

Banca Comercială Română S. A.
No. CFO Office 5/27.03.2026
Supervisory Board

Annual Administrators' Report

for the year ended at 31 December 2025

This report is prepared in accordance with requirements of ASF Regulation 5/2018.

Report issued: 27 March 2026

Name of legal entity: Banca Comercială Română S.A.
Headquarters: 15D Orhideelor avenue, The Bridge 1 Building 2nd Floor, 6th District, Bucharest, post code 060071
Contact: Tel No. InfoBCR: *2227 number available in any network in Romania
+4021.407.42.00, number available in any network in Romania or abroad
Website www.bcr.ro
Email: contact.center@bcr.ro
Registration Number in the Trade Register: J40/90/1991
Company Registration Number: 361757
Banking Register Number: RB-PJR-40-008/18.02.1999
LEI Code 549300ORLU6LN5YD8X90
Notification registered as Personal Data Operator at ANSPDCP under No: 3776 and 3772
Subscribed and paid-up capital: 1,625,341,625.40 lei

The regulated market on which the bonds are issued:

Bucharest Stock Exchange (BVB) (www.bvb.ro)

Vienna Stock Exchange (www.wienerborse.at)

The main characteristics of the bonds issued by BCR S.A.

Issuance in amount of RON 600,000,000, ISIN ROEAZVK5DFP8 - listed BVB
Issuance in amount of RON 1,000,000,000, ISIN RO1AQREPLMW7 - listed BVB
Issuance in amount of RON 500,000,000, ISIN ROMU2ND4VHC6 - listed Vienna Stock Exchange, BVB

Issuance in amount of RON 600,000,000, ISIN ROPQT4NGMLM3 - listed BVB
Issuance in amount of RON 351,500,000, ISIN RO451CMZH2K1 - listed BVB
Issuance in amount of RON 702,000,000, ISIN ROPC9F84ZSG4 - listed BVB
Issuance in amount of RON 334,000,000, ISIN ROGJ5KD9L1W9 - listed BVB
Issuance in amount of USD 20,000,000, ISIN AT0000A32YQ4 - listed Vienna Stock Exchange

Issuance in amount of EUR 700,000,000, ISIN AT0000A34CN3 - listed Vienna Stock Exchange, BVB

Issuance in amount of RON 1,000,000,000, ISIN ROM2PE1DEUG5 - listed BVB

Issuance in amount of EUR 45,000,000, ISIN AT0000A3DBN9 - listed Vienna Stock Exchange

Issuance in amount of RON 31,000,000, ISIN AT0000A3K3M8 - listed Vienna Stock Exchange

Issuance in amount of RON 1,125,000,000, ISIN RODKE0XXSB02 - listed BVB

Issuance in amount of EUR de 500,000,000, ISIN AT0000A3QMW9 - listed Vienna Stock Exchange, BVB

1. Analysis of the Bank's activity

a) Description of the Bank's main activity

Banca Comercială Română S.A. is incorporated and domiciled in Romania. Its registered office is at 15D Orhideelor avenue, The Bridge 1 Building 2nd Floor, 6th District, Bucharest, post code 060071, Romania.

According to Art. 9 from Charter of the Bank, the core area is monetary intermediation (CAEN Code 641). The Bank's principal activity is other monetary intermediation activities (CAEN Code 6419).

The Group provides day-to-day banking services and other financial services to governmental institutions, corporate and individual clients operating in Romania and abroad. These services include: accounts opening, domestic and international payments, foreign exchange transactions, working capital finance, medium and long term facilities, retail loans, finance micro and small enterprises, bank guarantees, letters of credit and through subsidiaries also leasing, brokerage, financial consultancy services and asset management.

b) The Bank's establishment date

Banca Comercială Română (BCR or Bank) was established in 1990, when it took over the commercial operations of the National Bank of Romania.

The Bank was recorded with the Trade Register under no. J40/90/1991, sole registration number 361757, and in the registry of credit institutions under no. RB-PJR-40-008.

c) Significant mergers and reorganizations of the Bank, its subsidiaries during the financial year

During 2025, Banca Comercială Română Group ("BCR Group" or "the Group") changed its structure, comprising the parent bank, Banca Comercială Română S.A. and its subsidiaries, presented in the following table:

Company's name	Country of incorporation	Nature of the business	Shareholding		Gross Book Value	Net Book Value	Impairment
			2025	2024			
BCR Leasing IFN SA	Romania	Financial leasing	99.97%	99.97%	389,491	389,491	-
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA	Romania	Pension Fund	99.99%	99.99%	229,484	198,125	31,359
BCR Banca pentru Locuinte SA	Romania	Banking	99.99%	99.99%	948,578	335,800	612,778
Suport Colect SRL	Romania	Workout	72.87%	99.99%	983,047	-	983,047
BCR Payments Services SRL	Romania	Payments transactions	99.99%	99.99%	1,900	1,900	-
BCR Fleet Management SRL (i)	Romania	Operational leasing	-	99.97%	-	-	-
Total					2,552,500	925,316	1,627,184

(i) During 2025 BCR Fleet Management was merged in Suport Colect SRL, after that BCR Fleet Management SRL being deregistered.

d) The main results of the assessment of the Bank's activity

External Audit

The financial statements are audited by PricewaterhouseCoopers Audit SRL starting with the financial year ended 31 December 2017.

According to the Audit Opinion, the consolidated and separate Financial Statements give a true and fair view of the consolidated and separate financial position, the consolidated and separate financial performance and cash-flows for December 31st 2025 in accordance with International Financial Reporting Standards as endorsed by the European Union.

Internal Audit

The Audit Committee is a consultancy body, which reviews, reports to, advises and assists the Supervisory Board in carrying out its tasks related to internal control and audit, as well as on the quality and performance of Bank's internal accountants and auditors, the reliability of the Bank's financial information, and the adequacy of the Bank's financial controls and policies.

The Audit Committee is made of 3 members and one additional replacement member elected out of the Supervisory Board members.

Members of the Audit Committee must have basic accounting and financial knowledge and at least one member of the Audit Committee shall have accounting or financial management professional background. The responsibilities, organization, the operation and the procedures of the Audit Committee are established by the Audit Committee Internal Rules.

1.1.1. General items of the assessment for the financial year ended December 31, 2025

The separate and consolidated financial statements prepared in accordance with the International Financial Reporting Standards endorsed by the European Union (NBR Order no. 27/2010, as subsequently amended and supplemented) are presented below:

31.12.2025		
in RON thousands	Group	Bank
Pre-tax result from continuing operations	3,943,854	3,795,724
Net result for the year	3,320,091	3,183,635
Total assets	131,904,347	132,220,902

Total (Tier 1+2) capital ratio of BCR Group stood at 22.8% as of December 2025, well above the regulatory requirements of the National Bank of Romania and clearly reflecting BCR's strong capital and funding positions.

Return on assets calculated based on monthly average total assets (net profit for the year divided by average total assets) was 2.67% for Group and 2.57% for Bank.

1.1.2. Assessment of the Bank's at technical level

BCR offers a full range of financial products and services through a network of 290 branches, out of which 73% cashless branches and 81% featuring 24/7 self-service areas. BCR also operates 20 business centers and 18 mobile offices dedicated specifically to companies. BCR customers have the largest national network of ATMs and multifunctional machines - almost 2,000 machines, and full banking services through Internet banking, Mobile banking, Phone-banking and E-commerce.

BCR's financial inclusion programme for rural and small urban communities, through which BCR operates two mobile branches, has so far covered a distance of 27,000 km and reached 52 communities, supporting over 7,500 people through financial education sessions and personalized banking services.

1.1.3. Assessment of the technical and material supply activities

N/A

1.1.4. Assessment of the sales activity

More than 1.9 million people benefited from a personalized financial plan through Financial Coaching, including over 900,000 in 2025 alone. This planning tool has been integrated into the George Benefits Programme, Romania's first banking loyalty programme, available to 1.8 million BCR clients. Structured across five benefit levels – Go, Advanced, Pro, Max, and Max Invest – the programme encourages clients to diversify their financial portfolios and optimize their banking costs. To date, more than 1.4 million BCR clients have received discounts through the George Benefits Programme: around 50% in payments and cash withdrawals, while 420,000 customers accessed loans and deposits at preferential interest rates. In addition, 61% of clients who set a goal within the programme chose saving as their financial priority, also opening a saving account.

BCR is the first bank in Romania to introduce RoPay Alias, providing a fully digital banking experience for its clients. Users can request or transfer money instantly using only a mobile phone number, without an IBAN, in a secure, efficient, and easy manner.

Over 22% of customers accessed a mortgage through a 100% digital journey in George, compared to 9% in 2024. December 2025 reached a record level, with 30% of customers choosing George to originate their mortgage. BCR is the first bank in Romania to fully digitalize the most complex retail lending product, offering end-to-end digital journeys in George for both mortgage origination and refinancing.

Over 2.1 million BCR products were opened through a fully digital process in 2025, marking a 16% increase compared to 2024.

BCR clients received over RON 37 million through George Moneyback, the loyalty programme that rewards users with cashback for card payments. George Moneyback has now reached over 1.46 million users, up 7% compared to 2024.

BCR further strengthened its portfolio of strategic partnerships supporting the growth of its digital ecosystem, through collaborations with leading brands in retail, e-commerce, mobility and services, such as eMAG, Kaufland, Bolt, OLX, Dedeman and Vodafone, alongside OMV, Mega Image and Uber. In addition, the George Store offering was expanded through new partnerships in travel, entertainment, mobility and shopping, including Animawings, Paralela 45, Dertour, Voxa, Uber and Freshful.

Approximately 170,000 companies are enrolled in George for Business, Romania's unique digital ecosystem. In 2025, over 76% of eligible clients opened their banking relationship through George, while more than 60% of loans to microenterprise clients were originated through the available digital products: Digital Overdraft, George Smart Credit and the George Credit Card.

BCR expanded its portfolio of digital solutions for corporates, and as of December 2025 merchants can enroll in the RoPay system directly via George, benefiting from payment settlement in up to 10 seconds, immediate funds availability, optimized processing costs, simplified payment-to-delivery reconciliation, rapid implementation, and a high level of security and operational availability.

BCR serves as a financial partner for over 15,000 companies, including SMEs and large corporates, providing expertise and tailored solutions to meet the needs of the real economy. The bank is one of the market leaders in syndicated lending, with a total participation in 2025 of approximately RON 3.2 billion (EUR 630 million) in major expansion and technology-driven initiatives.

BCR impact in the economy and society

In the retail banking business, BCR generated new loans to individuals and micro businesses of RON 17.8 billion in 2025, higher by 14.3% year-on-year. The stock of unsecured consumer loans (including credit cards and overdrafts) increased by 15.5% yoy. At the same time, the stock of mortgage loans increased by 10.4% yoy, of which the standard mortgage loans (Casa Mea) increased by 31.3% year-on-year, partially offset by repayments for Prima Casa loans.

In the corporate banking business, BCR approved new loans of RON 16.1 billion in 2025, of which about a quarter aimed for investments. The stock of corporate loans increased by 6.8% year-on-year. Most of the financing was directed towards energy, consumer goods, and public infrastructure, key sectors for Romania's resilience and development. In 2025, BCR granted RON 6.5 billion for projects supporting the energy, agriculture, real estate, infrastructure, and construction sectors.

In 2025, BCR also approved more than 200 loans and other products totalling about RON 1.6 billion for prefinancing and cofinancing of EU and national-funded projects for corporates and microenterprises.

Additionally, BCR granted loans backed by guarantees issued by the European Investment Fund (EIF), the National Guarantee Fund for SME (FNGCMM), the European Investment Bank (EIB) and the Romanian Bank for Investment and Development (BID), totalling about RON 1.1 billion in 2025.

In the fourth quarter 2025, BCR signed an SME portfolio guarantee agreement with the Romanian Bank for Investment and Development. Based on this new instrument, BCR estimates to grant more than RON 1 billion financing in 2026, with a strong focus on investment loans.

In 2025, BCR Leasing exceeded the EUR 1 billion threshold in its financed portfolio, marking a significant milestone for the Romanian financial leasing market.

BCR Social Finance supported more than 2,170 microenterprises, including 1,030 in the agribusiness sector, by providing EUR 45.2 million in financing, which contributed to preserving over 4,150 jobs. In 2025, the institution financed 55 NGOs and social enterprises with EUR 7.6 million, contributing to the wellbeing of more than 140,000 beneficiaries, maintaining 1,350 jobs, and

creating an additional 450 new positions. Additionally, BCR Social Finance granted 256 StudyUP loans, totaling over EUR 500,000, to support lifelong learning through university, master's, doctoral, and specialization programmes.

In 2025, Marc Impact Programme, a regional scaling programme implemented by BCR, BCR Social Finance and Synerb, completed its first cohort and launched the second mentorship edition for impact-driven businesses. In Romania, 40 companies addressing social or environmental challenges are involved in Marc, and as a result of the programme, HELP Autism has already secured over EUR 1 million in investment capital and launched Romania's first social franchise, thereby facilitating access to more than EUR 100 million in government funding.

BCR invested EUR 5 million in ZBOR, a project developed in partnership with an extensive network of NGOs active in youth development and social innovation. A year and a half after its launch, ZBOR ecosystem has reached over 70,000 young people nationwide through 9 hubs located in Constanța, Iași, Cluj, Brașov, Ploiești, Târgu Jiu, Baia Mare, Vaslui and Timișoara.

Over the past 10 years, more than 1 million children, teenagers, young people and adults attended Money School trainings, with 100,000 participants in 2025 alone.

BCR Group performance in 2025

BCR delivered a solid financial performance, posting a net profit of RON 3,320 million (EUR 658 million) in 2025, up by 20.0% against RON 2,767 million (EUR 556 million) in 2024, supported by continued expansion in customer business.

In September 2025, BCR Group recorded a one-off income amounting to RON 388.9 million as a result of the favourable High Court ruling from 2024 becoming final and MDLPA Decision no. 201286/26.09.2024 ('Amnesty Decision') becoming final, thus allowing for the reversal of the previously recognized liability. The favourable ruling referred to the legal action initiated by BCR BpL subsidiary in 2022 for the cancellation of accessory budgetary obligations ((i.e. interest and penalties accrued to the principal obligation for the period elapsed between date when the state premiums were cashed in and the date when BCR BpL reimbursed the state premiums to MDLPA), based on the special provisions of Government Emergency Ordinance no. 69/2020 on several fiscal measures, extension of certain deadlines, introduction of certain tax incentives and amendment of certain regulatory acts.

Operating result improved by 8.2% to RON 4,137 million (EUR 821 million) in 2025, compared to RON 3,825 million (EUR 769 million) in 2024, supported by higher operating income.

Net interest income rose by 7.8%, reaching RON 4,746 million (EUR 941 million) in 2025, up from RON 4,401 million (EUR 885 million) in 2024. The advance reflects higher business volumes and an optimized balance sheet structure.

Net fee and commission income increased by 7.6% to RON 1,214 million (EUR 241 million) in 2025, compared to RON 1,128 million (EUR 227 million) in 2024, driven by stronger transactional activity, lending growth and higher insurance-related fees.

Net trading & FV result increased by 7.4% to RON 555 million (EUR 110 million) in 2025, from RON 517 million (EUR 104 million) in 2024.

As a result of these developments, operating income advanced by 7.2% reaching RON 6,533 million (EUR 1,296 million) in 2025, compared to RON 6,096 million (EUR 1,225 million) in 2024.

General administrative expenses rose by 5.5%, reaching RON 2,395 million (EUR 475 million) in 2025 versus RON 2,271 million (EUR 456 million) in 2024, driven by continued investments in strategic projects as well as the impact of inflation and increased VAT.

As such, the cost-income ratio improved to 36.7% in 2025, versus 37.3% in 2024.

Risk Costs and Asset Quality

The net result from the impairment of financial instruments amounted to RON 252 million (EUR 50 million) in 2025, compared with RON 106 million (EUR 21 million) in 2024. This development reflects the growth in customer business volume as well as the new NPL formation, partially compensated by provision releases from recoveries and debt sales.

The NPL ratio for BCR Group, calculated according to Erste Group methodology, stood at 2.7% as of December 2025, broadly in line with 2.6% recorded in December 2024. The stable year-on-year evolution reflects the positive lending dynamics, solid portfolio quality, and the efficient NPL management measures taken during the year. The NPL provisioning coverage stood at 132% as of December 2025.

Net loans and advances to customers increased by 9.3% against 31 December 2024 to RON 72,956 million (EUR 14,314 million) as of 31 December 2025, supported by the advance in both retail and corporate segments.

Deposits from customers increased by 2.3% against 31 December 2024 to RON 93,084 million (EUR 18,263 million) as of 31 December 2025, driven by the increase in retail deposits.

1.1.5. Assessment of the aspects related to the Bank's and the Group's employees

The number of own employees of the Bank at 31 December 2025 was 4,809 employees (31 December 2024: 4,919 employees).

The number of own employees of the Group at 31 December 2025 was 5,117 employees (31 December 2024: 5,220 employees).

Key statistics related to BCR Group's workforce:

- gender distribution: 73.50% women and 26.50% men;
- employee age distribution by age groups: 14% under 30 years old; 60% between 30-50 years old; 26% over 50 years old;
- BCR Group's employees completed on average 47 hours of professional development. Employees in management positions completed an average of 70 hours of training.

Improvement and professional development

Continuous training and skills development represent a material opportunity to strengthen organizational resilience and sustain competitive advantage. Rapid technological advancements, evolving regulatory requirements, and changing customer expectations demand a workforce equipped with up-to-date expertise and future-ready capabilities. Investing in structured learning programs helps ensure that employees can deliver high-quality, compliant, and innovative banking solutions.

Training initiatives focuses on enhancing technical knowledge, digital & AI literacy, and risk management skills, which are critical for providing a comprehensive range of financial services - from lending and investment products to payment solutions and advisory services. These programs also support the development of analytical and customer-centric competencies, enabling employees to respond effectively to market shifts and client needs. Tailored programs build important capabilities, foster innovation and keep the employees and organization competitive in a rapidly evolving market.

Leadership development remains a strategic priority, ensuring that future leaders possess the agility and decision-making capabilities required in a highly regulated and fast-changing environment. Succession planning and talent management frameworks are designed to secure continuity in governance and strategic execution, reinforcing trust and stability for stakeholders.

By aligning employee development with organizational objectives, BCR Group fosters engagement, productivity, and innovation. This approach not only strengthens operational performance but also contributes to long-term financial sustainability. Coordination of these initiatives is managed within the People & Culture division, ensuring consistency and alignment with industry standards and regulatory expectations.

BCR Group aims to be the place where people embrace opportunities, learn every day, and collaboratively work together. Collective contribution and impact should go beyond geography, entity, or business area borders. The training and skills development are governed by BCR 'Recruitment, training and Human resources administration' policy and overarched by BCR People and Culture strategy, applicable in BCR Group. These frameworks establish clear principles for fostering continuous learning, capability building, and leadership development, ensuring alignment with organizational objectives and regulatory standards in the financial sector.

BCR Group is committed to strategic workforce planning to enable more targeted recruitment and further development measures, as well as driving employee growth through reskilling and upskilling initiatives, while supporting their financial literacy.

The design of our training and skills development processes involves multiple stakeholder groups, as follows:

- Talent Acquisition, Learn & Development teams as owners of the process and methodology - to enable efficient consultation, alignment with the strategic objectives of BCR Group and feedback integration.
- HR Business Partners (HRBPs) - to support implementing teams and promote the processes among managers and employees.
- Senior Leadership (Top & Middle Management) - to validate priorities and ensure alignment with strategic objectives.
- People managers across all divisions – to provide operational insights and check for practical relevance.
- Employees – to express their views on the targeted curricula through focus groups, surveys, pilot groups, and feedback rounds.
- External partners (learning providers, leadership assessment specialists) – to benchmark and strengthen program design.

A structured and specific communication plan is used for every recruitment, training, and development processes, including but not limited to: People & Culture intranet page, weekly newsletters, Viva Engage internal social platform, direct discussions with stakeholders, emails, open-line sessions, HR Business talks.

Internal HR teams are assigned clear ownership for governance, implementation, and ongoing support. Budget and time resources are allocated annually for leadership training and development programs, digital learning platforms, and external assessments where needed. HR Business Partners were equipped to support teams during the training, performance and development cycles.

Attendance and completion rates for the mandatory training sessions are monitored yearly as to ensure that these are followed by all employees. Optional training courses and dedicated development programs are monitored through attendance data and feedback at the end of each iteration and program overall. This data serves as input for deciding upon the continuation of such programs and/or for future enhancements such as the identification of key interest topics that should be further addressed. Furthermore, feedback loops with HRBPs and managers ensure ongoing refinement of processes. These annual reviews of the talent and development framework ensure alignment with strategy and evolving workforce needs.

The 'Recruitment, training and Human resources administration' policy is approved by the Management Board, its' principles are applicable to all BCR Group entities, and is available to all employees on the communication channels listed in the section S1-3 "Processes to remediate negative impacts and channels for own workforce to raise concerns". BCR Group applies an Erste Group -wide defined leadership framework that promotes accountability, ethical decision-making, and inclusion as well as future orientation and servant leadership. Structured succession planning ensures continuity and prepares future leaders based on group-wide leadership dimensions, supporting long-term organizational resilience.

1.1.6. Assessment related the impact of the Bank's core business on environment

The BCR journey towards fulfilling its ESG goals includes altogether addressing climate and environmental risks and opportunities, while fully observing all regulatory frameworks and recommendations issued by authorities. Our efforts go beyond this as BCR is focused on generating social and economic value, and our actions in 2025 were targeted as follows:

- We have mobilised finance for a lower carbon, more equitable and inclusive society, while being strongly involved into a continuous ESG dialogue with our customers or potential customers, from all segments, either in bilateral meetings, organized workshops or thematic events.
- We are constantly developing dedicated products to support sustainable investments, and we are already offering such products to support energy-efficiency solutions and energy efficient buildings, as well as the deployment of renewable energy projects.

- We have accelerated our efforts to set decarbonization pathways for our portfolios in line with the strategy approved at Erste Group level. We aim to achieve a net-zero status of our financed portfolio by 2050. In this respect, BCR alongside Erste Group has set decarbonization targets for 5 sectors: Electricity production, Automotive, Commercial Real Estate (CRE), Mortgage retail, Oil and gas extraction.
- We have constantly increased our sustainable loans portfolio, adding exposures from commercial real-estate, retail mortgages and green energy, but also from others segments as sustainable transportation infrastructure, energy efficiency industrial projects, circular economy and recycling.
- We drive finance towards sustainable technologies and renewable energy, while also supporting the climate transition efforts of our emissions-intensive customers.
- In 2023, BCR issued its third green bond, in line with Erste Group Sustainable Financing Framework, first international issue of green Eurobonds of a Romanian bank, in the amount of EUR 700 million, confirming our green transition commitments. The issue was also listed on Bucharest Stock Exchange.
- We have implemented mandatory ESG training to the BCR induction curriculum, as well as providing access to expert level training for our professionals managing ESG aspects on an ongoing basis.
- Our communication strategy includes education programs for climate and financial education for all segments, developed together with partners, NGOs and academia.

Banca Comercială Română:

- admits and accepts the fundamental importance of an integrated approach of the environmental and social factors, as well as of lasting development principles within its financing activity.
- pays adequate attention to its financing processes, securing compliance with the minimum environmental, social and occupational safety regulatory requirements and standards applicable in Romania at project level before making the financing decision.

Environmental risks, as a transversal risk are handled within the existing risk management structure, in which each risk owner is responsible for influencing environmental risk.

The management of these risks is integrated into the existing risk management framework:

- Strategic risk management ensures the integration of ESG in the Statement on risk appetite, risk strategy, assessment of the materiality of the risk, the testing framework in crisis conditions and the inclusion of ESG in risk reporting; also coordinates establishing intermediate objectives for the Net Zero transition.
- Corporate risk management ensures ESG integration in industry strategies and participates in establishing intermediate targets for the transition of the Net Zero portfolio; it is ensured that adequate diligence is implemented in the underwriting and management processes of collateral.

BCR does not finance activities which do not meet environmental requirements specified in the Romanian legislation, relevant international conventions and agreements to which Romania adhered expressly. Analysis of environmental issues is part of the lending process and is mandatory for every transaction.

In general, the environmental impact of financial institutions mainly resides in the indirect environmental footprint associated with the loan portfolios. Nevertheless, the Bank's ambition is to also reduce its direct ecological footprint. Therefore, as concerns BCR's own operations, the most effective way to progress was to reduce CO2 emissions by switching to electricity from renewable sources.

In 2025, the Bank had a total share of directly purchased electricity from renewable sources of 100%. Also, we have set a target to reach 90% overall green electricity which we achieved by purchasing Renewable Energy Guarantees of Origin from a country which is member of the Association of Issuing Bodies (AIB), where direct purchase of green electricity is not possible. In 2025, the electricity used in our headquarter building in Bucharest was entirely originated from renewable sources.

Our headquarter premises hold a LEED Platinum (Leadership in Energy and Environmental Design) certification. In addition, the Bank upgraded old heating and air conditioning systems and installed new sensors for lightening logos on premises used. The focus in 2026 will continue to be on increasing green electricity for our operational buildings, reducing our CO2 footprint through

different other initiatives (car fleet strategy and transitioning to low CO2 emission vehicles until 2030), while compensation remaining emissions with carbon certificates issued for local impact projects.

Erste Group enjoys top notch ESG rating credentials reflecting a continuously strong performance in ESG objectives.

For December 2025, the Bank is disclosing quantitative information required by the Regulation UE 2020/852, as part of the BCR Administrators Report.

The European Union's Regulation EU 2020/852 on the establishment of a framework to facilitate sustainable investment (further referred to as the EU Taxonomy Regulation) serves as a basis for redirecting capital flows towards sustainable economic activities and as a fundamental support for the transition to a sustainable European economy. On the one hand, this is ensured by the introduction of a uniform classification system for sustainable economic activities and on the other hand, through an introduction of specific reporting obligations for both financial and non-financial undertakings.

For further details please refer to: <https://www.bcr.ro/ro/investitori/rapoarte-financiare>.

1.1.7. Assessment of Research and Development

N/A

1.1.8. Assessment of the Bank's risk management activity

Risk management processes ensure that the bank's risk profile remains in line with the risk strategy. The development of specific risk profile (i.e. retail credit, corporate credit, operational risk, etc.) is reported through dedicated risk reports in a more granular way and supports risk decision making of the dedicated risk functions. These reports also include specific monitoring metrics that provide an early warning signal for adverse developments of portfolio quality (client, segment, countries and industries) or risk drivers. In instances where certain risk portfolios or events are identified as potentially in distress, these are closely monitored by the dedicated risk functions to manage the risk impact and to develop effective strategies to minimize potential losses. These processes facilitate early risk detection and reaction.

The overall risk profile for the Group, as well as the individual risk profiles are implemented through the Group Risk Strategy and are subject to an annual comprehensive review process. A quarterly assessment of the risk profiles checks if there are changes in respect of the risk materiality or if new risks occurred in the Bank's activity.

Given Group business strategy, the key risks for the Group are credit risk, market risk (including interest rate risk in the banking book), liquidity and funding risk and operational risk. All material risks are covered by the Group's control and risk management framework. This entails a set of different tools and governance to ensure adequate oversight of the overall risk profile and sound execution of the risk strategy, including appropriate monitoring and escalation of issues that could materially impact the risk profile of the Group.

Based on the Group Risk Strategy and the Group overall and individual risk profiles, the Group subsidiaries, including the Bank, set up their local risk profile. Also, the Group's capital management framework serves to ensure that the Group and its subsidiaries are capitalized in line with the risk profile, regulatory requirements and economic capital requirements.

As part of its risk strategy, the Group analyses its actual risk profile and determines a target risk profile based on its strategic goals. The risk materiality analysis, which underpins the determination of the overall risk profile, is part of the risk strategy package. The materiality analysis, based on the assessment of quantitative and qualitative risk drivers, leads to the determination of the current risk profile (for the year ending) and a risk profile for the following year. For example now we have done the materiality analysis for YE 2025 and the risk profile for 2026. The target risk profile is a result of the risk assessment process in combination with the boundaries set by the business strategy and the risk appetite framework. In terms of governance, full oversight of the risk profile and a sound execution of the risk strategy is ensured including appropriate monitoring and escalation of issues that could materially impact the risk profile of the Group.

The proportionality principle is a crucial and integral part of the Group's overall risk framework and strategy. The proportionality principle is applied for the core components of the Group ICAAP framework (Risk Materiality Assessment/Risk taxonomy, Risk-bearing Capacity Calculation, Risk Appetite & Risk Profile, Stress testing, Risk Concentration Analysis, and Recovery Plan).

The Group level risk management principles, concepts and processes are generally designed, developed and implemented to address over-arching organizational needs across both group and local entities/subsidiaries reflecting a high degree of granularity and detail.

However, subsequent implementation and application at Group subsidiaries require an approach that takes differences in business structures, size, complexity and relevance into account. This will ensure a meaningful, suitable and adequate application across the Group in line with local needs and capabilities while still fulfilling overall Group level requirements and standards.

The evaluation of proportionality criteria is reviewed on an annual basis and included in the Risk Strategy. In addition, a reassessment might be carried out outside the annual review cycle if changed business parameters indicate a need for a respective reclassification.

Starting from the volume and nature of the Bank's activity as part of the Group, the risk profile of the Group is driven by the Bank risk profile. Thus, the Risk Profile for Group follows in general the same directions as the Bank, both regarding to overall risk profile and individual risks profiles based on the following considerations:

- the volume and nature of the Bank activity as part of Group;
- the categorization of the Bank as a full subsidiary based on the Proportionality Principles.

1.1.9. Outlook on Bank's activity

2026 expected macroeconomic development

Economic growth is estimated at +2.1% in 2026, with investments being the key metric to watch this year.

Real wage growth is likely to remain negative at least until 2H26 which should affect household consumption.

The inflation rate could ease to 3.7% y/y in December 2026 from 9.7% y/y in December 2025, and the NBR could start cutting rates as early as May dependent on inflation path.

The average unemployment rate is estimated to go marginally down to 5.7% in 2026, after 6.0% in 2025.

Balance Sheet developments

It is estimated that loan production will remain the primary driver of asset growth, with an anticipated mid-single-digit increase over the budget year. Both the retail and corporate portfolios are forecast to outperform the market next year.

Both Retail and Corporate loan portfolios are expected to expand slightly faster than the overall market. Compared to the initial forecast, Retail loan volumes show stronger growth, reflecting the dynamic market conditions in 2025, while Corporate maintains its previously set growth ambition.

We expect deposits from customers to continue growing steadily in 2026, with an estimated two-digit growth rate. This positive trend is driven by robust performance in both the retail and corporate sectors.

Loan-to-deposit ratio (gross) at 74 per cent.

Statement of profit or loss developments

Operating income estimated to grow at a mid-single-digit rate, mainly on the back of net fee and commission income and net interest income, in line with volume growth, while trading is expected to follow the market trends.

It is anticipated that general administrative expenses will undergo moderate growth, enabling strategy implementation, correlated with FTE development, as a direct result of productivity and efficiency gains.

Cost of risk (cost of risk/ average loans to customers) is estimated at a normalized level of around 0.45 per cent.

Financial performance is expected to remain robust. A key indicator, return on equity, is projected to remain sound at up to 16% by 2026.

Capital & Minimum requirement for eligible liabilities ("MREL") ratios at comfortable levels driven by a diversified capital & MREL instruments issued.

The current situation regarding Iran has no direct impact on the Group, as there is no operational presence in that country. Indirect effects, such as financial market volatility or secondary impacts resulting from sanctions imposed on some of our clients, cannot be excluded. Future geopolitical developments could lead to economic difficulties. Any resulting financial effects cannot be assessed at this time.

2. The Bank's tangible assets

Currently, the Bank has a portfolio of 28 properties, located in 22 counties, of which the largest number of properties are located in Bucharest - 3 units each, and the remaining 25 properties are located in other counties in Romania with maximum 2 properties in each county.

In 2019, the Bank decided to pursue a strategy of optimizing the network of units and headquarter buildings including selling certain properties. The implementation of this strategy is ongoing.

Thus, the Bank's property portfolio is classified for accounting purposes in accordance with IAS 16, IFRS 5 and IAS 40 respectively, depending on the purpose for which the property is held.

During 2025, the Bank sold 7 properties (land and buildings), the cumulated net book value of which amounted to RON 19,093.12 thousand.

3. Securities Market

3.1. Markets where the securities issued by the Bank are traded

BCR's current debt issuance programme implemented in 2013 is a programme for issuing debt instruments in various currencies and maturities with a limited range of interest rate structures.

In April 2018, BCR's Extraordinary Shareholders General Meeting has approved the extension of the Debt Issuing Programme for a period of 10 years, as well as new bond structures (e.g. subordinated notes, Minimum requirement for eligible liabilities (MREL) notes). In 2019, the debt issuance programme has been integrated into the Multi Issuer Programme (MIP) arranged by Erste Group Bank and is approved by Financial Market Authority (Austria) and listed on the Vienna Stock Exchange.

In 2025, 3 bond issues (2024: 1) were executed under the MIP, a Senior Preferred bond with a volume of RON 31m (2024: EUR 45m), listed on the Vienna Stock Exchange, a RON 1.125m Senior Non Preferred bond listed on the Bucharest Stock Exchange, and a EUR 500m Senior Non Preferred bond listed on the Vienna and Bucharest Stock Exchanges.

As of 31 December 2025, BCR had 14 bond issues outstanding under the Multi Issuer Programme, in total amount of RON 12.45 bn RON, out of which 11 bonds listed on the Bucharest Stock Exchange (www.bvb.ro), 6 bonds issues listed in the Vienna Stock Exchange (<https://www.wienerborse.at/en/search/?q=BCR>).

ISIN	Issue date	Maturity date	Category	Type	Currency	Issue value	Paying Agent	Listing Venue
ROEAZVK5DFP8	12/16/2019	12/16/2026	SENIOR	NON-PREFERRED	RON	600,000,000	BCR	BVB
RO1AQRPLMW7	5/21/2021	5/21/2028	SENIOR	NON-PREFERRED	RON	1,000,000,000	BCR	BVB
ROMU2ND4VHC6	10/14/2021	10/14/2028	SENIOR	PREFERRED	RON	500,000,000	BCR	BVB, VSE
ROPQT4NGMLM3	12/9/2021	12/9/2028	SENIOR	NON-PREFERRED	RON	600,000,000	BCR	BVB
RO451CMZH2K1	3/31/2022	3/31/2027	SENIOR	NON-PREFERRED	RON	351,500,000	BCR	BVB
ROPC9F84ZSG4	6/14/2022	6/14/2027	SENIOR	NON-PREFERRED	RON	702,000,000	BCR	BVB
ROGJ5KD9L1W9	10/6/2022	10/6/2028	SENIOR	NON-PREFERRED	RON	334,000,000	BCR	BVB
AT0000A32YQ4	3/7/2023	12/15/2029	SENIOR	PREFERRED	USD	20,000,000	EGB	VSE
AT0000A34CN3	5/19/2023	5/19/2027	SENIOR	NON-PREFERRED	EUR	700,000,000	EGB	VSE, BVB
ROM2PE1DEUG5	12/11/2023	12/11/2029	SENIOR	NON-PREFERRED	RON	1,000,000,000	BCR	BVB
AT0000A3DBN9	6/14/2024	1/14/2028	SENIOR	NON-PREFERRED	EUR	45,000,000	EGB	VSE
AT0000A3K3M8	3/13/2025	3/13/2031	SENIOR	PREFERRED	RON	31,000,000	EGB	VSE
RODKE0XXSB02	11/11/2025	11/11/2031	SENIOR	NON-PREFERRED	RON	1,125,000,000	BCR	BVB
AT0000A3QMW9	25/11/2025	25/11/2031	SENIOR	NON-PREFERRED	EUR	500,000,000	EGB	VSE, BVB

3.2. Description regarding Bank's dividends policy

The net profit of the Bank for the financial year ended 31 December 2025, amounting to RON 3,183,635 will be distributed according to General Meeting of Shareholders' decision and in compliance with the current legislation.

The proposal for the distribution of profit is in accordance with: art. 29 para. 1 of the Accounting Law no. 82/1991, republished as subsequently amended and supplemented, para. 67 of the Law no. 31/1990, republished as subsequently amended and supplemented and para. 27 of BCR Charter. The Supervisory Board proposes to the General Meeting of Shareholders the distribution of 2025 net profit as follows:

Table A	
Item description	Amount - RON
Other reserves[1]	29,655,051
Dividend distribution and AT1 coupon payments, out of which:[2]	1,777,049,850
- ordinary dividends	1,591,817,460
- AT1 coupon[3]	185,232,390
Retained earnings[4]	1,376,930,019
Total	3,183,634,920

Table B	
Item description	Amount - RON
Transfer of reserves[5]	-420,951
Retained earnings[5]	420,951
Total impact in retained earnings[4]+[5]	1,377,350,970

[1] The amount of RON 29,655,051 represents the reinvested accounting profit in 2025 of BCR which was exempt from applying corporate income tax, in accordance with the provisions of the Fiscal Code in force and which should be allocated to „Other Reserves”.

[2] The amount of RON 1,777,049,850 represents the gross amount of ordinary dividends and coupons related to AT1 instruments issued by BCR in September 2022 and in January 2025 recorded in other AT1 capital items.

[3] The AT1 coupon will be booked as payable in EUR on the date of approval of their distribution by the GMS and will be paid according to contract on 28 May 2026. Its value, established according to the terms and conditions of the AT1 notes, is EUR 36,249,000. The RON equivalent mentioned above has been calculated at the exchange rate estimated for payment date. Its final value will be lower or higher depending on the evolution of the EUR - RON exchange rate up to the date of registration of the payment obligation in EUR. The FX difference will have impact on the Retained earnings – item 4.

[4] The amount allocated to retained earnings from the net profit of 2025 totalling RON 1,376,930,019 will be used in accordance with the Bank's business strategy.

[5] The amount of RON 420,951 represents transfer to retained earnings of amounts recognized in previous years as reserve for reinvested profit for which conditions for tax credit are no longer fulfilled (assets disposed earlier than mandatory period in the fiscal law). These amounts will be used in accordance with the Bank's business strategy.

3.3. Description of any activities of the Bank to acquire its own shares

N/A

3.4. The number and nominal value of the shares issued by the parent company and owned by the subsidiaries

At 31st December 2025 and 31st December 2024, BCR Leasing IFN SA holds 109 BCR shares with nominal value of 0.10 RON/share.

3.5. Presentation of the methods used by the Bank for paying its obligation towards the owners of these types of securities in case that the bank issued bonds and/or other debt securities

The coupon payment and principal repayments of the outstanding senior non-preferred and senior preferred bonds are made in accordance with the provisions of sections "Securities Note" of the respective Base Prospectus, as well as the Final Terms of the bonds, published on the web page of the Bucharest Stock Exchange (www.bvb.ro) and Vienna Stock Exchange (<https://www.wienerborse.at>), direct link:

[BVB - Bonds BCR26 BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR28 BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR28A BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR28B BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR27 BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR27A BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR28C BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR27E BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR29 BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR31 BANCA COMERCIALA ROMANA](#)

[BVB - Bonds BCR31E BANCA COMERCIALA ROMANA](#)

[VSE - Bonds ROMU2ND4VHC6 BANCA COMERCIALA ROMANA](#)

[VSE - Bonds AT0000A32YQ4 BANCA COMERCIALA ROMANA](#)

[VSE - Bonds AT0000A34CN3 BANCA COMERCIALA ROMANA](#)

[VSE - Bonds AT0000A3DBN9 BANCA COMERCIALA ROMANA](#)

[VSE - Bonds AT0000A3K3M8 BANCA COMERCIALA ROMANA](#)

[VSE - Bonds AT0000A3QMW9 BANCA COMERCIALA ROMANA](#)

4. Bank's Management

As of 31.12.2025 the members of the Supervisory Board were:

- Manfred Wimmer – Chairman;
- Stefan Dörfler – Deputy Chairman;
- Daniela Camelia Nemoianu – member;
- Hildegard Gacek – member;
- Elisabeth Krainer Senger -Weiss – member;
- Iris Bujatti – member;
- Christine Catasta – member.

The Members of the Management Board as of 31.12.2025 were as follows:

1. Sergiu Cristian Manea – Executive President, Chairman of the Management Board - mandate valid until 28.02.2030;
2. Elke Meier – Executive Vice-President coordinating the Financial functional line, Member of the Management Board - mandate valid until 31.12.2027;
3. Dana Luciana Dima - Executive Vice-President coordinating the Retail & Private Banking functional line, Member of the Management Board - mandate valid until 31.10.2029;
4. Thomas Kolarik - Executive Vice-President coordinating the Operations & IT functional line, Member of the Management Board –mandate valid until 31.12.2027;
5. Ioana Anca Gheorghiade – Executive Vice-President coordinating the Risk functional line, Member of the Management Board - mandate valid until 31.10.2027.

Management Board members meet the general conditions provided by the law and the special conditions of the Banking Law, National Bank's regulations, and Recruitment and Remuneration Policy of BCR Group management.

Professional experience details of Management Board may be found on the following link: <https://www.bcr.ro/en/about-us/bcr-management>.

The Management Board may set up committees as it deems necessary and appropriate. Such committee's competencies and authority will be stipulated by the Management Board and responsibilities will be defined by each committee's internal rules.

There are no litigation or administrative proceedings in the records of the bank involving the members of the Supervisory Board or the Management Board of BCR.

5. Significant transactions

During 2025, BCR issued bonds in amount of RON 3,705,250 thousand in accordance with approved strategy and also capital increase using AT1 instruments in amount of RON 1,740,480 thousand.

6. Financial Highlights

6.1 Statements of financial position

The structure and evolution of the Group's main asset, liability and equity categories are presented below.

	Group				Bank			
in RON thousands	31.12.2025	31.12.2024	31.12.2023	2025/2024	31.12.2025	31.12.2024	31.12.2023	2025/2024
Assets								
Cash and cash equivalents	11,440,918	10,642,241	16,763,792	7.5%	11,435,554	10,596,154	16,724,913	7.9%
Financial assets held for trading	3,329,764	1,912,779	701,088	74.1%	3,329,764	1,912,779	701,137	74.1%
Derivative financial instruments held for trading	102,599	187,806	135,678	-45.4%	102,599	187,806	135,727	-45.4%
Debt securities held for trading	3,227,165	1,724,973	565,410	87.1%	3,227,165	1,724,973	565,410	87.1%
Non-trading financial assets mandatorily at fair value through profit or loss	97,614	87,862	79,363	11.1%	97,614	87,862	79,363	11.1%
Equity instruments	92,124	75,345	59,350	22.3%	92,124	75,345	59,350	22.3%
Debt securities	5,490	12,517	20,013	-56.1%	5,490	12,517	20,013	-56.1%
Financial assets at fair value through other comprehensive income	13,290,491	12,767,715	10,135,530	4.1%	13,290,491	12,767,715	10,135,530	4.1%
Debt securities	13,290,491	12,767,715	10,135,530	4.1%	13,290,491	12,767,715	10,135,530	4.1%
Financial assets at amortized cost	98,155,165	90,038,137	74,818,710	9.0%	100,365,988	91,972,536	76,486,958	9.1%
Debt securities	23,248,722	20,623,315	262,429	12.7%	23,115,245	20,497,053	883,837	12.8%
Loans and advances to banks	5,572,108	6,004,729	2,125,746	-7.2%	5,566,874	5,960,826	2,142,421	-6.6%
Loans and advances to customers	69,334,335	63,410,093	55,197,595	9.3%	71,683,869	65,514,657	56,968,981	9.4%
Finance lease receivables	2,678,181	2,321,385	2,022,555	15.4%	30,375	15,043	17,393	101.9%
Property and equipment	1,135,557	1,029,795	1,025,930	10.3%	1,107,182	902,686	843,919	22.7%
Investment property	15,343	112,198	133,035	-86.3%	15,342	112,198	133,035	-86.3%
Intangible assets	551,266	496,946	454,257	10.9%	515,201	468,484	430,798	10.0%
Investments in joint ventures and associates	34,599	38,838	30,008	-10.9%	25,961	25,961	25,961	-
Current tax assets	1,068	139	1,110	668.3%	-	-	-	-
Deferred tax assets	2,445	92,230	118,404	-97.3%	394	90,567	115,234	-99.6%
Assets held for sale and disposal group	15,204	729	745,408	1985.6%	15,204	729	55,383	1985.6%
Trade and other receivables	943,541	1,002,936	1,522,407	-5.9%	939,449	995,338	1,511,077	-5.6%
Investments in subsidiaries	-	-	-	-	925,316	613,371	588,105	50.9%
Other assets	213,191	261,005	299,193	-18.3%	127,067	115,272	159,277	10.2%
Total assets	131,904,347	120,804,935	108,850,790	9.2%	132,220,902	120,676,695	108,008,083	9.6%

Total assets of the Bank as at 31 December 2025 amounted to RON 132,220,902 thousand, increasing by 9.6% compared to 31 December 2024 (RON 120,676,695 thousand). At BCR Group level, the total assets increased by 9.2% from RON 120,804,935 thousand as at 31 December 2024 to RON 131,904,347 thousand as at 31 December 2025.

