	23,616
IMF	**34,465**	**44,552**	**-10,086**
Loans to credit institutions related to monetary policy	**7**	**704**	**-697**
Intra-Eurosystem claims	**322,083**	**596,133**	**-274,050**
Foreign currency swaps	**1,390**	**2,115**	**-725**
Other interest income	**3,253**	**5,276**	**-2,023**
Total	**633,439**	**890,564**	**-257,125**

Interest expense

Interest expense arises, inter alia, from liabilities in the form of accounts and deposits of credit institutions, government and other clients, from liabilities to the IMF, and from intra-Eurosystem liabilities.

	2025	2024	Change
	000 EUR	000 EUR	000 EUR
Current accounts and deposits	**173,429**	**279,687**	**-106,258**
- in foreign currency	506	1,059	-553
- in euro	172,923	278,628	-105,705
IMF	**26,617**	**35,602**	**-8,985**
Deposits of credit institutions related to monetary policy	**150,095**	**330,905**	**-180,810**
Intra-Eurosystem liabilities	**254,281**	**409,457**	**-155,176**
Other interest expense	**24**	**0**	**24**
Total	**604,445**	**1,055,650**	**-451,205**

27. Net result of financial operations and write-downs

The net income shown in the sub-item “Realised gains/losses arising from financial operations” arises from the sale of currency positions and securities.

Write-downs of financial assets and positions reflect the decline in market prices of balance sheet items below the average cost of the respective currencies or securities as at 31 December 2025. The valuation loss in 2025 occurred mainly on USD and SDR currency positions (2024: USD-denominated securities).

	2025	2024	Change
	000 EUR	000 EUR	000 EUR
Realised gains/losses arising from financial operations			
Currency position	3,358	1,061	2,297
Securities	64,185	86,598	-22,413
Total	**67,543**	**87,660**	**-20,116**
Write-downs on financial assets and positions			
Currency position	-67,976	-2	-67,974
Securities	-6,418	-4,997	-1,421
Total	**-74,394**	**-4,999**	**-69,395**
Total	**-6,851**	**82,661**	**-89,512**

28. Net result of pooling of monetary income

This item contains the net result of pooling of monetary income for 2025, amounting to an expense of EUR 31.1 million, compared with the expense of EUR 69.9 million in the previous year. This item in 2024 also contains the usage of the provision to cover losses in the monetary policy operations portfolio.

	2025	2024	Change
	000 EUR	000 EUR	000 EUR
Net monetary income pooled by Banka Slovenije	153,117	292,404	-139,287
Net monetary income allocated to Banka Slovenije	121,989	222,562	-100,573
Monetary income reallocation for the year	**-31,129**	**-69,842**	**38,713**
Adjustments of monetary income reallocation for previous years	**-**	**-308**	**308**
Provisions in respect of monetary policy operations	**-**	**205**	**-205**
Total	**-31,129**	**-69,944**	**38,816**

The monetary income of the Eurosystem NCBs is allocated in accordance with the decision taken by the Governing Council of the ECB.[24] The amount of each Eurosystem NCB's monetary income is determined by measuring the annual income that derives from its earmarkable assets held against its liability base.

Any interest paid on liabilities included within the liability base is to be deducted from the monetary income to be pooled.

[24] Decision of the European Central Bank of 3 November 2016 on the allocation of monetary income of the national central banks of Member States whose currency is the euro (recast) (ECB/2016/36), OJ L 347, 20.12.2016, pp. 26–36, as amended.

Where the value of an NCB's earmarkable assets exceeds or falls short of the value of its liability base, the difference shall be offset by applying to the value of the difference the latest available marginal rate for the Eurosystem's main refinancing operations.

The monetary income pooled by the Eurosystem is allocated among the NCBs according to the subscribed ECB capital key. The pooling and reallocation of monetary income to NCBs leads to certain net reallocation effects. One reason for this is that the yields earned on certain earmarkable assets and the interest expense paid on certain liability base items may differ to a varying degree among the Eurosystem NCBs. In addition, each Eurosystem NCB's share of earmarkable assets and liability base usually deviates from its share in the subscribed capital of the ECB. The difference between the monetary income pooled by Banka Slovenije amounting to EUR 153.1 million and reallocated to Banka Slovenije amounting to EUR 122.0 million is the net result arising from the pooling of monetary income.