	Group				Bank			
Liabilities and Equity	31.12.2025	31.12.2024	31.12.2023	2025/2024	31.12.2025	31.12.2024	31.12.2023	2025/2024
Financial liabilities held for trading	165,342	133,740	165,467	23.6%	165,342	133,740	165,467	23.6%
Derivative financial instruments held for trading	165,342	133,740	165,467	23.6%	165,342	133,740	165,467	23.6%
Financial liabilities measured at amortized cost	112,153,887	104,405,296	93,239,094	7.4%	112,668,813	104,748,753	93,548,921	7.6%
Deposits from banks	2,740,235	1,174,726	998,503	133.3%	3,262,252	1,686,012	1,585,724	93.5%
Borrowings and financing lines	439,197	533,268	650,435	-17.6%	108,463	127,307	152,934	-14.8%
Deposits from customers	93,084,106	91,007,840	78,481,853	2.3%	93,460,301	91,281,395	78,724,676	2.4%
Debt securities issued	14,246,361	10,407,030	10,170,143	36.9%	14,246,361	10,407,030	10,170,143	36.9%
Other financial liabilities	1,643,988	1,282,432	2,938,160	28.2%	1,591,436	1,247,009	2,915,444	27.6%
Lease liabilities	591,782	500,390	449,467	18.3%	590,344	498,276	448,488	18.5%
Provisions	490,048	788,313	1,013,883	-37.8%	477,507	768,162	883,960	-37.8%
Current tax liabilities	58,994	42,508	83,339	38.8%	54,373	38,260	82,494	42.1%
Deferred tax liabilities	22,130	25,177	21,801	-12.1%	-	-	-	-
Liabilities associated with assets held for sale and disposal group	-	-	560,644	-	-	-	-	-
Other liabilities	592,575	919,357	839,541	-35.5%	547,340	475,339	393,487	15.1%
Total equity	17,829,589	13,990,154	12,477,554	27.4%	17,717,183	14,014,165	12,485,266	26.4%
Attributable to non-controlling interest	83	64	56	29.7%	-	-	-	-
Attributable to owners of the parent	17,829,506	13,990,090	12,477,498	27.4%	17,717,183	14,014,165	12,485,266	26.4%
Total liabilities and equity	131,904,347	120,804,935	108,850,790	9.2%	132,220,902	120,676,695	108,008,083	9.6%

6.2 Statement of income

in RON thousands	Group				Bank			
	31.12.2025	31.12.2024	31.12.2023	2025/2024	31.12.2025	31.12.2024	31.12.2023	2025/2024
Net interest income (1)	4,746,338	4,400,976	3,656,406	7.8%	4,549,187	4,253,358	3,476,006	7.0%
Interest income	6,914,594	6,692,846	5,897,924	3.3%	6,905,858	6,720,942	5,860,443	2.8%
Other similar income	518,841	242,463	137,822	114.0%	357,939	77,352	2,068	362.7%
Interest expenses	-2,459,089	-2,504,410	-2,353,145	-1.8%	-2,487,045	-2,515,429	-2,360,740	-1.1%
Other similar expense	-228,008	-29,923	-26,195	662.0%	-227,565	-29,507	-25,765	671.2%
Net fee and commission income (2)	1,214,169	1,128,180	1,012,615	7.6%	1,148,886	1,071,921	966,148	7.2%
Fee and commission income	1,601,850	1,450,865	1,277,353	10.4%	1,528,033	1,387,671	1,221,406	10.1%
Fee and commission expense	-387,681	-322,685	-264,738	20.1%	-379,147	-315,750	-255,258	20.1%
Dividend income (3)	6,581	6,192	5,103	6.3%	10,124	74,078	65,976	-86.3%
Net trading result (4)	544,422	487,915	539,745	11.6%	544,422	487,871	522,792	11.6%
Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss (5)	19,736	24,723	2,874	-20.2%	19,736	24,723	2,874	-20.2%
Foreign currency translation (6)	-8,723	4,371	8,991	-299.6%	-21,254	-2,074	6,376	924.8%
Net result from equity method investments (7)	-4,240	8,831	6,136	-148.0%	-	-	-	-
Rental income from investment properties and other operating leases (8)	14,237	34,543	43,796	-58.8%	5,266	5,346	5,455	-1.5%
Personnel expenses (9)	-1,110,961	-1,111,044	-1,072,385	-	-1,042,600	-1,047,484	-991,002	-0.5%
Other administrative expenses (10)	-1,013,577	-900,699	-749,178	12.5%	-997,567	-890,171	-732,021	12.1%
Depreciation and amortisation (11)	-270,946	-259,105	-245,444	4.6%	-258,129	-241,797	-226,780	6.8%
Venituri operationale (1+2+3+4+5+6+7+8)	4,137,036	3,824,883	3,208,659	8.2%	3,958,071	3,735,771	3,095,824	6.0%
Cheltuieli operationale (9+10+11)	-2,395,484	-2,270,848	-2,067,007	5.5%	-2,298,296	-2,179,452	-1,949,803	5.5%
Rezultat operational	1,741,552	1,554,035	1,141,652	12.1%	1,659,775	1,556,319	1,146,021	6.6%
Gains/(losses) from derecognition of financial assets measured at amortized cost	-	-26,881	-2,282	-100.0%	-	-26,881	-2,282	-100.0%
Other gains/(losses) from derecognition of financial instruments not measured at fair value through profit or loss	-1,307	-4,127	-	-68.3%	-1,307	-4,127	-	-68.3%
Net impairment gain/ (losses) on financial instruments	-252,408	-106,342	-46,308	137.4%	-215,199	-66,482	57,884	223.7%
Other operating result	60,533	-400,038	-165,045	-115.1%	54,159	-354,175	-11,299	-115.3%
Pre-tax result from continuing operations	3,943,854	3,287,495	2,995,024	20.0%	3,795,724	3,284,106	3,140,127	15.6%
Taxes on income	-623,763	-520,072	-673,800	19.9%	-612,089	-502,354	-652,784	21.8%
Net result for the year	3,320,091	2,767,423	2,321,224	20.0%	3,183,635	2,781,752	2,487,343	14.4%
Net result attributable to non-controlling interests	20	8	8	150.0%	-	-	-	-
Net result attributable to owners of the parent	3,320,071	2,767,415	2,321,216	20.0%	3,183,635	2,781,752	2,487,343	14.4%

6.3 Statement of cash flows

in RON thousands	Group			Bank		
	31.12.2025	31.12.2024	31.12.2023	31.12.2025	31.12.2024	31.12.2023
Net result for the year	3,320,091	2,767,423	2,321,224	3,183,635	2,781,752	2,487,343
Non-cash adjustments for items in net result for the period						
Depreciation, amortisation of assets	270,946	259,105	245,444	258,129	241,797	226,780
Allocation and release of impairment of loans	264,734	151,197	68,035	217,176	92,061	-53,932
Gains/(losses) from the sale of property and equipment and investment properties	3,357	-8,840	-22,176	-7,548	-12,470	-23,528
Gain on disposal of non-current assets held for sale and disposal group	-1,808	-5,747	21,276	-1,808	-5,145	-10,933
Other provisions	-221,627	-16,762	5,855	-212,816	-18,233	-8,747
Net impairment of subsidiaries	-	-	-	-352,282	-25,266	-97,359
Impairment tangible and intangible assets	8,106	27,309	1,488	4,098	9,568	-7,288
Impairment of assets held for sale and other assets	6,293	29,509	6,782	3,855	30,758	5,893
Current tax not paid	568,887	488,605	645,763	554,098	476,066	637,036
Expenses with supplementary turnover tax	316,070	182,460	-	307,637	181,702	-
Deferred tax	54,958	31,467	28,037	57,991	26,288	15,748
Other adjustments	-225,647	-94,182	8,165	198,877	-59,675	19,866
Adjustments for items in net profit/(loss) for the year	-4,752,944	-4,407,168	-3,661,421	-4,559,337	-4,327,436	-3,541,982
Interest income from operating activities	-6,273,466	-6,007,993	-5,354,422	-6,112,121	-5,877,837	-5,202,944
Interest expense for operating activities	1,951,161	1,801,407	1,687,104	1,993,547	1,836,284	1,865,467
Interest income from investing activities	-1,159,995	-927,316	-681,324	-1,151,702	-920,457	-659,567
Interest expense for financing activities	735,937	732,926	692,236	721,063	708,652	521,038
Dividend income from investing activities	-6,581	-6,192	-5,015	-10,124	-74,078	-65,976
Financial assets - held for trading	-1,502,192	-1,159,563	-523,845	-1,502,192	-1,159,563	-523,428
Financial assets at fair value through other comprehensive income	-305,283	-2,649,139	-115,897	-305,283	-2,649,104	-115,231
Financial assets at amortized cost	-6,232,335	-13,163,420	-5,144,158	-6,369,454	-13,162,297	-5,343,079
Loans and advances to banks	867,944	-3,231,699	-1,973,220	829,275	-3,171,122	-1,908,111
Loans and advances to customers	-6,736,679	-9,606,457	-2,880,451	-7,184,580	-9,993,512	-3,427,340
Finance lease receivables	-363,600	-325,264	-290,487	-14,149	2,337	-7,628
Specific supplementary turnover tax paid	-253,895	-133,907	-	-245,648	-133,309	-
Other assets from operating activities	36,253	58,277	-93,770	2,813	50,396	-19,291
Financial liabilities measured at amortized cost	4,081,054	11,061,355	4,372,838	4,136,316	10,959,001	4,492,113
Deposits from banks	1,618,936	240,585	-405,446	1,589,744	116,152	-531,541
Deposits from customers	2,100,563	12,476,497	3,461,416	2,202,144	12,511,285	3,689,936
Other financial liabilities	361,555	-1,655,727	1,316,868	344,428	-1,668,436	1,333,718
Income tax paid	-551,351	-526,717	-361,907	-538,136	-520,939	-353,540
Other liabilities from operating activities	45,043	41,671	21,848	79,220	33,459	43,482
Interest received from operating activities	6,509,265	6,390,970	5,500,926	6,428,993	6,326,847	5,436,704
Interest paid for operating activities	-1,995,669	-1,784,145	-2,255,205	-2,022,121	-1,798,805	-2,439,780
Cash flow from operating activities	-557,694	-2,460,242	1,066,326	-683,787	-2,662,547	826,847

in RON thousands	Group			Bank		
	31.12.2025	31.12.2024	31.12.2023	31.12.2025	31.12.2024	31.12.2023
Proceeds of disposal:	2,620,603	2,144,608	1,549,988	2,600,357	2,098,109	1,526,958
Debt securities at amortized cost	2,583,109	1,990,682	1,435,153	2,583,109	1,990,682	1,435,153
Property and equipment, intangible assets, investment properties and assets held for sale	37,494	97,210	113,168	17,248	50,711	90,138
Assets held for sale and disposal group	-	56,716	1,667	-	56,716	1,667
Acquisition of:	-5,379,127	-5,219,382	-3,875,383	-5,362,717	-5,200,781	-3,851,823
Debt securities at amortized cost	-5,084,682	-4,951,396	-3,612,225	-5,084,682	-4,951,396	-3,612,225
Property and equipment, intangible assets, investment properties and assets held for sale	-294,445	-267,986	-263,158	-278,035	-249,385	-239,598
Interest received from investing activities	1,042,270	758,622	628,398	1,033,977	758,143	606,142
Dividends received from investing activities	6,581	6,192	5,015	10,124	74,078	65,976
Cash flow from investing activities	-1,709,673	-2,309,960	-1,691,982	-1,718,259	-2,270,451	-1,662,747
Additional equity instruments	1,740,480	-	-	1,740,480	-	-
Capital decrease	-	-	-	40,336	-	-
Dividends paid to equity holders of the parent	-1,279,455	-1,175,306	-1,144,291	-1,279,455	-1,175,306	-1,144,291
Dividends paid to non-controlling interests	-1,391	-1,295	-1,271	-1,391	-1,295	-1,271
Repayment of principal of lease liabilities (IFRS 16)	-117,184	-116,257	-192,237	-106,668	-100,708	-171,740
Debt securities issued	3,705,250	223,835	4,572,136	3,705,250	223,835	4,572,136
AT1 coupon	-109,030	-67,105	-44,168	-109,030	-67,105	-44,168
Outflows from other financing activities	-127,288	-149,302	-25,488	-27,012	-33,538	-45,504
Interest paid for financing activities	-745,337	-732,926	-524,956	-721,063	-708,652	-353,758
Debt securities issued	-745,337	-732,926	-345,899	-721,063	-708,652	-345,899
Other financing activities	-	-	-179,057	-	-	-7,859
Cash flow from financing activities	3,066,045	-2,018,356	2,639,725	3,241,447	-1,862,769	2,811,404
Cash and cash equivalents at beginning of period	10,642,241	16,763,792	15,224,576	10,596,153	16,724,913	15,224,262
Cash flow from operating activities	-557,694	-2,460,242	1,066,326	-683,787	-2,662,547	826,847
Cash flow from investing activities	-1,709,673	-2,309,960	-1,691,982	-1,718,259	-2,270,451	-1,662,747
Cash flow from financing activities	3,066,045	-2,018,356	2,639,725	3,241,447	-1,862,769	2,811,404
Other non-cash movements in the statement of financial positions	-	667,007	-474,853	-	667,007	-474,853
Cash and cash equivalents at end of period	11,440,919	10,642,241	16,763,792	11,435,554	10,596,153	16,724,913

7. Annexes

The following documents are annexed to this report:

1. The bank's constitutive act valid at 31 December 2025;
2. List of the subsidiaries of the Bank and entities controlled or controlling the Bank;
3. Statement of Compliance of the members of the Executive Committee who assume responsibility for the preparation of the Financial Statements;
4. Financial Statements as at 31 December 2025;
5. Auditors' report.

Chairman of the Supervisory Board,

Manfred Wimmer

A handwritten signature in blue ink, appearing to be 'M. Wimmer', is positioned below the printed name.

Annex 1: The Bank's constitutive act valid at 31 December 2025

The bank's constitutive act valid at 31 December 2025 is available at following web address:

https://cdn0.erstegroup.com/content/dam/ro/bcr/www_bcr_ro/EN/About-us/Corporate-Governance/BCR_Charter.pdf

Annex 2: List of the subsidiaries of the issuer and entities controlled or controlling the issuer

List of the subsidiaries of the issuer and entities controlled by the issuer

- BCR Leasing IFN SA
- BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA
- BCR Banca pentru Locuinte SA
- Suport Colect SRL
- BCR Payments Services SRL
- BCR Seed Starter SRL (is not included in the prudential consolidation perimeter as it is below the materiality threshold)

List of the of entities controlling the issuer

The ultimate parent of the Group is Erste Group Bank AG.

BCR Group



Banca Comercială Română S. A.

No. CFO Office 4/27.03.2026

Supervisory Board

Banca Comercială Română S. A.

Consolidated and Separate Administrators' Report

(The Group and the Parent Bank)

LEI Code: 549300ORLU6LN5YD8X90

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Administrators' report

1. Macroeconomic developments

Flash estimates for 4Q25 GDP delivered a negative outcome, with output contracting by -1.9% q/q and rising only $+0.1\%$ y/y. As a result, full-year GDP growth for 2025 came in at $+0.6\%$, down from $+0.9\%$ in 2024. The release also included data revisions for the first three quarters of 2025. The most significant adjustment was to 1Q25, which was revised down sharply, from $+0.1\%$ q/q to -0.6% q/q. Given that both 3Q25 and 4Q25 now show quarterly contractions, Romania meets the definition of a technical recession.

December 2025 CPI came in at 9.7% y/y, decelerating slightly compared to 9.8% in the prior month. Core inflation accelerated slightly to 8.5% y/y in December from 8.4% y/y prior. The average annual inflation rate for 2025 stands at 7.3% compared to 5.6% in 2024.

The NBR left the monetary policy rate unchanged in 2025, at 6.50% . The 3M ROBOR ended the year at 6.1% vs. 5.9% in December 2024, declining from 7.1% in the second quarter of 2025.

During January–November 2025, the current account of the balance of payments recorded a deficit of EUR 27,140 million, compared with EUR 26,060 million in January–November 2024. The FDI coverage of the current account gap was 24.2% in November 2025 on a 12-month rolling basis.

The cash budget deficit was 7.65% of GDP in 2025 compared to 8.67% in December 2024. Budget revenues advanced by 15.3% y/y, while government expenditures increased at a slower pace by 11.2% y/y. The ratio between rigid public expenditures (public wages + social payments+ interest payment) and cyclical revenues (fiscal revenues + social insurance contributions) was 88.3% in December 2025 same as it was in December 2024.

The average unemployment rate in 2025 increased to 6.0% from 5.5% in 2024, reaching the highest level since the 2020 Covid pandemic. The average net wage increased by $+4.8\%$ year-on-year in December, slightly accelerating from $+4.2\%$ in the previous month, reaching RON 5,914. The average net wage in the public sector recorded an annual decline of -1.8% in December, down from -1.1% in November, ending the year with a 2.8% increase, a strong deceleration from 18.0% in 2024. The average net wage in the private sector rose by $+6.5\%$ in December, accelerating from $+5.7\%$ in the previous month, and registered an increase of 7.6% in 2025, slowing from 12.1% in 2024. In real terms, the average net wage fell by 4.5% y/y in December. In 2025, the average net wage increased by 6.5% .

In January and March 2025, the rating agencies Standard & Poor's and Moody's revised Romania's outlook from stable to negative while affirming the rating at 'BBB-/Baa3'. Both rating agencies attributed this decision to the large budget deficit and the prevailing political uncertainty. Currently all three rating agencies place Romanian on the lowest investment grade rank with a negative outlook.

The EUR/RON exchange rate was volatile in the first half of 2025. In 2025, the EUR/RON rate recorded an average value of 5.0415 and ended the year at 5.0985. The leu depreciated by 1.3% on average in nominal terms in 2025 vs. 2024. Large current account deficit poses depreciation risks to the EUR/RON over the medium-term.

Important events since end-2025

The NBR kept the key policy rate unchanged at 6.50% at its two meetings in January and February 2026, in line with market consensus. The credit facility rate was left at 7.50% and the deposit facility rate remained at 5.50% .

The rating agency Fitch decided to maintain Romania's sovereign rating at BBB- with a negative outlook at its February meeting.

2. General presentation

Banca Comercială Română (“BCR” or “Bank”) was established in 1990, when it took over the commercial operations of the National Bank of Romania. As a result of the privatization process organized by the government of Romania, Erste Bank der oesterreichischen Sparkassen AG (“Erste Bank”) purchased 61.88% of the share capital of the Bank pursuant to a share purchase agreement dated 21 December 2005. Until 31 December 2025, Erste Bank purchased further 38.0116% from other shareholders (including employees) of the Bank, adding up to 99.8916%.

Erste Bank is the direct parent of the Bank. Erste Bank is owned 100% by Erste Group Bank AG. The ultimate parent of the Group is Erste Group Bank AG.

The Group provides day-to-day banking services and other financial services to governmental institutions, corporate and individual clients operating in Romania and abroad. These services include accounts opening, domestic and international payments, foreign exchange transactions, working capital finance, medium and long term facilities, retail loans, finance micro and small enterprises, bank guarantees, letters of credit and through subsidiaries also leasing, brokerage, financial consultancy services and asset management.

Products & Services

More than 1.9 million people benefited from a personalized financial plan through Financial Coaching, including over 900,000 in 2025 alone. This planning tool has been integrated into the George Benefits Programme, Romania’s first banking loyalty programme, available to 1.8 million BCR clients. Structured across five benefit levels – Go, Advanced, Pro, Max, and Max Invest – the programme encourages clients to diversify their financial portfolios and optimize their banking costs. To date, more than 1.4 million BCR clients have received discounts through the George Benefits Programme: around 50% in payments and cash withdrawals, while 420,000 customers accessed loans and deposits at preferential interest rates. In addition, 61% of clients who set a goal within the programme chose saving as their financial priority, also opening a saving account.

BCR is the first bank in Romania to introduce RoPay Alias, providing a fully digital banking experience for its clients. Users can request or transfer money instantly using only a mobile phone number, without an IBAN, in a secure, efficient, and easy manner.

Over 22% of customers accessed a mortgage through a 100% digital journey in George, compared to 9% in 2024. December 2025 reached a record level, with 30% of customers choosing George to originate their mortgage. BCR is the first bank in Romania to fully digitalize the most complex retail lending product, offering end-to-end digital journeys in George for both mortgage origination and refinancing.

Over 2.1 million BCR products were opened through a fully digital process in 2025, marking a 16% increase compared to 2024.

BCR clients received over RON 37 million through George Moneyback, the loyalty programme that rewards users with cashback for card payments. George Moneyback has now reached over 1.46 million users, up 7% compared to 2024.

BCR further strengthened its portfolio of strategic partnerships supporting the growth of its digital ecosystem, through collaborations with leading brands in retail, e-commerce, mobility and services, such as eMAG, Kaufland, Bolt, OLX, Dedeman and Vodafone, alongside OMV, Mega Image and Uber. In addition, the George Store offering was expanded through new partnerships in travel, entertainment, mobility and shopping, including Animawings, Paralela 45, Dertour, Voxa, Uber and Freshful.

Approximately 170,000 companies are enrolled in George for Business, Romania’s unique digital ecosystem. In 2025, over 76% of eligible clients opened their banking relationship through George, while more than 60% of loans to microenterprise clients were originated through the available digital products: Digital Overdraft, George Smart Credit and the George Credit Card.

BCR expanded its portfolio of digital solutions for corporates, and as of December 2025 merchants can enroll in the RoPay system directly via George, benefiting from payment settlement in up to 10 seconds, immediate funds availability, optimized processing costs, simplified payment-to-delivery reconciliation, rapid implementation, and a high level of security and operational availability.

BCR serves as a financial partner for over 15,000 companies, including SMEs and large corporates, providing expertise and tailored solutions to meet the needs of the real economy. The bank is one of the market leaders in syndicated lending, with a total participation in 2025 of approximately RON 3.2 billion (EUR 630 million) in major expansion and technology-driven initiatives.

Branch and equipment network

BCR offers a full range of financial products and services through a network of 290 branches, out of which 73% cashless branches and 81% featuring 24/7 self-service areas. BCR also operates 20 business centers and 18 mobile offices dedicated specifically to companies. BCR customers have the largest national network of ATMs and multifunctional machines - almost 2,000 machines, and full banking services through Internet banking, Mobile banking, Phone-banking and E-commerce.

BCR's financial inclusion programme for rural and small urban communities, through which BCR operates two mobile branches, has so far covered a distance of 27,000 km and reached 52 communities, supporting over 7,500 people through financial education sessions and personalized banking services.

Bank and subsidiaries

During 2025, Banca Comercială Română Group ("BCR Group" or "the Group") comprised the parent Bank, Banca Comercială Română S.A. and its subsidiaries, presented in the following table:

Company's name	Country of incorporation	Nature of the business	Shareholding		Gross Book Value	Net Book Value	Impairment
			2025	2024			
BCR Leasing IFN SA	Romania	Financial leasing	99.97%	99.97%	389,491	389,491	-
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA	Romania	Pension Fund	99.99%	99.99%	229,484	198,125	31,359
BCR Banca pentru Locuinte SA	Romania	Banking	99.99%	99.99%	948,578	335,800	612,778
Suport Colect SRL	Romania	Workout	72.87%	99.99%	983,047	-	983,047
BCR Payments Services SRL	Romania	Payments transactions	99.99%	99.99%	1,900	1,900	-
BCR Fleet Management SRL (i)	Romania	Operational leasing	-	99.97%	-	-	-
Total					2,552,500	925,316	1,627,184

(i) During 2025, BCR Fleet Management SRL was merged in Suport Colect SRL, with BCR Fleet Management SRL being deregistered.

Investments in other companies, except consolidated subsidiaries, associates and joint ventures are in total amount of RON 92,124 thousands (2024: RON 75,345 thousands) as presented in the statement of financial position as Equity Instruments and in the Note 20.

3. 2025 financial and commercial highlights

BCR's impact on economy and society

In the retail banking business, BCR generated new loans to individuals and micro businesses of RON 17.8 billion in 2025, higher by 14.3% year-on-year. The stock of unsecured consumer loans (including credit cards and overdrafts) increased by 15.5% yoy. At the same time, the stock of mortgage loans increased by 10.4% yoy, of which the standard mortgage loans (Casa Mea) increased by 31.3% year-on-year, partially offset by repayments for Prima Casă loans.

In the corporate banking business, BCR approved new loans of RON 16.1 billion in 2025, of which about a quarter aimed for investments. The stock of corporate loans increased by 6.8% year-on-year. Most of the financing was directed towards energy, consumer goods, and public infrastructure, key sectors for Romania's resilience and development. In 2025, BCR granted RON 6.5 billion for projects supporting the energy, agriculture, real estate, infrastructure, and construction sectors.

In 2025, BCR also approved more than 200 loans and other products totalling about RON 1.6 billion for prefinancing and co-financing of EU and national-funded projects for corporates and microenterprises.

Additionally, BCR granted loans backed by guarantees issued by the European Investment Fund (EIF), the National Guarantee Fund for SME (FNGCIMM), the European Investment Bank (EIB) and the Romanian Bank for Investment and Development (BID), totalling about RON 1.1 billion in 2025.

In the fourth quarter 2025, BCR signed an SME portfolio guarantee agreement with the Romanian Bank for Investment and Development. Based on this new instrument, BCR estimates to grant more than RON 1 billion financing in 2026, with a strong focus on investment loans.

In 2025, BCR Leasing exceeded the EUR 1 billion threshold in its financed portfolio, marking a significant milestone for the Romanian financial leasing market.

BCR Social Finance supported more than 2,170 microenterprises, including 1,030 in the agribusiness sector, by providing EUR 45.2 million in financing, which contributed to preserving over 4,150 jobs. In 2025, the institution financed 55 NGOs and social enterprises with EUR 7.6 million, contributing to the wellbeing of more than 140,000 beneficiaries, maintaining 1,350 jobs, and creating an additional 450 new positions. Additionally, BCR Social Finance granted 256 StudyUP loans, totaling over EUR 500,000, to support lifelong learning through university, master's, doctoral, and specialization programmes.

In 2025, Marc Impact Programme, a regional scaling programme implemented by BCR, BCR Social Finance and Synerb, completed its first cohort and launched the second mentorship edition for impact-driven businesses. In Romania, 40 companies addressing social or environmental challenges are involved in Marc, and as a result of the programme, HELP Autism has already secured over

EUR 1 million in investment capital and launched Romania's first social franchise, thereby facilitating access to more than EUR 100 million in government funding.

BCR invested EUR 5 million in ZBOR, a project developed in partnership with an extensive network of NGOs active in youth development and social innovation. A year and a half after its launch, ZBOR ecosystem has reached over 70,000 young people nationwide through 9 hubs located in Constanța, Iași, Cluj, Brașov, Ploiești, Târgu Jiu, Baia Mare, Vaslui and Timișoara.

Over the past 10 years, more than 1 million children, teenagers, young people and adults attended Money School trainings, with 100,000 participants in 2025 alone.

Customer Experience Index

As a profit-driven enterprise, BCR Group has a strong interest in its customers' future behaviour and loyalty to the bank. The CXI is an index that measures customer satisfaction and loyalty, considering satisfaction ratings, referrals, readiness to switch to another bank, customer effort score and the repurchase rates. The CXI is calculated using the formula:

$CXI = \% \text{ Advocates} + \% \text{ Loyal} + 0.5 \times \% \text{ Simply satisfied} - \% \text{ Non-engaged} - \% \text{ Dissatisfied}$.

	% Dissatisfied Satisfaction 0–4	% Not engaged Satisfaction 5–6	% Simply satisfied Satisfaction 7–10	% Loyal Simply satisfied and Repurchase 9–10 Bank change 0–1	% Advocates Loyal and Recommendation 10 Effort 10
Vs. competition	Clear competitive disadvantage	Competitive disadvantage	No advantage or disadvantage	Clear competitive advantage	Clear competitive advantage
Likely behavior	Likely to change bank as soon as they can	Likely to look for better offers and change bank	Leave easily even for slightly better offer	Likely to repurchase even pays some price premium	Likely to recommend to friends and family
Target	Optimize		Neutral	Maximize	

The CXI is measured through quarterly and annual surveys conducted by an external market research institute, covering private, micro, and SME segments. The results are used to set targets for the following year, aiming for significant yearly improvements. The CXI is also used in bonus assessments for management and employees, with targets set by Group People & Culture, Group Customer Experience, and relevant business lines. Due to the large amount of market research involved in calculating the CXI, a limitation of this metric is standard deviation.

Through supporting financially excluded micro enterprises and start-ups, BCR Group fosters economic stability and enhances customer satisfaction, whilst also maintaining its positive impacts on the topics “financial health and financial literacy” and “access to products and services”. The long-term target for BCR Group is to become the leader in CXI in the country. The target is relative compared to the top 3 competitors in the market.

The target setting process and review is part of the yearly Strategy and Budget Dialogue with our shareholders.

CXI results

The table shows the relative difference to the Top 3 competitors in the market and the ranking of the bank in the respective market.

	PI		Micro		SME		Total	
	2024	2025	2024	2025	2024	2025	2024	2025
Banca Comercială Română	-0.4	5.5	1.5	1.8	1.6	1.5	0.3	4.3

BCR had consistent improvements on both Private Individuals and Micro segments on customer satisfaction in the last years, as a result of the continuous digitalization and new service models. BCR is now the CXI leader in the market, for privates and both business segments.

BCR Group's financial performance in 2025¹

BCR delivered a solid financial performance, posting a net profit of RON 3,320 million (EUR 658 million) in 2025, up by 20.0% against RON 2,767 million (EUR 556 million) in 2024, supported by continued expansion in customer business.

In September 2025, BCR Group recorded a one-off income amounting to RON 388.9 million as a result of the favourable High Court ruling from 2024 becoming final and MDLPA Decision no. 201286/26.09.2024 ('Amnesty Decision') becoming final, thus allowing for the reversal of the previously recognized liability. The favourable ruling referred to the legal action initiated by BCR BpL subsidiary in 2022 for the cancellation of accessory budgetary obligations ((i.e. interest and penalties accrued to the principal obligation for the period elapsed between date when the state premiums were cashed in and the date when BCR BpL reimbursed the state premiums to MDLPA), based on the special provisions of Government Emergency Ordinance no. 69/2020 on several fiscal measures, extension of certain deadlines, introduction of certain tax incentives and amendment of certain regulatory acts.

Operating result improved by 8.2% to RON 4,137 million (EUR 821 million) in 2025, compared to RON 3,825 million (EUR 769 million) in 2024, supported by higher operating income.

Net interest income rose by 7.8%, reaching RON 4,746 million (EUR 941 million) in 2025, up from RON 4,401 million (EUR 885 million) in 2024. The advance reflects higher business volumes and an optimized balance sheet structure.

Net fee and commission income increased by 7.6% to RON 1,214 million (EUR 241 million) in 2025, compared to RON 1,128 million (EUR 227 million) in 2024, driven by stronger transactional activity, lending growth and higher insurance-related fees.

Net trading & FV result increased by 7.4% to RON 555 million (EUR 110 million) in 2025, from RON 517 million (EUR 104 million) in 2024.

As a result of these developments, operating income advanced by 7.2% reaching RON 6,533 million (EUR 1,296 million) in 2025, compared to RON 6,096 million (EUR 1,225 million) in 2024.

General administrative expenses rose by 5.5%, reaching RON 2,395 million (EUR 475 million) in 2025 versus RON 2,271 million (EUR 456 million) in 2024, driven by continued investments in strategic projects as well as the impact of inflation and increased VAT. As such, the cost-income ratio improved to 36.7% in 2025, versus 37.3% in 2024.

Risk Costs and Asset Quality

The net result from the impairment of financial instruments amounted to RON 252 million (EUR 50 million) in 2025, compared with RON 106 million (EUR 21 million) in 2024. This development reflects the growth in customer business volume as well as the new NPL formation, partially compensated by provision releases from recoveries and debt sales.

The NPL ratio for BCR Group, calculated according to Erste Group methodology, stood at 2.7% as of December 2025, broadly in line with 2.6% recorded in December 2024. The stable year-on-year evolution reflects the positive lending dynamics, solid portfolio quality, and the efficient NPL management measures taken during the year. The NPL provisioning coverage stood at 132% as of December 2025.

Capital position and funding

Total (Tier 1+2) capital ratio of BCR Group stood at 22.8% as of December 2025, well above the regulatory requirements of the National Bank of Romania and clearly reflecting BCR's strong capital and funding positions.

Net loans and advances to customers increased by 9.3% against 31 December 2024 to RON 72,956 million (EUR 14,314 million) as of 31 December 2025, supported by the advance in both retail and corporate segments.

Deposits from customers increased by 2.3% against 31 December 2024 to RON 93,084 million (EUR 18,263 million) as of 31 December 2025, driven by the increase in retail deposits.

BCR has also set another landmark in capital markets financing in 2025, through the issuance of EUR 500 million in MREL-eligible Eurobonds, at one of the most competitive margins ever achieved by a Romanian bank, and a RON 1.12 billion senior non-preferred bond issuance, through which BCR secured the tightest spread for this instrument among Romanian banks, confirming investors' confidence.

¹ All the financial data presented below constitute the unaudited consolidated results of Banca Comerciala Romana (BCR) Group for 2025, according to IFRS. Unless otherwise specified, the 2025 financial results are compared to 2024 results. Also, unless otherwise specified, the exchange rates used to convert amounts into euros are those communicated by the European Central Bank. The profit and loss account are converted using the average exchange rate for 2025, i.e. 5.0419 RON/EUR when referring to the 2025 results, and using the average exchange rate for 2024, i.e. 4.9746 RON/EUR with reference to 2024 results. The balance sheets as of 31 December 2025 and 31 December 2024 are converted using the closing exchange rates on those dates (5.0968 RON/EUR on 31 December 2025 and 4.9743 RON/EUR on 31 December 2024). All the percentage changes refer to the figures expressed in RON.

4. Outlook for BCR's activity in 2026

4.1. 2026 expected macroeconomic development

Economic growth is estimated at +2.1% in 2026, with investments being the key metric to watch this year.

Real wage growth is likely to remain negative at least until 2H26 which should affect household consumption.

The inflation rate could ease to 3.7% y/y in December 2026 from 9.7% y/y in December 2025, and the NBR could start cutting rates as early as May dependent on inflation path.

The average unemployment rate is estimated to go marginally down to 5.7% in 2026, after 6.0% in 2025.

4.2. BCR Group's strategy and business model

BCR has a balanced presence, financing customers from various economic sectors, as well as retail customers, reaching a portfolio of more than 3 million customers, out of which BCR has over 1.3 million are digitally active users. BCR is continuously developing George application by adding new features and products. As part of Erste Group, BCR has access to tools, software and other functionalities of George application, developed at Group level and adapted to reflect local needs and local specific characteristics.

While implementing its long-term Financial Health architecture, which started in 2020, structured on five pillars: 1. Business architecture, 2. IT architecture, 3. Data architecture, 4. People architecture and 5. Brand architecture, BCR's main objective on the medium term is to focus on offering the best financial mentoring, tools, and products at the right time, in the right context, empowering people and businesses to adopt healthy financial habits and to prosper.

The strategy design process takes place once every 3 years, this process being initiated upon receiving the Erste Group Strategy Guidelines. An annual review is performed so that the strategy can be refined considering the most recent developments and the actual context. It gathers and integrates key strategic inputs from diverse business units and functions across the bank, including: Macro-research (external environment analysis), Marketing (Net Promoter Score and NPS data), Retail Business Divisions (value proposition, objectives, and priorities for Private Individuals and Micro segments), Corporate Business Divisions (value proposition, objectives, and priorities for SME, large corporates, and Public segments), Strategic Risk Management, IT and Change Divisions and Controlling.

After defining BCR's medium-term 3-year strategy around 5 strategic bets (main pillars: Financial Health dialogues, Commercial time, Bank on 1 app, Society and Education, People), given the strong convergence in content, in 2025 BCR fully transitioned to Erste Group's 5 WINS Strategy for defining success:



This structured approach ensures a robust and well-aligned strategy development process, enabling BCR Group to effectively respond to market dynamics and achieve its strategic objectives, whilst contributing to reaching the overarching objectives at Erste Group level. The 5 WINS are BCR's guiding framework to steer the bank and every initiative is contributing to either Group or Local 5 WINS perimeter:

- Win 1 – Love Brand: BCR aims to build a love brand, to regain image leadership in Romania, to increase public affinity, and build a strong presence in key image attributes. The strategy includes three dimensions: being iconic, being emotional and nurturing the relationship with ZBOR (“flight”) Youth Hubs. In addition to brand development, BCR also pursues strategies in Digital Marketing and Financial / Entrepreneurial Education.
- Win 2 – Super Human, Super Digital: BCR’s goal is to leverage technology and human-centric approaches to attract, activate and engage customers and increase cross sell opportunities. A key element is the launch of the benefits program - GoMax - with a tiered scheme and goal-based recommendations linked to financial health. Other initiatives include the Blueprint model, FIT zone, Hey George. These efforts aim to focus on enhancing digital capabilities, providing personalized recommendations, and improving client engagement through innovative digital solutions.
- Win 3 – Delivery Excellence: BCR aims to improve service delivery by increasing efficiency, optimizing time spent with clients, and ensuring consistent service quality. This includes various automation projects designed to streamline processes and support operational improvements.
- Win 4 - Next Level Financial Health Propositions: BCR aims to support clients’ financial well-being by offering tailored financial solutions and advisory services. The focus is on helping clients achieve long-term financial goals. Core focus is a modern IT platform which enables automation and supports investment growth, alongside initiatives such as digital enrollment for private pensions via George, and the sale of insurance and pension products.
- Win 5 – (In)organic Growth: BCR is constantly monitoring the market for targets, but in the absence of opportunities for M&A transactions, BCR plans to expand its retail and corporate client base by implementing targeted commercial campaigns, optimizing sales activities, and developing tactical programs.

BCR subsidiaries that are involved yearly on the extensive strategy exercise are: BCR Leasing IFN SA and BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private (“SAFPP”) S.A.

BCR Leasing IFN S.A. (“BCR Leasing”) is focused on improving operational efficiency by adjusting processes and workflows, while continuing its strategy to increase sales volumes. BCR Leasing IFN S.A. will continue to develop its activity in a sustainable way based on the essential pillars and in the current market context, pillars such as the improvement of processes to increase the degree of customer satisfaction, the acceleration of the digitalization process of the business model of the company, as well as identifying new opportunities offered by the market.

The business model of BCR Leasing is to offer financial leasing and financial credit flexible, efficient solutions for the purchase of vehicles, fleets, equipment, industrial machinery, agricultural machinery, medical equipment. The contracts are typically run for a period of between 1-5 years, with transfer of ownership of the leased asset at the end of the contract term. The receivables are secured by the underlying assets and by other collateral. BCR Leasing operates in an omnichannel business environment based on its direct sales and strategic partnerships, while building a transformational digital channel, eBCR Leasing.ro a top edge solution for the Romanian market, in order to address the needs of all types of customers (corporate and retail, public and private) in a vibrant economy.

BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA (“BCR Pensii”) is a company that performs its activity on the private pensions market in Romania, including mandatory (Pillar II) and voluntary private pensions (Pillar III). The strategy of the subsidiary is to promote its two funds towards an increased number of eligible prospects and to promote the benefits of the supplementary pension as a long-term saving product. Regarding the sales strategy for Pillar III, it is based on improving the quality of the portfolio by ensuring quality sales through constant sales management actions and continuing the actions of reactivating the payments for suspended contributions. BCR Pensii strategy continues in 2025 also, towards the increase in number of participants in the voluntary pension fund, improving the quality of the products and services offered to them, as well as the loyalty of the participants through the permanent improvement of the communication channels with them.

BCR Pensii business model is to enrol new participants to the voluntary pension fund (Pillar III) using mainly the standard sales channels of BCR using a push sales strategy according to which sales agents target BCR corporate and retail customers.

For Pillar II (BCR FPAP), most of the participants are provided by the auto-enrolment process according to which 90% of the new participants come from the random allocation provided by National Pension House.

The strategic objective of BCR Pensii is to achieve long-term capital growth for the participants, through investments in a diversified portfolio of assets having different risk profiles, aiming to comply with the limits provided by law. These should allow the growth of the participants’ assets under prudent conditions.

4.3. Balance Sheet developments

It is estimated that loan production will remain the primary driver of asset growth, with an anticipated mid-single-digit increase over the budget year. Both the retail and corporate portfolios are forecast to outperform the market next year.

Both Retail and Corporate loan portfolios are expected to expand slightly faster than the overall market. Compared to the initial forecast, Retail loan volumes show stronger growth, reflecting the dynamic market conditions in 2025, while Corporate maintains its previously set growth ambition.

We expect deposits from customers to continue growing steadily in 2026, with an estimated two-digit growth rate. This positive trend is driven by robust performance in both the retail and corporate sectors.

Loan-to-deposit ratio (gross) at 74 per cent.

4.4. Statement of profit or loss developments

Operating income estimated to grow at a mid-single-digit rate, mainly on the back of net fee and commission income and net interest income, in line with volume growth, while trading is expected to follow the market trends.

It is anticipated that general administrative expenses will undergo moderate growth, enabling strategy implementation, correlated with FTE development, as a direct result of productivity and efficiency gains.

Cost of risk (cost of risk/ average loans to customers) is estimated at a normalized level of around 0.45 per cent.

Financial performance is expected to remain robust. A key indicator, return on equity, is projected to remain sound at up to 16% by 2026.

Capital & Minimum requirement for eligible liabilities ("MREL") ratios at comfortable levels driven by a diversified capital & MREL instruments issued.

The current situation regarding Iran has no direct impact on the Group, as there is no operational presence in that country. Indirect effects, such as financial market volatility or secondary impacts resulting from sanctions imposed on some of our clients, cannot be excluded. Future geopolitical developments could lead to economic difficulties. Any resulting financial effects cannot be assessed at this time.

4.5. Outlook for BCR subsidiaries

In 2026, BCR Leasing will continue its development on key pillars for a sustainable growth within current market context, such as processes improvement with the purpose to increase the customers' satisfaction, speeding up the digitalization of the company' business model and continue to invest in identifying new market opportunities.

The strategy of BCR Pensii is to promote its two funds towards an increased number of eligible prospects and to promote the benefits of the supplementary pension as a long-term saving product. Regarding the sales strategy for Pillar III, this is based on expanding the number of participants and on improving the quality of the portfolio. The quality of sales is planned to be ensured through constant sales management actions, larger corporate sales and suspended contributions reactivation.

BCR Pensii continues in 2026 towards increasing number of participants in the voluntary pension fund, improving the quality of the products and services offered to them, as well as the loyalty of the participants through the permanent improvement of the communication channels with them. A key tool in this process will be service digitalization which will continue in 2026 both in the front end and the back end.

5. Statements of financial position of the Group and of the BCR

5.1. Statement of compliance

As of 31 December 2025, BCR prepared Consolidated and Separate Financial Statements in compliance with the Accounting Law no. 82/1991, with its subsequent amendments and supplements and with the National Bank of Romania Order no. 27/2010 for approval of Accounting Regulations compliant with International Financial Reporting Standards applicable to credit institutions.

Order no. 27/2010 of the National Bank of Romania further specifies that the Consolidated and separate Financial Statements of credit institutions must be prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Consequently, the Consolidated and Separate Financial Statements of BCR Group for the year ended 31 December 2025 were prepared in accordance with IFRS, observing also the specific group accounting policies of Erste Group to which BCR Group belongs.

5.2. Statements of financial position – assets

Total assets of the Bank as at 31 December 2025 amounted to RON 132,220,902 thousand, increasing by 9.6% compared to 31 December 2024 (RON 120,676,695 thousand). At BCR Group level, the total assets increased by 9.2% from RON 120,804,935 thousand as at 31 December 2024 to RON 131,904,347 thousand as at 31 December 2025.

	Group			Bank		
in RON thousands	31.12.2025	31.12.2024	Variance	31.12.2025	31.12.2024	Variance
Assets						
Cash and cash equivalents	11,440,918	10,642,241	7.5%	11,435,554	10,596,154	7.9%
Financial assets held for trading	3,329,764	1,912,779	74.1%	3,329,764	1,912,779	74.1%
Derivative financial instruments held for trading	102,599	187,806	-45.4%	102,599	187,806	-45.4%
Debt securities held for trading	3,227,165	1,724,973	87.1%	3,227,165	1,724,973	87.1%
thereof pledged as collateral	620,510	9,898	>100%	620,510	9,898	>100%
Non-trading financial assets mandatorily at fair value through profit or loss	97,614	87,862	11.1%	97,614	87,862	11.1%
Equity instruments	92,124	75,345	22.3%	92,124	75,345	22.3%
Debt securities	5,490	12,517	-56.1%	5,490	12,517	-56.1%
Financial assets at fair value through other comprehensive income	13,290,491	12,767,715	4.1%	13,290,491	12,767,715	4.1%
Debt securities	13,290,491	12,767,715	4.1%	13,290,491	12,767,715	4.1%
Financial assets at amortized cost	98,155,165	90,038,137	9.0%	100,365,988	91,972,536	9.1%
Debt securities	23,248,722	20,623,315	12.7%	23,115,245	20,497,053	12.8%
Loans and advances to banks	5,572,108	6,004,729	-7.2%	5,566,874	5,960,826	-6.6%
Loans and advances to customers	69,334,335	63,410,093	9.3%	71,683,869	65,514,657	9.4%
Finance lease receivables	2,678,181	2,321,385	15.4%	30,375	15,043	>100%
Property and equipment	1,135,557	1,029,795	10.3%	1,107,182	902,686	22.7%
Investment property	15,343	112,198	-86.3%	15,342	112,198	-86.3%
Intangible assets	551,266	496,946	10.9%	515,201	468,484	10.0%
Investments in joint ventures and associates	34,599	38,838	-10.9%	25,961	25,961	—%
Current tax assets	1,068	139	>100%	-	-	-
Deferred tax assets	2,445	92,230	-97.3%	394	90,567	-99.6%
Assets held for sale and disposal group	15,204	729	>100%	15,204	729	>100%
Trade and other receivables	943,541	1,002,936	-5.9%	939,449	995,338	-5.6%
Investments in subsidiaries	-	-	-	925,316	613,371	50.9%
Other assets	213,191	261,005	-18.3%	127,067	115,272	10.2%
Total assets	131,904,347	120,804,935	9.2%	132,220,902	120,676,695	9.6%

5.3. Statements of financial position – liabilities and equity

in RON thousands	Group			Bank		
	31.12.2025	31.12.2024	Variance	31.12.2025	31.12.2024	Variance
Liabilities and Equity						
Financial liabilities held for trading	165,342	133,740	23.6%	165,342	133,740	23.6%
Derivative financial instruments held for trading	165,342	133,740	23.6%	165,342	133,740	23.6%
Financial liabilities measured at amortized cost	112,153,887	104,405,296	7.4%	112,668,813	104,748,753	7.6%
Deposits from banks	2,740,235	1,174,726	>100%	3,262,252	1,686,012	93.5%
Borrowings and financing lines	439,197	533,268	-17.6%	108,463	127,307	-14.8%
Deposits from customers	93,084,106	91,007,840	2.3%	93,460,301	91,281,395	2.4%
Debt securities issued	14,246,361	10,407,030	36.9%	14,246,361	10,407,030	36.9%
Other financial liabilities	1,643,988	1,282,432	28.2%	1,591,436	1,247,009	27.6%
Lease liabilities	591,782	500,390	18.3%	590,344	498,276	18.5%
Provisions	490,048	788,313	-37.8%	477,507	768,162	-37.8%
Current tax liabilities	58,994	42,508	38.8%	54,373	38,260	42.1%
Deferred tax liabilities	22,130	25,177	-12.1%	-	-	-
Other liabilities	592,575	919,357	-35.5%	547,340	475,339	15.1%
Total liabilities	114,074,758	106,814,781	6.8%	114,503,719	106,662,530	7.4%
Total equity	17,829,589	13,990,154	27.4%	17,717,183	14,014,165	26.4%
Attributable to non-controlling interest	83	64	29.7%	-	-	-
Attributable to owners of the parent	17,829,506	13,990,090	27.4%	17,717,183	14,014,165	26.4%
Total liabilities and equity	131,904,347	120,804,935	9.2%	132,220,902	120,676,695	9.6%

6. Statements of profit or loss of the Group and of the BCR

	Group			Bank		
in RON thousands	31.12.2025	31.12.2024	Variance	31.12.2025	31.12.2024	Variance
Net interest income	4,746,338	4,400,976	7.8%	4,549,187	4,253,358	7.0%
Interest income	6,914,594	6,692,846	3.3%	6,905,858	6,720,942	2.8%
Other similar income	518,841	242,463	>100%	357,939	77,352	>100%
Interest expenses	-2,459,089	-2,504,410	-1.8%	-2,487,045	-2,515,429	-1.1%
Other similar expense	-228,008	-29,923	>100%	-227,565	-29,507	>100%
Net fee and commission income	1,214,169	1,128,180	7.6%	1,148,886	1,071,921	7.2%
Fee and commission income	1,601,850	1,450,865	10.4%	1,528,033	1,387,671	10.1%
Fee and commission expense	-387,681	-322,685	20.1%	-379,147	-315,750	20.1%
Dividend income	6,581	6,192	6.3%	10,124	74,078	-86.3%
Net trading result	544,422	487,915	11.6%	544,422	487,871	11.6%
Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss	19,736	24,723	-20.2%	19,736	24,723	-20.2%
Foreign currency translation	-9,723	4,371	<(100)%	-21,254	-2,074	>100%
Net result from equity method investments	-4,240	8,831	<(100)%	-	-	-
Rental income from investment properties and other operating leases	14,237	34,543	-58.8%	5,266	5,346	-1.5%
Personnel expenses	-1,110,961	-1,111,044	-	-1,042,600	-1,047,484	-0.5%
Other administrative expenses	-1,013,577	-900,699	12.5%	-997,567	-890,171	12.1%
Depreciation and amortisation	-270,946	-259,105	4.6%	-258,129	-241,797	6.8%
Operating Income	6,532,520	6,095,731	7.2%	6,256,367	5,915,223	5.8%
Operating Expense	-2,395,484	-2,270,848	5.5%	-2,298,296	-2,179,452	5.5%
Operating Result	4,137,036	3,824,883	8.2%	3,958,071	3,735,771	6.0%
Gains/(losses) from derecognition of financial assets measured at amortized cost	-	-26,881	-100.0%	-	-26,881	-100.0%
Other gains/(losses) from derecognition of financial instruments not measured at fair value through profit or loss	-1,307	-4,127	-68.3%	-1,307	-4,127	-68.3%
Net impairment gain/ (losses) on financial instruments	-252,408	-106,342	>100%	-215,199	-66,482	>100%
Other operating result	60,533	-400,038	<(100)%	54,159	-354,175	<(100)%
Other operating income	702,611	84,752	>100%	612,161	50,890	>100%
Other operating expense	-642,078	-484,790	32.4%	-558,002	-405,065	37.8%
Pre-tax result from continuing operations	3,943,854	3,287,495	20.0%	3,795,724	3,284,106	15.6%
Taxes on income	-623,763	-520,072	19.9%	-612,089	-502,354	21.8%
Net result for the year	3,320,091	2,767,423	20.0%	3,183,635	2,781,752	14.4%
Net result attributable to non-controlling interests	20	8	>100%	-	-	-
Net result attributable to owners of the parent	3,320,071	2,767,415	20.0%	3,183,635	2,781,752	14.4%

7. Equity accounts and profit distribution

7.1. Equity accounts as at 31 December 2025

The Bank's equity as at December 31st 2025, amounts to RON 17,717,183 thousand and is detailed below:

	Bank
in RON thousands	31.12.2025
Share capital 1	1,625,342
Adjustment of the capital – hyperinflation	1,327,223
Share premium	395,483
Additional equity instruments	2,482,035
Other reserves	1,404,346
Legal statutory reserves	569,355
General reserve regarding credit risk set up from profit before tax	162,935
Reserve on general banking risks	267,673
Other reserves	404,383
Other comprehensive income	269,876
Retained earnings	7,029,243
Net profit of the year	3,183,635
Total amount of the Bank's equity	17,717,183

^[1] The share capital represents the subscribed and paid-up share capital at nominal value, consisting of 16,253,416,254 ordinary shares (equal voting rights) with each nominal value of RON 0.1 / share. The Bank and the Group do not hold redeemed own shares.

Erste Bank is the direct parent of the Bank and holds 99.8916% of share capital at 31st December 2025.

7.2. Profit distribution

The net profit of the Bank for the financial year ended 31 December 2025, amounting to RON 3,183,635 thousand will be distributed according to General Meeting of Shareholders' decision and in compliance with the current legislation.

The proposal for the distribution of profit is in accordance with: art. 29 para. 1 of the Accounting Law no. 82/1991, republished as subsequently amended and supplemented, para. 67 of the Law no. 31/1990, republished as subsequently amended and supplemented and para. 27 of BCR Charter. The Supervisory Board proposes to the General Meeting of Shareholders the distribution of 2025 net profit as follows:

Table A	Bank
in RON	
Other reserves[1]	29,655,051
Dividend distribution and AT1 coupon payments, out of which:[2]	1,777,049,850
- ordinary dividends	1,591,817,460
- AT1 coupon[3]	185,232,390
Retained earnings[4]	1,376,930,019
Total	3,183,634,920

Table B	Bank
in RON	
Transfer of reserves[5]	(420,951)
Retained earnings[5]	420,951
Total impact in retained earnings[4]+[5]	1,377,350,970

[1] The amount of RON 29,655,051 represents the reinvested accounting profit in 2025 of BCR which was exempt from applying corporate income tax, in accordance with the provisions of the Fiscal Code in force and which should be allocated to „Other Reserves”.

[2] The amount of RON 1,777,049,850 represents the gross amount of ordinary dividends and coupons related to AT1 instruments issued by BCR in September 2022 and in January 2025 recorded in other AT1 capital items.

[3] The AT1 coupon will be booked as payable in EUR on the date of approval of their distribution by the GMS and will be paid according to contract on 28 May 2026. Its value, established according to the terms and conditions of the AT1 notes, is EUR 36,249,000. The RON equivalent mentioned above has been calculated at the exchange rate estimated for payment date. Its final value will be lower or higher depending on the evolution of the EUR - RON exchange rate up to the date of registration of the payment obligation in EUR. The FX difference will have impact on the Retained earnings – item 4.

[4] The amount allocated to retained earnings from the net profit of 2025 totalling RON 1,376,930,019 will be used in accordance with the Bank's business strategy.

[5] The amount of RON 420,951 represents transfer to retained earnings of amounts recognized in previous years as reserve for reinvested profit for which conditions for tax credit are no longer fulfilled (assets disposed earlier than mandatory period in the fiscal law). These amounts will be used in accordance with the Bank's business strategy.

7.3. Own funds elements

Pursuant to Regulation 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012, Chapter II "Basic Tier 1 Own Funds", Article 26, paragraph 1, the main own funds items other than share capital instruments are: retained earnings, other items of accumulated comprehensive income, other reserves and funds for general banking risks. Eligible own funds items are included net of potential obligations (foreseeable dividends, taxation effects). In case of reinvested accounting profit, the amount included in own funds will be net of any potential tax charge at the moment of its calculation. The taxation effect will be maintained until the full amortization (useful life expiry) of assets for which fiscal facility was calculated. These items are considered Own Funds Common Equity Tier 1 only if they are available to the Bank for unrestricted and immediate use in order to cover risks or losses as soon as they appear.

8. Subsidiaries business performance overview and predictions

8.1. BCR Leasing IFN SA

BCR Leasing provides financial leasing products, such as leasing for cars, light and heavy commercial vehicles and industrial equipment.

In 2025, BCR Leasing focused on improving operational efficiency by adjusting processes and workflows, while continuing its strategy to increase sales volumes. The total assets of BCR Leasing increased by 9% compared to the previous year, based on new sales volumes. The share of non-performing exposures remained at a low single digit level, reflecting the efforts to improve the quality of the portfolio, as well as the quality of new sales.

The operating result increased by 41% compared to the previous year, mainly due to the increase in net interest income by 35%. In 2025, the cost/income ratio hovered around the level of 31.8%, reflecting the company's ability to support business growth in a challenging macroeconomic environment and a highly competitive market. BCR Leasing registered a net profit in 2025 of RON 78.07 mn.

The sales volume continued to be stimulated by both sales channels, the Bank and the partnerships with dealers / partners.

Net assets as at 31 December 2025 were RON 312.79 mn.

8.2. BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA ("BCR Pensii")

BCR Pensii SAFPP is a company that performs its activity on the private pensions market in Romania, including mandatory (Pillar II) and voluntary private pensions (Pillar III).

At the end of 2025, according to the statistics published on its website by the Financial Supervisory Authority, the mandatory private pension Fund managed by BCR Pensii has a participant market share of 9.79%, managing the assets of 828,373 subscribers.

In terms of total number of subscribers for voluntary pensions funds, the voluntary private pensions Fund BCR Plus managed by BCR Pensii SAFPP has a market share of 17.59% corresponding to a number of 175,808 participants, for the same date (31.12.2025).

Net profit in 2025 of BCR Pensii SAFPP was RON 22.47 mn under IFRS. Net assets as at 31 December 2025 were RON 190.72 mn.

8.3. BCR Banca pentru Locuinte SA

BCR Banca pentru Locuinte ("BCR BpL") activity consists in the management of savings - lending products in the housing sector.

BCR BpL's total portfolio (savings-lending number of contracts) as of 31 December 2025 is 2,243 contracts (8,353 as at 31st of December 2024) and the volume of savings deposits amounted to RON 34,592 thousand as at 31 December 2025, compared to thousand RON 88,599 thousand as at 31 December 2024.

The activity of selling new savings-credit contracts ("ECDL contracts") has been suspended in February 2016.

The financial result of 2025 is profit in amount of RON 393.64 mn under IFRS.

The completion of BCR BpL's legal proceedings with the Ministry of Development is presented in the Financial Statements – Note 38 Litigations and contingent liabilities.

As of 31 December 2025, the management of BCR BpL assessed that the going concern assumption remains not appropriate, considering all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

In accordance with IAS 1 "Presentation of financial statements", paragraph 25, when preparing Financial Statements, management should perform an assessment of an entity's ability to continue as a going concern.

For further details, please refer to Consolidated and Separate Financial Statements, Note 40 – Subsidiaries.

Net asset of the company as of 31st December 2025 is RON 466.77 mn (2024: RON 73.13 mn).

8.4. Suport Colect SRL

By end of 2025 Suport Colect SRL merged by absorption with BCR Fleet Management SRL, acting as absorbing entity. The Management has evaluated the overall situation of the company and concluded that it is appropriate to maintain the same approach as in the previous years and to prepare its financial statements for 2025 on a non-going concern basis.

The main arguments taken into consideration are as follows:

- the entity has no new business for some time and has no intention to acquire any, moreover no new business will be generated following the merger, the only activity relates to receivables acquired in the past and monetising of the fixed assets stock (i.e., “cease trading” condition in IAS 10.14 is fulfilled);
- there is an obvious intention of the management to liquidate the company in the future proved by the approved budgets which no longer considered the company from 2027 onwards (IAS 1.25).

Net asset of the company as of 31st December 2025 is RON 68,048 thousands (2024: RON 42,482 thousands), according to IFRS.

8.5. BCR Fleet Management SRL

BCR Fleet Management was merged into Suport Colect at the end of the financial year 2025.

8.6. BCR Payments Services SRL

BCR Payments Services SRL is a subsidiary of the BCR Group, founded in 2011, following the outsourcing of payment processing services, which had until then been performed by the same unit integrated within BCR, the Sibiu Processing Centre of the Banking Operations Division. The company is responsible for centralized processing of payment operations in both local and foreign currency, debit instruments and account administration.

BCR Payments Services SRL serves all local units of BCR, the Banking Services Division, as well as other BCR divisions, on the base of the outsourcing contract signed between the two parties. During 2025, the company processed 1.6 mn transactions, and the company's net profit as of 31 December 2025 amounted RON 0.6 mn under IFRS standalone. Net assets of the company as of 31st December 2025 is RON 3.3 mn.

9. The Bank's and Group risk profile

9.1. Overview

Risk management processes ensure that the bank's risk profile remains in line with the risk strategy. The development of specific risk profile (i.e. retail credit, corporate credit, operational risk, etc.) is reported through dedicated risk reports in a more granular way and supports risk decision making of the dedicated risk functions. These reports also include specific monitoring metrics that provide an early warning signal for adverse developments of portfolio quality (client, segment, countries and industries) or risk drivers. In instances where certain risk portfolios or events are identified as potentially in distress, these are closely monitored by the dedicated risk functions to manage the risk impact and to develop effective strategies to minimize potential losses. These processes facilitate early risk detection and reaction.

The overall risk profile for the Group, as well as the individual risk profiles are implemented through the Group Risk Strategy and are subject to an annual comprehensive review process. A quarterly assessment of the risk profiles checks if there are changes in respect of the risk materiality or if new risks occurred in the Bank's activity.

Given Group business strategy, the key risks for the Group are credit risk, market risk (including interest rate risk in the banking book), liquidity and funding risk and operational risk. All material risks are covered by the Group's control and risk management framework. This entails a set of different tools and governance to ensure adequate oversight of the overall risk profile and sound execution of the risk strategy, including appropriate monitoring and escalation of issues that could materially impact the risk profile of the Group.

Based on the Group Risk Strategy and the Group overall and individual risk profiles, the Group subsidiaries, including the Bank, set up their local risk profile. Also, the Group's capital management framework serves to ensure that the Group and its subsidiaries are capitalized in line with the risk profile, regulatory requirements and economic capital requirements.

As part of its risk strategy, the Group analyses its actual risk profile and determines a target risk profile based on its strategic goals. The risk materiality analysis, which underpins the determination of the overall risk profile, is part of the risk strategy package. The materiality analysis, based on the assessment of quantitative and qualitative risk drivers, leads to the determination of the current risk profile (for the year ending) and a risk profile for the following year. For example now we have done the materiality analysis for YE 2025 and the risk profile for 2026. The target risk profile is a result of the risk assessment process in combination with the boundaries set by the business strategy and the risk appetite framework. In terms of governance, full oversight of the risk profile and a sound execution of the risk strategy is ensured including appropriate monitoring and escalation of issues that could materially impact the risk profile of the Group.

9.2. Proportionality Principles

The proportionality principle is a crucial and integral part of the Group's overall risk framework and strategy. The proportionality principle is applied for the core components of the Group ICAAP framework (Risk Materiality Assessment/Risk taxonomy, Risk-bearing Capacity Calculation, Risk Appetite & Risk Profile, Stress testing, Risk Concentration Analysis, and Recovery Plan).

The Group level risk management principles, concepts and processes are generally designed, developed and implemented to address overarching organizational needs across both group and local entities/subsidiaries reflecting a high degree of granularity and detail.

However, subsequent implementation and application at Group subsidiaries require an approach that takes differences in business structures, size, complexity and relevance into account. This will ensure a meaningful, suitable and adequate application across the Group in line with local needs and capabilities while still fulfilling overall Group level requirements and standards.

The evaluation of proportionality criteria is reviewed on an annual basis and included in the Risk Strategy. In addition, a reassessment might be carried out outside the annual review cycle if changed business parameters indicate a need for a respective reclassification.

9.3. Risk Profile

Starting from the volume and nature of the Bank's activity as part of the Group, the risk profile of the Group is driven by the Bank risk profile. Thus, the Risk Profile for Group follows in general the same directions as the Bank, both with regard to overall risk profile and individual risks profiles based on the following considerations:

- the volume and nature of the Bank activity as part of Group;
- the categorization of the Bank as a full subsidiary based on the Proportionality Principles.

9.4. Individual risk profiles for the key risk types

9.4.1. Credit Risk

Credit risk is defined as the current or prospective risk to earnings and capital arising from a borrower's failure to meet the terms of any contract with the credit institution or its failure to perform as agreed.

In respect of the credit risk profile, in order to lower the risk profile for this risk in 2025, the Bank has targeted the following strategic directions:

- any relaxing of the lending standards which can affect the Credit Risk profile of the Bank have to be benchmarked against the targeted risk profile and operative limits, supporting metrics and in the end against the Risk Appetite Statement;
- an integrated risk management framework where risk appetite is cascaded down to the highest granular level in terms of concentration policy, lending acceptance criteria and business strategy;
- the Group continued to refine, update, monitor and redevelop its statistically validated scorings, rating models, risk parameters and tools;
- the Group continued to manage the industry concentrations and to align the portfolio composition with the business strategy; perform periodical stress tests/sensitivity analysis related to the impact of credit risk on the Bank and Group.

9.4.2. Concentration risk

The Bank concentration risk framework outlines the standards needed to identify, measure, monitor, and mitigate concentration risks, which implementation is essential to ensure the long-term viability of any financial institution, especially in the case of stressed economic conditions.

In respect of concentration risk management, the Bank has implemented a wide framework of limits which are specific, measurable, frequency-based, reportable, and based on forward looking assumptions in order to facilitate effective monitoring and reporting.

The limit framework includes material risk concentrations at the bank-wide, business line and legal entity levels (e.g. counterparty, industry, region, product) aiming to ensure that the Bank operates within its defined Risk Appetite and they are effective in controlling Risk Tolerance. Dimensions included in the limit framework comprise industry limits, geographic regions, corporate unsecured loans, corporate and Retail product limits, FX retail limits, as well as concentration risk limits on individual counterparties depending on the ratings (maximum/operational lending limits), market and liquidity risk limits and operational key risk indicators.

9.4.3. Residual risk

This is the risk that the recognized credit risk mitigation techniques (e.g., collateral) employed by the Bank will be less effective than expected.

Collateral and credit enhancement are evaluated pursuant to internally defined rules. Depending on rating grade, purpose and tenor, risk bearing products are protected against losses by stipulating adequate collateral that is fully and indisputably legally enforceable and sufficiently documented for the Bank. Nevertheless, collateral and credit enhancement can never substitute repayment capability.

9.4.4. FX induced credit risk

FX induced credit risk is a risk associated with foreign currency lending to un-hedged borrowers, which arises due to exchange rate fluctuations of the respective foreign currency.

Foreign currency loans are defined as loans that are at least partially receivable in other currencies than the legal tender of the country in which the borrower is domiciled. Un-hedged borrowers mean borrowers without a natural or financial hedge which are exposed to a currency mismatch between the loan currency and the hedge currency. Natural hedges include in particular cases where borrowers receive income in foreign currency (e.g. remittances/export receipts), while financial hedges normally presume there is a contract with a financial institution.

The Bank has in place limits for new retail FX loans (calculated as share of EUR denominated new loan volume in total new acquisitions), in order to decrease the overall retail FX exposures and mitigate FX Induced Credit Risk. FX induced Credit Risk is also estimated through capital requirement under Pillar 2 and monitored by the Bank on a quarterly basis.

9.4.5. Market Risk

Market risk is the risk to incur losses corresponding to on-balance and off-balance positions due to adverse market price movements (such as, for example stock prices, interest rates, commodity prices and foreign exchange rates).

Key principles of the Group's market risk management are based on the following pillars:

- identification of market risks – identification of market risks inherent in the investment operations and in new products, and ensuring adequate procedures and controls before these are implemented or undertaken;
- position keeping and Market Data Maintenance – ensuring proper data representation of banking book and trading book positions and also sourcing of appropriate market data for financial instruments and risk factors including data quality checks and cleansing;
- pricing and valuation – maintenance of appropriate instrument pricing framework and valuation process for the calculation of valuation adjustments;
- risk measurement – calculation of risk exposure using sensitivities, value-at-risk, and stress testing;
- validation - on one hand this concerns Value at Risk ("VaR") back-testing while on the other hand parameters and models used must be validated on a regular basis;
- market Conformity of Trading Activity - assuring that trading activities are performed at market conforming prices and rates;

- market Risk Limits - development of a comprehensive limit system, limit allocation and breach reporting;
- market Risk Monitoring and Reporting – timely and accurate reporting of all relevant information.

9.4.6. Liquidity & Funding Risk

Liquidity Risk is the risk that the Bank is unable to meet its payment obligations when they come due or only being able to meet these obligations at excessive cost.

The Group distinguishes between:

- funding liquidity risk (which is the risk that the banks in the group will not be able to meet efficiently both expected and unexpected current and future cash flow and collateral needs without affecting either daily operations or the financial condition of the group members);
- market liquidity risk (which is the risk that the group entities cannot offset or close a position at the market price because of inadequate market depth or market disruption) and
- funding concentration risk (concentration risk arises when funding is sourced from too a small number of clients, or an insufficiently diverse range of market instruments or sectors).

Furthermore, the funding liquidity risk is divided into structural liquidity risk (the long-term risk of losses due to a change in the Bank's own refinancing cost or spread) and insolvency risk (the short-term risk that current or future payment obligations cannot be met in full, on time in an economically justified way).

The Group has an appropriate reporting framework for liquidity and funding risk management which includes the scope, possible manifestations, and frequency of these risks, and which also designates the entity responsible for preparing the specific reports.

Additionally, BCR Bank and BCR BpL have implemented and deliver the regulator the Additional Liquidity Monitoring Metrics (ALMM) reports, thus benefiting from a more comprehensive analysis of their financing sources.

The Bank has an adequate set of limits on the values of various liquidity risk indicators, which enable it to closely monitor and control liquidity risk. These limits are also cascaded down to the major entities of the Group, which have also implemented the limits and set their own values, based on prior approval from the Bank.

The Bank is also using the Survival Period Analysis ("SPA") as a key tool for measuring liquidity risk; its aim is to assess whether sufficient liquidity can be obtained in order to operate at a level where the Bank can survive for the length of all predefined liquidity crisis scenarios. The analysis is performed per each significant currency (i.e. RON and EUR), and per total currencies.

Another important tool for Bank's funding risk management process is the Contingency Funding Plan (CFP). It provides a useful framework in the event the Bank is unable to fund some or all of its activities in a timely manner, and at a reasonable cost.

With respect to cash flow risks, the Bank is actively managing the intraday liquidity positions, so that it can be able to fulfil at any time the requirements related to payments and settlements, in both normal and crisis conditions.

Thus, BCR has the capacity to:

- measure daily the gross inflows and outflows, to predict as accurately as possible the time of the day when these flows will occur, and to predict any financing deficits that may occur during a day;
- monitor the intraday liquidity positions as compared to the expected activities and available resources (balances, capacity to cover outstanding loans, available collaterals);
- obtain the necessary financing for meeting the intraday liquidity objectives;
- manage the eligible collaterals for obtaining the intraday financing;
- manage the liquidity outflows according to Banks' intraday objectives;
- react quickly when facing unexpected changes in intraday liquidity flows.

The mechanisms used by the Bank in order to calculate the liquidity position are based on: prediction of cash-flows impacting the current account during the day, estimation of the possible cash-flow shortages, ability to monitor the intraday liquidity position and the expected liquidity requirements throughout the day.

Potential measures used by the Bank for managing liquidity in order to ensure the intraday availability of funds are: the possibility to access intraday liquidity from NBR via its money market operations and /or facilities, banking book portfolio that can be used as collateral in order to obtain secured funding (bilateral repos with banks), using the available liquidity facility, covering currency mismatch through swaps (either with external counterparties, or with NBR).

9.4.7. Operational Risk

The Group's operational risk is governed by an operational risk management policy, which defines:

- the operational risk management structure, hierarchy and governance model ("three lines of defence model");
- the risk appetite setting the limits of residual operational risk tolerance (OpRisk scaling matrix);
- common standards for managing and documenting operational risk within the Group;
- the framework that ensures OpRisk (OpRisk concentrations) are adequately identified, assessed, documented and managed.

The quantitative measurement methods are based on internal loss experience data, which are collected across Erste Group using a standard methodology and entered into a central data pool. In addition to the quantitative methods, qualitative methods are also used to determine operational risk, such as risk and control self-assessment, outsourcing risk assessments, scenario analysis etc. The Group also reviews certain key indicators periodically to ensure early detection of changes in risk potential that may lead to losses.

To lower the operational risk profile, Bank has undertaken the following measures:

- permanent development and improvement of control environment;
- improvement of operational loss data collection;
- performing periodical stress tests/ sensitivity analysis related to the impact of operational risk on the Bank and Group.

The Bank and its subsidiaries have implemented a wide range of specific ratios for managing operational risk. The monitoring and regular reporting of operational risk indicators (KRI) is enabling the Bank to detect any change in its exposure to operational risk in due time. Also, the Bank is monitoring the evolution of recorded events, as well as through implementing/ solving corrective measures.

9.4.8. Reputational Risk

Reputational risk is defined as the current or prospective risk to earnings and capital arising from adverse perception of the image of the credit institution on the part of customers, counterparties, shareholders, investors or supervisory authorities.

Reputational risk issues arise from transactions with clients or through different business activities. However, due to its nature, these usually materialize through other risk types.

The primary responsibility for the identification, escalation and resolution of reputational risk issues resides with business and the relevant risk type owner supports their resolution.

Reputational risk registered improvements based on continuing initiatives / projects, such as the financial education program, strengthening corporate culture, using the risk return decision tool, product approval process.

10. Risk management

10.1. ICAAP framework

The Group has continued to strengthen its ICAAP comprehensive framework. This includes as its fundamental pillar the ICAAP (Internal Capital Adequacy Assessment Process) required under Pillar 2 of the Basel framework.

The ICAAP framework is a holistic steering and management model designed to support the Group in managing its risk portfolios and its risk bearing capacity by ensuring that the Bank has, at all times, an adequate coverage potential which ensures the necessary capital adequacy to sustain its business and risk strategy.

A key component of ICAAP is the assessment of the group's capital adequacy using economic capital measures. In the ICAAP, the Group identifies and measures its risks and ensures that it has sufficient capital in relation to its risk profile. The process also ensures that adequate risk management systems are used and further developed. The relevant components of the framework refer to: risk profile & risk materiality assessment, risk appetite (RAS), risk bearing capacity (RCC), stress testing, limit framework, risk concentration analysis, risk planning and forecasting, recovery and resolution plan.

10.1.1. Risk profile

The risk profile is defined by the Group as the assessment at a given point in time of gross and, where appropriate, net risk exposures (after taking into account risk mitigants), aggregated within and between each relevant risk category, on the basis of current assumptions or anticipatory.

The Group Risk Profile is developed within the Risk Appetite and by evaluating the material risks to which the Bank is exposed. Group ICAAP Report monitors the development of BCR Group Risk Profile compared with the Risk Appetite and Risk Strategy and it is presented to the Management Board and Supervisory Board on a quarterly basis.

10.1.2. Risk appetite (RAS)

The Risk Appetite is defined as the aggregate level and types of risk that the Group is willing to assume within the limits of its risk capacity, according to its business model, in order to achieve its strategic objectives.

RAS represents a strategic statement expressing the maximum level of risks the Group is prepared to accept in order to achieve its business objectives. It consists of a set of core metrics providing quantitative direction for risk steering, as well as qualitative statements in the form of key risk principles that form part of the strategic guidelines for managing risks.

10.1.3. Risk bearing capacity (RCC)

The risk-bearing capacity is defined as the maximum level of risk that the Group may assume, considering the applicable capital requirements, its own risk management and control capabilities, and its regulatory constraints.

The Risk Bearing Capacity calculation defines the capital adequacy required by ICAAP. Within the RCC the Group's risks measured from an internal economic perspective are summed up to provide the basis to determine the Group's Economic Capital. The Economic Capital is then compared to internal capital, as measured by the coverage potential.

The integral forecast, risk appetite limits and the traffic light system support management in its discussions and decision process. The traffic light system embedded in the Group's RCC helps to alert the management in case there is need to decide on, plan and execute actions either to replenish the capital base or to take measures for reducing risk.

10.1.4. Stress testing

Stress testing is a vital component of the Risk Management framework within the Group and is incorporated into the strategic planning process for business activities, capital and liquidity assessment. The assessment of the ability of the Bank to sustain losses in severe but plausible macroeconomic scenarios provides information on the adequacy of the overall business model and supports the planning of emergency and mitigation measures.

Stress testing results and recommendations are incorporated into the process for defining the RAS, subsequent financial projections and budgeting processes, as well as in the calculation of the risk-bearing capacity and the determination of the economic capital adequacy limit.

10.1.5. Risk Planning and Forecasting

The Group has implemented a sound risk planning and forecasting process, which includes both forward- and backward-looking component, focusing on both portfolio and economic environment changes.

Planning of risk relevant key numbers is also part of the Group ICAAP framework and it assures the adequate reflection of risks within the steering and management process of the Group activity.

10.1.6. Recovery Plan and Resolution

The Bank Recovery Plan Governance represents a framework for the drawing up, update and implement the recovery plan as a main pillar of strengthening the financial resilience of the Bank and restoring its financial position following a significant deterioration. It identifies a set of recovery measures which could be taken in order to restore the Bank's financial strength and viability when it comes under severe stress.

The Recovery Plan also ensures that proper remediation measures are applied if the Bank starts moving outside of its approved risk appetite in order to recalibrate its risk profile and ensure that it can recover on a sustainable basis.

10.2. Monitoring of the Group Risk Profile

Oversight of the overall risk profile at the Group level consists of both strategic and operational oversight.

10.2.1. Strategic oversight

A major part of the strategic oversight plan is determining the Bank's risk appetite. The Risk Appetite Statement (RAS) sets the boundary for a maximum risk the BCR Group is willing to accept in order to pursue its business objectives; this includes a set of core steering metrics with trigger levels providing strategic guidelines for risk management and planning.

The Risk strategy sets strategic risk targets based on the targeted risk profile of the BCR Group and the RAS and provides a balanced risk-return view considering strategic focus & business plans.

Both are regularly monitored and reported in the Bank ICAAP Report including a traffic light overview together with respective measures to address identified deviations from strategic plans or objectives.

10.2.2. Operational oversight

Operational oversight involves the identification, assessment, and prioritization of risks and the application of resources to minimize, control and mitigate the impact of unfortunate events on business. Risk management by risk type ensures that the risk specific profile remains in line with the risk strategy and operative limits support the achievement of strategic targets. The development of the specific risk profile (i.e. retail credit, corporate credit, operational risk, etc.) is reported through dedicated risk reports in a more granular way and supports risk decision making of the dedicated risk functions to ensure the risk profile remains within risk strategy. These reports also include specific monitoring metrics that provide early warning signals for adverse developments of, e.g., portfolio quality (client, segment, industries etc.) or risk drivers. In instances where certain risk portfolios or events are identified as potentially in distress, these are closely monitored by the dedicated risk functions to manage the risk impact and to develop effective strategies to minimize potential losses. This process facilitates early risk detection and reaction.

11. Statement regarding corporate governance

11.1. Corporate governance framework

The Bank managed in a two-tier system, carries out its activity based on a corporate governance framework which is in line with the legal and regulatory requirements of the Romanian legislative framework, the Erste Group policies, regulations and guidelines, as well as the best international practices in the industry.

The policy regarding corporate governance at Bank level, in compliance with the provisions of the regulatory framework issued by the National Bank of Romania ("NBR"), is based on the principles stating that the overall management structure and especially the supervisory function have the responsibility to establish, assess and periodically and systemically review: how the Bank's activity is organized, the collective and individual competencies and responsibilities, how the implementation and application of the entire set of regulations is monitored, flows and control keys from the perspective of the undertaken mission and vision, targets' achievement as per the business plans, effective risk management.

The policy and the corporate governance principles on which the policy is based are applicable at the Group level, and Bank management body is assuring that at the group level for Bank's subsidiaries there is assured a proper corporate governance framework in order the meet all applicable governance requirements.

Within this framework, the undertaken principles are based on the fact that BCR is part of Erste Group – one of the largest financial services suppliers from Central and Eastern Europe and are aligned with the corporate governance principles applicable at Group level.

11.2. General Ordinary and Extraordinary Meeting of Shareholders

From Bank's perspective, corporate governance covers all rules, systems and processes implemented with a view to establish the relation between shareholders, management, clients, employees, suppliers and other parties involved in setting the objectives and the manner to achieve them, for increasing economic performance and, implicitly, the Bank's value. It also highlights the efficiency of the management systems, namely the role of the Supervisory Board and of the Management Board, the responsibilities and remuneration of these structures' members, the fair view and accuracy of the Financial Statements and the efficiency of control functions.

Details regarding BCR Corporate Governance Report may be found on the following link: <https://www.bcr.ro/en/about-us/corporate-governance/principles-policies>.

The General Meeting of Shareholders (GMS) is the Bank's highest management and decisional body.

The Ordinary GMS deliberates and decides on:

- discussing, approving, or changing the Annual Financial Statements, after analysing the reports of the: Supervisory Board, Management Board and financial auditor, including the reports of Supervisory Board's committees, and setting up the dividends, reserves or other allotments;
- electing and revoking the Supervisory Board members;
- setting up an adequate remuneration for the Supervisory Board members for the current year;
- assessing the activity of Supervisory Board and Management Board's members and discharging them of duty for the previous financial year;
- approving the income and expense budget and, if applicable, the plan of activities for the next financial year;
- approving the pledge, lease or close down of the Bank's units;
- approving the initiation of the legal proceedings against the members of Supervisory Board and the financial auditor and nominating the person empowered to represent the Bank in such legal process;
- appointing and revoking the financial auditor and establishing the minimum duration of the contract concluded with them;
- other matters that are included on the agenda of the meeting and are attributed to the ordinary General Meeting of Shareholders by law.

The Extraordinary GMS deliberates and decides on:

- change in the legal form of the Bank;
- reducing the share capital or its increase, except the case when the increase is decided by the Management Board;
- reconstituting the share capital in order to meet the minimum capital requirements established by law;
- reshaping the Bank main business activity as set forth in Article 9 of the Charter;
- the merger of the Bank with any other company or the Bank splitting up process;
- the liquidation and dissolution of the Bank;
- issuance of bonds;
- conversion of one category of bonds into another category or into shares;
- conversion of shares from one class to another;
- re-organizing, consolidating or provision documents regarding to fixed assets, when the value of transactions exceeds 25 (twenty-five) percent of the Bank own funds;
- contracts conclusion by the Management Board's members regarding the acquisition, selling, lease, exchange or pledge of the Bank assets if the value of such assets exceeds 50 % of the Bank's assets book value on the date of concluding such legal agreement, based on the last available Annual Financial Statements;
- purchase by the Bank of its own shares, directly or indirectly, in accordance with the law;
- amending the Bank's Charter;
- any public offering of shares issued by the Bank or admission thereof to trading on any regulated market/multilateral trading facility;
- any acquisition or alienation by any member/members of the Management Board or of the Supervisory Board in his/her own name of assets from or to the Bank, the value of which exceeds 10% of the net asset value of the Bank;
- other matters that are included on the agenda of the meeting and are assigned to the extraordinary General Meeting of Shareholders by law.

All shareholders may attend the general meetings of shareholders : (i) in person, (ii) or by means of a representative or (iii) by correspondence or other means of remote electronic communication that meet the technical requirements necessary to ensure the identification of participants, their effective participation in the meeting and the continuous retransmission of the proceedings. Shareholders can be represented at the General Meeting of Shareholders based on a special power of attorney lodged with the Bank by at least 2 (two) working days before the relevant meeting.

11.3. The Supervisory Board (SB)

The SB shall supervise the Management Board in its operational management of the Bank and monitors the compliance of the activities performed by the Management Board pursuant to the Applicable Legislation, the Bank's Charter and the General Meeting of Shareholders decisions.

The Supervisory Board is composed of seven (7) members appointed by the ordinary GSM for a maximum four-year term, from among the candidates nominated by the shareholders or by the SB in office, with the possibility of being re-elected for subsequent four-year mandates.

The main responsibilities include:

- establishes, monitors and regularly assesses (at least yearly) the structure and effectiveness of the governance framework of the Bank and its subsidiaries, including the policies related to it, reviewing (at least yearly) and considering various risks, both internal, as well as external that the Bank and its subsidiaries are exposed to;
- approves and regularly reviews, (at least annually) the general business strategy, the risk strategy and the general risk management policy at Bank's level and at the level of its subsidiaries;
- approves and periodically reviews the internal audit statute and the internal audit plan, as well as the financial audit scope and the frequency of audit engagements;
- approves and assesses (at least yearly) the policy regarding compliance risk and its implementation;
- approves the guidelines for staff policy and the organizational structure of the Bank down to the level of independent entities inclusively and any changes thereof.

Sustainability-related expertise and skills of the Supervisory Board members

The roles are defined as follows:

Name	Main competencies						Specific competencies		
	Banking and Financial sector	Industry	Consultancy	Directors /senior management	Accounting/ audit/ risk management	Compliance/ public sector	IT/ digitalization / innovation	Corporate acquisitions/ reorganisations/ capital markets	Sustainability*
Elisabeth Krainer Senger-Weiss	x	x	x		x	x	x	x	x
Christine Catasta	x	x	x	x	x	x		x	x
Manfred Wimmer	x		x	x	x	x		x	x
Stefan Dörfler	x			x	x	x	x	x	x
Iris Bujatti	x		x	x	x	x		x	x
Hildegard Gacek	x	x		x	x	x			x
Daniela Camelia Nemoianu	x	x	x	x	x	x		x	x

* All the members of the Supervisory Board attended the regulatory „Annual Training for Management Body” (November 17th, 2025), which also covered ESG regulatory updates.

During 2025, there have been no changes in the membership structure of the Supervisory Board.

As of 31.12.2025, the members of the Supervisory Board were the following:

- Manfred Wimmer – Chairman;
- Stefan Dörfler – Deputy Chairman;
- Daniela Camelia Nemoianu – member;
- Hildegard Gacek – member;
- Elisabeth Krainer Senger-Weiss – member;
- Iris Bujatti – member;
- Christine Catasta – member.

The Supervisory Board may establish committees as necessary and appropriate consisting of at least 3 members of the Supervisory Board, the duties of which will include carrying out analysis and drawing up recommendations for the Supervisory Board in the following main areas: audit, remuneration, nomination, risk and compliance.

At December 31st, 2025, the Supervisory Board was supported by the following consultative committees:

- Audit Committee;
- Risk and Compliance Committee;
- Remuneration Committee;
- Nomination Committee.

11.3.1. Audit Committee (AC)

The Audit Committee is a consultancy body, which reviews, reports to, advises and assists the Supervisory Board in carrying out its tasks related to internal control and audit, as well as on the quality and performance of Bank's internal accountants and auditors, the reliability of the Bank's financial information, and the adequacy of the Bank's financial controls and policies.

The Audit Committee is made of 3 members and one additional replacement member elected out of the Supervisory Board members.