29. Net income / (expense) from fees and commissions

Net income from fees and commissions amounts to EUR 15.6 million (2024: EUR 13.7 million). Fees and commissions are mainly received from supervisory and regulatory functions, payment and settlement services, managing the Central Credit Register, management of funds, processing of cash, and securities lending transactions.

30. Income from equity shares and participating interests

This item, amounting to EUR 9.4 million (2024: EUR 9.8 million), represents the income received from Banka Slovenije's participation in international financial institutions and from investments in investment funds.

31. Other income

Other income, amounting to EUR 2.7 million (2024: EUR 3.5 million), mainly includes income from non-bank services such as rental income, reimbursements and numismatics.

32. Staff costs

Staff costs, amounting to EUR 38.5 million (2024: EUR 35.2 million), include salaries and other staff costs together with the related taxes and contributions. The change of provisions for employees in accordance with IAS 19 ("Employee Benefits") is also included in staff costs.

Banka Slovenije employed 461 employees as at 31 December 2025 (31 December 2024: 456 employees). The average number of employees, based on the number of hours worked, stood at 439 employees (2024: 441 employees).

In accordance with the contract between Banka Slovenije and the trade union from March 2002, Banka Slovenije's employees have been included in voluntary supplementary pension insurance, which is defined as a contribution plan. Staff costs include Banka Slovenije's contribution to the voluntary supplementary pension insurance of EUR 0.9 million (2024: EUR 0.9 million).

In 2025 the remuneration of the Governing Board members of Banka Slovenije was EUR 1.2 million (2024: EUR 1.2 million).

33. Administrative expenses

This item, amounting to EUR 12.9 million (2024: EUR 12.6 million), consists mainly of expenses related to building and equipment maintenance, communication and energy costs, IT-related expenses (software maintenance, system assistance), expenses for services outsourced, rent, business travel and training costs, expenses for materials, and other office expenses.

34. Depreciation of tangible and intangible fixed assets

Depreciation of buildings, furniture and office equipment, and computer hardware and software amounting to EUR 2.6 million (2024: EUR 2.3 million) is performed according to the adopted depreciation rates.

35. Banknote production services

Expenses for banknote production services, amounting to EUR 1.5 million (2024: EUR 1.5 million), mainly include the expenses related to the production and transportation of banknotes. The additional quantity of banknotes to be printed is determined on the basis of the assessed need for banknotes in circulation and for the maintenance of an adequate volume of stock in the Eurosystem, distributed to each individual NCB according to its capital key and denomination structure.

36. Other expenses

Other expenses, amounting to EUR 1.4 million (2024: EUR 2.6 million), consist of contributions, subscriptions, taxes and other operating expenses of Banka Slovenije.

37. Transfer (to) / from risk provisions

A decrease in provisions for general risks in the amount of EUR 39.1 million (2024: EUR 180.8 million) represents the release of provisions created for potential losses from financial risks (see “Provisions” in note 20 to the balance sheet).

38. Profit / (loss) for the year

As per the Accounting Guideline, according to which the unrealised negative valuation effects shall be covered from the current financial result, while the unrealised positive valuation effects are transferred directly to revaluation accounts, Banka Slovenije shows a profit amounting to EUR 968 thousand (2024: EUR 1,243 thousand). Allocation of the financial result will be performed in accordance with the applicable legislation.