Members of the Audit Committee must have basic accounting and financial knowledge and at least one member of the Audit Committee shall have accounting or financial management professional background. The responsibilities, organization, the operation and the procedures of the Audit Committee are established by the Audit Committee Internal Rules.

11.3.2. Risk and Compliance Committee (RCC)

The Risk and Compliance Committee is a consultancy body which reviews, reports to, advises and assists the Supervisory Board in carrying out tasks related to risk management (strategic risk, legal risks and business continuity and security management), internal control, compliance and ESG and issues recommendations within its authority limits. In addition, there are several audit matters, including the Financial Statements, which, as always, are received and reviewed by this Committee in accordance with the provisions of its Internal Rules.

The Risk and Compliance Committee is made of 3 members and one additional replacement member elected out of the Supervisory Board members. The responsibilities, organization, the operation and the procedures of the Risk and Compliance Committee are established in accordance with the Risk and Compliance Committee Internal Rules.

11.3.3. Remuneration Committee

The Remuneration Committee is a consultancy body which reviews, reports to, advises and assists the Supervisory Board in carrying out its powers and responsibilities with respect to the overall remuneration policy, and in particular advises and monitors the remuneration, bonuses and benefits of the members of the Management Board and of the identified staff.

The Remuneration Committee is made of 3 members and one additional replacement member elected out of the Supervisory Board members.

The responsibilities, the organization, the operation and the procedures of the Remuneration Committee are established in accordance with the Remuneration Committee Internal Rules.

11.3.4. Nomination Committee

The Nomination Committee is a consultancy body, which reviews, reports to, advises and assists the Supervisory Board in carrying out its tasks related to the nomination and assessment of suitability of the members of the Supervisory Board, the Management Board and of key function holders respectively as well as to the Bank's corporate governance framework.

The Nomination Committee is made of 3 members and one additional replacement member elected out of the Supervisory Board members.

The responsibilities, the organization, the operation and the procedures of the Nomination Committee are established in accordance with the Nomination Committee Internal Rules.

11.4. Management Board (MB)

The Management Board ensures the operational management of the Bank and the effective management of the compliance risk.

The Management Board members are authorized to manage the Bank on a daily basis, and they have authority and power to legally represent and bind the Bank, according to the Bank Charter.

The Management Board has five (5) members appointed by the Supervisory Board, for mandates of maximum four-year period each, one of them being appointed as President of the Management Board. The remuneration of Management Board members is decided by the Supervisory Board.

The President and the other members of the Management Board have competences and assignments established by law and by the Management Board's Internal Rules. Main responsibilities:

- managing the implementation of Bank's financial targets, strategy and business plan;
- systematically and regularly approving and revising the strategies and policies regarding the risk management;
- approving the strategies and policies related to the internal capital and own funds (covering and proportional to the nature, extension and complexity of the activity conducted by the Bank);
- periodically monitoring and assessing the efficiency of the Bank's activity management framework and practices, mainly the management policies regarding the management framework, and reviewing the management framework in order to reflect any changes in the internal and external factors affecting the Bank;
- approving the explicit plan regarding the capital;
- approving and assessing the Bank risk appetite;
- approving the level of interest, commission, fees, costs and other similar bank charges collected and paid by the Bank in line with the budget approved by the General Meeting of Shareholders;
- approving the internal rules of the committees established by the Management Board.

Sustainability-related expertise and skills of the management board members

Name	Main competencies						Specific competencies		
	Banking and Financial sector	Industry	Consultancy	Directors /senior management	Accounting/ audit/ risk management	Compliance / public sector	IT/ digitalization / innovation	Corporate acquisitions/ reorganisations/ capital markets	Sustainability *
Sergiu Cristian Manea	x	x			x	x	x	x	x
Elke Meier	x	x			x	x	x	x	x
Dana Luciana Dima	x	x		x	x	x	x	x	x
Thomas Kolarik	x	x			x	x	x	x	x
Ioana Anca Gheorghiade	x	x		x	x	x	x		

* All the members of the Management Board attended the „Annual Training for Management Body” (November 17th, 2025), which also covered ESG regulatory updates.

The Members of the Management Board as of 31.12.2025 were as follows:

1. **Sergiu Cristian Manea** – Executive President, Chairman of the Management Board - mandate valid until 28.02.2030;
2. **Elke Meier** – Executive Vice-President coordinating the Financial functional line, Member of the Management Board - mandate valid until 31.12.2027;
3. **Dana Luciana Dima** - Executive Vice-President coordinating the Retail & Private Banking functional line, Member of the Management Board - mandate valid until 31.10.2029;
4. **Thomas Kolarik** - Executive Vice-President coordinating the Operations & IT functional line, Member of the Management Board –mandate valid until 31.12.2027;
5. **Ioana Anca Gheorghiade** - Executive Vice-President coordinating the Risk functional line, Member of the Management Board - mandate valid until 31.10.2027.

Management Board members meet the general conditions provided by the law and the special conditions of the Banking Law, National Bank's regulations, and Recruitment and Remuneration Policy of BCR Group management.

Professional experience details of Management Board may be found on the following link: <https://www.bcr.ro/en/about-us/bcr-management>.

The Management Board may set up committees as it deems necessary and appropriate. Such committee's competencies and authority will be stipulated by the Management Board and responsibilities will be defined by each committee's internal rules.

As at 31.12.2025, the Management Board's Committees are:

11.4.1. Asset and Liabilities Committee (ALCO)

ALCO reviews, reports to, and assists the Management Board in carrying out responsibilities regarding asset and liabilities structure management, financing strategy, interest rate policy, liquidity policy, pricing for savings products/ lending products/ cards/ introducing/ suspension or the removal of the products and services. The committee is a body for analysis and decision that issues decisions and recommendations according to the established authority limits.

The ALCO consists of all the Management Board members and the CFO is Chairwoman whilst the CEO is Deputy Chair of this Committee.

The responsibilities, organization, working means and procedures of ALCO are established in accordance with the Internal Rules of the Committees subordinated to the Management Board.

11.4.2. Credit Committee (CC)

The Credit Committee reviews, reports to, and assists the Management Board in carrying its responsibilities regarding loans granting, changing of terms and conditions for granting, using and/or securing some previously granted loans, concluding agreements, extending their validity periods, issuing letters of guarantee, factoring and other activities, for retail, corporate and workout customers.

The Credit Committee is made of 3 members, namely CRO - Chair, CFO - Deputy Chair and CEO/Retail & Private Banking VP - member.

The responsibilities, organization, working means and procedures of Credit Committee are established by the Internal Rules of the Committees subordinated to the Management Board.

11.4.3. Risk Committee (RC)

Risk Committee is subordinated to the Management Board and is responsible for approval and reviewing the aspects regarding the operational risk administration.

The Risk Committee is made of 3 members of Management Board Members, respective CRO - Chair, CEO - Deputy Chair and COO - member. The responsibilities, organization, working means and procedures of Risk Committee are established by the Internal Rules of the Committees subordinated to the Management Board.

11.4.4. Data Analytics & AI Committee (DAAIC)

Data Analytics & AI Committee is subordinated to the Management Board and ensures the management of all aspects related to data in BCR, regulatory requirements related to data management and data initiatives and priorities in the Data Analytics & AI Operational Decision Body, takes strategic decisions on related topics. The Committee comprises 5 members, namely the CFO - Chairwoman, COO - Deputy Chair, CRO, VP Retail & Private Banking and B-1 Data Analytics & AI Division - members. The responsibilities, organization, working means and procedures of Data Analytics & AI Committee are established by the Internal Rules of the Committees subordinated to the Management Board.

11.4.5. Sustainability Diversity and Inclusion Committee (former Sustainability Committee) (SDIC)

Sustainability Committee was renamed in 2025 into Sustainability Diversity and Inclusion Committee subordinated to the Management Board and ensuring in-depth discussions and review of all sustainability, diversity and inclusion related topics.

The Committee comprises 7 (seven) members, out of which 5 (five) are all the members of the Management Board. The CRO is the SDIC Chair, and the CFO is the SDIC Deputy Chair. The rest of the members are the following: CEO, VP Retail & Private Banking, COO, Head of Sustainability Department, Diversity Manager from People and Culture Division. The responsibilities, organization, working means and procedures of the Sustainability, Diversity and Inclusion Committee are established by the Internal Rules of the Committees subordinated to the Management Board.

11.4.6. Capital Management Committee (CMC)

Is subordinated to the Management Board and is an analysis, consultative and decision-making body for all joint alignments, endorsements, decisions as well as confirmations related to capital management relevant topics in BCR Group across all its Divisions, Departments, Staff Units and Subsidiaries.

The new set-up Committee consists of 5 members, namely the CFO – Chairwoman, CRO – Deputy Chair, the Executive Managers of Controlling Division, Strategic Risk Management Division and Balance Sheet Management Division as members. The responsibilities, organization, working means and procedures of Capital Management Committee are established by the Internal Rules of the Committees subordinated to the Management Board.

11.4.7. Strategic Risk Committee (SRC)²

Starting with 31.12.2025, a new Committee of the Management Board was set up, namely the Strategic Risk Committee (SRC) which is an analysis, consultative body and decision-making body, subordinated to the MB, exercising responsibilities delegated by the Management Board regarding all technical aspects related to the risk management frameworks, methodologies, and technical documentation to ensure BCR's compliance with prudential requirements. The structure of the Committee consists of 9 members with the CRO as Chairwoman and the rest of the members being Executive Managers from risk, compliance, controlling, accounting and security management areas.

11.5. Organization of the internal control system's function

Internal Control System Framework Requirements

The internal control system (ICS) is an essential element of the corporate governance system of BCR Group contributing to the safeguarding of shareholders' investments and company's assets. BCR Group's ICS plays a key role in identifying risks associated with the respective internal processes.

The BCR Internal Control Policy provides the framework conditions for the internal control system at BCR Group. It defines current standards concerning general tasks and responsibilities as well as minimum criteria for ICS documentation.

Ensuring an internal control in Romanian Commercial Bank (BCR) involves:

a) the existence of a sound internal control framework in place, which covers the whole credit institution (including the outsourced activities), including the activities of all business, support and control functions, ensured by:

- definition of the role and responsibilities of the management body concerning the internal control;
- identification, assessment and monitoring of significant risks;
- control activities definition, segregation of duties assurance and conflict of interest avoidance;
- assurance of a transparent framework for information and communication;
- continuous monitoring of the activities and correcting the deficiencies.

b) the existence in place of independent control functions, established at an adequate hierarchical level with direct line of reporting to the management body.

Everyone in the organization has responsibility for internal control to a certain extent.

Control environment

The Code of Conduct provides orientation for all employees of BCR Group, defines mandatory rules for day-to-day business life, describes the corporate values, affirms the obligation to act responsibly as a company and ensures compliance with legal provisions and internal guidelines (compliance).

² This Committee was set up as at 31.12.2025 and did not have any activity in 2025

The awareness of potential compliance issues and a sustainable risk culture enable risks to be identified quickly and well-considered decision-making when dealing with existing regulations.

The main component of the risk culture is internal guidelines and, above all, open communication in order to create the broadest possible awareness of all employees for all risks that BCR Group is confronted with. The management board is responsible for the establishment, structure and application of an appropriate internal control and risk management system that meets the company's needs in its group accounting procedures.

BCR's IFRS Accounting Manual provides a comprehensive methodological basis for the preparation and submission of the monthly, quarterly and annual IFRS Group Reporting Packages by BCR Group's subsidiaries. The management in each subsidiary is responsible for implementing group-wide instructions. Compliance with group rules is monitored as part of the audits performed by group and local auditors.

Accounting Division is responsible for preparing the consolidated financial reporting. Accounting Division is assigned to the CFO and Accounting Director of BCR Bank. The assignment of competencies, the process description and the necessary control procedures are defined in the working instructions.

Risk assessment and controls measures

The main risk in the financial reporting procedures is that errors or deliberate action (fraud) prevent facts from adequately reflecting the company's financial position and performance. This is the case if the data provided in the Financial Statements and notes is materially deviating from the correct figures, i.e. whenever, alone or in aggregate, they could influence the decisions made by the users of Financial Statements. Such a decision may incur serious damage, such as financial loss, the imposition of sanctions by the banking supervisor or reputational harm.

Furthermore, especially estimates for the determination of the fair value of financial instruments for which no reliable market value is available, estimates for the accounting of risk provisions for loans and advances and for provisions, complex measurement requirements for accounting as well as a volatile business environment bear the risk of significant financial reporting errors.

The basic components of the internal control system within BCR Group are:

- systemic, automatic control systems and measures in the formal procedure and structure, e.g. programmed controls during data processing;
- principles of functional separation and checks performed by a second person (the four-eye principle);
- controlling as a permanent financial/business analysis (e.g. comparison of target and actual data between accounting and controlling) and control of the company and/or individual corporate divisions;
- highly automated data validation in the group consolidation process.

The areas of responsibility assigned to the individual positions are documented and are continuously updated. Special attention is paid to a functioning deputy regulation in order not to jeopardize the ability to meet deadlines if one person is absent.

BCR issues group policies used for preparation of Consolidated Financial Statements in accordance with IFRS.

A summary description of the accounting process is provided in BCR's IFRS Accounting Manual. Preparation of the Financial Statements of the subsidiaries for consolidation purposes is in accordance with the accounting and measurement methods set out in this manual.

Monitoring

In order to monitor and at the same time support strong governance and risk management, BCR Group applies three lines of defense to review the structures and processes that enable the achievement of the objectives for their effectiveness.

First control line – business lines / The first control line has the responsibility of managing risks that could affect the activity of BCR and its financial performance, as well as its reputation and is translated in the following actions performed as part of the internal control system. The business line management (functional entities/ branches/ business centers, excluding entities that are part of the risk management function, compliance and internal audit function) has the main responsibility to ensure an adequate internal control framework by identifying, evaluating and mitigating risks, providing support for the policies and regulations development and implementation, thus ensuring the business in line with the bank's objectives.

Second control line - Risk Management function and Compliance function

Second line of defense functions have the main responsibility to set the rules regarding overall risk management:

- identify the inherent and residual risks and the relating regulatory requirements and state them in the relevant policies and procedures;
- define key controls from ICS perspective and assign the control to the risk intended to be mitigated;
- allocate responsibilities necessary to implement the key controls as they are designed in the policies;
- monitor and assess the control effectiveness to improve the design of the controls and/or to introduce new controls;
- assist the business lines by setting up definition and allocation of necessary internal controls and/or other risk mitigation measures.

Internal audit function (represented by Internal Audit Division) is an independent function, which corresponds to the third level of the internal control framework and provides an objective assurance, designed to add value and improve the Bank's operations. Internal Audit helps the organization to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness and efficiency of risk management, control, and governance processes.

Internal Audit conducts periodical reviews of the internal control system (both from the first and second control line), distinctly from the daily monitoring performed by management. The internal audit process covers all activities of the Bank, including those of the subsidiaries within the BCR Group. Internal Audit also evaluates the internal control system of all outsourced activities.

The activity of the Internal Audit is regulated through BCR Group Internal Audit Policy, whose objective is to provide a framework and regulate the activities of BCR Internal Audit Division in cooperation with internal audit functions of the legal entities included in BCR Group consolidation area.

Group consolidation

The Individual Financial Statements reported by the subsidiaries in the consolidation system are checked by the persons responsible for the Individual Financial Statements in Accounting Division as part of the data release process, which provides for extensive, largely automated check routines, and - if necessary - adjustments to the Individual Financial Statements are made in coordination with the individual entities or the auditors.

The subsequent consolidation steps are then performed using the consolidation system. These include consolidation of capital, expense and income consolidation, and debt consolidation, any intragroup gains/losses are eliminated. At the end of the consolidation process, the notes to the Consolidated Financial Statements are prepared in accordance with IFRS. The Consolidated Financial Statements and the Administrator's report are pre-approved by the management board and the supervisory board and approved by the general shareholders meeting. They are audited and published on BCR's website.

11.6. Corporate governance of BCR and the subsidiaries

The following table presents the woman to man ratio of the Corporate governance of BCR and the subsidiaries as at 31 December 2025:

Entity	MB/Directorate woman to man ratio	SB/BoD woman to man ratio
BCR Bank	3:2	5:2
BCR Banca pentru Locuinte	1:2	1:2
BCR Leasing IFN SA	1:2	1:2
BCR Payments Services SRL	1:0	1:1
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA	1:2	2:1
Suport Colect SRL	1:1	1:1

Consolidated Sustainability Statement

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12.1 General information

12.1.1 Basis for preparation

BP-1 – GENERAL BASIS FOR PREPARATION OF THE CONSOLIDATED SUSTAINABILITY STATEMENT

This Sustainability Statement for 2025 has been prepared on a consolidated basis, in accordance with the European Sustainability Reporting Standards (ESRS) and the requirements of Article 8 of EU Regulation 2020/852 on establishing a framework to facilitate sustainable investment (EU Taxonomy). This statement was prepared in accordance with Appendix 1 Section III of the National Bank of Romania Order 27/2010 for the approval of accounting regulations in accordance with International Financial Reporting Standards (republished) as part of the Administrators' Report of the Consolidated Financial Statements.

The scope of consolidation of the sustainability statement corresponds to the scope of consolidation of the Consolidated Financial Statements, which are prepared in accordance with the International Financial Reporting Standards (IFRS) and is shown in Note 40 of the 2025 Consolidated and Separate Financial Statements. The information in this statement relates to entities within this consolidation scope. Metrics provided include information on the BCR Group's upstream and downstream value chain, as appropriate and specified in the respective text, where applicable.

To ensure that material impacts, risks and opportunities (IROs) are addressed, BCR Group conducted a value chain assessment, as part of the Double Materiality Assessment (DMA). The material IROs connected to the direct value chain are an integral part of the report. Also, where value chain information was available, this is reflected in the Consolidated Sustainability Statement of BCR Group. For instance, the greenhouse gas emissions of a joint venture on which BCR Group does not have operational control are covered in this report, as indicated in the "Climate change" chapter. Further information on the value chain and its assessment can be found in the chapter "SBM-1 Strategy, business model and value chain".

BCR Group (hereinafter also referred to as "the Group" or "we") did not make use of the option to exclude information on intellectual property, know-how, or innovation results, as there is no such information that requires disclosure.

The provisions of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 as regards corporate sustainability reporting (CSRD) have been transposed into the national legislation, therefore BCR Group does not apply the exemptions indicated by ESRS 2, BP-1 § 5 (e).

BP-2 – DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

Estimation uncertainty and assumptions

Certain disclosed metrics have been calculated using estimates and assumptions. Information on the estimates and data sources, including potential measurement uncertainties and assumptions, where applicable, is provided in the respective chapters. BCR Group discloses metrics that incorporate value chain information which has either been sourced directly from counterparties or derived indirectly through third-party data providers or industry-specific proxies. For example, financed emissions are calculated using client-provided data where available; otherwise, sectoral emission factors and proxy models are applied. Other Scope 3 greenhouse gas (GHG) emissions categories and energy consumption metrics are based on value chain estimates where direct measurements are not available, as described in sections 'E1-5 Energy consumption and mix' and 'E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions'.

Thus, a high level of measurement uncertainty due to limitations in data and methodologies relates to the disclosure of GHG emissions. In climate target-setting, estimates have been made using the recognized frameworks available at the time. Detailed descriptions of the methodological approaches can be found in sections 'E1-4 Targets related to climate change mitigation and adaptation' and 'E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions'.

The presentation of EU Taxonomy reporting is subject to uncertainty due to limited data availability and the use of third-party data. See the "Reporting methodology and underlying assumptions and interpretations" section within the EU Taxonomy Disclosures chapter for a description of data limitations and data quality for EU Taxonomy reporting.

The pay gap and remuneration ratio are calculated using an estimate of the variable remuneration granted, based on the previous year's performance, to reflect total compensation including both fixed and variable pay. Further details are provided in section "S1-16 Remuneration metrics (pay gap and total remuneration)".

The limitations in the availability of environmental data from our corporate clients and other business relationships may also have impacted the results of our Double Materiality Assessment.

Climate-related target setting, alongside the respective actions and policies, require forward-looking parameters over a long-term horizon. BCR's parameters are based on expectations, projections, and estimations, which inherently involve a degree of uncertainty and risk. This is due to factors such as evolving methodologies, fluctuating market conditions, technological advancements and challenges in data availability, accuracy, as well as potential regulatory changes. These assessments are subject to change and should not be considered reliable indicators of future performance.

For more information regarding planned actions to improve the accuracy in the future, please refer to section 'GOV-5 Risk management and internal controls over Sustainability Statement'.

Based on the current estimations, for the implementation of the actions disclosed in this Consolidated Sustainability Statement no significant Capex or Opex was identified considering the time horizon for each action. Also, specific preconditions which might affect BCR Group's ability to implement these actions were not identified. Further details concerning the resources allocated for managing the material IROs are provided in the related chapter.

Transitional provisions and phase-in options

- BCR Group has used the phase-in option under ESRS 1 Appendix C with respect to anticipated financial effects of material risks and opportunities identified on BCR Group's financial position and financial performance in future years (SBM-3).
- BCR Group has used the phased-in option under ESRS 1 Appendix C with respect to anticipated financial effects from material physical and transition risks and potential climate-related opportunities, as indicated under E1-9.
- BCR has set GHG intensity reduction targets and, correspondingly, reports progress against these relative targets. BCR does not report associated absolute values for the target years in accordance with ESRS 1 §133 (transitional provision regarding value chain information).
- No other transitional provisions under BP-2 §17 are applied by BCR Group for the 2025 Consolidated Sustainability Statement.

Time horizons

BCR Group uses the following time horizons, in accordance with ESRS:

- short-term: up to 1 year.
- medium-term: 1 to 5 years.
- long-term: over 5 years.

External assurance

In developing its 2025 Consolidated Sustainability Statement BCR Group has not relied upon other European standards. The report has been subject to a limited assurance process performed by PricewaterhouseCoopers Audit SRL ("PwC"). Unless specifically indicated, the frameworks, guidelines, policies, effectiveness of the actions, targets and metrics presented in this Consolidated Sustainability Statement have not been validated, audited, certified or assessed by any external body other than PwC for the limited assurance purposes.

Incorporation of information by reference

The following disclosure requirements of ESRS have been incorporated by reference:

List of disclosure requirements	Section	Incorporated by reference to
ESRS2 BP-1 - General basis for preparation of the Consolidated Sustainability Statement: information related to the scope of consolidation	Note 40	Consolidated and Separate Financial Statements
ESRS2 GOV-1 – The role of the administrative, management and supervisory bodies: information about the composition and diversity of the members of the management and supervisory bodies, including the number of executive and non-executive members, as well as experience relevant to the sectors, products, and geographic locations of BCR Group and expertise regarding business conduct	11. Statement regarding corporate governance	Administrators' Report
ESRS 2 SBM-1 – Strategy, business model and value chain: additional elements related to the general strategy and on the strategy and business model inputs and BCR Group's approach to gathering, developing, and securing those inputs	4.2. BCR Group's strategy and business model	Administrators' Report
ESRS 2 SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model: additional information about the resilience of the strategy and business model regarding BCR Group's capacity to address its material impacts and risks and to take advantage of its material opportunities	Note 28	Consolidated and Separate Financial Statements

12.1.2 Governance

GOV-1 – THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

Organisational structure for sustainability topics

Management Board

The Management Board of Banca Comercială Română S.A. ("BCR", "the Bank" or "BCR Bank") has overarching responsibility for managing the organisation and defining the sustainability strategic pillars, framework, goals and priorities. This includes ensuring the implementation of the sustainability strategic initiatives by allocating adequate resources and controls and preparing the Consolidated Sustainability Statement. The Management Board is also responsible for the process of identifying and managing impacts, risks and opportunities (IROs) and is informed on the status and milestones achieved. These tasks are implemented through the Sustainability, Diversity and Inclusion Committee (former Sustainability Committee) comprising 7 members, including all the members of the Management Board of BCR and is chaired by the Chief Risk Officer. The Committee includes both executive and non-executive members, with no employees representatives.

In 2025, the Management Board and the Sustainability, Diversity and Inclusion Committee were briefed four times on material environmental matters (sustainable financing, climate change mitigation, Responsible Financing Policy) by the Head of the BCR Sustainability Department and experts from CEO, CFO and CRO divisions. For social topics, the diversity strategy for 2025 was presented and discussed in the Diversity Council and aligned with the CEO and CFO in December 2024. The CRO was briefed quarterly on sustainability issues and received regular reports. There are also impromptu meetings with other board members on these matters. On governance topics regarding whistleblowing and specific investigations, the Management Board and Supervisory Board receive quarterly Compliance Activity reports and semi-annual Whistleblowing reports. Furthermore, the Management Board oversees the implementation of the Code of Ethics and of the Anticorruption Policy, which are aimed to support the business conduct of the organization and its commitment to an ethical behavior.

The Management Board, the Risk and Compliance Committee and the Supervisory Board were informed about the status and results of the Double Materiality Assessment (DMA) by the Sustainability Department. The DMA was approved by the Management Board.

Supervisory Board

The Supervisory Board of BCR is responsible for approving fundamental decisions on overall BCR strategy. The Supervisory Board and the Audit Committee are tasked with reviewing and approving the Administrator's Report, which comprises the Consolidated Sustainability Statement prepared by the Management Board. The Management Board and the Risk and Compliance Committee are briefed and consulted in the process of setting, reviewing and adapting targets towards material IROs by the Head of Sustainability and furthermore, a status progress information on targets, projects and DMA was also submitted to the Supervisory Board in 2025. The Audit Committee was briefed on the annual limited assurance of the CSRD report together with the Consolidated and Separate Financial Statements.

Administrative, Management and Supervisory Bodies

The Administrative, Management and Supervisory Bodies of all entities within BCR Group are comprised of a Supervisory Board/ Board of Directors and a Management Board/Directorate, with a composition which varies depending on the complexity of each entity. For further details please see section "11.6 Corporate governance of the subsidiaries".

BCR subsidiaries have the following governance system:

- two-tier system (management function is carried out by the Management Board/Directorate and the supervisory function is ensured by the Supervisory Board): BCR Banca pentru Locuinte SA, BCR Pensii SAFPP SA and BCR Leasing IFN SA. The Supervisory Boards of the above-mentioned subsidiaries are supported by the following consultative committees: for BCR Pensii SAFPP SA, there are Audit Committee, Nomination Committee and Remuneration Committee, whilst for BCR Banca pentru Locuinte SA and BCR Leasing IFN SA, there is an Audit and Risk Management Committee.
- unitary system (administration is ensured by the Board of Directors): BCR Payments Services SRL, and Suport Colect SRL.

Sustainability Governance

ESG is a shared responsibility that spans the entire organisation, under the coordination of the Sustainability Department. ESG governance is led by the CEO, CFO and CRO, ensuring it is embedded in daily operations. This structure fosters close collaboration with individual business units and facilitates ongoing dialogue with key stakeholders across the Group. Respective responsible B-1 ensure organisational and functional alignment on the topics regarding ESG.

The Sustainability Department is responsible for coordinating the development of the sustainability strategy and ensuring its integration throughout the organisation, aligned with Erste Group strategy. The Sustainability Department develops key ESG policies, secures in-house expertise on climate, environmental, social and governance objectives, defines the ESG governance framework and financing rules and selectively intervenes in structuring single transactions and greenlighting transactions in controversial sectors, in accordance with Responsible Financing Policy. Additionally, the Sustainability Department acts as a point of contact and provides advice to BCR Group subsidiaries concerning the integration of sustainability matters in their strategies and business model. Furthermore, it ensures transparency on BCR Group's sustainability performance and coordinates with various stakeholders including regulatory and public bodies. The ESG organisational set-up and governance structures are subject to reviews to ensure ongoing compliance with applicable legal and regulatory requirements.

Management Boards of BCR subsidiaries

The Management Boards of BCR subsidiaries discuss social, governance and the environmental IROs relevant for their strategies within their board meetings. They ensure adoption of sustainability-related strategic priorities at subsidiary level. The Management Boards further support setting sustainability-related targets and implementing activities to achieve them, including approving a dedicated local budget for sustainability matters when necessary. Discussions between the subsidiaries and the BCR Management Boards also occur on a regular basis, at least annually.

Representatives of subsidiaries participate in regular Sustainability, Diversity and Inclusion Committee meetings, as well as in impromptu presentations with Sustainability Department on specific topics.

Composition of the bodies, skills and expertise

Management Board

The Management Board of the Bank consists of five (5) members. As of February 2025, following the authorisation of a new CRO, the Management Board is comprised of three (3) women and two (2) men. Thus, the average ratio of female to male for 2025 is 3:2 (2:2 in 2024). For 2025, the ratio of female to total Management Board members is 60% (2024: 55.8%). This variation is attributable to the fact that, as of December 2024, the Management Board was operating with one vacancy, with only four of the five positions filled.

While the Management Board collectively oversees the sustainability journey, specific responsibilities include:

- The CEO (Mr. Sergiu Cristian Manea) is responsible for ESG strategy and ensures that sustainability considerations are integrated smoothly into the BCR Group's corporate culture and governance framework. Also, he supervises the activity of the Sustainability Department, supporting the overall strategic sustainability agenda and climate strategy and targets of the Bank, with special focus on transition to a net-zero portfolio and operations, and integration of climate risks within organization.
- The CRO (Mrs. Ioana Anca Gheorghiane) integrates environmental risks, including physical and transition climate risks, into the BCR Group's risk management framework and ensures that governance and remuneration principles adequately account for these risks. The CRO supports the activity of the Sustainability Department ensuring sufficient budget and resources for ESG Risk Framework and other ESG-related projects, with special focus on: (i) development, definition and supervision of sustainability strategy, and (ii) development and implementation of organizational policies to address environmental and social concerns.

Supervisory Board

The Supervisory Board of BCR consists of seven (7) non-executive members. In 2025 no changes as compared to last year have occurred, thus the average ratio of female to male of the Supervisory Board members is 5:2. The ratio of female to total Supervisory Board members remained 71.4%. In accordance with the independence criteria set out in Companies Law no. 31/1990 and NBR Regulation no. 5/2013 on prudential requirements (as subsequently amended and supplemented), the average ratio of independent members is 57.14%. There are no employee representatives on the Supervisory Board.

The Supervisory Board members are carefully evaluated for their suitability knowledge before appointment, based on the requirements applicable to credit institutions. The Supervisory Board, as a collective body, possesses the necessary knowledge, skills, and professional experience required for sustainability topics oversight and IRO management. Members, collectively have expertise in banking, risk management, compliance, corporate governance, and sustainability topics relevant to BCR's geographic footprint and product portfolio.

Sustainability-related expertise

The Management Board and the Supervisory Board have access to broad specialist expertise across all functional areas of the Bank's, including ongoing internal and external ESG training programs. The Boards also access relevant expertise through their participation in the Risk and Compliance Committee and the Sustainability, Diversity and Inclusion Committee. Furthermore, individual members of the Management Board are briefed through direct reporting lines from senior management and via regular board meetings. In 2025, a mandatory web-based ESG training was rolled out across the BCR Group to all employees, including Board Members, strengthening the overall sustainability competence within BCR Group.

Due to the professional background and experience of the individual members, the Supervisory Board has in-depth knowledge of key sustainability issues such as sustainable investments, the legal framework and legal developments on sustainability issues, employee concerns, corporate governance and sustainability reporting. The Supervisory Board continually updates and expands its professional sustainability expertise through ongoing further education and training as well as exchanges with experts. All members of the Supervisory Board completed the annual regulatory training for the management body on 17 November 2025. Delivered by a third-party provider, the session also included ESG regulatory updates.

For further details on how specific IROs are overseen and managed within the Group, please refer to chapter 'GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies'.

For further information on the composition and experience relevant to the sectors and products of BCR Group, as well as business conduct related experience, please refer to section '2 General presentation' of the Administrators' Report.

For more details refer to sections 'The Supervisory Board (SB)' and 'Management Board (MB)' under 'GOV-1 - The role of the administrative, management and supervisory bodies'.

GOV-2 – INFORMATION PROVIDED TO AND SUSTAINABILITY MATTERS ADDRESSED BY THE UNDERTAKING'S ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

To ensure continuous progress and transparency in sustainability, BCR Group utilizes an ESG KPI Dashboard developed by Erste Group, which enables monthly performance monitoring of key sustainability metrics and targets. This includes sustainable financing volumes across various business lines, financing activities and GHG emissions and decarbonisation KPIs on a group level. The Management Board has set up its own Sustainability, Diversity and Inclusion Committee, whose activities are described in the (consolidated) Administrators' Report. In these Committee meetings, the BCR Sustainability Department, alongside other experts, provides updates on the progress toward ESG targets. This equips Committee members with sufficient information to incorporate impacts, risks, and opportunities into strategic decision-making. For other IROs, such as those for Own Workforce, Consumers & End-users and Business Conduct, ad-hoc information is provided to the management.

Key insights and findings are further reported through the ESG KPI Monitoring Report, provided monthly by Erste Group to all subsidiaries ESG stakeholders including board members. This reporting structure ensures alignment with sustainable finance and decarbonisation targets, and supports decision-making at all organisational levels. It includes detailed overview on sustainable financing results and targets' achievements (new business flow and stock) at entity level and financed emissions and decarbonisation targets at Erste Group level. Additionally, quarterly reviews of decarbonisation figures are assessed and included in reports which are regularly presented in the Sustainability, Diversity and Inclusion Committee and Risk Committee, where progress toward targets and the development of transactions that are still in progress are assessed. Moreover, different reports are presented to the investors, rating agencies and other external stakeholders. This framework demonstrates BCR Group's commitment to transparency, governance and sustainability.

Material IROs are also considered in major transactions made by BCR Group. The BCR Group Responsible Financing Policy defines industry-specific ESG criteria and establishes financing rules to determine whether, and under what conditions, a transaction may proceed. Additionally, the policy outlines an assessment process to ensure well-documented decision-making. These criteria reflect the identified IROs, with particular emphasis on financing emission-intensive sectors and their associated biodiversity impacts.

All IROs identified as material in the DMA were discussed with and approved by the Management Board and presented to the Risk and Compliance Committee. For the list of material IROs, please refer to chapter 'SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model'.

Policy governance

Group policies and procedures are established across various areas within the organization, such as business, central functions, finance, IT, banking services, and risk management. The implementation of each specific group policy is overseen by the Management Board member responsible for that area. The CEO is responsible for central functions, including sustainability matters related to the Own Workforce. The CFO oversees finance, while the COO handles IT and banking services. Risk management, including environmental risks, falls under the CRO's responsibility. The respective functions entail responsibilities for policies, which are detailed in the following chapters in relation to the key sustainability matters and their associated IROs. Although the Management Board of Erste Group holds overall responsibility for a unified strategy and framework, each local Management Board is tasked with implementing these policies, taking into account their specific circumstances. The same approach is valid at BCR level. The local approval levels for policies and procedures, as detailed in the BCR Group Policy Framework are as follows: all policies and risk-related procedures require Management Board approval. Remaining procedures are approved by the relevant Board Member if they apply to multiple entities, or by the Executive Manager if they apply to a single entity. Additionally, policies identified by the Compliance function as entailing significant or critical risk are approved by the Supervisory Board.

BCR Group has policies and procedures in place to manage IROs and integrate them into the company's structure. The following examples show how IROs are managed within the group:

Policy governance for the identified climate change mitigation IROs

As a leading financial institution in Romania, BCR Group plays an important role in accelerating the real economy's transition. Achieving a low-carbon future requires coordinated action across the financial system and industry, and BCR Group is committed to driving this transformation by steering capital toward climate-positive solutions and supporting clients in decarbonizing their business models. Through this approach, we actively enable climate-change mitigation across the country. The reduction of financed CO₂-emissions is a shared responsibility and lies with the CEO, CRO and Chief Retail Officer (CRetO).

BCR Group's Responsible Financing Policy establishes industry-specific ESG exclusion and phase-out criteria that prioritise climate-change mitigation, setting clear thresholds and guidelines to determine transaction eligibility in carbon-intensive sectors. By directing financing away from high-emission activities and toward lower-carbon alternatives, the policy reduces ESG-related credit and reputational risks while supporting the transition to a net-zero economy. It also defines non-financial risk profiles that trigger enhanced risk management support, and outlines sector-specific assessment procedures to ensure informed decision-making aligned with our commitment to responsible, climate-aligned financing. Responsibility for this policy lies within the Sustainability Department.

The Sustainability Department within the CEO area of BCR, establishes the framework and provides guidance to all entities covered by the Group Responsible Financing Policy and it is also responsible for the policy content. Regular communication between BCR Group and Erste Group policy owners ensures a mutual understanding and operationalization of the policy. The policy was most recently updated in November 2024.

Policy governance for the identified gender equality IRO

Group Diversity Management (GDM) supports the implementation of the overall strategy by developing a comprehensive communication strategy for Erste and BCR Group's diversity impact and by serving as a source of expertise for local Diversity Management team.

In addition, GDM provides a framework and guidance to all entities within the scope of the Group Diversity & Inclusion Policy (including BCR). Embedded in the Group People & Culture division, GDM collects group-wide diversity data, identifies key focus areas and develops a diversity strategy in close collaboration with relevant stakeholders (such as local Diversity Management, Group Communications & Corporate Affairs, Group ESG Office). GDM develops diversity targets and provides diversity data for reports, rating agencies and communication on a Group level.

Local Diversity Management (LDM) acts as a focal point for the diversity impact of BCR Group. While GDM defines the diversity strategy, LDM adapts measures, trainings and the Group Diversity & Inclusion Policy, to suit local circumstances. Regular communication between GDM and LDM ensures mutual understanding of the diversity impact across Erste Group.

BCR Group aims to create equal opportunities regardless of gender, and to remediate the impact of the gender pay gap by various measures, including by balancing gender distribution in top-management positions (board level and B-1). The Management Board of BCR is responsible for the implementation of the Policy Diversity and Inclusion on BCR Group level.

GOV-3 – INTEGRATION OF SUSTAINABILITY-RELATED PERFORMANCE IN INCENTIVE SCHEMES

The Remuneration Policy for BCR Group outlines the structure and criteria for compensating members of the Management Board and Supervisory Board. No variable remuneration is paid to members of the Supervisory Board.

The Remuneration Policy for the Management Board of BCR is consistent with the strategy of BCR Group and Erste Group and is designed to motivate management board members to promote a sustainable and positive development of the company. The remuneration of Management Board members of BCR consists of two components: fixed and variable remuneration. Fixed remuneration is granted regardless of performance and comprises the basic salary as well as contributions to the company's pension scheme (pension fund), insurance benefits and other benefits in-kind. Variable remuneration is always performance-linked. Variable remuneration is granted and paid on the basis of specific, measurable performance criteria that are aligned with BCR Group's and Erste Group's business strategy and long-term development. Both Erste Group and BCR Group level targets and individual targets are taken into account. If minimum performance criteria are not met, variable remuneration is not awarded.

The remuneration of BCR Management Board members is set by the Supervisory Board. Remuneration consultants are not involved in determining remuneration. The Supervisory Board of BCR has set up an independent Remuneration Committee pursuant to legal requirements, which advises the Supervisory Board on remuneration matters. Both business and leadership performance of BCR Management Board are assessed by a Performance Evaluation Committee formed at Erste Group Level which prepares recommendations for BCR Supervisory Board.

The Management Board's variable compensation is limited to a maximum equal to 100% of their fixed pay, serving as a cap on bonuses. These criteria are annually assessed by the Remuneration Committee of the Supervisory Board of BCR.

Variable remuneration is structured to include both upfront and deferred payments. For amounts exceeding EUR 150,000, 60% of the variable remuneration is deferred, while for amounts below this threshold, 40% is deferred. At least half of both the upfront and deferred remuneration is delivered in the form of non-cash instruments, such as phantom certificates, with the remaining portion paid in cash. The Remuneration Policy also includes malus and clawback provisions in accordance with EBA guidelines.

Components of the remuneration of the members of the Management Board

ESG related targets are aligned with the main pillars of the sustainability strategic agenda of BCR Group. BCR Group's primary impact on the environment and biodiversity lies in its lending activities and more precisely, the resulting financed emissions. As a financial institution, it is therefore its role to contribute to the transition towards a low-carbon economy by engaging with its clients and supporting them along their decarbonisation pathway. Measurable ESG targets, aligned with BCR Group's objectives, are suggested by experts of the CEO, CFO and CRO division and approved by the Supervisory Board.

These targets are integrated into the variable remuneration framework and translated into individual Management Board member performance KPIs part of their annual performance scorecard.

In 2025, up to 10% of the relevant Management Board members' variable remuneration was based on ESG criteria. This criteria also comprises climate-related considerations such as net zero transition for both own operations and portfolio (1/3 weight of climate related considerations). However, a separate share in the overall ESG related score is not defined for climate related aspects. The Remuneration Committee prepares the Supervisory Board's resolutions on remuneration in accordance with legal requirements.

Performance is evaluated using a five-point rating system, and ESG elements can contribute as much as 10% to the total performance assessment. The BCR Sustainability Department is responsible for reviewing these factors at the conclusion of the evaluation period. The results of this evaluation are reviewed and approved by the Remuneration Committee, who subsequently informs the Supervisory Board.

ESG targets for Management Board members may include, but are not limited to, maintaining a strong ESG performance, supporting the sustainable transition (i.e. sustainable financing and net zero transition).

In 2025, the ESG targets for Management Board members included two overarching targets, which are not directly linked to any specific sustainability matter:

- Maintaining a good ESG performance for Erste Group is shared by the CEO/C&M, Chief Retail Officer, CFO and CRO and is assessed by external ESG ratings (MSCI, ISS ESG, SUSTAINALYTICS, CDP). Except for CDP, which focuses on climate impact, the other three ESG rating agencies measure the environmental, social as well as governance related performance of companies as well as their ability to manage ESG risks .
- Implementation of the ECB (European Central Bank) ESG Action Plan is assigned to the Chief Risk Officer.

Further, the following ESG targets which are explained in more detail in the relevant chapters were assigned to Management Board members:

- Supporting the Portfolio net zero transition (net zero target setting) at Erste Group level is shared by BCR Group risk, finance, and business Board Members (for more detailed information on this topic, please refer to chapter 'E1-4 – Targets related to climate change mitigation and adaption');
- Strategic sustainability agenda, climate strategy, and targets of BCR Group are assigned to the CEO;
- CSRD reporting is assigned to the CFO;
- Increasing sustainable retail mortgages (target volume of new sustainable retail mortgages) is assigned to the Chief Retail Officer (please refer to chapter 'E1-4 – Targets related to climate change mitigation and adaption');
- Increasing sustainable corporate financing (target volume of new sustainable corporate financing) is assigned to the CEO (please refer to chapter 'E1-4 – Targets related to climate change mitigation and adaption');
- Increasing zero-carbon electricity sourcing is assigned to the CFO (please refer to chapter 'E1-4 – Targets related to climate change mitigation and adaption').

Note: BCR's targets of Sustainable financing are determined according to the criteria described in 'E1-4 – Targets related to climate change mitigation and adaption' and must not be confused with the Green Asset Ratio (GAR) KPI under the EU Taxonomy.

GOV-4 – STATEMENT ON DUE DILIGENCE

Our Code of Ethics illustrates how BCR Group policies and processes are aligned with international instruments that respect human rights, in a manner which is consistent with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Through the Code of Ethics, these international principles are also incorporated into BCR Group's policies and processes to ensure that all BCR Group operations are undertaken with the highest standards of ethical behaviour and respect for human rights.

BCR Group has embedded the concept of sustainability into its business strategy and relies on sustainable, value-driven and responsible business practices that enable BCR Group to generate stable returns for all stakeholders over the long term. As a financial institution operating across diverse sectors, BCR Group recognises that its activities impact the environment or society. To address these challenges, BCR Group applied continuous due diligence processes throughout the Double Materiality Assessment designed to identify actual and potential negative impacts on the environment and society, as well as in the policies and processes to prevent, mitigate and manage them.

The table below maps the core elements of BCR Group's due diligence process to their specific locations within the Consolidated Sustainability Statement. These core elements include embedding due diligence into governance, strategy and business models, engaging with affected stakeholders, identifying and assessing adverse impacts, taking actions to address those adverse impacts, and tracking and communicating the effectiveness of these efforts. This provides a clear depiction of the undertaking's actual due diligence practices.

Core elements of due diligence

Core elements of due diligence	Paragraphs in the Consolidated Sustainability Statement
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ESRS 2 GOV-3 – Integration of sustainability-related performance in incentive schemes ESRS 2 SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 – Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies ESRS 2 SBM-2 – Interests and views of stakeholders ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities E1-2 – Policies related to climate change mitigation and adaptation S1-1 – Policies related to own workforce S1-2 – Processes for engaging with own workforce and workers' representatives about impacts S3-1 – Policies related to affected communities S3-2 – Processes for engaging with affected communities about impacts S4-1 – Policies related to consumers and end-users S4-2 – Processes for engaging with consumers and end-users about impacts G1-1 – Business conduct policies and corporate culture
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities
d) Taking actions to address those adverse impacts	S1-4 – Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions S3-4 – Taking action on material impacts on affected communities and managing the effectiveness of those actions S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions E1-3 – Actions and resources in relation to climate change policies
e) Tracking the effectiveness of these efforts and communicating	E1-4 – Targets related to climate change mitigation and adaptation S1-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities S3-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities S4-5 – Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities

GOV-5 – RISK MANAGEMENT AND INTERNAL CONTROLS OVER SUSTAINABILITY STATEMENT REPORTING

The three main risks in the sustainability reporting process are: 1) including errors in reporting, such as inaccuracies in both quantitative and qualitative data, 2) reporting on irrelevant information, such as including non-material information that does not significantly impact stakeholders, as well as 3) omitting relevant information, such as failing to disclose material information that is important for stakeholders. These risks are also valid for value chain data.

To mitigate these risks, BCR Group implements four main mitigation measures. The first measure involves internal controls for quantitative data. Many of the internal controls and processes used for financial reporting are also applied to quantitative data in sustainability reporting. This includes the 4-eyes principle and data validation to minimise errors.

The second measure includes internal controls for qualitative data, including the 4-eyes principle which also applies to quantitative data. Further, the review steps outlined in the first measure ensure the accuracy and relevance of qualitative data. This includes multiple internal feedback loops, a management review and external consulting to continuously improve the assessment of qualitative data.

The third mitigation measure is the Double Materiality Assessment (DMA). This comprehensive assessment was carried out in collaboration with an external consultant to ensure that the information presented is relevant and material. This helps in avoiding

the reporting of irrelevant information and ensures that all significant aspects are covered. Further information regarding the DMA can be found in chapter 'IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities'.

The fourth mitigation measure is the relevance analysis. This analysis is based on the results of the DMA and identifies the mandatory and material disclosure requirements and data points following the ESRS that are subsequently disclosed in the Consolidated Sustainability Statement.

In 2025, BCR Group implemented a new disclosure management tool to further improve the reporting process for the Consolidated Sustainability Statement, as well as mitigating the aforementioned risks. These improvements in control measures result in increased efficiency and control of the reporting process that include:

- granular user rights and permissions that can be granted at the section or chapter level;
- clear documentation of changes;
- approval of tracked changes being restricted to document owners.

Furthermore, there is improved data integration from various sources that are directly uploaded to the disclosure management tool as well as dynamic linking. This dynamic linking means that once the data has been uploaded, it refreshes across the entire document to ensure consistency and accuracy.

Future considerations will result from risk management and the internal control system and be used to continuously improve the sustainability reporting process. This means refining internal controls, enhancing data validation procedures and conducting regular assessments to ensure the relevance and accuracy of reported information. Furthermore, feedback from internal reviews, external consultants and auditors will be incorporated into future reporting cycles to address any identified gaps or areas for improvement.

The Management Board and Audit Committee are informed of the findings of the risk assessment for sustainability reporting on an annual basis. The Consolidated Sustainability Statement is presented for pre-approval to the Management Board on 18 March 2026 and Supervisory Board on 27 March 2026.

12.1.3 Strategy

SBM-1 – STRATEGY, BUSINESS MODEL AND VALUE CHAIN

BCR Group's business model

BCR pursues a universal business model, with a balanced presence in Retail and Corporates, which includes public sector, and capital markets, being the 2nd largest player based on total assets in the banking sector in the Romanian market.

BCR has a portfolio of more than 3 million customers serviced through a network of 20 business centers, 18 mobile desks dedicated to companies and 290 branches located in cities with more than 10,000 inhabitants in Romania, where 73% of units are cashless. Customers omnichannel service also includes a national network of ATMs and around 1.800 multifunctional machines, as well as full banking services through internet banking, mobile banking, phone-banking and e-commerce.

Each business segment is providing tailored services to meet the specific needs of target client groups. BCR offers a wide array of services which varies from current accounts, lending, deposits, and other products specific to each of the business segment.

Please refer to section '4.2. BCR Group's strategy and business model' of the Administrators' Report for more details on products and customer groups.

BCR's core strategy is to build Financial Health for local communities by offering financial mentoring, tools and products that enable people and businesses to adopt healthy financial habits and improve their future perspectives.

For further information on the business segments of BCR Group refer to Note 42 in the Consolidated and Separate Financial Statements. BCR Group operates only in Romania, thus details on the total headcount of 5,117 (2024: 5,220) employees by geographical area are not provided. For further information on the headcount of BCR Group employees please refer to chapter 'S1-6 Characteristics of the undertaking's employees'.

BCR Group's sustainability strategic initiatives

BCR Groups is pursuing the goal defined in the Statement of Purpose of Erste Group, namely, to promote and secure prosperity for all people throughout the region, and it has incorporated key ESG themes into the corporate strategy. BCR Group believes that this is the only way to be successful over the long term, working towards a fairer and more inclusive society.

BCR Group's sustainability strategic priorities are catalysed around two main pillars: supporting the green transition and promoting social inclusion.

Supporting the green transition

BCR Group's primary impact on the environment lies in its lending activities and more precisely, the resulting financed emissions. It is therefore our role to contribute to the transition towards a low-carbon economy by engaging with clients and supporting them along their decarbonisation pathway while facing evolving challenges, such as policy uncertainty, both on country and European level. BCR Group believes this to be the most important lever to help fostering a green transition.

BCR Group's key priorities relating to the environment include:

- the ambition to achieve a net-zero status of BCR's portfolio by 2050,
- aiming to achieve a net-zero status in own operations (scope 1 and scope 2) by 2030 and
- maintaining a strong role in sustainable financing by funding climate change mitigation and adaptation actions.

Promoting social inclusion

BCR Group's social impact involves its interactions with employees, customers and the broader community while establishing and maintaining good ethical compliance for building trust with stakeholders and ensuring long-term organizational stability.

For the Social pillar, BCR Group has established the following strategic priorities:

- boosting financial inclusion with social banking, bringing communities closer together and strengthening social cohesion;
- helping customers gain financial health and financial literacy;
- promoting diversity, including gender diversity, and
- fostering good ethical conduct and compliance with the regulations in force, e.g. through extensive corruption and bribery prevention and detection trainings.

Significant markets and customer groups

BCR Group's sustainability priorities focus on its significant markets and customer groups, with detailed approaches customized for each. Further information regarding the targets set for these strategic priorities is available in the respective chapters. In 2025, there were no significant changes to the products and services offered, markets served, or customer categories compared to the previous reporting cycle.

Retail

In the Retail segment, most of the environmental impact stems from the buildings sector, which includes energy used for constructing, heating, cooling and lighting homes and businesses, as well as the appliances and equipment installed in them. These factors account for over one third of global energy consumption and emissions. Retail mortgages contribute a large share (29% as at 31 December 2024 and 28% as at 31 December 2025) of the total of BCR Group's portfolio activities. BCR Group's ambition supports the decarbonisation of the housing sector while safeguarding affordability, inclusion and access to finance. As regulatory frameworks evolve and government incentives strengthen, the Group will reassess its ambition level to ensure continued alignment with the broader transition of the real estate sector.

For achieving the decarbonisation targets for the retail mortgage portfolio, BCR Group will adopt the following approach:

Technological possibilities to decarbonise: A significant part of the buildings stock in the BCR Group region is not yet 'climate-proof' due to old age of the buildings and poor insulation. An improvement can only be achieved through changes in customer behaviour, which can be influenced in the short-term by cost considerations, and in the mid and long-term, through regulations and availability of government subsidies in Romania, which will foster further investments and improvements.

Product offering: Within our retail mortgages portfolio, we have introduced "Casa Mea Natura" loan for energy efficient homes (energy performance certificate class A and B). We are currently working on expanding our green offering to include renovation loans focused on energy efficiency and renewable energy integration. To support our decarbonization strategy for retail mortgage portfolio, we shall continue and enhance our actions to collect Energy Performance Certificates (EPCs) for private individuals secured loans (dedicated campaigns for customers having mortgage loans for houses and/or for buildings for which an EPC is not collected) and to offer loans for energy performance improvements.

Insurance linked services, either bundled with financing products or standalone, will be part of BCR Group's overall ESG proposition. The cooperation with insurance companies, should help to close the gap of insurance coverage for certain natural hazard risks, such as river floods.

Corporates

Each of BCR Group's Corporate four business lines: SME, Large Corporates, Public Sector and Commercial Real Estate (CRE) covers a distinct customer type with unique needs and preferences and hence specific sales and service models.

Approach for decarbonisation. The implemented approach for corporate business is designed to support the ambition to achieve a net zero status of the portfolio by 2050 at Erste Group level, as it consists of performing an initial client transition readiness assessment through an ESG Assessment Questionnaire, and an in-depth client engagement process with identified clients while evaluating financing needs. BCR Group understands its diverse customer base and is determined to help customers find a tailored approach, fitting to their needs.

Product offering: BCR Group's ambition includes helping clients to realise the benefits of decarbonisation by supporting cost-effective action. BCR Group offers specific purpose financing and advisory services focused on climate solutions, including renewable energy projects, high-efficiency buildings in commercial real estate and energy efficient production processes.

Through its banking activities, BCR Group aims to provide financing which enables the net-zero transition of the Romanian economy. Therefore, BCR Group is constantly in touch with its customer base as the main stakeholder, to better understand their needs. For further information on the stakeholder engagement, please refer to chapter 'SBM-2 Interests and views of stakeholders'.

BCR Group's value chain composition

BCR Group's value chain encompasses the inflow and outflow of money, facilitating payments and transactions. Inputs are secured by attracting both financial resources from the international financial market, shareholders and clients' savings and investments that are transformed by making the cash available as loans while simultaneously managing the associated risks. This is performed with the support of the BCR Group professionals that are equipped with the right competencies and resources. BCR Leasing offers financial leasing and financial credit flexible and efficient solutions for the purchase of vehicles, fleets, equipment, industrial machinery, agricultural machinery, medical equipment. BCR Pensii performs activities related to the private pensions market in Romania, including mandatory (Pillar II) and voluntary private pensions (Pillar III). BCR Payments Services SRL is a subsidiary of

BCR Group responsible for centralized processing of payment transactions in local currency and foreign currency and debt instruments, debit instruments and accounts management (opening, closing and maintenance).

Key business actors include BCR Group's clients, both private individuals and corporations, who benefit from BCR Group's services offered through digital and direct distribution channels.

For the value chain assessment, BCR Group aims to reflect the interests and views of affected stakeholders, as well as users of the Consolidated Sustainability Statement which are further described in chapter 'SBM-2 Interests and views of stakeholders'. Moreover, for the identification and assessment of impacts, risks and opportunities (IROs), special consideration was given on the upstream and downstream value chain to ensure completeness of the relevant IROs. In this context, BCR Group analysed the flow of activities, processes and value creation within the organisation.

In the context of the Double Materiality Assessment (DMA), BCR Group is currently limited in considering all aspects of the value chain due to data availability constraints. Therefore, the focus has been on the direct value chain. With the implementation of EU legislation (e.g., reporting in line with the requirements of the Corporate Sustainability Reporting Directive, additional requirements under the Corporate Sustainability Due Diligence Directive), BCR Group expects these limitations to be addressed, leading to more detailed value chain information in the future.

Upstream

The upstream value chain includes the goods and services procured by BCR Group, such as IT services, office supplies, property and infrastructure, consultancy and other external services that support the Group's operations. BCR Group conducted an in-depth review of the costs related to purchased goods and services in 2023, considering it was the most recent data which could be used for the Double Materiality Assessment (DMA). The total expenditures were categorised by sourcing categories from BCR Group's procurement system, with main expenditures considered for detailed assessment. These categories included IT services, infrastructure software, marketing, property management, consulting and personnel management expenditures. For each expenditure category, BCR Group assessed the potential sustainability matters and IROs. For example, IT services were included in the assessment for Climate Change (E1) due to their high energy consumption, while consulting services were considered in the assessment of Workers in the Value Chain (S2). The insights from these assessments were included in the overall evaluation. Also, the impacts of climate change for a joint venture on which BCR Group does not have operational control have been considered.

Own operations

Refers to the BCR Group own operational activities, including the management of its workforce, office branches, and direct business activities under the full scope of consolidated entities under IFRS. Additionally, it was evaluated whether BCR Group has operational control over not fully consolidated entities. All aspects of own operations were considered in the value chain assessment.

While environmental impacts from own operations were few, material IROs were identified in the areas of own workforce (S1), consumers and end-users (S4) and business conduct (G1). To ensure completeness and accuracy of these impacts, BCR Group closely aligned with the responsible departments to reflect these effects adequately in the reporting.

Downstream (Portfolio)

The largest proportion in the overall BCR Group business pertains to the activities of the Bank and of BCR Leasing IFN S.A. and the financing provided to a diverse range of clients, including corporate and retail customers, institutional investors and stakeholders involved in its sustainability initiatives. The downstream value chain is subsequently referred to as the portfolio, as all of BCR Group's downstream material impacts are linked to it. These conclusions are derived from IROs assessed following the DMA process and an in-depth portfolio analysis. This analysis was based on the breakdown of credit exposure and the calculation of financed emissions. The IROs related to the financed sectors are directly reflected in the Double Materiality Assessment. For example, the highest individual sectoral exposure (energy) is reflected in the identified material negative impact relating to financed CO2 emissions of BCR Group.

SBM-2 – INTERESTS AND VIEWS OF STAKEHOLDERS

BCR Group has gathered relevant information to reflect the interests and perspectives of stakeholders both in business processes and in the Double Materiality Assessment (DMA) for the Consolidated Sustainability Statement.

As part of the DMA, BCR Group classified its stakeholders into two categories: affected stakeholders and users of the Consolidated Sustainability Statement. These groups are defined as follows:

- affected stakeholders: retail customers, corporate clients, employees, suppliers, and nature;
- users of the Consolidated Sustainability Statement: investors, analysts, rating agencies, supervisory and regulatory authorities, NGOs, potential future employees and other readers.

For each stakeholder group, at least one internal contact person was identified. These individuals are in regular dialogue with the respective stakeholders, are familiar with their concerns and viewpoints and are able to provide informed insights.

During the DMA workshops, but also one to one interviews with key experts, the topics relevant to each stakeholder group were identified and systematically documented. This approach ensured that both the actual and potential impacts of BCR Group's business activities on stakeholders, as well as the risks and opportunities identified by stakeholders of BCR Group, were appropriately considered in the materiality assessment.

The involvement of internal experts who maintain ongoing contact with the respective stakeholder groups contributed to the definition of IROs in the DMA. For instance, the IROs for S1 (Own Workforce) were defined with the BCR People and Culture department who is in close contact with the two trade unions acting as workers' representatives. For further details on the type of engagement, its purpose, implementation and the topics discussed with stakeholder groups, please refer to the table "Key stakeholder engagement" below.

Key stakeholder engagement

Key Stakeholders	Why BCR Group engages	How BCR Group engages	Interests and views of key stakeholders	Actions / results of engagement
Customers	Engagement with customers enables BCR Group to understand their needs, anticipate market trends and consequently adjust services.	– advisory sessions – conferences and seminars – website – customer experience program	– improve customer experience – enhance products and services – accelerate innovation and digitalisation	BCR Group's engagement enables a regular assessment of how customer needs can be met through product and service offerings.
Employees	BCR Group engages with employees to foster an environment of open dialogue and provide them with continuously improving opportunities for growth and development.	– employee surveys – Intranet – training, coaching and mentorship – Employee Resource Groups – annual feedback and professional development talks – periodical meetings between trade unions and BCR board members	– organisational changes that might impact employees – foster diversity, equity and inclusion – support employee health and work-life balance – increase employee involvement – strategic business projects and how it may impact jobs; – any topic of interest to the employees.	BCR Group's engagement enables the targeted adaptation of the people and culture strategy.
Nature, represented by academic institutions, and NGOs	BCR Group engages with NGOs and academic institutions to foster an open dialog and conducts content-driven debates on important topics aimed to develop educational opportunities	– conferences and events – bilateral meetings, training sessions, workshops	– financial literacy – access to quality education – environmental education – climate change and accelerate climate action – protect biodiversity – digital and entrepreneurial education – life skills for young people	BCR Group's engagement enables identification of current and future priorities from the academic society and non-profit sector and reflect them early in the strategic planning.
Investors, analysts and rating agencies	By engaging with investors and analysts, BCR Group aims to foster a clear understanding of company performance and strategy.	– quarterly results investor presentations – bilateral meetings, investor calls – bond issue investor presentations and roadshows – periodic rating reviews and annual management meetings with rating agencies' bank analysts, – data input on various due diligence questionnaires requested by the rating agencies	– financial performance and strategy – customer business volumes development, product & process digitalization – liquidity and funding, MREL issuance – risk management & asset quality – transparency – ESG targets and implementation status, green financing and climate action	BCR Group's engagement increases the level of transparency in external reporting to ensure a clear understanding of the organization's performance and strategy.
Supervisory and regulatory authorities	BCR Group conducts a permanent, pro-active dialogue with national and European supervisory and regulatory authorities to understand supervisory expectations.	– supervisory dialogues- – workshops, meetings – inspections	– drive performance and execute strategy for sustainable growth – accelerate climate action – foster diversity, equity, and inclusion – enhance risk management to ensure resilience – increase transparency	BCR Group's engagement enables it to adapt processes and increase the level of transparency to fulfil supervisory expectations.
Suppliers	We engage with our suppliers to ensure high standards of quality, integrity and compliance throughout the procurement process	– Supplier feedback questionnaire	– smooth and efficient cooperation – simple and streamlined business processes – effective and trustworthy communication	Our engagement enables regular assessment of how supplier expectations are addressed in procurement processes and collaboration

The key interests of BCR Group's stakeholders, identified through ongoing engagement, inform and shape the business model. It is however, often impossible to attribute amendments to the strategy exclusively to stakeholder views without considering other factors, such as business needs.

A key consideration for BCR Group's stakeholder engagement is the respect and promotion of human rights. BCR Group does not tolerate any form of discrimination, such as discrimination based on gender, age, marital status, family obligations, religion,

political conviction, sexual orientation, race, nationality, social or ethnic background, disability, physical appearance, or any other aspects unrelated to the business. This not only holds true for BCR Group's own workforce but is also reflected in the engagement with workers in the value chain, and its customers.

The Management Board is responsible for managing the organisation to the benefit of the BCR Group, considering the interests of the shareholders and the employees, as well as the public. Information on the outcomes of engagement with all stakeholder groups is provided to the Management Board both informally through meetings with internal stakeholder representatives, as well as formally in board meetings. The Supervisory Board is similarly informed about engagement with key stakeholder groups.

SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

This chapter gives an overview of BCR Group's material IROs, resulting from the Double Materiality Assessment (see IRO-1). In the table below, all material IROs are listed, based on the sustainability matter they relate to, the type of IRO, the position in the value chain and the time horizon the materiality has been detected in. Additional information regarding the material IROs and their interaction with BCR Group's strategy and business model can be found in the respective chapters.

Table Impacts, risks and opportunities of BCR Group

Sustainability Matter	Type of IRO	IRO Description	Value chain	Time horizon
E1- Climate change adaptation	Risk	BCR Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for BCR Group and connected negative effects to its P&L and own funds. (Physical Risk)	Downstream	Long-term
	Opportunity	Additional financial opportunities might be captured by BCR Group from financing of strategies/projects conducted by a wide array of entities, from local SMEs to large companies (e.g adaptation solutions for residential and commercial real estate, agriculture), municipalities and other public entities for adaptation infrastructure.	Downstream	Long-term
E1-Climate change mitigation	Potential Negative impact	The CO2 emissions of BCR Group in the upstream value chain contribute to climate change and thus to global warming.	Upstream	Long-term
	Potential Negative impact	The CO2 emissions of BCR Group's own operations contribute to climate change and thus to global warming.	Own operations	Long-term
	Negative impact*	The CO2 emissions financed by BCR Group contribute to climate change and therefore to global warming.	Downstream	All time horizons
	Risk	BCR Group faces a higher credit risk as climate-related transition events (regulatory interventions) can lead to negative effects on the profitability of business models and lastly the financial stability of debtors. The consequences are increased risk provisions for BCR Group and connected negative effects to its P&L and own funds. (Transition Risk)	Downstream	Long-term
	Opportunity	For BCR Group, additional financial opportunities may arise from investments in and the financing of clients to support their transition to sustainable business initiatives, and subsequently, the implementation of decarbonisation measures.	Downstream	Medium to Long-term
E1-Energy	Potential Negative impact	The energy (electricity, fuel and heating) used by BCR Group suppliers generates CO2 emissions and therefore contributes to climate change.	Upstream	Medium-term
	Potential Negative impact	Until the assumed net zero targets for own operations are achieved, the energy (electricity, fuel and heating) used by BCR Group continues to generate CO2 emissions and therefore contributes to climate change. Also, a potential slow progression on the adoption of renewable energy (either purchased or self-generated) may lead to a higher contribution to any risk associated with climate change, physical or transitional.	Own operations	Medium-term
	Negative impact*	BCR Group's financing of energy-intensive industries may lead to increased greenhouse gas emissions, thereby influencing climate change and global warming trends.	Downstream	All time horizons
	Potential Positive impact	Through the financing of renewable energy projects, energy grid infrastructure and supply side flexibility (e.g. battery storage) BCR Group supports energy security, enables CO2-neutral power and contributes to the systemic shift towards a sustainable economy.	Downstream	Medium to Long-term
	Risk	Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for BCR Group, impacting P&L as well as own funds.(Transition Risk)	Downstream	Medium-term
	Opportunity	BCR Group's financing of renewable energy projects (e.g. wind and solar projects, battery storage) and energy transition enables neutral/ low CO2 energy production and offers new opportunities for the portfolio.	Downstream	Medium to Long-term

Sustainability Matter	Type of IRO	IRO Description	Value chain	Time horizon
E4- Impacts on the extent and condition of ecosystems Examples: Land degradation; Desertification; Soil sealing	Negative impact*	Financing real estate and public infrastructure projects can have a negative impact on biodiversity as soil is sealed and land is degraded, thus causing increased flooding risks, climate change exacerbation, and possible health issues caused by decreased air and water quality.	Downstream	All time horizons
S1-Collective bargaining, including rate of workers covered by collective agreements	Actual Positive impact	The existence of a collective bargaining agreement ensures that employees benefit from consistent and transparent employment conditions, including fair and adequate wages, which contributes to job security and strengthens trust in the organization.	Own operations	Short-term
S1-Work-life balance	Actual Positive impact	BCR Group fosters a good balance between career and personal life through its @Valued at BCR initiative which positively impacts the standard of living and satisfaction of employees. By focusing on the physical and mental health of employees BCR Group continuously expands its health offerings to ensure access to quality medical support.	Own operations	Short-term
S1 - Gender equality and equal pay for work of equal value	Negative impact*	The current gender pay gap at BCR Group disadvantages the affected employees.	Own operations	Short to Medium term
S1-Training and skills development	Opportunity	Initiatives like BCR Academies, Școala de Cariere (to prepare young talent for labor market), and the Learning Hub (internal training hub) help attract young talent, improve employee capabilities, and reduce turnover-related costs.	Own operations	Medium to Long-term
S1-Diversity	Potential Positive impact	Diversity initiatives at BCR Group have a positive impact on employees by fostering an inclusive corporate culture. These efforts create an open environment where acceptance and support are prioritized, allowing all employees to feel valued and empowered.	Own operations	Short-term
S3 - Financial literacy (entity specific)	Positive impact*	Through national programs such as 'Școala de Bani' and 'Flip', BCR Group provides equitable access to financial education for every segment of society – including underserved and rural communities. By bridging these gaps, we are driving measurable progress in financial literacy, autonomy, and long-term financial well-being for every workshop participant.	Own operations	All time horizons
S4-Financial Health (entity specific)	Potential Positive impact	Through personalized financial health tools such as the Financial Coach in George and CRM-driven advisory services, BCR Group supports clients in improving their financial resilience, budgeting, and long-term planning.	Downstream	Medium to Long-term
	Opportunity	By promoting customer financial health, BCR Group strengthens satisfaction, loyalty, and its own market performance.	Downstream	Medium-term
S4-Privacy	Risk	Cyberattacks and data breaches can erode customer trust, damage BCR Group's reputation, and trigger legal penalties under regulations such as the GDPR.	Own operations	Short to Medium -term
S4-Access to products and services	Positive impact*	By ensuring that all banking products and services are accessible to socially vulnerable people (e.g. people with disabilities and the elderly), BCR promotes their autonomy, social and professional integration and active participation in community life.	Downstream	All time horizons
G1 – Corporate culture	Potential Positive impact	BCR Group has a positive corporate culture, promotes a safe, transparent and ethical environment thus ensuring healthy working environment and can increase employee satisfaction.	Own operations	Short-term
G1-Protection of whistle-blowers	Risk	The absence of effective whistle-blower protection and channels, or failure to implement whistle-blowing policies and procedures can lead to potential loss of profits, regulatory violations and reputational damage.	Own operations	Long-term
G1-Corruption and bribery Prevention and detection including training	Risk	Failure to ensure adequate awareness, control, and monitoring of corruption and bribery risks may lead to undetected incidents involving employees and that can expose BCR Group to financial penalties, legal costs, and reputational harm.	Own operations	Long-term

*In line with the methodology applied for the DMA, if not otherwise indicated, the short-term impact is actual, whilst for medium and long time horizons the impact is potential.

For entity-specific topics, BCR Group follows the same disclosure requirements as prescribed by the respective ESRS for sustainability matters. Therefore, disclosures for entity-specific topics include information regarding policies, actions, targets and metrics, if available.

As described in IRO-1, the process for evaluating the IROs was adjusted compared to last year. While no significant changes were identified in BCR Group's strategy or business model compared to the prior year, the DMA process reflects either methodological refinements (granularity, traceability, assessment per each time horizon) or reassessments based on updated information, which may lead to certain IROs no longer being considered material.

These refinements were driven by enhanced internal data availability and the need to better reflect where impacts, risks and opportunities (IROs) arise across the value chain, rather than by changes in strategic direction.

Current-year refinements

— Value chain disaggregation: IROs were assessed separately for Upstream and Own operations. Consequently, the number of material IROs increased versus prior year due to higher granularity (e.g. E1 related IROs).

- Portfolio analysis: integrated as a mandatory DMA input to support identification and substantiation of IROs linked to relevant portfolios (e.g., credit risk portfolio).
- Enhanced scoring & engagement: more granular scoring across time horizons, updated definitions for positive impacts which triggered the re-assessment for some of the impacts identified in 2024, and broader screening for potential human rights impacts.

Accordingly, several refinements and modifications were made in the course of the assessment, resulting from increased guidance and benchmarking in 2025. These changes are outlined below.

E1 - Climate change mitigation

For 'E1 - Climate Change Mitigation', the positive impact of providing transition finance and green financing was reassessed as not material considering that largely such impact originates from financings related to the energy sector. To enhance the clarity of reporting the approach was refined as to connect this impact to the energy topic only.

E4 - Biodiversity and ecosystems

For "E4 - Impacts on the extent and condition of ecosystems Examples: land degradation; desertification; soil sealing" the risk related to stricter regulations which could entail a decrease of financing volumes identified in last year's assessment was reevaluated as not material. This change reflects evolving external context (i.e. status of implementation of the EU Biodiversity Strategy 2030, the EU Soil Strategy for 2030 and subsequent regulations, as well as ESRS modifications) which reduced the assessed likelihood and/or magnitude compared to the prior year scoring. Even if the financial effects are no longer considered material, the negative impact on soil sealing is still recognised as material.

S1 - Own workforce

For "S1 - Health and safety" the positive impact identified last year is no longer presented separately under the health and safety topic providing that the initiatives connected to this topic largely overlap with our work - life balance related actions. An additional negative impact was newly identified in this year's assessment for "Gender equality and equal pay for work of equal value".

S3 - Affected communities (Financial literacy - entity specific)

While no IROs were assessed as material for S3 - "Affected communities" last year, a positive impact deriving from the entity-specific topic "Financial health & financial literacy" in the prior assessment was determined as material in this year evaluation and relevant to the affected communities. The material entity-specific topic of "Financial health and financial literacy" from 2024 has this year been split into two, recognizing the positive impact separately for the respective affected stakeholder groups. Thus, financial literacy positive impact is presented under "S3 - Affected Communities", whilst the financial health positive impact continues to be connected to "S4 - Consumers and end users".

S4 - Consumers and end-users

For 'S4 - Consumers and End Users', the positive impact related to "Privacy" is no longer assessed as material for S4 this year in line with the updated definition for positive impacts.

G1 - Business Conduct

For 'G1 - Business Conduct', last year material positive impacts were identified for both "Protection of Whistleblowers" and "Corruption and Bribery – Prevention and Detection, including Training". In this year's assessment, both topics are instead assessed as long term material risks mainly based on the updated definition for positive impacts.

After conducting the materiality assessment, the material IROs were evaluated to understand their potential impact on, or the need to adjust, BCR Group's business model, value chain and strategy. Currently, no changes to BCR Group's business model based on the material IROs have been made. However due to the important role that these IROs play for BCR Group, any potential impacts on strategy and business are currently being reviewed and will be adjusted as appropriate.

As risk management is a core element in the Bank's business model and sustainability risks are part of the Bank's processes and are assessed in line with other risk types, both sustainability risks and opportunities are integrated into the BCR's other management processes. Information regarding the methodology of considering ESG risks in the existing risk appetite is provided in Note 28 Credit risk, ESG Risk Management in the Consolidated and Separate Financial Statements. For the current and anticipated effects of material risks, as well as on the resilience of the strategy and business model, more details are provided in chapter 'E1 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model' and Note 28 in the Consolidated and Separate Financial Statements.

12.1.4 Impact, risk and opportunity management

IRO-1 – DESCRIPTION OF THE PROCESS TO IDENTIFY AND ASSESS MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

BCR Group has performed a Double Materiality Assessment in accordance with the requirements of ESRS 1 and ESRS 2 for the development of the 2025 Consolidated Sustainability Statement.

Consequently, the performed assessment covered the identification and assessment of impacts, risks and opportunities (IROs) under the IFRS consolidation scope. Furthermore, other participations, which are not fully consolidated, were analysed regarding potential IROs and operational control. The process also focused on the identification and assessment of IROs in the upstream and downstream value chain of BCR Group. The outcomes of the assessment are the basis for the scope of topics reported and data points included in this statement.

In 2025, the DMA process was conducted for the second time at BCR Group level. It differs from the materiality assessment performed last year by introducing Portfolio Analysis to identify impacts from the credit risk portfolio, adjusting the scoring process and enhancing stakeholder engagement through cross-functional scoring teams, which scored each time horizon separately considering all parts of the value chain (upstream, own operations and downstream). The following update of the DMA is planned to be conducted for the next reporting cycle, as to consider the potential amendments introduced by the simplified ESRS.

Identification of impacts, risks and opportunities

The Double Materiality Assessment (DMA) was performed under the lead of the Sustainability Department, considering inputs from Risk Management, Strategy, Investor Relations, Group People and Culture, Procurement, Corporates, Retail, Property Management, Compliance, Accounting and BCR Group Subsidiaries. The process included across-functional collaboration to ensure comprehensive coverage of potential impacts, risks, and opportunities across own operations and business relationships (upstream and downstream).

Double materiality assessment process

The process to identify the material sustainability matters was conducted in four steps. First, a relevance analysis of all sustainability matters listed in ESRS 1 Appendix A AR 16 was conducted, enriched with entity-specific topics such as financial health and financial literacy. A topic may be relevant if it is connected to the Group's core business, strategic priorities, or value chain. Relevance can also arise from the extent to which stakeholders are affected. If a sustainability matter was assessed as relevant, the respective IROs assigned to the topic were subsequently subject to an impact and financial materiality assessment, based on severity, likelihood, and magnitude criteria in line with ESRS 1 sections 3.4 and 3.5. The final step was to validate and approve the outcome of the DMA, where the final scoring per impact, risk and opportunity (IRO) was quality assured by an Expert Jury comprising leadership representatives overseeing various relevant areas. Subsequent to these steps, the results were visualized in a matrix, summarized in an executive presentation and approved by BCR's Management Board.

To gain a deep understanding of the circumstances BCR Group is operating in, various data was collected for the identification of IROs. Inputs for the DMA included:

- guidance documents and peer benchmarking;
- analysis of the BCR strategy, including sector financing strategies, and BCR Group related business activities;
- engagement with internal experts and use of studies;
- BCR Risk Materiality Assessment results, including the Business Environment Scan and the ESG Factor Heatmap;
- mapping of sectoral credit exposures and financed emissions (Downstream);
- expenditures for purchased goods and services (Upstream);
- consultation with the Internal Expert Jury.

Portfolio Analysis

The results of the portfolio analysis also inform the identification of impacts in the downstream value chain and their materiality status. Using an Excel-based tool considering input data by UNEP FI and ENCORE, BCR Group assessed ESG impacts across its portfolio and linked them to ESRS requirements for the DMA. To run the analysis, BCR Group provided portfolio data, including loan details, exposure values, associated industries using NACE codes and countries of operation. Each loan is then assigned ESG impact scores based on its sector and country, which are weighted by exposure to create a portfolio-wide ESG impact profile and

aggregated by sector to show which industries contribute most to ESG impacts. UNEP FI impact categories are mapped to ESRS sub-topics and topics are flagged as relevant if their impact score exceeded the 90th percentile threshold. These flagged topics were then reviewed and validated by internal experts to determine whether they represent material impacts for BCR Group. The portfolio analysis replaces the previous manual assessment approach by establishing materiality through a structured, data-driven process.

Furthermore, to assure the completeness and accuracy of the DMA within BCR Group, ongoing communication with the subsidiaries consolidated under IFRS and with Erste Group was necessary. This was to identify potentially relevant IROs at both the group and entity levels.

This was achieved by:

- weekly calls with Erste Group and other subsidiaries of Erste Group;
- ad hoc calls or scheduled calls on a 1:1 basis (BCR Group and subsidiaries);
- workshops with internal experts to gain insights on potential impacts, risks and opportunities and perform their assessment;
- integration of CSRD/DMA topics in the quarterly meetings of the Sustainability, Diversity and Inclusion Committee;
- on-going e-mail exchange on the application of various topics related to the Double Materiality Assessment with internal experts and the representatives of Erste Group DMA core team.

The outcome of the DMA is the list of material IROs that is shown in SBM-3 and lays the foundation for this report.

Stakeholder Engagement

The DMA was informed by internal experts from various business units, such as People & Culture, Compliance, Strategic Risk, Data Protection, Legal, Property Management etc. BCR Group had no other direct consultations with affected stakeholders in the DMA. The assessment of the IROs was conducted by the Sustainability Department with the support of the Accounting team based on internal expert dialogues and workshops. During these workshops the internal experts of BCR provided consolidated inputs following their engagement with various groups of stakeholders as part of their regular business activities, and thus were considered in the assessment. Results were validated by the Internal Expert Jury, who is comprised by executive members in various areas of the Bank.

Value Chain Assessment

For the DMA, BCR Group aimed to reflect the interests and views of affected stakeholders as well as users of the Consolidated Sustainability Statement as described in "SBM-2 Interests and views of stakeholders". Moreover, for the identification and assessment of IROs, special consideration was given to the upstream and downstream value chain to ensure completeness of the relevant IROs. In this context, BCR Group analysed the flow of activities, processes and value creation within the organisation.

Further information on BCR Group's value chain composition and the respective implications on the DMA can be found in chapter 'SBM-1 Strategy, business model and value chain'.

Impact Materiality Assessment

The assessment was based on the following central assumptions:

- The value chain relevance and the time horizon of their assumed occurrence were identified per impact;
- Impacts were defined as either positive or negative. If multiple but deviating impacts (i.e. positive and negative) were identified as concerns a sustainability matter, each impact was evaluated separately;
- For a sustainability matter to be deemed as material, only one material impact is sufficient, regardless of the count of additional immaterial impacts, its state as actual or potential, its allocated time horizon or value chain relevance;
- The severity and the likelihood were evaluated for each impact. An impact is classified as actual if it has already occurred and is therefore observable or verifiable in the present. Conversely, an impact is classified as potential if its occurrence is only possible in the future and thus based solely on a plausible expectation or projected development. Whether an impact is to be classified as actual or potential is determined by the responsible internal experts. For actual impacts the likelihood was consistently set to 100%. For potential impacts, the likelihood was assessed on a scale from 0 to 5 with each scale having a corresponding probability weight;
- The scoring of severity included the three parameters of scale, scope and irremediability (only for negative impacts). Each evaluation parameter was assessed individually on a scale from 0 to 5. Their values were averaged, and the resulting score was then multiplied by the likelihood;
- Subsequent impacts, relating to positive impacts which trigger or are likely to trigger a negative impact, and human rights impacts were considered. For human rights impacts severity took precedence over likelihood;

- Impacts with a total score higher than 2.5 on a scale from 0 to 5 were considered material. Using this as the threshold ensures that only impacts with at least an upper-medium level of severity are classified as material. This approach prevents low-severity impacts from being considered material, maintaining focus on the most significant topics;
- Impact evaluations were conducted per time horizon by cross-functional scoring teams setting scores based on evidence and/or expert opinion;
- The material impacts were aligned with the outcome of the financial materiality assessment for sustainability matters whereby financial materiality would be triggered by impact materiality;
- The final scoring per impact was quality assured by the Expert Jury.

The process carried out did not comprise an explicit step of engaging with external stakeholders. Information concerning affected stakeholders was considered implicitly via the above-mentioned in-house experts and their regular exchanges with external parties (i.e. customers, NGOs, rating agencies, investors). For more information on stakeholder groups and engagement, please refer to chapter 'SBM-2 Interests and views of stakeholders'.

Impacts relating to E1 Climate change

The whole value chain was considered and assessed in the context of climate change. As described in section 'SBM-1 - Strategy, business model and value chain', some sectors with high emissions, such as IT-services, are part of BCR Group's upstream value chain. These were assessed separately of emissions from BCR Group's own operations. The assessment was carried out in alignment with the process outlined above, incorporating both the Portfolio Analysis and internal expert evaluations. These impacts were evaluated as material, especially due to the high score considering the scope of CO₂ emissions, which were assessed to have a global impact, as well as the irremediability, as CO₂ emissions are difficult to be reversed.

However, a major part of BCR Group's overall emissions stem from the financed emissions in the Bank's portfolio, which are part of its downstream value chain. As such, these are closely monitored. During BCR Group's DMA, the current total carbon footprint based on end of year 2024 values was used as input. BCR Group is calculating and reporting GHG emissions for its upstream and own operations (Scope 1, 2 and 3), as well as of financed portfolio (financed Scope 3 emissions categories 13 and 15). The used methodologies are in line with the GHG Protocol Corporate Accounting and Reporting Standard and the PCAF methodology. Details regarding the computations and calculation scope can be found in chapter 'E1-6 - Gross Scopes 1,2,3 and Total GHG Emissions' of this statement.

For the climate change mitigation and energy topics, negative impacts were identified, which, due to their actual and global nature, received the highest score and hence were deemed material. The negative impacts in the subtopic of energy are on the one hand driven by the energy mix consumed by BCR Group, directly or in its' upstream value chain, leading to CO₂ emissions (please also refer to chapter 'E1-5 - Energy consumption and mix' for details) and on the other hand, its financing of energy-intensive companies.

BCR Group already finances renewable energy projects and energy transmission and distribution infrastructure projects, supporting the transition to a low carbon economy and the energy security of the region. It does so based on its Responsible Financing Policy, which sets out financing exclusions for high emitting sectors, as well as the Sustainable Finance Methodology which applies to pursue targets in sustainable financing. Based on the actual and global nature this positive portfolio related impact was assessed as material.

Lastly, concerning the sub-topic of climate change adaptation, the financing of adaptation solutions was assessed to be very likely in the focus of BCR Group's future financing strategy, but we have not identified significant impacts on short- and medium-term stemming from this.

Impacts relating to E4 Biodiversity and ecosystems

In the upstream value chain, no material impacts in connection to biodiversity and ecosystems were identified. Nevertheless, BCR Group is aware that biodiversity and ecosystems is a topic of increasing importance and is closely monitoring all parts of its value chain to ensure that potential impacts are adequately managed.

BCR Group has no sites (own/leased premises) located in or at the limit of biodiversity-sensitive areas and no material impacts were identified related to BCR Group's own operations affecting any biodiversity-sensitive areas.

Concerning downstream impacts, BCR Group's focus on financing real estate, renewables, development of new production facilities and infrastructure projects was assessed to have an actual short term negative impact on biodiversity, as soil is sealed and land is degraded, causing increased flooding risks, further contributing to climate change and possible health issues due to decreased air and water quality. This might also occur on medium and long term, thus potential negative impacts were defined and evaluated as material for these time horizons as well. Potential other impact drivers, such as dependencies on ecosystems for

certain financed sectors (such as agriculture), have been evaluated, but were not considered material due to the comparatively low exposure share.

The evaluation was based on expert judgment and supported by portfolio analysis data using ENCORE and UNEP FI data. Information with regards to affected communities are covered through the aforementioned data and portfolio analysis. The material potential impacts of biodiversity and ecosystem matters are restricted to the financed portfolio. Based on the DMA results additional biodiversity mitigation measures to complement what it is already addressed through the BCR Group Responsible Financing Policy have not been considered necessary.

Impacts relating to S1 Own Workforce

BCR Group places great importance on the development and support of its own employees, as they are a key factor in the organization's success. Topics such as work-life balance, collective bargaining, gender equality and equal pay for work of equal value, as well as diversity were identified as material for BCR Group. A comprehensive analysis was conducted, considering existing People & Culture strategies and internal policies. The assessment was based on the evaluations of internal experts and the results of existing employee surveys. Collective bargaining and work-life balance were given the highest scores.

Further details can be found in the table in the chapter 'SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model'.

Impacts relating to S3 Affected Communities (Financial literacy)

BCR Group interacts in many ways with surrounding communities, which is why a positive impact was identified and the topic of Financial Literacy was classified as material. The assessment was aligned with the strategy pillar, expert evaluations and stakeholder feedback. Key impacts include ensuring access to financial education for financially vulnerable people and promoting financial inclusion.

Further details can be found in the table in the chapter "SBM - 3 Material impacts, risks and opportunities and their interaction with strategy and business model".

Impacts relating to S4 Consumers and End Users

As a client facing organization, BCR Group places great importance on its responsibility towards customers and end users. Topics such as financial health, privacy and access to products and services (social banking) were identified as material to BCR Group. The assessment focused on the direct impact on customers and end users, with a strong emphasis on the overall customer experience and the protection of their interests. A detailed assessment was conducted, based on existing customer policies and data protection measures. This assessment was based on evaluations of internal experts and feedback from customer satisfaction surveys. Privacy and the entity specific topic financial health were given high priority.

Further details can be found in the table in the chapter 'SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model'.

Impacts relating to G1 Business conduct

All G1 subtopics were generally deemed as relevant for BCR Group's own operations. Political engagement was not considered relevant providing that BCR Group is a non-political organization, and it does not support the engagement of its employee in political leadership.

The analysis of the governance related topics was performed taking into account BCR Group's existing governance setup and compliance status as well as its role as a tightly supervised and regulated financial institution and financial services provider. The evaluation of the impacts was performed based on BCR Group's internal expert judgment, leading to identification of one material positive impact in connection to corporate culture (see table in 'SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model').