List of abbreviations

AIFs	alternative investment funds
AJPES	Agency of the Republic of Slovenia for Public Legal Records and Related Services
AnaCredit	Analytical Credit Datasets, the database at the European Central Bank containing details on corporate lending and credit risk of credit institutions in the euro area
APP	Asset Purchase Programme
SMA	Securities Market Agency
ISA	Insurance Supervision Agency
GDP	gross domestic product
BIS	Bank for International Settlements
BLS	Bank Lending Survey
cCBA	complementary cost benefit analysis
CCyB	countercyclical capital buffer
CEE	euro area countries in central and eastern Europe
CET1	common equity Tier 1 capital
CPI	consumer price index
CRD6	proposal for a Directive of the European Parliament and of the Council amending Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks, and amending Directive 2014/59/EU
CRR3	proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor
CSDB	centralised securities database
CVA	credit valuation adjustment risk
VAT	value added tax
DLT	distributed ledger technology
DPM	data dictionary with structured data layout for EBA supervisory needs (data point model)
DORA	Digital Operational Resilience Act
O-SIIs	other systemically important institutions
DSTI	debt service-to-income ratio
NA	National Assembly of the Republic of Slovenia
EBA	European Banking Authority
ECB	European Central Bank
ECMS	Eurosystem Collateral Management System
EFC	Economic and Financial Committee
EFDI	European Forum of Deposit Insurers
EEA	European Economic Area
EIOPA	European Insurance and Occupational Pensions Authority
EA	Euro area
ESCB	European System of Central Banks
ESG	environmental, social and governance
ESMA	European Securities and Markets Authority
ESRB	European Systemic Risk Board
€STR	Euro short-term rate
EU	European Union
EUR	euro
Fed	US Federal Reserve System
FTE	full-time equivalent
FTP	Financial Transactions Plan
FARS	Financial Administration of the Republic of Slovenia
GLTDF	gross loans to deposits flows ratio
CCI	Chamber of Commerce and Industry of Slovenia
HFCN	Household Finance and Consumption Network of the ESCB
HHI	Herfindahl-Hirschman index
HICP	harmonised index of consumer prices
ICAAP	internal capital adequacy assessment process
ILAAP	internal liquidity adequacy assessment process
IMF	International Monetary Fund
IRB	internal ratings based
IReF	ESCB project to introduce standardised reporting of bank data in the euro area (Integrated Reporting Framework)
JBRC	EBA and ESCB Joint Bank Reporting Committee
JST	joint supervisory team
KDD	Central Securities Clearing Corporation
LCR	liquidity coverage ratio
LSIs	less significant institutions
LTV	ratio of the amount of a housing loan to the value of the real estate pledged as loan collateral (loan-to-value)
IMF	International Monetary Fund
MFIs	monetary financial institutions
MOS	statistical report on services trade by modes of supply
MREL	minimum requirement for own funds and eligible liabilities
IFRS	International Financial Reporting Standards
NFCs	non-financial corporations

NGFS	Network for Greening the Financial System
NIS2	Directive on measures for a high common level of cybersecurity across the Union
NPEs	non-performing exposures
NPLs	non-performing loans
NSFR	net stable funding ratio
NSGDE	National Participants Group on a Digital Euro
NPC	National Payments Council
OECD	Organisation for Economic Co-operation and Development
OFATS	outward foreign affiliates statistics
FSB	Financial Stability Board
PEPP	Pandemic Emergency Purchase Programme
AML/CFT	anti-money laundering and countering the financing of terrorism
ML/FT	money laundering, financing of terrorism
PSPP	Public Sector Purchase Programme
RIAD	Register of Institutions and Affiliates Data
ROE	return on equity
SDRs	special drawing rights (financial instrument used and whose value is published by the IMF)
SEPA	Single Euro Payments Area
SI	Slovenia
SIs	significant institutions
SISBIZ	system for the exchange of information on the indebtedness of business entities and credit risks
SISBON	system for the exchange of information on personal debt from credit operations
SIUI	AI innovations taskforce
SPACE	study on the payment attitudes of consumers in the euro area
SRB	Single Resolution Board
SREP	supervisory review and evaluation process
SRM	Single Resolution Mechanism
WBG	World Bank Group
SSM	Single Supervisory Mechanism
STEC	statistical report on services trade by enterprise characteristics
SUCH	study on the use of cash by households in the euro area
SORS	Statistical Office of the Republic of Slovenia
TARGET	Trans-European Automated Real-time Gross Settlement Express Transfer System, the Europe-wide payment system for settling (mainly) large-value payments, securities transactions and instant payments in euros
TARGET2 Securities (T2S)	a service under the TARGET system for settling securities transactions
T2	a service under the TARGET system for settling (mainly) large-value payments in euros that functions according to the principle of real time gross settlement
TIPS	TARGET Instant Payment Settlement
TLPT	threat-led penetration testing
AI	artificial intelligence
IMAD	Institute of Macroeconomic Analysis and Development
OMLP	Office for Money Laundering Prevention
BAS	Bank Association of Slovenia
US	United States of America
ZDP-2	Foreign Exchange Act
ZIUTK	Act Implementing the Markets in Cryptoassets Regulation
UK	United Kingdom
ZMbNFS-A	revised Macroprudential Supervision of the Financial System Act
ZPlaSSIED	Payment Services, Electronic Money Issuance Services and Payment Systems Act
HII	Health Insurance Institute of Slovenia