Financial Materiality Assessment

The financial materiality assessment was based on the following central assumptions:

- For the assessment of financial materiality, risks and opportunities arising from future legislation, reputational considerations and related uncertainties are taken into account. The process is linked to existing internal risk assessments, and BCR Group's strategic positioning to capture emerging business opportunities. As part of this process, internal experts were briefed on the methodological requirements of the DMA, including the interdependences between impact and financial materiality, with particular emphasis on recognising financial materiality that results from impacts and dependencies.
- The identification and evaluation of risks in the DMA was also based on information stemming out of BCR Group's annual risk materiality assessment, in which ESG risks and risk drivers were already included and evaluated.

- The value chain relevance and the time horizon of their assumed occurrence were identified per risk and opportunity.
- For a sustainability matter to be deemed as material, only one material risk or opportunity is sufficient, regardless of the count of additional immaterial risks or opportunities, its allocated time horizon or value chain relevance.
- Identified risks and opportunities were evaluated in terms of the magnitude of their financial effect on a scale from 0-3 and subsequently multiplied by the probability of occurrence on a scale from 0-5, with each scale having a corresponding probability weight.
- Risks and opportunities with a total score above 1.5 on a scale from 0 to 3 were considered material. Using this as the threshold ensures that only risks and opportunities with at least medium scale of magnitude of financial effect are classified as material. This approach prevents low-scaled risks and opportunities from being considered material, maintaining focus on the most significant topics.
- Risks and opportunities were defined and evaluated per time horizon separately by cross-functional scoring teams (i.e. Operational Risk Management, ICAAP Team, Strategy, Business – Retail and Corporates, Compliance) setting scores based on evidence and/or expert opinion. The score was set individually per risk or opportunity.
- The final scoring per risk and opportunity was quality assured by an Internal Expert Jury.

Risk Materiality Assessment (RMA)

The Business Environment Scan (BES), performed at Erste Group level, identifies climate and environmental risks and opportunities, providing the foundation for the Risk Materiality Assessment (RMA) to narrow down relevant topics. While RMA provides the foundation for identifying material environmental risks, environmental related opportunities are derived directly from the BES. Identified risks are then analysed by internal experts to determine physical and transition risks, which are then assessed for materiality across various risk types (credit, market, operational, strategic, reputational, liquidity) and time horizons (short-, medium-, long-term) and are mapped to the ESRS long-list topics, either linked to existing DMA risks or added as new ones. If any of those risks is material, the entire associated risk or topic is deemed material. Furthermore, for risks not captured in the RMA, scoring is conducted using an internal ESG Factor Heatmap based on portfolio mapping results. This approach represents an enhancement in defining materiality through a systematic framework.

RISKS AND OPPORTUNITIES RELATING TO E1 CLIMATE CHANGE

Physical risks

For the means of the DMA physical risks are identified and assessed under the subtopic of climate change adaptation. Physical risks can arise at various locations throughout the value chain, such as:

- BCR's own fixed assets;
- fixed assets of suppliers (e.g. suppliers of data center services);
- fixed assets of customers and as a specific category thereof;
- those customer fixed assets that serve as collateral.

Due to its essential importance for BCR Group and its crediting line of business, the assessment focused on the financed portfolio and the transmission channels leading to credit risk. A transmission channel is the mechanism through which a physical risk (e.g., a flood) translates into a financial risk for the bank (e.g., credit risk). While physical risks also affect the upstream value chain and BCR Group's own assets, their impact was assessed as minor compared to the downstream value chain. Acute physical risks can damage collateral, and together with chronic physical risks can impair the viability of business models. These dynamics act as a transmission channel that ultimately materialises as credit risk for BCR Group.

The assessment of the portfolio was guided by multiple inputs. The results of BCR's risk materiality assessment, taking into account the results of the comprehensive stress-testing exercise performed at Erste Group level, including a flood risk scenario, as well as the results of a portfolio screening based on MunichRe Location Risk Intelligence data were used as the basis for the materiality assessment.

Transition risks and opportunities

Due to its essential importance to BCR Group's credit business segment, the focus of the identification and assessment of transition risks and opportunities was on the financed portfolio and the impact on credit risk, as transition events such as policy changes can impact the viability and profitability of customers' business models. While risks and opportunities can arise in the upstream value chain and BCR Group's own operations, they have been assessed to be minor compared with the financed portfolio.

The evaluation of transition risks in the portfolio is taking into account the current distribution of the portfolio based on its carbon-intensity and the EPC distribution across the commercial and residential real estate portfolio. The rationale applied in this case was that the higher the current GHG emissions, the more investments and costs are likely to be incurred for reducing emissions or improving energy efficiency, which can have a negative impact on credit quality.

The current portfolio state in relation to the above-mentioned indicators led to material transition risks in both climate change mitigation and energy – the latter focusing especially on potential decreased profitability and liquidity shortage in case of increasing costs for compliance with climate change related regulations and related default risk.

Providing that the decarbonisation of the portfolio of BCR Group, as well as of Erste Group which is committed to Paris Agreement and limiting global temperature increase to 1.5 °C, will be a long-term exercise, transition risks resulting out of the financed portfolio were also assessed to be prominent over short, medium and long-term. For further explanations, please refer to chapter 'E1 SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model'.

The evaluation of transition opportunities is taking into account the current distribution of the portfolio and the potential financial benefits of identified opportunities. This includes opportunities from financing companies investing into the decarbonisation of their own business models and clients offering climate change adaptation solutions, for example in the real estate sector.

RISKS AND OPPORTUNITIES RELATING TO G1 BUSINESS CONDUCT

Potential Risks and opportunities related to Business conduct are mostly focused on BCR Group's own operations. BCR Group is operating in a highly regulated field, notably due to the banking activities it conducts, where the regulations aim to reduce potential risks both for customers as well as the organization itself. A lack of regulatory compliance is already assessed as part of other risk factors, which are part of the financial report. In addition, during the DMA process BCR Group has identified additional material risks connected to the protection of whistleblowers and prevention and detection including training for the long term horizon. Considering the actions already implemented these risks have a very low likelihood to manifest on short and medium term. However, for the long term horizon additional resources might be further allocated in order to adapt to new challenges as to be able maintain the practices currently in place.

Concerning the identified opportunities, their respective potential positive financial effects were evaluated to be low based on BCR Group internal expert judgment, leading to none of them being deemed material.

Non-material sustainability matters

BCR Group examined various topics, including pollution, water and marine resources, resource use and circular economy. In all these areas, no material IROs were identified. The assessment considered BCR Group's business model and its upstream and downstream value chain. The assessments indicated that the potential IROs were considered minor and non-material due to BCR Group's non-manufacturing business model and the structure of its portfolio. Although direct consultations with affected communities or other stakeholders were not conducted, the BCR Group incorporated their input into the DMA through internal experts who participated in workshops, as detailed under Stakeholder Engagement section above.

E2 Pollution

As with any other sustainability matters covered by ESRS, the respective AR 16 sub-topics, particularly concerning the pollution of air, water, and soil, were evaluated separately. Any other sub-topics related to pollution were excluded from the assessment, as they were either already considered as part of the assessment related to the pollution of air, water, and soil, or they lacked general relevance based on the business conducted by BCR Group and its value chain.

The identification and evaluation of IROs related to the subtopics of pollution of air, water, and soil were restricted to the financed portfolio. BCR Group's own operations and upstream value chain, as a financial services provider and private pension funds administrator, were deemed to have no significant connection to the pollution of air, water, and soil, especially when compared to the pollution-related impacts, risks, and opportunities of other industries.

A portfolio analysis was performed to identify impacts linked to the typical risk profiles of the industries (see chapter 'TRO-1 – Impact Materiality Assessment' for further details). The industries with the highest impacts were identified as agriculture, mining, manufacturing, construction and transportation. Due to the high standards and strict regulations on pollution matters that are in place to limit impacts on the environment within these industries, no material impact was determined. Risks and opportunities relating to pollution were analyzed based on the current business strategy and portfolio structure in combination with the results of BCR Group and Erste Group risk materiality assessments and underlying ESG Factor Heatmap. No material risks or opportunities were identified, primarily because the industries evaluated as high-risk within the scope of pollution matters had a low exposure share.

Regarding opportunities, the financing of and investments in clients developing innovative solutions that minimize, or remedy air pollution were considered possible within BCR Group's business focus. However, based on internal expert judgment and the expected financial effect, these opportunities were assessed as not material.

E3 Water and marine resources

The AR 16 sub-sub-topics concerning water consumption, withdrawals, and discharges, were evaluated separately during the DMA process. Any other sub-sub-topics related to marine resources were excluded from the assessment due to their lack of general relevance to BCR Group's business activities.

Potential impacts relating to water and marine resources in the upstream value chain, such as water cooling connected to IT services were assessed. A portfolio analysis was used to identify impact drivers in the downstream value chain. The impacts, when weighted by exposure to the relevant industries, did not indicate materiality. The assessment of risks and opportunities was conducted based on the current business strategy and portfolio structure, supplemented by insights from BCR Group's risk materiality assessment and its ESG Factor Heatmap. No material risks or opportunities were identified, primarily because the industries evaluated as high-risk within the scope of water and marine resource matters had a low exposure share.

Regarding opportunities, the financing of and investments in clients focused on improving water efficiency such as water recirculation in close loop systems, the treatment and recycling of greywater or rainwater, or on developing new products aimed at generating less wastewater or requiring less water for the manufacturing process, were considered possible within BCR Group's business focus. However, based on internal expert judgment and the expected financial effect, these opportunities were evaluated as immaterial.

In terms of impacts, multiple positive and negative potential impacts were identified based on BCR Group's portfolio. However, none of these impacts were attributed sufficiently high evaluations in the assessment dimensions to be considered material.

E5 Resource use and circular economy

The DMA considered the AR-16 sub-topics related to resource use and circular economy similarly to the topics from any other ESRS standards. Thus, resource inflows, outflows, and waste, were evaluated separately.

BCR Group's own operations and upstream value chain were assessed together, along with impacts related to the financed portfolio, using a portfolio analysis. The highest impacts were identified in industries such as agriculture, mining, manufacturing, construction and real estate. Following high standards and strict regulations on resource use and circular economy matters that are in place to limit impacts on the environment within these industries, no material impact was determined. The assessment of risks and opportunities associated with resource use and the circular economy was carried out based on the current business strategy and portfolio structure, complemented by insights from BCR and Erste Group's risk materiality assessments and its ESG sector risk Factor Heatmap. No material risks or opportunities were identified, primarily because the exposure share of industries affected by the main risk driver of a potential ban of environmentally damaging materials or chemicals is not significant.

IRO-2 – DISCLOSURE REQUIREMENTS IN ESRS COVERED BY THE UNDERTAKING'S CONSOLIDATED SUSTAINABILITY STATEMENT

List of disclosure requirements

After the completion of the DMA, the respective material sustainability matters were allocated to the relevant disclosure requirements and data points using the EFRAG Guidance. Additionally, BCR Group discloses entity specific information following the policy, action and target structure for the sustainability matters of financial literacy and financial health. Metrics were disclosed where required. To determine the materiality of information to be disclosed, BCR Group applied the approach indicated in Appendix E of the ESRS 1 standard. In the case of metrics for which not all the data points of a Disclosure Requirement were needed to meet the objective of that requirement, these were omitted, and argumentation of the rationale was documented and presented to the Management Board.

The list of disclosure requirements and their location in the statement can be found below.

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List of data points in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related data point	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Regulation (EU) 2020/1816, Annex II	Delegated Regulation (EU) 2020/1816	Material	37
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	37
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	42
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 (28) Table 1: Qualitative information on environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818 (29) , Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	98
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g) and Article 12.2		Material	98
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	108
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	115
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	115
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Not material	

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	116
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	116
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Material	Phase-in
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material	Phase-in
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2; Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Material	Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material	Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS 2- SBM 3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Material	126
ESRS 2- SBM 3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Material	126
ESRS 2- SBM 3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Material	126
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex 1				Not material	
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1				Not material	
ESRS S1-1 Human rights Policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	130
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	130
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex 1				Material	130
ESRS S1-1 Workplace Accident Prevention Policy or management system paragraph 23	Indicator number 1 Table #3 of Annex 1				Material	130
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex 1				Material	136
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex 1				Not material	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Material	146
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex 1				Material	146
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex 1				Material	147
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	147
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex 1				Not material	
ESRS S2-1 Human rights Policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material	

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU Climate Law reference	Material / not material	Page reference
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S3-1 Human rights Policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	153
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	153
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Material	158
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material	164
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	164
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material	168
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	168

12.2 Environmental information

12.2.1 EU Taxonomy Disclosures

Legal framework at EU level

The EU Commission's Delegated Regulation (EU) 2026/73 (further referred to as 'revised EU Taxonomy DDA') amending the EU Commission's Delegated Regulation (EU) 2021/2178 (further referred to as 'unrevised EU Taxonomy DDA') as regards the simplification of the content and presentation of information to be disclosed concerning environmentally sustainable activities addresses the requirement of the EU Taxonomy's Article 8 of Regulation (EU) 2020/852 on EU taxonomy ("EU Taxonomy"), by specifying the accordingly revised content and presentation of information to be disclosed concerning environmentally sustainable economic activities and specifying the accordingly revised methodology to comply with that disclosure obligation.

The revised EU Taxonomy DDA has been published in EU's Official Journal on 8th of January 2026, with applicability from 1st of January 2026 for the financial year 2025⁽³⁾. The necessity of such a revision stem from the experience with the first year of reporting by financial undertakings and the two consecutive years of reporting by non-financial undertakings, which was found to provide a sufficient basis for the EU Commission ('EC') to introduce certain targeted simplification measures to streamline reporting obligations and thereby reduce administrative burden on reporting undertakings, while not losing relevant and material data from the Taxonomy reporting framework. These measures, in a draft form open for comments, were issued in February 2025, as part of the so-called 'Sustainability Omnibus Proposal' (hereafter referred to as 'Omnibus'), then further refined and issued on the 4th of July 2025 in the form of an EC Delegated Regulation. In parallel, Omnibus 'stop the clock' proposal - that is, applying year-end 2024's scope of undertakings subject to CSRD (hence: to EU Taxonomy disclosures as well) until further re-assessment of scope's previously enacted gradual widening across the years 2025-2028 - was fast-tracked for immediate enacting at EU level. In Romania, this was as well adopted in 2025 as an amendment to the legislation transposing CSRD ⁽⁴⁾.

As mandated by its Article 4, BCR Group initially applies the revised EU Taxonomy DDA for the reporting year ending on 31 December 2025. Therefore, Group's EU Taxonomy disclosures as of 31 December 2025 hereafter included, as well as the number, the content and the structure of the related templates have been adapted to fully reflect the requirements of the revised EU Taxonomy DDA, notably the amendments to the Annex VI to the unrevised EU Taxonomy DDA (providing the updated layouts of the currently required templates 0-5) and the deletion of the Annex XII to the unrevised EU Taxonomy DDA (previously integrating the requirements of the Delegated Regulation 2022/1214 and the related previously applicable templates dedicated to direct and indirect applicable exposures towards the nuclear & fossil gas energy sectors).

BCR Group's application of revised EU Taxonomy DDA's provisions prompting reporting credit institutions to make own reporting choices

Under the EU Taxonomy financial undertakings must report the Green Asset Ratio ('GAR') and other asset-based KPIs, while non-financial undertakings must report the proportion of their Turnover, Capital Expenditure and Operating Expenditure that is Taxonomy-eligible and Taxonomy-aligned. EU Taxonomy eligibility and alignment must be disclosed separately for each KPI.

De minimis 10% threshold applicable to UoP (Use of proceeds) assets with respect to sustainability assessment

In accordance with the revised EU Taxonomy DDA, up to 10% of credit institution's on-balance 'use of proceeds known' assets or off-balance items considered into the denominator of the related Taxonomy KPI of the credit institution can be omitted from such an assessment and reported instead as non-assessed exposures in a newly available dedicated section of the related EU Taxonomy templates. For the year ending on 31 December 2025, being also the first year of application of the revised EU Taxonomy DDA by BCR Group (and, inherently, by any other CSRD obligated undertaking), the Group opted for not making use of the above

3 However, for financial years beginning between 01 January and 31 December 2025, companies may still apply Delegated Regulations (EU) 2021/2178, (EU) 2021/2139 and (EU) 2023/2486 in the versions applicable on 31 December 2025.

4 In Romania, the CSRD directive transposed locally by the Ministry of Finance, the National Bank of Romania and Romanian Financial Supervisory Authority was subject to amendments to transpose the Omnibus 'stop the clock' proposal, so that it postpones CSRD reporting obligations by two years for affected companies:

- Order of the Ministry of Finance No. 1421/2025, published in the Official Gazette and in force since 22 August 2025;
- Order of the National Bank of Romania no. 2/2026 published in the Official Gazette no 107 / 10 February 2026.

described 10% de minimis threshold. Consequently, the newly introduced columnar section 'Non-assessed exposures' is reported empty across all rows in all related EU Taxonomy simplified templates of the Group as of 31 December 2025.

De minimis 10% net turnover threshold applicable to reporting credit institutions' EU Taxonomy KPI to be disclosed

Another key change brought by the revised EU Taxonomy DDA relates to the possibility for reporting credit institutions to not report a given EU Taxonomy KPI provided that the cumulative value of the net turnover generated by the activities covered by that KPI is below 10 % of the total net turnover of the credit institution, as defined by the applicable regulatory requirements.

On this basis, BCR Group has proceeded with determining the relative contribution of Group's asset management fees, as reported in Group's Consolidated and Separate Financial Statements - Statements of comprehensive income, for the financial year ending on 31 December 2024, and concluded that this contribution did not reach the mentioned de minimis threshold of 10%. Consequently, BCR Group does not disclose its Assets under management ("AuM") KPI as of 31 December 2025 in any of the applicable Templates. Consequently, the related rows of the Templates 1 and 5 for 31 December 2025, as presented below, (all applicable views) are not populated.

Option to include selected assets towards CSRD non-obligated undertakings into the GAR calculation

Under the amended DDA, the counterparties' Taxonomy KPIs may be either mandatorily disclosed (where the undertaking is subject to CSRD reporting obligations) or voluntarily disclosed (where the undertaking is outside the mandatory scope but chooses to publish its KPIs). However, in the latter case and provided that the reporting credit institution opts for considering exposures to such undertakings into its Green Asset Ratio (GAR), the applicable general-purpose exposures and the calculated amounts arising from the above mentioned weighing shall be distinctly disclosed into a newly available dedicated section of the related EU Taxonomy templates, along any specific-purpose applicable exposures towards CSRD non-obligated undertakings that the credit institution may voluntarily include into the assets covered by the GAR calculation (hence: assess the specifically financed activities accordingly). For year-end 2025 EU Taxonomy reporting purposes, BCR Group opted for including into its assets covered by the GAR calculation neither applicable general-purpose exposures to undertakings having voluntarily disclosed their taxonomy KPIs nor applicable specific-purpose exposure towards CSRD non-obligated undertakings (whether they voluntarily disclosed any taxonomy KPIs or not). Therefore, the newly included linear section 'Exposures included on a voluntary basis' is reported empty across all columns in all related EU Taxonomy simplified templates of the Group as of 31 December 2025.

Revised EU Taxonomy DDA's approach to GAR calculation and its implementation in Erste Group and BCR Group

The Green Asset Ratio (GAR) is the proportion of the taxonomy aligned assets or economic activities financed by BCR Group compared to the total 'GAR assets'.

The revised EU Taxonomy DDA have introduced a key change in the composition of GAR's denominator, aimed at achieving GAR's 'symmetry' in the sense of ensuring a full overlap with respect to the categories of assets and counterparts falling in the respective scopes of GAR's numerator and denominator. This means that:

- Non-trading non-derivative financial assets towards CSRD non-obligated undertakings, previously included in GAR's denominator's only, have been fully excluded from the assets covered by the GAR calculation, unless the reporting credit institution would opt to include them on a voluntary basis, which, as mentioned above, is not the case of BCR Group for 31 December 2025;
- Other categories of financial assets previously included in GAR's denominator only, such as hedging derivatives, on demand inter-bank loans, cash and cash related assets, have been fully excluded from the assets covered by the GAR calculation;
- Other categories of assets, such as goodwill and other non-financial assets, previously included in GAR's denominator only, have been fully excluded from the assets covered by the GAR calculation.

As a direct result of the newly adopted 'symmetrical' approach to the GAR calculation, BCR Group further proceeded with the following two reallocations out of the 'GAR assets' into the category of assets not covered for the GAR calculation:

- Loans to Households other than those identified as EU taxonomy eligible (that means: other than those collateralized by residential real estate or building renovation loans or motor vehicle loans granted starting with 2022), previously considered as a category of assets covered in both the numerator and the denominator of the GAR (although inherently not eligible for contributing to GAR's numerator), have been fully excluded from the assets covered by the GAR calculation and considered instead within the GAR-excluded category 'Undertakings and entities not subject to CSRD' within the related Taxonomy templates as per the revised EU Taxonomy DDA;

- similarly, general or sundry financings of Local Governments, previously considered by BCR Group as a category of assets covered in both the numerator and the denominator of the GAR (although inherently not eligible for contributing to GAR's numerator), have been fully excluded from the assets covered by the GAR calculation and considered instead within the GAR-excluded category 'Undertakings and entities not subject to CSRD' within the related Taxonomy templates as per the revised EU Taxonomy DDA.

Non-trading non-derivative financial assets having CSRD-obligated undertakings as counterparts are mandatorily included in the GAR calculation. Considering the 'stop the clock' decision of the EU Commission in respect to the CSRD scope of obligated undertakings (as also referred to above), the criteria applied at year-end 2024 for identification of the CSRD-obligated undertakings continue to apply in full at year-end 2025 as well.

Thus, all undertakings considered to be of a public interest and employing more than 500 employees either as individual entities or at the related group level are deemed required to comply with Article 8, Paragraph 1 of Regulation (EU)2020/852 and hence identified as CSRD-obligated, even when such an obligation does not apply at related undertaking's individual level, provided that the related undertaking is identified as subsidiary of a parent undertaking CSRD-obligated at consolidated level only. The assets covered in the GAR calculation due to having financial or non-financial undertakings identified as CSRD-obligated as counterparts are further considered in the GAR numerator as follows:

- in full, if the purpose of the financing is known (use of proceeds known) and the financed economic activities demonstrably meet all technical screening criteria of the classification system (e.g. project financing) and are MS compliant, or
- weighed by the counterpart's (or, if unavailable, by the counterpart's group) most recently published taxonomy alignment KPI, if the purpose of the financing is unknown ('general purpose financing', e.g. working capital loans).

"Use of proceeds known" non-trading non-derivative financial assets that have households or local governments as counterparts (namely, public authority bodies or agencies other than those directly run by related country's central government, e.g. municipalities or local councils) are also covered in the GAR calculation, if the financed economic activities demonstrably meet all the applicable technical screening criteria.

Financial assets previously already fully excluded from the GAR calculation, namely those towards central governments, supranational issuers and central banks, as well as all trading assets, have continued to remain so.

Ensuing implications on the Eligibility KPI

Another significant KPI is the taxonomy eligibility KPI, which is disclosed ahead of GAR. This KPI puts the assets covered in the GAR calculation that are classified as taxonomy eligible in relation to the total assets covered in the GAR calculation. Similarly to the GAR, covered financial assets towards financial or non-financial undertakings are considered in both the numerator and the denominator of the eligibility KPI provided that the related counterparts are themselves CSRD-obligated at either individual or consolidated level, or the related undertaking is identified as subsidiary of a parent undertaking CSRD-obligated at consolidated level, or are included by the reporting credit institution on a voluntary basis (not the case for BCR Group for year-end 2025, as mentioned above). Such financial assets, (if they are neither held for trading nor derivative assets) are further considered in the numerator of the taxonomy eligibility KPI as follows:

- in full, if the purpose of the financing is known, and the economic activities financed are found as taxonomy eligible by corresponding to the activities described in the classification system, regardless of whether all technical criteria are met (e.g. project financings), or
- weighed by counterpart's (or, if unavailable, by counterpart's group) most recently published taxonomy eligibility KPI, if the purpose of the financing is unknown ("general purpose financing" e.g. working capital loans).

Additionally, 'use of proceeds known' non-trading non-derivative financial assets that have households or local governments as counterparts are also included in the numerator of the taxonomy eligibility KPI, if the financed economic activities demonstrably are found as taxonomy eligible by corresponding to the activities described in the classification system, regardless of whether all technical criteria are met.

Derived KPIs ('proportions') additionally introduced by the revised EU Taxonomy DDA

Aside the GAR and the Eligibility KPI, the revised EU Taxonomy DDA have introduced within the GAR KPI stock and flow templates a new columnar section named 'Proportion of Taxonomy aligned in Taxonomy eligible', where the ratio of taxonomy-aligned assets into the taxonomy-eligible assets, as already referred to by the Annex V of the unrevised EU Taxonomy DDA as 'second step' KPIs, has to be distinctly disclosed.

Overview of BCR Group's Taxonomy disclosures and KPIs

SCOPE OF THE PUBLISHED EU TAXONOMY REPORTING TEMPLATES

BCR Group has prepared the EU Taxonomy disclosures on a consolidated basis, in accordance with the CRR consolidation scope, which is same as the BCR Group's IFRS scope of consolidation (as disclosed in Note 40 of the Consolidated and Separate Financial Statements), notably in terms of impact in the consolidated taxonomy disclosures based on Group's total consolidated assets. BCR Group's total consolidated assets as of 31 December 2025 in accordance with the IFRS consolidation scope amount to RON 131,904,347 thousand (31 December 2024: RON 120,804,935 thousand), net of related credit loss allowances in amount of RON 2,683,220 thousand (31 December 2024: RON 3,082,300 thousand), which are grossed-up for EU Taxonomy reporting purposes along adjustments to other balance-sheet items as further detailed in the sub-chapter 'Reporting methodology and underlying assumptions and interpretations' below.

For year-end 2025, unlike for year-end 2024, BCR Group, as a credit institution, applies Annex V and VI of the EU Taxonomy Disclosures Regulation⁽⁵⁾, as modified by the revised EU Taxonomy DDA. Inherently, this legislative update impacts therefore the year-on-year comparability of some of BCR Group's Taxonomy KPIs. Had the methodological changes brought by the revised EU Taxonomy DDA been applied for year-end 2024 as well, the related Taxonomy KPIs of the Group would have been different as further detailed in the sub-chapter 'Summary of the revised EU Taxonomy DDA's effects on the comparative information as of year-end 2024' below.

Based on CSRD, none of BCR Group's sub-groups are in scope of sustainability reporting as of 31 December 2025 and therefore are not publishing separate sustainability statements.

SUMMARY OF THE PUBLISHED EU TAXONOMY REPORTING TEMPLATES ACCOMPANIED BY CONSIDERATIONS ON SELECTED YEAR-ON-YEAR DEVELOPMENTS

This paragraph provides a concise description of the EU Taxonomy reporting templates published by BCR Group as of 31 December 2025, simultaneously addressing the requirements of Annex XI to the EU Taxonomy Disclosures regulation with regards to qualitative explanations addressing the main taxonomy KPIs.

Template 0 'Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation'

Template 0 provides a summary of key amounts and most significant taxonomy KPIs, as further disclosed in the Templates 1, 3 or 5 (see below). According to Annex VI to the EU Taxonomy Disclosures Regulation as modified by the revised EU Taxonomy DDA, Template 0 does not feature a comparative ('T-1') section. However, the significant year-on-year developments in the quantitative information featured in Template 0 are further outlined below and Template 0 for prior year is presented in chapter 'Summary of revised EU Taxonomy DDA' effects on the comparative information as of year-end 2024' as:

- Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation, as of year-end 2024, as reported - Template 0; and
- Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation, as of year-end 2024, as recalculated - Template 0.

Total environmentally sustainable assets / activities (turnover view)

As of 31 December 2025, BCR Group discloses in Template 0 total taxonomy-aligned assets ('stock') in amount of RON 806,935 thousand (31 December 2024: RON 494,931 thousand) in 'turnover' view and respectively RON 1,126,859 thousand (31 December 2024: RON 1,537,337 thousand) in 'CapEx' view. Out of them, those having been initially recognized during the year 2025 ('flow') amount to RON 378,459 thousand (2024: RON 479,329 thousand) in 'turnover' view and respectively RON 496,004 thousand (2024: 887,461 thousand) in 'CapEx' view.

The 'turnover' view indicates that – as far as general-purpose financings to CSRD-obligated clients or issuers having published Taxonomy KPIs are concerned – the related exposures have been weighted by their respective taxonomy KPIs in connection to their revenue-generating activities (non-financial undertakings) or financings thereof (financial undertakings).

The 'Capex' view indicates that – as far as general-purpose financings to CSRD-obligated clients or issuers having published Taxonomy KPIs are concerned – the related exposures have been weighted by their respective taxonomy KPIs in connection to their capital expenditure activities (non-financial undertakings) or financings thereof (financial undertakings).

The year-on-year increase in the taxonomy aligned financings is mainly attributable to:

⁵ ANNEX V – KPIs of credit institutions

ANNEX VI - Template for the KPI's of credit institutions

- Non-financial undertakings, for which the taxonomy aligned financings increased by 80% at 31 December 2025 compared with 31 December 2024 for Turnover view (stock), due to the general purpose financings weighed by related counterpart's (or, if unavailable, by the counterpart's parent) most recently published Taxonomy-alignment KPI - in connection to their revenue-generating activities (further details in sub-chapter 'CSRD-obligated financial and non-financial undertakings and use of their KPIs');
- Households that could be assessed as taxonomy-aligned for the first time at year-end 2025, thanks to improvements in the completeness and quality of the underlying data with respect to both the energy performance of the financed real estate collaterals and the applicable physical risks scorings in the geo-locations of those collaterals, as modelled starting 2025 across the required time horizons and Representative Concentration Pathway ('RCP') scenarios. Thus, taxonomy-aligned loans to Households increased from RON 0 thousand at 31 December 2024 to RON 37,037 thousand at 31 December 2025. Further methodological details are provided in the sub-chapter 'Retail lending - Climate Change Adaptation related DNSH assessment of taxonomy-eligible mortgage and building renovation loans to Households substantially contributing to the Climate Change Mitigation environmental objective' within the chapter 'Removal of GAR structural constraints and developments in data availability' below.

in RON thousand	Turnover view (stock)		CapEx view (stock)	
	31.12.2024	31.12.2025	31.12.2024	31.12.2025
Financial undertakings	139,903	130,949	156,503	166,106
Non-financial undertakings	355,028	638,949	1,380,834	923,716
Households	—	37,037	—	37,037
Total	494,931	806,935	1,537,337	1,126,859

Taxonomy aligned financings for financial undertakings are relatively stable; also, for non-financial undertakings, specific purpose financings are relatively stable.

Taxonomy aligned financings for non-financial undertakings, decreased by approx, 30% at 31 December 2025 compared with 31 December 2024 for CapEx view (stock), due to the general purpose financings weighed by related counterpart's (or, if unavailable, by the counterpart's parent) most recently published Taxonomy-alignment KPI - in connection to their capital expenditure activities (further details in sub-chapter 'CSRD-obligated financial and non-financial undertakings and use of their KPIs').

Total environmentally sustainable assets are further detailed, notably per categories of assets and related counterparties, but also per eligibility and alignment towards each of the 6 environmental objectives within Template 1 'Assets for the calculation of GAR', disclosed in both the turnover view and the CapEx view and, as newly required by the revised EU Taxonomy DDA, as both stock and flow as well. Template 1 no longer feature a 'T-1' comparative section.

Total GAR Stock and Flow (turnover view and CapEx view)

The below considerations addressing the year-on-year development (31 December 2025 vs 31 December 2024) in Group's GAR Stock and Flow (turnover and CapEx views) are based on year-end 31 December 2024's related GAR ratios having been recalculated by retrospectively applying the changes in GAR's calculation approach induced by the revised EU Taxonomy DDA, as outlined in the preceding sub-chapter above and further summarized (in terms of quantitative impact) in the sub-chapter 'Summary of revised EU Taxonomy DDA' effects on the comparative information as of year-end 2024' below. Such retrospective recalculation has the purpose of ensuring 'like with like' comparability of the GAR ratios as at 31 December 2025 vs 31 December 2024, thus ensuring the adequacy of the below considerations by reference to Annex XI's related requirements.

BCR Group's total GAR (turnover view) acknowledges a development from 0.63% as reported as at 31 December 2024 (as recalculated 1.37%) to 1.99% as at 31 December 2025 (stock) and respectively from 1.44% as reported as at 31 December 2024 (as recalculated 4.14%) to 2.54% as of 31 December 2025 (flow).

In the CapEx view, the corresponding development is as follows: from 1.96% as reported as of 31 December 2024 (as recalculated 4.25%) to 2.79% as of 31 December 2025 (stock) and respectively from 2.67% as reported as of 31 December 2024 (as recalculated 7.66%) to 3.33% as of 31 December 2025 (flow).

BCR Group's GAR Stock as of 31 December 2025 remains nevertheless at a low level, mainly due to the significant challenges in determining, with sufficient certainty, the Taxonomy alignment of the Group's mortgage loans to households. The key difficulty lies in meeting the DNSH requirements, especially in cases where the identification of high or very high physical risks at the collateral's location would require an asset-level vulnerability assessment, including verification of any relevant adaptation measures beyond those already incorporated into the physical-risk scoring methodology. Further details are provided in the section "Developments in data availability" below. None of such mortgage loans could therefore be reported as taxonomy aligned, although for some of them the substantial contribution (SC) criterion would have been found as satisfied. Therefore, as of 31 December 2025, out of BCR Group's consolidated 'loans collateralised by residential immovable property' to Households amounting to RON

19,754,719 thousand (2024: 18,232,392 thousand), only a relatively small fraction of 37,037 thousand (2024: 0 thousand) could be reported as taxonomy aligned, despite most of this volume of RON 19,255,020 thousand (2024: 17,628,707 thousand) being assessed and reported as taxonomy eligible.

GAR Stock and GAR Flow are further detailed, notably per categories of assets and related counterparts, but also per combined eligibility (across all six environmental objectives) and alignment towards each environmental objective within Template 3 'GAR KPI Stock' and Template 4 'GAR KPI Flow' respectively. These templates are disclosed in both the turnover view and the CapEx view, with no 'T-1' comparative sections, in accordance with the Annex VI as modified by the revised EU Taxonomy DDA. In accordance with the revised EU Taxonomy DDA, both these templates newly include columnar sections respectively dedicated to disclosing the proportion of aligned assets into the related eligible assets, as well as the proportion of non-assessed assets into the related total assets covered by the GAR calculation.

Financial Guarantees (FinGuar) KPI Stock (turnover view and CapEx view)

Whilst the GAR refers to credit institution's on-balance assets, the FinGuar KPI focuses on credit institution's off-balance exposures. Unlike the GAR, BCR Group's FinGuar Stock KPI decreased on a year-on-year basis: from 17.44% as of 31 December 2024 to 3.56% as of 31 December 2025 (turnover view) and respectively from 25.95% as of 31 December 2024 to 13.71% as of 31 December 2025 (CapEx view). This development can be explained by the limited year-on-year change in the specific population of underlying CSRD-obligated counterparts and the related taxonomy KPIs applied, and it has been also slightly adversely influenced by local governments becoming a relevant counterpart sub-category for this KPI in accordance with the revised EU Taxonomy DDA, along CSRD-obligated undertakings, taking into account that the aforementioned year-end 2024 comparatives were not recalculated in this respect.

FinGuar KPI Stock and FinGuar KPI Flow are further detailed, notably per categories of assets and related counterparts, but also per combined eligibility across all 6 environmental objectives and alignment towards each environmental objective within Template 5 'KPI Off balance-sheet exposures'. These templates are disclosed in both the turnover view and the CapEx view, as well as in both stock and flow views, with no comparative section included. The template also discloses the proportion of any non-assessed exposures into the total amount of related off-balance sheet exposures covered by Taxonomy.

Template 2 GAR sector information

This template provides, in both stock turnover view and stock CapEx view, a breakdown per the applicable NACE codes of all the eligible and aligned amounts featured in Template 1 as assets covered in the GAR calculation, limited to the first 10 NACE codes in terms of materiality of the related gross carrying amounts. Template 2 includes two additional rows that capture on-balance-sheet banking book exposures which fall under the EU Taxonomy and that are fully (specific-purpose lending) or partly (general-purpose lending) attributable to the Nuclear and Fossil Gas energy sectors. These exposures may arise either directly, from CSRD-obligated non-financial undertakings whose main activities are in these energy sectors, or indirectly, from CSRD-obligated financial institutions whose own exposures relate to CSRD-obligated non-financial undertakings primarily operating in these sectors.

As mentioned above, BCR Group does not disclose its AuM KPI as of 31 December 2025 in any of the applicable views, due to applying the 'de minimis' provision of the revised EU Taxonomy DDA with respect to the credit institution's main Taxonomy KPIs covering assets or off-balance sheet items contributing by less than 10% to institution's net annual turnover. Therefore, the related proportions in respect of the taxonomy-eligible and respectively taxonomy-aligned amounts attributable to the nuclear energy and respectively fossil gas activities, as presented above with regards to GAR (all views) and respectively FinGuar (all views) have not been determined and are therefore not available and not disclosed with regards to AuM KPI.

According to the revised EU Taxonomy DDA, Template 2 does not feature a 'T-1' comparative section and is provided as both stock and flow, in both turnover and CapEx view.

Revised EU Taxonomy DDA's brought forward disclosures on financings of Nuclear and Fossil Gas related economic activities

According to the revised EU Taxonomy DDA, such disclosures are limited to those already captured in Template 2, as described above. Following the deletion of Annex XII to the EU Taxonomy Disclosures Regulation, the Nuclear and Fossil Gas additional templates formerly required and consequently published by BCR Group for the year-end 2024 are no longer featured in Groups EU Taxonomy disclosures as at 31 December 2025.

SELECTED KPIS' OVERVIEW

As of 31 December 2025, BCR Group's total eligibility KPI and total GAR can be summarized as follows:

Turnover view

— BCR Group's consolidated taxonomy eligible assets amount to RON 29,262,573 thousand (2024: RON 27,078,978 thousand), representing 72.33% (2024: as formerly reported 34.57% and as recalculated 74.91%) of the total covered assets.

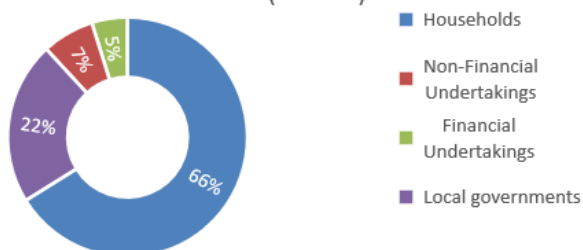
- BCR Group's consolidated taxonomy aligned assets amount to RON 806,935 thousand (2024: RON 494,931 thousand), representing 1.99% (2024: as formerly reported 0.63% and as recalculated 1.37%) of the total covered assets.

CapEx view

- BCR Group's taxonomy eligible assets amount to RON 31,068,164 thousand (2024: RON 28,836,493 thousand), representing 76.80% (2024: as formerly reported 36.81% and as recalculated 79.78%) of the total covered assets.
- BCR Group's taxonomy aligned assets amount to RON 1,126,859 thousand (2024: RON 1,537,337 thousand), representing 2.78% (2024: as formerly reported 1.96% and as recalculated 4.25%) of the total covered assets.

In the turnover view, the total eligibility KPI and total GAR as of 31 December 2025 are further comparatively analyzed and presented in the charts below:

Eligible on-balance exposure per economic sector of the counterparty
RON 29.3 bn. (72.17%)



Aligned on-balance exposure per economic sector of the counterparty
RON 0.8 bn. (1.99%)



Therefore, as of 31 December 2025, BCR Group's total taxonomy eligibility KPI consists of the following main components:

- Financing to private households to the amount of RON 19,255,020 thousand, 66% (2024: RON 17,628,707 thousand as reported and as recalculated, 65%), the purpose of which corresponds to taxonomy eligible activities in the real estate sector.
- Financing to local and regional governments to the amount of RON 6,403,169 thousand, 22% (2024: RON 6,341,421 thousand as reported and as recalculated, 23%), the purpose of which corresponds to taxonomy eligible activities.
- Use of proceeds known and unknown financing to non-financial undertakings to the amount of RON 2,195,246 thousand, 7% (2024: RON 1,277,106 thousand as reported and as recalculated, 5%) and to financial undertakings to the amount of RON 1,406,807 thousand, 5% (2024: RON 1,826,269 thousand as reported and as recalculated, 7%). Financings with the use of proceeds unknown have been classified proportionately as taxonomy eligible based on the eligibility KPIs published.

The taxonomy-eligible assets mentioned above further contribute to Group's GAR as at 31 December 2025, as follows:

- Use of proceeds known 'loans collateralised by residential immovable property' to private households to the amount of RON 37,037 thousand (2024: RON 0 thousand) - 5% contribution to aligned on-balance exposure (Group's GAR) (2024 - 0%).
- Use of proceeds known and unknown financing to financial and respectively non-financial undertakings to the amount of RON 130,949 thousand, 16% (2024: RON 139,903 thousand, 28%) and respectively RON 638,949 thousand, 79% (2024: RON 355,028 thousand, 72%). Overall 61% (2024: 43%) of the combined aligned amount resulting from use of proceeds unknown financing that were classified proportionately as taxonomy aligned, based on the alignment KPIs published by the respective counterparties.

Removal of GAR structural constraints and developments in data availability

Up to 31 December 2024, the taxonomy disclosures and KPIs of BCR Group as of 31 December 2025, as well as their year-on-year development as outlined above, have been inherently influenced by both structural constraints arising from both the legal design of the GAR and the restricted scope of the CSRD, as well as by various other data availability limitations. Such constraints and limitations have considerably reduced in terms of their adverse GAR impact, as further described below.

Removal of GAR structural constraints

Due to the extensive information required to evaluate the applicable taxonomy alignment technical criteria (SC, DNSH), as well as the MS compliance. the scope of application of the EU Taxonomy Disclosures Regulation is limited by legislation (at EU level: CSRD), as far as qualifying exposures to undertakings are concerned, to those that are CSRD-obligated as at the current reporting year-end, as well as to any subsidiaries thereof. For BCR Group, this meant that at year-end 2024 - prior to the revised EU Taxonomy DDA becoming applicable as of 31 December 2025, a significant part of the portfolio (notably small and medium-sized enterprises not CSRD-obligated and not belonging to CSRD-obligated group) could not be included in the numerators of the Taxonomy eligibility KPI and the GAR, with most of them qualifying only for the denominators (thus resulting in 'GAR structural asymmetry').

As outlined above in the introductory part of this chapter, the revised EU Taxonomy DDA removed GAR's structural asymmetry by ensuring the scopes of assets covered in the numerator and respectively the denominator of the GAR are the same, with the direct

consequence of assets previously falling in the scope of the GAR denominator only, notably the non-trading exposures towards CSRD non-obligated undertakings, being removed in full from the GAR calculation. Another consequence for BCR Group was that taxonomy inherently non-eligible exposures towards Households and respectively Local Governments, notably general or sundry purpose consumer loans to retail customers and general or sundry financings of Local Governments, previously deemed relevant for both GAR's numerator and denominator although inherently unable to make any contribution to the former, have been removed in full from the GAR calculation as well.

Whilst, on the one hand, the revised EU Taxonomy DDA have thus removed GAR's structural asymmetry, GAR's coverage, hence arguably GAR's representativeness of reporting credit institution's total assets has on the other hand contracted accordingly. Thus, as at 31.12.2024, the proportion of total covered assets into total assets, as previously reported by BCR Group, amounted to 63.25% for stock and 70.95% for flow. When, for comparability purposes only, they are retrospectively recalculated based on the revised EU Taxonomy DDA, they decrease to 29.19% and respectively 24.70%. At 31 December 2025, as featured in the Template 0 presented below, Group's GAR coverage amounts to 30.11% (stock) and respectively 27.74% (flow).

Developments in data availability

Retail lending - Climate Change Adaptation related DNSH assessment of taxonomy-eligible mortgage and building renovation loans to Households substantially contributing to the Climate Change Mitigation environmental objective

Related to real estate and vehicle financing towards private households, as well as financing of housing or other taxonomy eligible specific-purpose projects by local governments, for collateral which meets substantial contribution criteria of climate change mitigation (e.g. energy efficiency), an assessment of climate-related physical risks and vulnerabilities is performed to ensure compliance with the central DNSH criterion on climate change adaptation. This assessment is based on recognized scientific sources, best-practice methodologies and available climate risk data, including external datasets and modelling where appropriate.

These efforts resulted in an enhanced methodology and more comprehensive underlying internal processes for assessing the DNSH criterion for Climate Change Adaptation with regards to the mortgage loans to Households financing building acquisition/ownership or building renovation identified as substantially contributing to the Climate Change Mitigation based on the related financed real estate collateral being substantiated as highly energy efficient, by reference to the related building's Energy Performance Certificate as issued by the relevant local authority bearing the Label A.

In essence, for each such CCM substantially contributing loan to Households, the DNSH criterion had been deemed met for CCA provided that all 21 physical risks identified as relevant for the real estate sector and Romania (out of the full list of 35 as per Annex 1 to the EU Taxonomy Regulation) have been determined as scoring lower than 'high' or, in the case of the risks of subsidence, drought and precipitations, 'very high' severity in the specific geolocation of the related real estate collateral, across all applicable statistically modelled RCP ('representative concentration pathway') scenarios with regards to greenhouse gas concentration expectations and all available time horizons by reference to the generally accepted span of a residential building's economic life, hence irrespective of the expected remaining maturity of the related loans. The setting of the scoring threshold to 'very high' for the DNSH criterion to be deemed failed in the particular case of the above mentioned three physical risks reflects BCR Group's reasonable expectation that all due adaptation measures are by default embedded into the advanced design and construction of high-energy efficient buildings. Also, as far as the risk of floods is concerned, by factoring in the related 'defended risk' indices into the above described DNSH assessment approach, BCR Group has ensured that the due adaptation measures were considered in the retrieved scoring, hence in the applied 'high' scoring threshold below which the DNSH criterion was deemed met with respect to this particular physical risk.

All such CCM substantially contributing loans for which, based on the aforementioned approach, the DNSH criterion for CCA has been deemed met have been further classified as taxonomy-aligned, additionally based on the MS non-applicability as stemming from EU Taxonomy DDA's Annex V's definition of the numerator of the Retail lending's alignment KPI, further corroborated to BCR Group's interpretation that the FAQ 37 from EC's Third Commission Notice (indicating that the MS compliance assessment for retail lending should address the corporate manufacturers upstream retail client's supply chain with regards to the financed object) does not apply to buildings as far as the financed eligible activity is acquisition or ownership, rather than construction.

Environmental objectives 3-6

BCR Group's EU Taxonomy disclosures as of 31 December 2024 have covered already the entire set of environmental objectives for the alignment figures for general purpose loans. As at 31 December 2025, the applied client alignment KPIs for the environmental objectives 3-6 continue to have, in general, relatively low values.

Furthermore, regarding both new and existing business with CSRD-obligated undertakings and local governments – despite considerable efforts to further advance the examination of individual transactions – in some cases there is still insufficient

information and data basis on the customer side to determine whether these transactions can be classified as taxonomy-eligible with regards to the environmental objectives 3-6, which resulted in relatively infrequent 'use of proceeds known' financings having been classified as of 31 December 2025 as eligible by reference to these environmental objectives, none of them being further assessed as taxonomy-aligned for the related objective. In the same time, the Taxonomy templates as per the Annex VI as modified by the revised EU Taxonomy DDA do no longer require the breakdown of eligible exposures covered by Taxonomy per the six environmental objectives.

Reporting methodology and underlying assumptions and interpretations

(Gross) carrying amounts of assets

Regarding the (gross) carrying amounts of assets represented in Template 1, the following approach was taken:

- For all relevant financial assets at amortised cost and debt securities at FVOCI (Fair Value Through Other Comprehensive Income), the cost carried forward before the application of value adjustments (comprising both Expected Credit Loss ("ECL") and Fair value ("FV") adjustments) was used - regardless of the counterparty type.
- For all other assets falling into lines 1-40 of Template 1, the gross carrying amount, i.e., the amount actually accounted for and used in the CRR-consolidated IFRS FINREP balance sheet, was used. This means:
 - For performing debt instruments at FVPL (Fair Value Through Profit or Loss), the gross carrying amount corresponds to the fair value. For non-performing debt instruments at FVPL, the gross carrying amount corresponds to the fair value after the accumulation of any accumulated negative changes in fair value due to credit risk.
 - For all investments in associated and joint ventures, the carrying value in accordance with IAS28/IFRS11 is used.
 - For all equity instruments at FVPL, the fair value is used.
 - For all non-financial assets ('collateral obtained by taking possession' or 'Other categories of assets'), the carrying amounts disclosed according to IFRS are used.

CSRD-obligated financial and non-financial undertakings and use of their KPIs

All companies considered to be public interest entities and employing more than 500 people at either individual or consolidated level have been obligated to report EU Taxonomy disclosures as of 31 December 2024 and continue to be so as of 31 December 2025 under the CSRD⁶ taking into account EC's 'stop the clock' decision referred to in the opening part of this chapter.

Financial and non-financial undertakings, that are parents of obligated groups, must publish their KPIs on a consolidated basis. These KPIs are used for the purpose of determining BCR Group's KPIs for qualifying exposures towards all subsidiaries of this group ("closest reporting parent"), unless KPIs are available for the specific single counterparty. KPIs are available for the specific single counterparty.

Flow

For the purpose of preparing the 'flow' views of the Templates 1,2,4 and 5, 'flow' has been defined as a sub-set of 'stock', limited to related asset deals' having been initially recognised during the current reporting date, with the exception of non-financial assets

⁶ In Romania, in 2024, the CSRD directive was transposed locally by the Ministry of Finance, the National Bank of Romania and

- Romanian Financial Supervisory Authority so that all categories of entities are covered:
- Order of the Ministry of Finance no. 1802 of December, 2014 for the approval of the Accounting Regulations regarding the individual annual financial statements and the consolidated annual financial statements, amended and supplemented including by Order no. 85 of January 12, 2024 for the regulation of aspects related to sustainability reporting, that transposes locally the requirements of the CSRD Directive, and Order no. 4164 of August, 2024;
- Order of the National Bank of Romania no. 1 of May, 2024 regarding the amendment and completion of the Order of the National Bank of Romania no. 27/2010 for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards and the amendment and completion of the Order of the National Bank of Romania no. 6/2015 for the approval of the Accounting Regulations in accordance with European directives;
- Regulation no. 4 of February, 2024 regarding the modification and completion of Financial Supervision Authority Regulation no.39/2015 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards, applicable to entities authorized, regulated and supervised by the Financial Supervisory Authority in the Financial Instruments and Investments Sector, as well as the Investor Compensation Fund;
- -Regulation no. 17 of September, 2024 for the modification and completion of Financial Supervision Authority Regulation no. 14/2015 regarding the accounting regulations in accordance with the European directives applicable to the private pension system;
- Regulation no. 7 of April, 2024 for the modification and completion of Financial Supervision Authority Regulation no. 36/2015 regarding the accounting regulations relating to individual annual financial statements and consolidated annual financial statements applicable to brokerage companies carrying out insurance and/or reinsurance distribution activities

and financial assets not having the nature of loans and advances, debt securities or equity instruments, for which 'flow' has been deemed zero.

Significant notes for the consideration of assets in Template 1

Accepted for the numerator and the denominator of the GAR and therefore relevant for the taxonomy eligibility or alignment review are non-trading loans and advances, debt securities, equity instruments having CSRD-obligated financial or non-financial undertakings as counterparties (or subsidiaries thereof), as well as real estate and car financing to private households, use of proceeds known financing with local governments and real estate collateral obtained through taking possession. As outlined above, BCR Group chose to not consider any 'exposures included on a voluntary basis' into Group's GAR calculation as at 31 December 2025.

Impact in the BCR Group GAR ratio from Financial and non-financial undertakings

- Qualifying assets in relation to financial and non-financial undertakings are included in the numerator of the GAR if the direct counterparty is CSRD-obligated or a subsidiary of a CSRD-obligated group.
- Financing to not CSRD-obligated financial and non-financial undertakings, which are not part of a CSRD-obligated group, were fully excluded from the GAR calculation, irrespective of their domicile (EU or Non-EU).

Impact in the BCR Group GAR ratio from Private households

- Financing to private households and subject to further assessment for taxonomy eligibility or alignment comprises only real estate-related financing or car loans (the latter from 1.1.2022). The remaining exposures to households (essentially: general-purpose financing) have been fully excluded from the GAR calculation, the related gross carrying amounts being therefore included in column a of Template's 1 row 25 'Undertakings and entities not subject to CSRD'.
- Financing of building renovation and collateralized by residential immovable property are solely included in the row 'of which building renovation loans' in order to avoid double counting (RON 0 thousand for BCR Group as at 31 December 2024 and 2025).

Impact in the BCR Group GAR ratio from Local & regional governments

Financing to local or regional governments and subject to further assessment for taxonomy eligibility or alignment comprises only financing where the respective use of proceeds is known. Financing without a known use of proceeds has been fully excluded from the GAR calculation, the related gross carrying amounts being therefore included in column a of Template's 1 row 25 'Undertakings and entities not subject to CSRD'.

Nuclear & fossil gas activities related new section of Template 2 'GAR sector information' (all views)

In the portfolio of BCR Group, there are no material 'use of proceeds known' financings related to the activities in the area of nuclear energy and fossil gas listed in the Commission Delegated Regulation (EU) 2022/1214. Consequently, populating the respective two additional rows newly required by the revised EU Taxonomy DDA within the Template 2 (all views) as at 31 December 2025 is essentially based on the KPIs published by the related counterparties (namely: CSRD-obligated energy companies or CSRD-obligated banks or insurances obligated to KPI disclosure directly exposed to such energy companies) in their Nuclear & Fossil gas related templates 2 and 4 (related views), as reported at 31 December 2024 based on the requirements of the former Annex XII to the EU Taxonomy DDA, meanwhile deleted by the revised EU Taxonomy DDA.

Summary of revised EU Taxonomy DDA' effects on the comparative information as of year-end 2024

In accordance with the Taxonomy templates' layouts as per the Annex VI to the EU Taxonomy DDA as modified by the revised EU Taxonomy DDA, no prior-year comparatives are featured in any of them. However, for comparability purposes only in the context of addressing Annex XI's requirement of providing qualitative disclosures around the year-on-year development in reporting institution's main Taxonomy KPIs, BCR Group is summarizing below prior year's Taxonomy KPIs and other related quantitative information as at 31 December 2024, both as previously published and as recalculated.

Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation, as of year-end 2024, as reported - Template 0

'31 December 2024		Total exposure to Taxonomy-aligned activities (RON thousand)		KPI		% coverage (over total assets)	non assessed exposures (% of covered assets)*	non assessed exposures (% of covered assets)**
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	494,931	1,537,337	0.63%	1.96%	63.25%	22.66%	36.75%

'31 December 2024		Total exposure to Taxonomy-aligned activities (RON thousand)		KPI		% coverage (over total assets)	non assessed exposures (% of covered assets)*	non assessed exposures (% of covered assets)**
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPI	GAR (flow)	479,329	887,461	1.44%	2.67%	70.95%	27.32%	29.05%
	Trading book							
	Financial guarantees	287,352	427,500	17.44%	25.95%			
	Assets under management	96,595	199,625	2.99%	6.17%			
	Fees and commissions income							

*% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)

**% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)

Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation, as of year-end 2024, as recalculated - Template 0

'31 December 2024		Total exposure to Taxonomy-aligned activities (RON thousand)		KPI		% coverage (over total assets)	non assessed exposures (% of covered assets)	non assessed exposures (% of covered assets)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	494,931	1,537,337	1.37%	4.25%	29.19%	0.00%	0.00%

'31 December 2024		Total exposure to Taxonomy-aligned activities (RON thousand)		KPI		% coverage (over total assets)	non assessed exposures (% of covered assets)	non assessed exposures (% of covered assets)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPI	GAR (flow)	479,329	887,461	4.14%	7.66%	24.70%	0.00%	0.00%
	Trading book							
	Financial guarantees	287,352	427,500	17.44%	25.95%			
	Assets under management	96,595	199,625	2.99%	6.17%			
	Fees and commissions income							

Additional KPIs:

31 December 2024	As previously published	As recalculated
Template 3 turnover view, additional changes		
Eligibility KPI – Households	54.70%	96.69%
Eligibility KPI – Local Governments	98.01%	100.00%
Eligibility KPI – total	34.51%	74.91%
Template 3 capex view, additional changes		
Eligibility KPI – Households	54.70%	96.69%
Eligibility KPI – Local Governments	98.01%	100.00%
Eligibility KPI – total	36.68%	79.78%

The comparative figures that would have been impacted as detailed above are not presented once again accordingly in the respective views of the related templates, given that, according to the revised EU Taxonomy DDA, the related templates no longer feature a comparative 'T-1' section.

Consideration of EU Taxonomy in BCR Group's business strategies, product design processes and engagement with clients and counterparties

BCR Group informs its customers about possible cost advantages that can arise from taxonomy-aligned disclosure. The GAR is currently not integrated into the strategic board internal remuneration framework and should not be considered as performance-linked KPI for management incentives.

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

'31 December 2025		Total exposure to Taxonomy-aligned activities (RON thousand)		KPI		% coverage (over total assets)	non assessed exposures (% of covered assets)	non assessed exposures (% of covered assets)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Main KPI	Green asset ratio (GAR) stock	806,935	1,126,859	1.99%	2.79%	30.11%	0.00%	0.00%

'31 December 2025		Total exposure to Taxonomy-aligned activities (RON thousand)		KPI		% coverage (over total assets)	non assessed exposures (% of covered assets)	non assessed exposures (% of covered assets)
		Turnover-based	CapEx-based	Turnover-based	CapEx-based		Turnover-based	CapEx-based
Additional KPI	GAR (flow)	378,459	496,004	2.54%	3.33%	27.74%	0.00%	0.00%
	Trading book							
	Financial guarantees	72,149	277,528	3.56%	13.71%	79.20%	0.00%	0.00%
	Assets under management							
	Fees and commissions income							

1.1. Assets for the calculation of GAR, stock turnover-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
	Total [gross] carrying amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown per environmental objectives						Of which Use of Proceeds	Of which transitiona l	Of which enabling	Non- assessed exposures	Of which financing non- material activities or counterpar ties	Of which exposures financing counterpar ties reporting in accordanc e with Article 7(9)	Of which not assessed considere d non- material by the credit institution
31 December 2025 in RON thousand				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystem s (BIO)							
1 GAR - Covered assets in both numerator and denominator																
2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	40,452,175	29,260,243	806,935	779,619	16,835	6	10,265	210	—	313,944	15,357	191,766	—	—	—	—
3 Financial undertakings	7,742,899	1,406,807	130,949	130,499	450	—	—	—	—	—	12,940	19,392	—	—	—	—
4 Loans and advances	6,567,556	1,295,310	125,578	125,147	431	—	—	—	—	—	12,107	18,850	—	—	—	—
5 Debt securities, including UoP	1,127,536	103,593	4,126	4,108	18	—	—	—	—	—	833	543	—	—	—	—
6 Equity instruments	47,807	7,904	1,244	1,244	—	—	—	—	—	—	—	—	—	—	—	—
7 Non-financial undertakings	6,551,388	2,195,246	638,949	612,083	16,385	6	10,265	210	—	276,907	2,417	172,373	—	—	—	—
8 Loans and advances	6,551,388	2,195,246	638,949	612,083	16,385	6	10,265	210	—	276,907	2,417	172,373	—	—	—	—
9 Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
10 Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11 Households	19,754,719	19,255,020	37,037	37,037	—	—	—	—	—	37,037	—	—	—	—	—	—
12 of which loans collateralised by residential immovable property	19,754,719	19,255,020	37,037	37,037	—	—	—	—	—	37,037	—	—	—	—	—	—
13 of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
14 of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15 Local governments financing	6,403,169	6,403,169	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16 Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
17 Other local government financing	6,403,169	6,403,169	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18 Collateral obtained by taking possession: residential and commercial immovable properties	2,330	2,330	—	—	—	—	—	—	—	—	—	—	—	—	—	—
19 Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20 Total GAR assets	40,454,505	29,262,573	806,935	779,619	16,835	6	10,265	210	—	313,944	15,357	191,766	—	—	—	—
21 Assets not covered for GAR calculation	93,884,962															
22 Central governments and Supranational issuers	38,861,116															

23	Central banks exposure	7,550,199															
24	Trading book	3,329,764															
25	Undertakings and entities not subject to CSRD	38,302,679															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	21,959,789															
27	Loans and advances	21,889,512															
28	of which loans collateralised by commercial immovable property	5,069,799															
29	of which building renovation loans	—															
30	Debt securities																
31	Equity instruments	70,277															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	131,409															
33	Loans and advances	125,919															
34	Debt securities	5,490															
35	Equity instruments	—															
36	Derivatives	—															
37	On demand interbank loans	114,045															
38	Cash and cash-related assets	3,778,145															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	1,949,014															
40	Total assets	134,339,467															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	2,024,216	363,937	72,149	70,951	1,168	—	30	—	—	—	1,513	36,401	—	—	—	—
42	Assets under management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	Of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	Of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

1.2 Assets for the calculation of GAR, flow turnover-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Financial year 2025 in RON thousand	Total [gross] carrying amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown per environmental objectives						Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures	Of which financing non- material activities or counterpart ies	Of which exposures financing counterpart ies reporting in accordanc e with Article 7(9)	Of which not assessed considered non- material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptatio n (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversi ty and Ecosyste ms (BIO)							
1	GAR - Covered assets in both numerator and denominator															
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation															
3	14,916,401	7,609,696	378,459	367,456	1,346	—	9,544	113	—	6,004	14,334	79,247	—	—	—	—
4	Financial undertakings	6,401,246	1,253,290	123,358	122,949	410	—	—	—	—	11,976	18,549	—	—	—	—
5	Loans and advances	6,079,381	1,232,811	122,040	121,641	399	—	—	—	—	11,976	18,371	—	—	—	—
6	Debt securities, including UoP	313,259	20,479	1,318	1,308	10	—	—	—	—	—	178	—	—	—	—
7	Equity instruments	8,606	—	—	—	—	—	—	—	—	—	—	—	—	—	—
8	Non-financial undertakings	3,244,746	1,087,293	249,096	238,503	936	—	9,544	113	—	2,359	60,699	—	—	—	—
9	Loans and advances	3,244,746	1,087,293	249,096	238,503	936	—	9,544	113	—	2,359	60,699	—	—	—	—
10	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
11	Equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
12	Households	4,710,865	4,709,569	6,004	6,004	—	—	—	—	6,004	—	—	—	—	—	—
13	of which loans collateralised by residential immovable property	4,710,865	4,709,569	6,004	6,004	—	—	—	—	6,004	—	—	—	—	—	—
14	of which building renovation loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
15	of which motor vehicle loans	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
16	Local governments financing	559,544	559,544	—	—	—	—	—	—	—	—	—	—	—	—	—
17	Housing financing	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
18	Other local government financing	559,544	559,544	—	—	—	—	—	—	—	—	—	—	—	—	—
19	Collateral obtained by taking possession: residential and commercial immovable properties	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
20	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
21	Total GAR assets	14,916,401	7,609,696	378,459	367,456	1,346	—	9,544	113	—	6,004	14,334	79,247	—	—	—
22	Assets not covered for GAR calculation	38,848,180	—	—	—	—	—	—	—	—	—	—	—	—	—	—

1.3 Assets for the calculation of GAR, CapEx-based view, stock

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
		Total [gross] carrying amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown per environmental objectives										Non- assessed exposures	Of which financing non- material activities or counterpart ies	Of which exposures financing counterpart ies reporting in accordanc e with Article 7(9)	Of which not assessed considered non- material by the credit institution
					Climate Change Mitigation (CCM)	Climate Change Adaptatio n (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversi ty and Ecosyste ms (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling					
31 December 2025 in RON thousand																		
1	GAR - Covered assets in both numerator and denominator																	
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	40,452,175	31,065,834	1,126,859	1,115,003	10,405	99	761	592	—	313,944	21,520	435,612	—	—	—	—	
3	Financial undertakings	7,742,899	1,428,035	166,106	165,274	737	95	—	—	—	—	13,394	39,568	—	—	—	—	
4	Loans and advances	6,567,556	1,308,139	154,242	153,428	719	95	—	—	—	—	12,561	36,841	—	—	—	—	
5	Debt securities, including UoP	1,127,536	111,755	10,445	10,426	18	—	—	—	—	—	833	2,724	—	—	—	—	
6	Equity instruments	47,807	8,141	1,419	1,419	—	—	—	—	—		—	3	—	—	—	—	
7	Non-financial undertakings	6,551,388	3,979,610	923,716	912,692	9,667	4	761	592	—	276,907	8,126	396,044	—	—	—	—	
8	Loans and advances	6,551,388	3,979,610	923,716	912,692	9,667	4	761	592	—	276,907	8,126	396,044	—	—	—	—	
9	Debt securities, including UoP	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
10	Equity instruments	—	—	—	—	—	—	—	—	—		—	—	—	—	—	—	
11	Households	19,754,719	19,255,020	37,037	37,037	—		—		—	37,037	—	—	—	—	—	—	
12	of which loans collateralised by residential immovable property	19,754,719	19,255,020	37,037	37,037	—		—		—	37,037	—	—	—	—	—	—	
13	of which building renovation loans	—	—	—	—	—		—		—	—	—	—	—	—	—	—	
14	of which motor vehicle loans	—	—	—	—					—	—	—	—	—	—	—	—	
15	Local governments financing	6,403,169	6,403,169	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
16	Housing financing	—	—	—	—	—				—	—	—	—	—	—	—	—	
17	Other local government financing	6,403,169	6,403,169	—	—	—				—	—	—	—	—	—	—	—	
18	Collateral obtained by taking possession: residential and commercial immovable properties	2,330	2,330	—	—	—				—	—	—	—	—	—	—	—	
19	Exposures included on a voluntary basis	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
20	Total GAR assets	40,454,505	31,068,164	1,126,859	1,115,003	10,405	99	761	592	—	313,944	21,520	435,612	—	—	—	—	
21	Assets not covered for GAR calculation	93,884,962																
22	Central governments and Supranational issuers	38,861,116																
23	Central banks exposure	7,550,199																
24	Trading book	3,329,764																

25	Undertakings and entities not subject to CSRD	38,302,679	
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	21,959,789	
27	Loans and advances	21,889,512	
28	of which loans collateralised by commercial immovable property	5,069,799	
29	of which building renovation loans	—	
30	Debt securities	—	
31	Equity instruments	70,277	
32	Non-EU country counterparties not subject to CSRD disclosure obligations	131,409	
33	Loans and advances	125,919	
34	Debt securities	5,490	
35	Equity instruments	—	
36	Derivatives	—	
37	On demand interbank loans	114,045	
38	Cash and cash-related assets	3,778,145	
39	Other categories of assets (e.g. Goodwill, commodities etc.)	1,949,014	
40	Total assets	134,339,467	
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments			
41	Financial guarantees	2,024,216	705,093 277,528 274,340 2,532 1 575 79 — — 1,414 82,360 — — — —
42	Assets under management	—	— — — — — — — — — — — — — — — —
43	Of which debt securities	—	— — — — — — — — — — — — — — — —
44	Of which equity instruments	—	— — — — — — — — — — — — — — — —

1.4 Assets for the calculation of GAR, CapEx-based view, flow

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
	Total [gross] carrying amount	Of which Taxonom y-eligible	Of which Taxonom y-aligned	Breakdown per environmental objectives							Of which Use of Proceeds	Of which transitional	Of which enabling	Non- assessed exposures	Of which financing non- material activities or counterpart ies	Of which exposures financing counterpart ies reporting in accordanc e with Article 7(9)	Of which not assessed considered non- material by the credit institution
				Climate Change Mitigation (CCM)	Climate Change Adaptatio n (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversi ty and Ecosyste ms (BIO)								
Financial year 2025 in RON thousand																	
1	GAR - Covered assets in both numerator and denominator																
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation																
	14,916,401	8,307,024	496,004	493,004	2,268	87	645	—	—	6,004	20,531	163,525	—	—	—	—	
3	Financial undertakings																
4	6,401,246	1,266,412	152,597	151,838	673	87	—	—	—	—	12,405	36,471	—	—	—	—	
5	Loans and advances																
	6,079,381	1,243,568	149,404	148,655	662	87	—	—	—	—	12,405	35,587	—	—	—	—	
6	Debt securities, including UoP																
	313,259	22,844	3,193	3,183	10	—	—	—	—	—	—	884	—	—	—	—	
7	Equity instruments																
	8,606	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
8	Non-financial undertakings																
	3,244,746	1,771,499	337,402	335,162	1,595	—	645	—	—	—	8,126	127,054	—	—	—	—	
9	Loans and advances																
	3,244,746	1,771,499	337,402	335,162	1,595	—	645	—	—	—	8,126	127,054	—	—	—	—	
10	Debt securities, including UoP																
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
11	Equity instruments																
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
12	Households																
	4,710,865	4,709,569	6,004	6,004	—	—	—	—	—	6,004	—	—	—	—	—	—	
13	of which loans collateralised by residential immovable property																
	4,710,865	4,709,569	6,004	6,004	—		—			6,004	—	—	—	—	—	—	
14	of which building renovation loans																
	—	—	—	—	—					—	—	—	—	—	—	—	
15	of which motor vehicle loans																
	—	—	—	—						—	—	—	—	—	—	—	
16	Local governments financing																
	559,544	559,544	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
17	Housing financing																
		—	—	—	—		—			—	—	—	—	—	—	—	
18	Other local government financing																
	559,544	559,544	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
19	Collateral obtained by taking possession: residential and commercial immovable properties																
	—	—	—	—	—		—			—	—	—	—	—	—	—	
20	Exposures included on a voluntary basis																
	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
21	Total GAR assets																
	14,916,401	8,307,024	496,004	493,004	2,268	87	645	—	—	6,004	20,531	163,525	—	—	—	—	
22	Assets not covered for GAR calculation																
	38,848,180																
23	Central governments and Supranational issuers																
	11,167,203																
24	Central banks exposure																
	—																

24	Trading book	1,858,742															
25	Undertakings and entities not subject to CSRD	22,042,503															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure obligations	13,224,024															
27	Loans and advances	13,224,024															
28	of which loans collateralised by commercial immovable property	2,718,784															
29	of which building renovation loans	—															
30	Debt securities	—															
31	Equity instruments	—															
32	Non-EU country counterparties not subject to CSRD disclosure obligations	111,168															
33	Loans and advances	111,168															
34	Debt securities	—															
35	Equity instruments	—															
36	Derivatives	—															
37	On demand interbank loans	1,587															
38	Cash and cash-related assets	3,778,145															
39	Other categories of assets (e.g. Goodwill, commodities etc.)	—															
40	Total assets	53,764,581															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	1,030,739	290,882	187,855	186,672	976	1	205	1	—	—	170	67,260	—	—	—	—
42	Assets under management	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
43	Of which debt securities	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
44	Of which equity instruments	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

2.1 GAR sector information, stock turnover-based view

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) 31 December 2025 in RON thousand	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1 K64.19 Other monetary intermediation	6,829,013	1,266,491	115,094	114,668	426	—	—	—	—
2 O84.11 General public administration	6,478,000	6,403,169	—	—	—	—	—	—	—
3 L68.20 Renting and operating of own or leased real estate	1,057,270	1,040,546	276,907	276,907	—	—	—	—	—
4 H49.50 Transport via pipeline	952,515	—	—	—	—	—	—	—	—
5 D35.14 Trade of electricity	655,177	198,180	—	—	—	—	—	—	—
6 D35.22 Distribution of gaseous fuels through mains	394,452	106,502	102,558	102,558	—	—	—	—	—
7 D35.13 Distribution of electricity	356,068	149,328	—	—	—	—	—	—	—
8 Q86.22 Specialist medical practice activities	331,869	—	—	—	—	—	—	—	—
9 K64.91 Financial leasing	323,043	102,212	12,940	12,916	24	—	—	—	—
10 H52.23 Operation of transport terminals	267,901	15,190	15,190	—	15,190	—	—	—	—
11 Nuclear activities	13,249,206	1,495	1,355	—	—	—	—	—	—
12 Fossil gas activities	13,249,206	19,677	8,411	—	—	—	—	—	—
13 Of which non-assessed exposures									

2.2 GAR sector information, flow turnover-based view

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) Financial year 2025 in RON thousand	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1 K64.19 Other monetary intermediation	5,915,872	1,154,714	111,625	111,216	410	—	—	—	—
2 D35.14 Trade of electricity	655,177	198,180	—	—	—	—	—	—	—
3 O84.11 General public administration	561,183	559,544	—	—	—	—	—	—	—
4 Q86.22 Specialist medical practice activities	309,387	—	—	—	—	—	—	—	—
5 C19.20 Manufacture of refined petroleum products	248,493	534	—	—	—	—	—	—	—
6 K64.92 Other credit granting	224,534	—	—	—	—	—	—	—	—
7 C29.32 Manufacture of other parts and accessories for motor vehicles	214,503	213,910	28,053	21,663	—	—	6,390	—	—
8 L68.20 Renting and operating of own or leased real estate	212,420	202,384	—	—	—	—	—	—	—
9 D35.13 Distribution of electricity	173,286	53,696	—	—	—	—	—	—	—
10 D35.12 Transmission of electricity	172,507	172,505	172,505	172,505	—	—	—	—	—
11 Nuclear activities	9,527,270	1,297	1,270	—	—	—	—	—	—
12 Fossil gas activities	9,527,270	11,113	8,369	—	—	—	—	—	—
13 Of which non-assessed exposures									

2.3 GAR sector information, CapEx-based view, stock

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) 31 December 2025 in RON thousand	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1 K64.19 Other monetary intermediation	6,829,013	1,284,697	134,234	133,425	714	95	—	—	—
2 O84.11 General public administration	6,478,000	6,403,169	—	—	—	—	—	—	—
3 L68.20 Renting and operating of own or leased real estate	1,057,270	1,040,546	276,907	276,907	—	—	—	—	—
4 H49.50 Transport via pipeline	952,515	952,515	—	—	—	—	—	—	—
5 D35.14 Trade of electricity	655,177	477,665	—	—	—	—	—	—	—
6 D35.22 Distribution of gaseous fuels through mains	394,452	323,451	315,562	315,562	—	—	—	—	—
7 D35.13 Distribution of electricity	356,068	331,943	—	—	—	—	—	—	—
8 Q86.22 Specialist medical practice activities	331,869	—	—	—	—	—	—	—	—
9 K64.91 Financial leasing	323,043	104,262	28,345	28,321	24	—	—	—	—
10 H52.23 Operation of transport terminals	267,901	9,001	7,957	—	7,957	—	—	—	—
11 Nuclear activities	13,249,206	134,971	134,961	—	—	—	—	—	—
12 Fossil gas activities	13,249,206	153,282	133,388	—	—	—	—	—	—
13 Of which non-assessed exposures									

2.4 GAR sector information, CapEx-based view, flow

a	b	c	d	e	f	g	h	i	j
Breakdown by sector - NACE 4 digits level (code and label) Financial year 2025 in RON thousand	Total [Gross] carrying amount	Of which Taxonomy eligible	Of which Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)
1 K64.19 Other monetary intermediation	5,915,872	1,166,642	125,912	125,152	673	87	—	—	—
2 D35.14 Trade of electricity	655,177	477,665	—	—	—	—	—	—	—
3 O84.11 General public administration	561,183	559,544	—	—	—	—	—	—	—
4 Q86.22 Specialist medical practice activities	309,387	—	—	—	—	—	—	—	—
5 C19.20 Manufacture of refined petroleum products	248,493	24,899	—	—	—	—	—	—	—
6 K64.92 Other credit granting	224,534	—	—	—	—	—	—	—	—
7 C29.32 Manufacture of other parts and accessories for motor vehicles	214,503	213,912	50,904	50,904	—	—	—	—	—
8 L68.20 Renting and operating of own or leased real estate	212,420	202,384	—	—	—	—	—	—	—
9 D35.13 Distribution of electricity	173,286	155,283	—	—	—	—	—	—	—
10 D35.12 Transmission of electricity	172,507	172,507	168,417	168,417	—	—	—	—	—
11 Nuclear activities	9,527,270	134,861	134,860	—	—	—	—	—	—
12 Fossil gas activities	9,527,270	139,088	133,334	—	—	—	—	—	—
13 Of which non-assessed exposures									

3.1 GAR KPI stock turnover-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
	Taxonomy -eligible	Taxonomy aligned	Breakdown per environmental objectives									Proportion of Taxonomy aligned in Taxonomy eligible	Non- assessed exposures
% (compared to corresponding total covered assets in the denominator) 31 December 2025			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversit y and Ecosystem s (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling		
GAR - Covered assets in both numerator and denominator													
1 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	72.33%	1.99%	1.93%	0.04%	0.00%	0.03%	0.00%	0.00%	0.78%	0.04%	0.47%	2.76%	0.00%
3 Financial undertakings	18.17%	1.69%	1.69%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.17%	0.25%	9.31%	0.00%
4 Loans and advances	19.72%	1.91%	1.91%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.18%	0.29%	9.69%	0.00%
5 Debt securities, including UoP	9.19%	0.37%	0.36%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.05%	3.98%	0.00%
6 Equity instruments	16.53%	2.60%	2.60%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	15.74%	0.00%
7 Non-financial undertakings	33.51%	9.75%	9.34%	0.25%	0.00%	0.16%	0.00%	0.00%	4.23%	0.04%	2.63%	29.11%	0.00%
8 Loans and advances	33.51%	9.75%	9.34%	0.25%	0.00%	0.16%	0.00%	0.00%	4.23%	0.04%	2.63%	29.11%	0.00%
9 Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
11 Households	97.47%	0.19%	0.19%	0.00%		0.00%			0.19%	0.00%	0.00%	0.19%	0.00%
of which loans collateralised by residential immovable property	97.47%	0.19%	0.19%	0.00%		0.00%			0.19%	0.00%	0.00%	0.19%	0.00%
13 of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
14 of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%
15 Local governments financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
18 Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
19 Exposures included on a voluntary basis	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
20 GAR - Total GAR assets	72.33%	1.99%	1.93%	0.04%	0.00%	0.03%	0.00%	0.00%	0.78%	0.04%	0.47%	2.76%	0.00%

3.2 GAR KPI stock CapEx-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
	Taxonomy -eligible	Taxonomy aligned	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversit y and Ecosystem s (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non- assessed exposures
% (compared to corresponding total covered assets in the denominator) 31 December 2025													
GAR - Covered assets in both numerator and denominator													
1													
Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	76.80%	2.79%	2.76%	0.03%	0.00%	0.00%	0.00%	0.00%	0.78%	0.05%	1.08%	3.63%	0.00%
3 Financial undertakings	18.44%	2.15%	2.13%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.17%	0.51%	11.63%	0.00%
4 Loans and advances	19.92%	2.35%	2.34%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%	0.56%	11.79%	0.00%
5 Debt securities, including UoP	9.91%	0.93%	0.92%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.24%	9.35%	0.00%
6 Equity instruments	17.03%	2.97%	2.97%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.01%	17.43%	0.00%
7 Non-financial undertakings	60.74%	14.10%	13.93%	0.15%	0.00%	0.01%	0.01%	0.00%	4.23%	0.12%	6.05%	23.21%	0.00%
8 Loans and advances	60.74%	14.10%	13.93%	0.15%	0.00%	0.01%	0.01%	0.00%	4.23%	0.12%	6.05%	23.21%	0.00%
9 Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
11 Households	97.47%	0.19%	0.19%	0.00%		0.00%			0.19%	0.00%	0.00%	0.19%	0.00%
12 of which loans collateralised by residential immovable property	97.47%	0.19%	0.19%	0.00%		0.00%			0.19%	0.00%	0.00%	0.19%	0.00%
13 of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
14 of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%
15 Local governments financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
Collateral obtained by taking possession: residential and commercial immovable properties	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
19 Exposures included on a voluntary basis	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
20 GAR - Total GAR assets	76.80%	2.79%	2.76%	0.03%	0.00%	0.00%	0.00%	0.00%	0.78%	0.05%	1.08%	3.63%	0.00%

4.1 GAR KPI flow turnover-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
	Taxonomy -eligible	Taxonomy aligned	Breakdown per environmental objectives									Proportion of Taxonomy aligned in Taxonomy eligible	Non- assessed exposures
% (compared to corresponding total covered assets in the denominator) Financial year 2025			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversit y and Ecosystem s (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling		
1 GAR - Covered assets in both numerator and denominator													
2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	51.02%	2.54%	2.46%	0.01%	0.00%	0.06%	0.00%	0.00%	0.04%	0.10%	0.53%	4.97%	0.00%
3 Financial undertakings	19.58%	1.93%	1.92%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%	0.29%	9.84%	0.00%
4 Loans and advances	20.28%	2.01%	2.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.20%	0.30%	9.90%	0.00%
5 Debt securities, including UoP	6.54%	0.42%	0.42%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	6.44%	0.00%
6 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
7 Non-financial undertakings	33.51%	7.68%	7.35%	0.03%	0.00%	0.29%	0.00%	0.00%	0.00%	0.07%	1.87%	22.91%	0.00%
8 Loans and advances	33.51%	7.68%	7.35%	0.03%	0.00%	0.29%	0.00%	0.00%	0.00%	0.07%	1.87%	22.91%	0.00%
9 Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
11 Households	99.97%	0.13%	0.13%	0.00%		0.00%			0.13%	0.00%	0.00%	0.13%	0.00%
12 of which loans collateralised by residential immovable property	99.97%	0.13%	0.13%	0.00%		0.00%			0.13%	0.00%	0.00%	0.13%	0.00%
13 of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
14 of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%
15 Local governments financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
18 Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
19 Exposures included on a voluntary basis	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
20 GAR - Total GAR assets	51.02%	2.54%	2.46%	0.01%	0.00%	0.06%	0.00%	0.00%	0.04%	0.10%	0.53%	4.97%	0.00%

4.2 GAR KPI flow CapEx-based view

	a	b	c	d	e	f	g	h	i	j	k	l	m
% (compared to corresponding total covered assets in the denominator) Financial year 2025	Taxonomy -eligible	Taxonomy aligned	Breakdown per environmental objectives						Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of Taxonomy aligned in Taxonomy eligible	Non- assessed exposures
			Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversit y and Ecosystem s (BIO)					
1 GAR - Covered assets in both numerator and denominator													
2 Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	55.69%	3.33%	3.31%	0.02%	0.00%	0.00%	0.00%	0.00%	0.04%	0.14%	1.10%	5.97%	0.00%
3 Financial undertakings	19.78%	2.38%	2.37%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%	0.57%	12.05%	0.00%
4 Loans and advances	20.46%	2.46%	2.45%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.20%	0.59%	12.01%	0.00%
5 Debt securities, including UoP	7.29%	1.02%	1.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.28%	13.98%	0.00%
6 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
7 Non-financial undertakings	54.60%	10.40%	10.33%	0.05%	0.00%	0.02%	0.00%	0.00%	0.00%	0.25%	3.92%	19.05%	0.00%
8 Loans and advances	54.60%	10.40%	10.33%	0.05%	0.00%	0.02%	0.00%	0.00%	0.00%	0.25%	3.92%	19.05%	0.00%
9 Debt securities, including UoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10 Equity instruments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
11 Households	99.97%	0.13%	0.13%	0.00%		0.00%			0.13%	0.00%	0.00%	0.13%	0.00%
12 of which loans collateralised by residential immovable property	99.97%	0.13%	0.13%	0.00%		0.00%			0.13%	0.00%	0.00%	0.13%	0.00%
13 of which building renovation loans	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
14 of which motor vehicle loans	0.00%	0.00%	0.00%						0.00%	0.00%	0.00%	0.00%	0.00%
15 Local governments financing	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16 Housing financing	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
17 Other local government financing	100.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
18 Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
19 Exposures included on a voluntary basis	0.00%	0.00%	0.00%	0.00%		0.00%			0.00%	0.00%	0.00%	0.00%	0.00%
20 GAR - Total GAR assets	55.69%	3.33%	3.31%	0.02%	0.00%	0.00%	0.00%	0.00%	0.04%	0.14%	1.10%	5.97%	0.00%

5.1 KPI off-balance sheet exposures turnover-based view, stock

		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objectives									Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	
% (compared to corresponding total off-balance sheet assets)													
31 December 2025													
1	Financial guarantees (FinGuar KPI)	17.98%	3.56%	3.51%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	1.80%	0.00%
2	Assets under management (AuM KPI)	0	0	0	0	0	0	0	0	0	0	0	0

5.2 KPI off-balance sheet exposures turnover-based view, flow

		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objectives									Non-assessed exposures
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional	Of which enabling	
% (compared to corresponding total off-balance sheet assets)													
Financial year 2025													
1	Financial guarantees (FinGuar KPI)	8.37%	5.11%	5.04%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	2.92%	0.00%
2	Assets under management (AuM KPI)	0	0	0	0	0	0	0	0	0	0	0	0

5.3 KPI off-balance sheet exposures CapEx-based view, stock

		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objectives								Non-assessed exposures	
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional		Of which enabling
% (compared to corresponding total off-balance sheet assets)													
31 December 2025													
1	Financial guarantees (FinGuar KPI)	34.83%	13.71%	13.55%	0.13%	0.00%	0.03%	0.00%	0.00%	0.00%	0.07%	4.07%	0.00%
2	Assets under management (AuM KPI)	0	0	0	0	0	0	0	0	0	0	0	0

5.4 KPI off-balance sheet exposures CapEx-based view, flow

		a	b	c	d	e	f	g	h	i	j	k	l	
		Taxonomy eligible	Taxonomy aligned	Breakdown per environmental objectives								Non-assessed exposures		
				Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution (PPC)	Biodiversity and Ecosystems (BIO)	Of which Use of Proceeds	Of which transitional		Of which enabling	
% (compared to corresponding total off-balance sheet assets)														
Financial year 2025														
1	Financial guarantees (FinGuar KPI)	28.22%	18.23%	18.11%	0.09%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.02%	6.53%	0.00%
2	Assets under management (AuM KPI)	0	0	0	0	0	0	0	0	0	0	0	0	0

12.2.2 Climate change

BCR Group addresses climate change within its sustainability strategic planning, recognizing that transitioning to a net zero economy is crucial for long-term wellbeing, financial stability and overall prosperity of society. Achieving the low carbon objectives requires coordinated efforts across the financial system and the broader economy. We aim to achieve a net zero status of our portfolio by 2050.

Through our double materiality analysis (DMA), we have identified climate change as one of the key sustainability topic that significantly impacts our business and stakeholders. BCR Group aims to address the impact of its own operations and its financing activities on climate change.

E1 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Material impacts, risks and opportunities (IROs)

Sustainability Matter	Type of IRO	IRO Description	Value chain	Time horizon
E1- Climate change adaptation	Risk	BCR Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for BCR Group and connected negative effects to its P&L and own funds. (Physical Risk)	Downstream	Long-term
	Opportunity	Additional financial opportunities might be captured by BCR Group from financing of strategies/projects conducted by a wide array of entities, from local SMEs to large companies (e.g adaptation solutions for residential and commercial real estate, agriculture), municipalities and other public entities for adaptation infrastructure.	Downstream	Long-term
E1-Climate change mitigation	Potential Negative impact	The CO2 emissions of BCR Group in the upstream value chain contribute to climate change and thus to global warming.	Upstream	Long-term
	Potential Negative impact	The CO2 emissions of BCR Group's own operations contribute to climate change and thus to global warming.	Own operations	Long-term
	Negative impact*	The CO2 emissions financed by BCR Group contribute to climate change and therefore to global warming.	Downstream	All time horizons
	Risk	BCR Group faces a higher credit risk as climate-related transition events (regulatory interventions) can lead to negative effects on the profitability of business models and lastly the financial stability of debtors. The consequences are increased risk provisions for BCR Group and connected negative effects to its P&L and own funds. (Transition Risk)	Downstream	Long-term
	Opportunity	For BCR Group, additional financial opportunities may arise from investments in and the financing of clients to support their transition to sustainable business initiatives, and subsequently, the implementation of decarbonisation measures.	Downstream	Medium to Long-term
E1-Energy	Potential Negative impact	The energy (electricity, fuel and heating) used by BCR Group suppliers generates CO2 emissions and therefore contributes to climate change.	Upstream	Medium-term
	Potential Negative impact	Until the assumed net zero targets for own operations are achieved, the energy (electricity, fuel and heating) used by BCR Group continues to generate CO2 emissions and therefore contributes to climate change. Also, a potential slow progression on the adoption of renewable energy (either purchased or self-generated) may lead to a higher contribution to any risk associated with climate change, physical or transitional.	Own operations	Medium-term
	Negative impact*	BCR Group's financing of energy-intensive industries may lead to increased greenhouse gas emissions, thereby influencing climate change and global warming trends.	Downstream	All time horizons
	Potential Positive impact	Through the financing of renewable energy projects, energy grid infrastructure and supply side flexibility (e.g. battery storage) BCR Group supports energy security, enables CO2-neutral power and contributes to the systemic shift towards a sustainable economy.	Downstream	Medium to Long-term
	Risk	Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for BCR Group, impacting P&L as well as own funds.(Transition Risk)	Downstream	Medium-term
	Opportunity	BCR Group's financing of renewable energy projects (e.g. wind and solar projects, battery storage) and energy transition enables neutral/ low CO2 energy production and offers new opportunities for the portfolio.	Downstream	Medium to Long-term

*In line with the methodology applied for the DMA, if not otherwise indicated, the short-term impact is actual, whilst for medium and long time horizons the impact is potential.

Climate Change Adaptation

BCR Group is confronted with an elevated credit risk due to climate-related physical risks, which can lead to a devaluation of collaterals, and subsequently affect the business model and financial stability of debtors. According to BCR Group's physical climate risk analysis, these risks are a material driver for credit risk (on short, medium and long term), operational risk (on medium and long-term), as well as strategic risk (on long-term). The pronounced credit risk exposure is largely driven by climate-related hazards, particularly flood risk, which is identified as key physical risk driver for BCR Group as having material impact. Established scientific expectations estimate physical risks, particularly climate-related hazards, to substantially intensify from the mid-century onwards, impacting the portfolio and strategic position of BCR Group. The consequences are increased risk provisions for BCR Group and connected negative impacts to its the profit and loss (P&L) statement and own funds. However, in the short- and medium-term, physical risks are considered immaterial due to BCR Group's limited exposure to geographical areas or sectors that are particularly vulnerable.

Additional financial opportunities arise from financing of companies that develop and provide solutions for climate change adaptation, and adaptation infrastructure projects carried out by the public sector, as well as the funding of adaptation measures in the real estate sector. For companies, this can include technologies and services such as climate-resilient infrastructure, advanced water management systems, climate resilient crops, heat-resistant materials, flood protection technologies and early warning or risk assessment tools. In the real estate sector, adaptation solutions may involve retrofitting buildings for improved energy efficiency and thermal resilience, installing green roofs and walls, implementing flood-proof construction methods, enhancing natural ventilation systems and integrating on-site water retention and drainage systems to mitigate the effects of extreme weather events.

Climate Change Mitigation

The CO₂e emissions from BCR Group's own operations and its upstream value chain, as well as related to the financed portfolio, contribute to climate change and, consequently, to global warming. In its own operations, key emission hotspots include energy consumption in office buildings, heating and cooling systems, employee commuting and business travel. In the upstream value chain, significant sources involve emissions from purchased goods and services, such as IT infrastructure, data centres and external service providers.

BCR Group faces elevated credit risk from climate-related transition risks, such as regulatory interventions, which can adversely affect the profitability and financial stability of debtors. As a result, BCR Group may be required to increase its risk provisions, leading to negative impacts on its P&L and its own funds. The climate transition risk analysis performed at Erste Group level indicates that, in a disorderly transition to a low-carbon economy, transition risks could significantly affect credit risk exposure across all time horizons. Climate and environmental (CE) risks continue to shape financial markets and taxation, regulatory changes and shifts in market behaviour of investors, consumers, suppliers and employees. The long-term effect on credit risk is immaterial, as the initial shocks of high carbon pricing, technology changes and stranded assets have already been largely absorbed by the market. Over time, markets and firms will adapt to new policy environment, reducing transition-related volatility. The delayed transition scenario illustrates that delaying action amplifies disruption in the short and medium term, but eventually stabilizes in the long run.

BCR Group can unlock financial opportunities by financing of clients that drive decarbonization, and advance the transition to a sustainable economy. This may include financing solutions such as the electrification of industrial processes, the implementation of energy efficiency measures, the shift to low-emission machinery and on-site renewable energy systems, as well as circular economy related projects.

Energy

By financing renewable energy and energy grid infrastructure, BCR Group promotes CO₂e-neutral power and supports both energy security and the transition to a sustainable economy. This includes investments in wind and solar, as well as the expansion and modernisation of electricity grids, smart grid technologies, battery storage systems and interconnectors to enhance grid stability and flexibility.

Volatility in energy markets, exacerbated by climate change and related physical or transition events, can negatively affect the profitability of companies, particularly those operating in energy-intensive sectors, by increasing operational costs and reducing margins. At the same time, rising and unstable energy prices may lead to liquidity constraints for retail clients, impairing their repayment capacity. These developments contribute to a higher probability of default across portfolios, requiring increased risk provisions from BCR Group and potentially resulting in adverse impacts on both the profit and loss statement and own funds.

BCR Group must also account for the increased vulnerability of its own physical infrastructure (such as data centers and branch networks) to rising energy costs. Addressing these operational risks is essential for maintaining business continuity and meeting sustainability targets, as high energy volatility can inflate the Bank's Scope 2 emissions costs and complicate the achievement of its transition targets.

RESILIENCE OF THE BUSINESS MODEL

BCR Group, in line with Erste Group, has implemented a comprehensive scenario-based approach to assess and quantify transition and physical risks in the short, medium and long-term on own operations, client relationships and the asset portfolio in 2024 (there was no reassessment in 2025). The systematic analysis of potential future scenarios enables the identification of opportunities for enhanced resilience and adaptation.

Scenario Analysis Framework

The analytical framework applied by BCR Group is developed at Erste Group level and incorporates scenarios informed by the Network for Greening the Financial System (NGFS) to explore the impact of transition and physical risks. The results enable BCR Group to assess its short to medium-term financial resilience, while also evaluating the adaptability and long-term robustness of its business model amid increasing uncertainties in the business environment. The selected scenarios encompass three distinct pathways:

- Central Scenario reflects Erste Group's and BCR Group's baseline view on the expected development of its environment by combining NGFS' Below 2°C (EU) and Fragmented world (rest of the world).
- Delayed Transition assumes that the implementation of strong climate policies is stalled until 2030 ultimately leading to high transition risk implications.
- Hot House World assumes that existing climate policies remain in place but there is no ambition to further strengthen them leading to increasing physical risks.

The evaluation of transition and physical risks is based on the results of two adverse scenarios: delayed transition scenario for transition risks and the Current Policies scenario for physical risks.

The Delayed Transition scenario examines the consequences of a rapid, disorderly shift to a low-carbon economy, where abrupt policy shifts in 2030 trigger significant market disruptions in order to meet Paris Agreement target of limiting global warming to well below 2°C⁷. Meanwhile, the Hot House World scenario models a future with minimal climate change mitigation, leading to catastrophic physical risks such as extreme floods and wildfires. By evaluating its portfolio against these divergent pathways, BCR Group ensures it is stress-testing under peak adverse conditions—strengthening institutional resilience and embedding climate risk awareness into its core management framework.

It should be noted, that the resilience analysis is subject to uncertainties as it uses long-term (up to 30 years) climate and macro-economic projections that depend on assumptions about future policies, technologies and how quickly the transition will progress. Uncertainty also comes from the limited historical data for extreme climate events and from the sensitivity of the risk models, which means actual impacts may differ from the estimates.

Scope of the resilience analysis

The analysis of transition risks covers clients including sovereigns, financial institutions, large corporates, SMEs and real estate (commercial real estate and retail mortgages) and BCR Group's own operations.

The analysis of physical risks covers loans collateralised by real estate (commercial and retail mortgages) and BCR Group's own and outsourced operations (i.e. headquarters and branches including critical facilities like data centers). While ESRS E1 identifies 28 distinct climate hazards, BCR Group has tailored its physical risk analysis to the specific vulnerabilities of its portfolio. By mapping our assets climate scenarios, we have concentrated our strategic focus on the 5 most material hazards: drought stress, river and coastal floods, drought stress and fire weather stress (increasing the likelihood of wildfire ignition). This targeted approach ensures that our risk management resources are allocated to the most significant threats to our long-term stability.

The assessment of both risks is conducted over the short, medium and long-term horizons. The time horizons used for the physical and transition risk assessments are as follows:

- short-term: up to 1 year
- medium-term: 1 to 5 years
- long-term: more than 5 years (for transition risk up to 2050, for physical risks up to 2100).

Description of the resilience analysis

The methodology for the transition risk assessment focuses on the impact of increasing (shadow) carbon prices on the financial position of counterparties. This (shadow) carbon price encompasses a multitude of risk drivers related to transition risk and is therefore a prudent way to quantify the risk impact. The modelling reflects the direct impact of a higher carbon price on

⁷For our use it is considered 'accelerated', implying that the disorderly transition starts already in the next year rather than in the 2030s allowing for a consistent assessment of the short (2026) and medium-term (2030) respectively.

counterparties as well as the indirect effects of macroeconomic developments. The macroeconomic parameters were derived from the regulatory scenarios as well as the economic research departments of BCR Group and Erste Group and cover each critical sector individually in a projection of the gross value added. The developments are based on each scenario's narrative tailored to the current economic starting points of key markets in which Erste Group operates, including Romania. Critical assumptions on developments are therefore aligned to regulatory as well as scientific scenarios.

The physical risk assessment combines quantitative analyses which simulate extreme weather events like floods or fires to evaluate portfolio resilience under adverse conditions:

- Comprehensive scenario analysis: As with the transition risk scenario analysis, the basis was represented by a NGFS scenario, namely Current Policies. Additionally, two dedicated physical risk models were designed to simulate the direct effects of two key climate-related hazards, namely riverflood and fire weather. The impact unfolds on the credit portfolio collateralized by real estate (i.e. RRE, CRE) via loss given default shifts.
- Munich RE hazard data: The Location Risk Intelligence data on physical risks from Munich RE provides an extensive list of hazards and climate-related variables like various time horizons as well as scenarios. BCR Group, in alignment with Erste Group bases its risk materiality assessment of future time frames on the RCP 8.5 and SSP 5 scenario respectively, capturing physical risk exposures under adverse conditions reflected by high-emission and fossil-fueled trajectories. Applying this severe downside scenario guarantees a highly conservative approach in evaluating resilience to climate-related risks.

Results of the resilience analysis

The outcomes of the assessment coordinated by Erste Group performed in the third quarter of 2025 to evaluate the anticipated risk exposure under adverse scenarios are as follows:

Transition Risk

- Credit Risk: The analysis conducted by Erste Group, with inputs provided by BCR Group, indicates notable exposure to transition-induced credit risk across all time horizons, in case the transition to a low carbon economy occurs disorderly. The transition risk on the credit risk exposure is driven largely by climate-related factors and drivers such as environmental taxation and subsidies, regulatory requirements, energy and transport policies, behavioural changes of investors, consumers, suppliers and employees as well as technological developments, while non-climate related drivers are immaterial. Looking towards medium and long-term time horizons, these transition risks intensify, with impacts gradually spreading across an expanding range of sectors. This scenario and its impact do not reflect Erste Group's and BCR Group's most likely or baseline scenario, but serve as an exploratory analysis to assess the exposure to transition risk in the event of a disorderly and abrupt transition. Under the baseline or orderly transition scenario, the direct impact of the transition risk drivers on both BCR Group and Erste Group is significantly smaller and limited;
- Operational Risk: From an operational risk perspective, two of the most relevant transition risks have been identified in the medium and long-term horizon. First, there is an increased risk of regulatory non-compliance due to rapidly evolving ESG requirements and heightened regulatory oversight. Second, shifting behaviours and expectations of stakeholders (consumers, suppliers and employees) regarding environmental performance create additional operational challenges that require careful management. Both factors materially contribute to the overall operational risk profile;
- Market, Liquidity and Reputational Risk: The evaluation concluded that no material transition risks were identified across all time horizons – short, medium and long-term.

The 2025 Climate & Environmental Scenario Analysis showed that under the short and medium term adverse scenarios, the largest impact stems from a disorderly transition but it resulted in no breach of regulatory thresholds showing that the bank is well positioned to withstand such adverse shocks. While long-term projections indicate a higher concentration of losses within carbon-intensive sectors (such as Natural Resources and Commodities), BCR Group's capital position remains resilient throughout the assessment horizon.

BCR Group has the ambition to achieve a net zero status of its portfolio by 2050. By following the strategy towards established targets for key sectors, BCR Group's exposure to climate-related transition risks is expected to decline. The decarbonization effect becomes particularly evident in the medium term, as it significantly reduces the gross impact of the adverse scenario to an immaterial level (especially in segments related to real estate), thereby underlining its strong contribution to BCR Group's resilience towards transition risks. Further information on the established decarbonization pathways can be found in chapter 'E1-4 Targets related to climate change mitigation and adaptation'.

Other components of the risk management framework that allow effectively manage and reduce exposure to transition risks include various mitigation tools, such as enhancing the existing limit framework, strengthening underwriting standards, improving monitoring processes and expanding ESG-related data collection.

Against the backdrop of having a resilient capital position and a comprehensive ESG Risk Management Framework, BCR maintains the ability to adjust its strategy and business model to climate-related developments across all relevant time horizons, if deemed necessary. In the short term, the bank's strong capital base and stable funding structure support ongoing access to finance

at an affordable cost of capital. Over the medium and long term, BCR can realign its credit portfolio by supporting clients in their transition towards more sustainable business models and operations. This is enabled by established internal policies and tools such as the ESG Assessment Questionnaire and the Responsible Financing Policy, as well as by strengthened client dialogue on sustainability topics. In addition, BCR promotes workforce adaptability through continuous reskilling initiatives and ESG-related training programs. These strategic adjustment levers ensure that the bank can realign its business model as climate-related risks and opportunities continue to evolve in line with developments within the real economy.

Physical Risk

- Credit and Strategic Risk: According to both BCR Group's and Erste Group's assessment, physical risks are a material driver for long-term credit and strategic risk. In line with scientific projections climate-related physical hazards will materialize and intensify from mid-century onwards, thereby impacting the portfolio and strategic position of BCR Group. However, in the short and medium term, physical risks are considered immaterial due to BCR Group's limited exposure to regions or sectors that are particularly vulnerable;
- Operational Risk: For internal operations, physical risks are a material driver in the long-term (up to the year 2100), from heat waves potentially impacting BCR Group's operations;
- Market, Liquidity and Reputational Risk: The evaluation concluded that no material physical risks were identified across all time horizons – short, medium and long-term.

E1-1 - TRANSITION PLAN

BCR Group has the ambition to achieve a net zero status of its portfolio by 2050. Our Group's net zero 2050 ambition is closely interlinked with regulatory developments at both EU and national levels and will be accompanied by actions that reflect these evolving frameworks, methodologies and targets. As the EU further defines its commitments, the BCR Group will progressively align its approach to support and follow these developments.

BCR Group alongside Erste Group has been developing its prudential transition plan in line with the requirements under the Capital Requirements Directive (CRD VI). Due to different legal requirements and timing there is currently no intention to develop an overall transition plan fully aligned with a 1.5-degree pathway. Erste Group's transition plan under the Capital Requirements Directive, which is also assumed by BCR Group, focuses on assessing and managing financial risks arising from nature and climate risks, providing strategic direction, including decarbonisation targets and implementation measures to support proper risk decisions. Work on this integration began in 2025 and BCR Group alongside Erste Group continues to strengthen the alignment between its sustainability strategy and prudential risk management, ensuring consistency across regulatory frameworks and internal planning processes.

As part of its ambition to support the transition to a sustainable economy, BCR Group aims to support clients and sectors towards decarbonisation, while also reducing emissions from its own operations. This is fully integrated into BCR Group's overall business strategy and financial planning, ensuring that decarbonisation efforts are part of decision-making processes. BCR Group emphasises continuous engagement with clients across various industries to support their transition and manage climate-related risks. BCR Group integrates emission reduction targets into its business strategy to support both the clients' transition and the Bank's sustainability goals. Furthermore, BCR Group monitors portfolio developments and client progress quarterly. This process includes assessing the impact of client engagements, adjusting strategies and implementing necessary measures. Progress is reported regularly to the Management Board and Supervisory Board.

More information on the respective policies, actions and targets can be found in sections E1-2 Policies and transition measures for climate change mitigation and adaptation', 'E1-3 Actions and resources in relation to climate change policies' and 'E1-4 Targets related to climate change mitigation and adaption'.

E1-2 – POLICIES AND TRANSITION MEASURES FOR CLIMATE CHANGE MITIGATION AND ADAPTATION

BCR Group's policies to transition to a sustainable economy focus on targets for financing activities, which are endorsed and supported by the management.

AT A GLANCE: ADDRESSING IMPACTS, RISKS AND OPPORTUNITIES

Impacts, risks and opportunities	Strategy / Policy	Key decarbonisation lever and actions	Targets
For BCR Group, additional financial opportunities may arise from investments in and the financing of clients to support their transition to sustainable business initiatives, and subsequently, the implementation of decarbonisation measures. (Opportunity Climate Change Mitigation) Through the financing of renewable energy projects, energy grid infrastructure and supply side flexibility (e.g. battery storage) BCR Group supports energy security, enables CO₂-neutral power and contributes to the systemic shift towards a sustainable economy. (Pos. Impact Energy) BCR Group's financing of renewable energy projects (e.g. wind and solar projects, battery storage) and energy transition enables neutral/low CO₂ energy production and offers new opportunities for the portfolio. (Opportunity Energy)	Sustainable Finance Methodology	Lever: Promoting a sustainable real estate sector Lever: Financed emissions reduction in the energy sector Lever: Client engagement framework	15% sustainable retail mortgages by 2027 25% sustainable corporate financing by 2026
BCR Group faces a higher credit risk as climate-related physical risks can lead to a devaluation of collateral and/or to negative effects on the business models and lastly financial stability of debtors. The consequences are increased risk provisions for BCR and connected negative impacts to its P&L and own funds. (Risk Climate Change Adaptation) Additional financial opportunities might be captured by BCR from financing of strategies/projects conducted by a wide array of entities, from local SMEs to large companies (e.g. adaptation solutions for residential and commercial real estate, agriculture), municipalities and other public entities for adaptation infrastructure. (Opportunity Climate Change Adaptation)	BCR Real Estate Financing ('REF') Policy	Lever: Promoting a sustainable real estate sector Lever: Financed emissions reduction in the energy sector	Portfolio decarbonisation target
The CO₂ emissions of BCR Group in the upstream value chain and in own operations contribute to climate change and thus to global warming. (Negative Impacts Climate Change Mitigation) Until the assumed net zero targets for own operations are achieved, the energy (electricity, fuel and heating) used by BCR continues to generate CO₂ emissions and therefore contributes to climate change. Also, a potential slow progression on the adoption of renewable energy (either purchased or self-generated) may lead to a higher contribution to any risk associated with climate change, physical or transitional. (Negative Impact Energy) BCR's financing of energy-intensive industries may lead to increased greenhouse gas emissions, thereby influencing climate change and global warming trends. (Negative Impact Energy)	BCR Group Responsible Financing Policy BCR Corporate Lending Policy	Lever: Promoting a sustainable real estate sector Lever: Financed emissions reductions in the energy sector Lever: Emission reduction in own operations Lever: Client engagement framework	Portfolio decarbonisation target Net zero operations target
Price instability on the energy market due to climate change can result in decreased profitability in companies in energy-intensive sectors as well as liquidity shortage of retail clients, leading to a higher default risk and a related increase in risk provisions for BCR, impacting P&L as well as own funds. (Risk Energy)	BCR Retail Credit Risk Management Policy BCR Corporate Lending Policy BCR Real Estate Financing (REF) Policy	Lever: Promoting a sustainable real estate sector Lever: Financed emissions reduction in the energy sector Lever: Client engagement framework	Portfolio decarbonisation target
BCR faces a higher credit risk as climate-related transition events (regulatory interventions) can lead to negative effects on the profitability of business models and lastly the financial stability of debtors. The consequences are increased risk provisions for BCR and connected negative impacts to its P&L and own funds. (Risk Climate Change Mitigation)	BCR Retail Credit Risk Management Policy BCR Corporate Lending Policy	Lever: Promoting a sustainable real estate sector Lever: Financed emissions reduction in the energy sector	Portfolio decarbonisation target

Concerning all policies, an ongoing dialogue is conducted with relevant stakeholders such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic institutions and NGOs. Inputs from these stakeholders were received through bilateral talks, conferences and supervisory dialogues regarding climate change, and are consequently used in BCR Group's policy setting process. For more details on consideration of interests and views of stakeholders please refer to chapter 'SBM-2 - Interests and views of stakeholders'.

The below mentioned policies are developed at Erste Group level and are implemented or applied by BCR Group.

SUSTAINABLE FINANCE METHODOLOGY (SFM)

Policy objectives to address impacts, risks and opportunities

BCR Group's primary environmental impact stems from its lending activities, specifically the emissions generated by the projects it finances. BCR Group, through its financing activities, plays an important role in facilitating the transition to a low-carbon economy and it is actively engaging with its clients, and supporting them, on their decarbonisation journey. Considering the climate crisis, this means mobilizing funds to create a fairer and more prosperous world for all, and contributing to a sustainable future. The SFM outlines the methodology for classifying sustainable financings, focusing on renewable energy and energy efficient buildings, as well as sustainable activities (for more details see chapter 'SBM-1 – Strategy, business model and value chain').

The Sustainable Finance Methodology and thus BCR Group's sustainable financing is a classification that primarily addresses its opportunities and positive impacts and, under certain conditions, may contribute to its decarbonisation targets:

- BCR Group's financing of investments into renewable energy projects (e.g. energy from renewable energy sources such as wind power and solar energy, battery storage) enables CO₂e-neutral energy production and offers new opportunities for the portfolio.
- BCR Group's financing of other energy transition projects enables low carbon energy production, which is necessary for a low carbon economic system within the planetary boundaries.
- BCR Group's additional financial opportunities arise from other sustainable investments (ex. circular economy, sustainable transportation) and the financing of customers supporting their decarbonisation and transition to a sustainable business state.
- Through the financing of climate-change adaptation solutions, BCR Group might gain additional financing opportunities whilst contributing towards reducing vulnerabilities to climate change impacts.

Sustainable Financing has demonstrable impact on decarbonization in real estate and energy sectors:

- in real estate, financing energy-efficient properties significantly reduces emissions intensity compared to traditional financing, reinforcing the alignment between sustainable finance and climate objectives.
- in the energy sector, renewable energy financing inherently supports climate mitigation by replacing fossil-based generation, thus entailing environmental benefits. These projects are systematically prioritized and tracked within BCR Group's portfolio, reflecting our commitment to energy transformation and the expansion of clean energy solutions. In case of project finance, BCR Group assumes that renewable energy projects (wind, solar, geothermal and hydropower) have an emission factor for Scope 1 and 2 of zero (see section 'Methodology Business Loan, Corporate Bonds and Project Finance' under E1-6 'Gross Scopes 1, 2, 3 and Total GHG Emissions').

Actions, metrics and targets related to Sustainable Financings are partially linked with material impacts, risks and opportunities (IROs) outlined in chapter 'E1 SBM-3 - Material impacts, risks, and opportunities and their interaction with strategy and business model'.

Methodology

'Sustainable financing' is a term used by BCR Group to determine financings that address the interplay of BCR Group's identified environmental impacts and opportunities and aligned with Erste Group sustainable finance methodology.

This involves screening and evaluating BCR Group's financed portfolio in accordance with a bespoke approach and set of criteria, grounded in the principles of established standards and frameworks. With the decarbonisation levers of "promoting a sustainable real estate sector", "reduction of financed emissions in the energy sector", 'emission reduction in own operations', as well as 'client engagement framework' (presented in section 'E1-3 Actions and resources in relation to climate change policies'), BCR Group's sustainable financings have a primary focus on:

Real estate financings:

- energy efficient buildings with energy-efficient indicators in the Energy Performance Certificate (e.g. EPC label A).
 - buildings meeting the requirements for a 'nearly zero energy building' (NZEB) according to EU Directive 31/2010.
- This methodology is explained in chapter 'E1-4 - Targets related to climate change mitigation and adaption'.

Renewable energy projects financings:

- supporting the fulfillment of decarbonisation via financing transition technologies, the shift to renewable energy sources, battery storage capacities, upgrades of the transmission and distribution networks.

Further details on the screening approach and the criteria can be found in chapter 'E1-4 - Targets related to climate change mitigation and adaption'. In addition, the above-mentioned decarbonisation levers are contributing to the achievement of the target that are explained in chapter 'E1-3 - Actions and resources in relation to climate change policies'.

The Sustainable Finance Methodology provides the framework for classifying sustainable financings that support climate transition of BCR Group's clients and complementing the achievement of 15% sustainable mortgages by 2027 and reaching the goal of 25% sustainable corporate financing by 2026. Through this, BCR Group continues to maintain its prominent role in sustainable financings (see SMB-1 for more details on strategic priorities).

Methodology outlook for 2026

This methodology is being refined to better support decarbonization targets. The focus of Sustainable Financing will be broadened to include a wider range of impactful activities and sectors, making it more relevant and connected to market developments. Beyond energy-efficient buildings and renewable energy the refined approach will for example include, among others, low-carbon manufacturing, water use and efficiency improvements across all sectors. The updated methodology remains anchored in established standards and robust governance, with ongoing stakeholder engagement ensuring alignment with market expectations. The new approach will be implemented starting 2026.

Scope

The methodology set out in the SFM applies to BCR, as defined in chapter 'E1-4 Targets related to climate change mitigation and adaption'. The policy covers customer groups that currently fall outside the scope of EU Taxonomy mandatory disclosure requirements, such as SMEs. It explicitly accounts for their limited reporting infrastructure, allowing for simplified data collection methods where formal sustainability disclosures are not yet available. The Sustainable Finance KPI are applicable to corporate and retail business lines of BCR. BCR's Sustainable Financing KPI is an internal remuneration-linked metric and must not be confused with the Green Asset Ratio (GAR) KPI under the EU Taxonomy. BCR's Management Board does not have a GAR ratio KPI.

The BCR Head of Sustainability Department is accountable for approving and implementing the policy in BCR. The methodology was not yet formally transposed into a BCR policy in 2025. The methodology is only available internally, but elements of it such as the criteria for sustainable financing, are discussed with clients during the regular ESG dialogues carried out by BCR.

BCR GROUP RESPONSIBLE FINANCING POLICY

Policy objectives to address impacts, risks and opportunities

The BCR Group Responsible Financing Policy outlines industry-specific ESG exclusion and phase-out criteria, including thresholds and guidelines for determining transaction eligibility to prevent ESG related credit and reputational risk. It also defines non-financial risk profiles that trigger detailed due diligence and scrutiny. Additionally, the policy describes assessment procedures for specific sectors and subsectors to ensure informed decision-making aligned with the commitment to providing responsible financing services.

Thus, the policy supports the achievement of the portfolio 2050 decarbonisation targets. To reach this target, BCR Group has implemented a structure and governance framework for the execution of decisions under the BCR Group Responsible Financing Policy.

In 2025, a revision process for the BCR Group Responsible Financing Policy was started, with the goal to support a responsible energy transition. BCR Group is committed to phase out coal financing by 2030 in alignment with the National Energy and Climate Plan (NECP). An extension to 2035 applies exclusively to existing power-generation and heat-and-steam clients that already have a defined exit plan targeting the same year.

Another change foreseen is driven by other priorities in the context of defense. Due to the significantly changed geopolitical environment, the strategic importance of the defense sector in Europe has fundamentally shifted. Financial institutions are now expected to contribute to collective security, industrial resilience and defense readiness, as outlined in the EU White Paper 'Defense Readiness 2030'. This will be reflected in the changes towards the eligibility criteria of financing defense sector.

Methodology

The existing policy mandates a two-tier review process. To comply with the requirements of the policy, the deal originator must:

- seek a dedicated dialogue with high-emitting clients. This typically starts with an industry and client-specific assessment of ESG issues, to identify sustainable finance instruments that match the client's sustainability and funding strategy.
- additionally collect relevant information and documents related to the specific deal.
- assess the non-financial risks in line with the BCR Group Responsible Financing Policy, and propose corresponding follow-up measures if necessary.

The second review is carried out by the Sustainability Department and Non-financial Risk Management (NFR) function. They ensure that all respective risks are identified, assessed, measured, monitored, managed and properly reported by the Business Units in the first line of defense and, in case it becomes relevant, guide the deal originator and associated employees through the specific NFR process required by the deal in question.

BCR Group defines exclusion criteria for the energy sector, defense, as well as gaming and gambling sector, and additionally covers the topic of biodiversity to advance the management of environmental and climate risks as well as energy security of actual energy transition projects. These energy sector principles are based on accepted industry principles and acknowledged by various stakeholders as best practice. These principles are also aligned with BCR Group's commitment to reduce carbon emissions as BCR Group recognizes the strategic importance of renewable energy and energy efficiency projects.

Scope

The policy applies to on and off-balance sheet transactions of BCR, and BCR Leasing IFN S.A., and has no application for BCR Group's upstream value chain.

All products and services in the Corporates segment for BCR Group financing entities are in the scope of this policy, no matter whether the financing is direct or indirect, on- or off-balance-sheet financing and whether financial risks are linked to it or not.

A client company/group is considered within the scope of the policy if the economic activity in scope of the deal accounts for more than 5% of the group's turnover, unless otherwise specified. Not in scope of this policy are all retail business line products (except for defense transactions), single payment transactions, transactions below a threshold of EUR 1 million within an already approved limit (except for defense transactions) and "Responsible Investments" (including Erste Asset Management). For transactions managed by Financial Institutions Department below a threshold of EUR 0,5 million within the approved limit, compliance with the BCR Group Responsible Financing Policy is assessed by the Business line.

The BCR Group Responsible Financing Policy, including any amendments or updates, is subject to formal approval by the Management Board. This policy is owned by the Sustainability Department and is made available on the internal website of BCR Group; relevant external stakeholders are provided upon request with this document via e-mail. By adhering to this policy, BCR Group commits to respect the demands by the Paris Agreement as well as the EU taxonomy.

BCR RETAIL CREDIT RISK MANAGEMENT POLICY

Policy objectives to address impacts, risks and opportunities

Higher operational costs and capital expenditure of clients to align to increasing standards due to climate change can result in decreased profitability for companies in energy-intensive sectors, as well as liquidity shortage of retail clients. Also, BCR Group faces a higher credit risk as climate-related transition events can lead to negative effects on the profitability of business models and the financial stability of debtors. For BCR Group the consequences include increased risk provisions, which result in adverse effects on both the profit and loss statement and own funds. The policy supports the achievement of the 2050 portfolio decarbonisation targets. Decarbonisation levers primarily contributing are the emission reduction in the energy sector as well as the promotion of a sustainable real estate sector (see chapter 'E1-3 - Actions and resources in relation to climate change policies' for more details). For a detailed understanding of the CO₂e metrics associated with financed emissions, chapter 'E1-6 - Gross Scopes 1,2,3 and Total GHG Emissions' provides comprehensive results for the current and prior years.

Methodology

The policy requires BCR Group lending entities, to collect and store sustainability data, which can be obtained through an EPC of the financed object or an alternative method of assessing energy classification. If no energy classification information is received, the worst category of the available energy performance scale is assumed for the loan decision. The policy includes special lending conditions based on the energy efficiency values of the objects being financed. These conditions acknowledge that objects with lower energy efficiency are more likely to incur higher future maintenance and investment costs, which could impact the repayment capacity of customers and represent a credit risk. Higher energy efficiency, evidenced by an EPC, means a lower carbon footprint for the building. Thus, for retail mortgages, the pricing is linked to energy efficiency of the real estate collateral, higher energy efficient purchases are incentives with interest rate discounts, on the entire loan lifetime.

Within BCR's lending process, housing loan recommended parameters are differentiated by product type to reflect specificities such as Energy Performance Certificate (EPC) levels. Consequently, each product type is assigned a specific minimum application score and minimum income requirement, which determine a client's eligibility for a higher-than-standard maximum Debt Service to Income (DSTI) ratio.

Scope

The scope of the policy applies to BCR Group's entities that are engaged in lending to private individuals and micro entities. The Chief Risk Officer (CRO) of BCR is responsible for the implementation of the policy and ensuring that majority-owned subsidiaries

also comply with the requirements of this policy. The policy, available internally, covers the entire end-to-end retail credit cycle, which includes loan granting, portfolio management and collections. There are no explicit exclusions mentioned in terms of activities or the upstream and down-stream value chain.

By adhering to this policy, BCR Group also follows the European Banking Authority (EBA) guidelines on loan origination and monitoring, the EU GDPR and KYC (Know Your Customer) requirements, as well as the regulation and recommendations issued by the National Bank of Romania. This policy is available to internal stakeholders and it has also been communicated to the National Bank of Romania.

BCR REAL ESTATE FINANCING POLICY

Policy objectives to address impacts, risks and opportunities

BCR benefits from the financial opportunities that arise from the financing of and investments into companies that offer solutions for climate change adaptation and the funding of adaptation solutions in the real estate market (commercial real estate). However, BCR also considers climate-related physical risks that can lead to a devaluation of collaterals and/or to negative effects on the business models and financial stability of debtors. The consequences are increased risk provisions and negative impacts on BCR profit and loss statement and own funds. For this reason, BCR Real Estate Financing Policy requires a sustainability assessment for real estate financing projects before making a credit decision. Financing assets with high CO₂ emissions which are considered high or medium risk are subject to stricter lending clauses. In doing so, the policy contributes to the achievement of the 2050 portfolio decarbonisation targets. One of the most important mechanisms for decarbonisation that is instrumental in attaining the policy's objectives is focused on 'promoting a sustainable real estate sector' (see chapter 'E1-3 - Actions and resources in relation to climate change policies' for more details). As part of the Real Estate Financing Policy, BCR Group supports the adherence to recognized international sustainability standards and initiatives. When assessing real estate financing, the technical screening criteria and 'Do No Significant Harm' principles of the EU Taxonomy Regulation are taken into account where applicable. Detailed CO₂e results for financed emissions, covering the current year, are available in chapter 'E1-6 - Gross Scopes 1,2,3 and Total GHG Emissions'.

Methodology

With regards to the monitoring process, the policy requires an assessment of energy efficiency, physical risk (e.g. flooding, drought etc.) and the CO₂e value of the asset. It requires a Technical Due Diligence report, which includes the documentation of the following areas:

- Global Warming Potential for the life cycle of the building
- ESG Report
- Sensitive flood areas
- Energy Performance Certificate
- Energy Consumption
- Photovoltaic system
- Energy supply contracts on renewable/non-renewable energy sources and Environmental report and strategy on climate risks and weather

Scope

The scope of the policy encompasses all real estate financing transactions with corporate clients or client groups, regardless of segmentation criteria. It covers BCR's Commercial Real Estate segment, all specialized lending income-producing real estate clients and clients with certain codes in the 'Nomenclature Statistique des Activités Economiques dans la Communauté Européenne' ('NACE') related to the corporates segment or the industry segments of Real Estate or Hotels and Leisure.

The BCR Management Board is accountable for approving and implementing the policy. The policy is available to internal stakeholders on the internal website of BCR Group.

BCR CORPORATE LENDING POLICY

Policy objectives to address impacts, risks and opportunities

BCR Corporate Lending Policy defines group-wide rules and principles for corporate lending to ensure sound credit risk management, responsible banking and standardised client creditworthiness assessments. The policy supports managing risks stemming from energy and climate change mitigation by conducting a comprehensive ESG assessment of corporate clients and SME's with transferable securities to trading on an EU regulated market. BCR Group may face higher credit risk caused by climate-related transition events that can lead to negative effects on the profitability of business models and the financial stability of debtors. The consequences are increased risk provisions for BCR Group and connected to negative impacts to its profit and loss statement and own funds. For example, price instability in the energy market due to climate change can result in decreased profitability in companies belonging to high emitting sectors. By managing these risks, the policy supports the BCR Group's portfolio decarbonisation targets and potential subsequent emission reduction. The key decarbonisation lever contributing to achieving the policy's target is 'emission reduction in the energy sector'(see chapter 'E1-3 - Actions and resources in relation to

climate change policies' for more details). Detailed CO2e results for financed emissions, covering the current year, are available in chapter 'E1-6 - Gross Scopes 1,2,3 and Total GHG Emissions'.

If clients are exposed to increased sustainability risks, these must be properly assessed with respect to their financial position in the credit application and considered in the final lending decision as well as the rating. For large corporates in certain industries that lack a climate transition plan and do not measure the current emissions, any new transaction including a policy exception must be approved according to specific Approval Authorities regulation. This ensures that material sustainability matters are integrated into the lending process and encourages clients to adopt sustainable practices. Additionally, ESG assessments are updated annually to reflect any changes in the client's ESG risks.

Methodology

The evaluation of the client performance or solvency includes an assessment of its financial metrics and their engagement in mitigation activities. ESG assessment questionnaires are used during the lending process to evaluate climate change mitigation risks and how ESG factors may positively (mitigation) or negatively (risks) impact the financial performance or solvency of the client. The Large Corporate clients, the SMEs with transferable securities to trading on a EU regulated market, the State Owned Enterprises with annual consolidated turnover > EUR 50 mn and Real Estate Clients are required to share their carbon footprint as well as their carbon offsets during the ESG Questionnaire assessment. In addition, the client's energy mix and efficiency are analysed. A more sustainable energy mix and higher energy efficiency contribute positively to the client's overall performance evaluation.

Scope

The policy is also applicable to BCR Leasing IFN SA subsidiary and covers all corporate clients (LC, SME, CRE, Corporates owned by Sovereigns or Sub-Sovereigns and public sector). The policy explicitly excludes clients involved in suspicious and illegal activities or controversial industries as well as pure financial holdings without transparency and captive/ offshore companies).

By adhering to this policy, BCR complies with the EBA Guidelines on loan origination and monitoring. The Management Board is accountable for the implementation of the policy. The policy is made available internally on the intranet.

E1-3 – ACTIONS AND RESOURCES IN RELATION TO CLIMATE CHANGE POLICIES

The energy and real estate sectors in BCR Group's portfolio are key to its decarbonisation efforts. To achieve its 2050 net zero emission ambition, BCR focuses on four portfolio decarbonisation levers that comprise several already implemented key actions. For a more comprehensive understanding of the CO2e results pertaining to financed emissions, please consult chapter 'E1-6 - Gross Scopes 1,2,3 and Total GHG Emissions'. The current and future operational and capital expenditures incurred to implement the below actions are immaterial amounts.

To achieve our net-zero own operations target, BCR has defined a separate decarbonisation lever which is broadly related to employee mobility, enhancing building energy efficiency, and switching to low-carbon energy sources.

DECARBONISATION LEVER 'PROMOTING A SUSTAINABLE REAL ESTATE SECTOR'

BCR aims to reduce its financed emissions by increasing sustainable financing in the real estate sector through two main enablers, its Financial Health Commercial Real Estate Tool to track the carbon footprint of commercial real estate portfolios and the development of Renovation Financing solutions to assess its client's home renovation need and energy efficiency.

Successfully motivating clients to take measures to improve the energy performance of the buildings they own, financed by the Group, contributes to reducing financed emissions in absolute terms if higher emission-loans mature. As a result, it contributes to the achievement of the portfolio decarbonisation targets by 2050. The effectiveness of actions under this lever further is assessed based on the attainment of the 25% sustainable corporate financing target and the 15% sustainable mortgage target (see chapter 'E1-4 - Targets related to climate change mitigation and adaption' for more details on targets).

Enabler 1: Financial Health Commercial Real Estate Tool

BCR applies the Financial Health Commercial Real Estate Tool, which was developed at Erste Group level, to enhance client engagement, provide greater transparency and improve the overall quality of its portfolio. It is expected that this instrument will have a positive impact on climate change mitigation by enabling the identification and promotion of energy-efficient building practices. By integrating asset-level data on energy performance and greenhouse gas (GHG) emissions, the tool allows both the Bank and its clients to actively track and manage the carbon footprint of commercial real estate portfolios. The tool raises client awareness and encourages the adoption of renewable energy solutions, such as on-site solar power generation or green electricity

procurement. With this initiative, BCR aims to enhance energy efficiency and reduce carbon emissions within its commercial real estate holdings.

The Financial Health Commercial Real Estate Tool integrates client asset KPIs with benchmark values derived from Erste Group's portfolio data, internal policies and GHG thresholds. For instance, BCR compares client EPCs with other client assets in the portfolio (EPC values of CRE assets). A pre-defined CO_{2e} threshold allows BCR to identify assets that are desirable in terms of CO_{2e} emissions and are aligned with its portfolio reduction pathway. The tool enables clients to visualize their projects, compare them with other portfolio projects and place them within the context of BCR's commercial real estate decarbonisation pathways.

The screening of each client within the portfolio is currently underway and will continue throughout 2026. The primary objective is to engage with all relevant commercial real estate clients, using available underlying asset information. As a result, the Financial Health Real Estate Tool indirectly contributes to climate change mitigation and GHG reduction by facilitating the identification and promotion of energy-efficient building practices among clients.

Enabler 2: Renovation financing

To support the energy efficiency transition in residential properties, BCR Group is planning to further provide its retail clients with dedicated products to accommodate their home renovation needs. BCR launched the Casa Mea Natura loan in August 2021, which is dedicated for energy efficient homes. This product can be accessed providing that an energy performance certificate (EPC) A or B, issued based on the most recent methodology in place at national level, is available.

BCR focus will remain on further supporting renovation efforts of our clients, and identifying new dedicated products and partnerships. Over the long term, BCR intends to introduce new products designed to support the increase of energy efficiency in buildings. Also, BCR will continue its actions aimed at enhancing the EPCs collection for its portfolio private individuals secured loans by focusing on the implementation of tailored campaigns. The expected results include increased client engagement via various channels, with more homeowners adopting energy-efficient renovation measures and have an EPC issued.

By developing and implementing new financing solutions, BCR shall continue to support its clients in enhancing the energy efficiency of their homes, thereby promoting sustainable housing solutions. Additionally, clients are encouraged to access subsidy programs and to receive financing options, leading to better utilization of energy-saving technologies such as solar panels, heat pumps and home insulations. Where financially viable and credit risk parameters are met, BCR is easing the time to cash for customers to receive financing for energy upgrades. This measure supports the implementation and fulfillment of the Retail Credit Risk Policy and the SFM. It contributes to the achievement of the target 'sustainable retail mortgages' as outlined in the table 'Sustainable financing – actuals and targets' in chapter E1-4 'Targets related to climate change adaptation and mitigation'.

BCR Group proactively engages with clients, offering renovation calculation and financing options through various channels. By leveraging the renovation calculator and associated financing solutions, BCR Group supports clients in enhancing the energy efficiency of their homes, thereby promoting sustainable housing solutions. The effectiveness of this initiative will be monitored by the granted renovation loans.

Scope of the decarbonisation lever

The Financial Health Commercial Real Estate Tool was implemented by BCR Group, with the screening of all existing stock assets expected to be completed in the short to medium term. The tool focuses on downstream value chain and addresses the commercial real estate portfolio of BCR. The Renovation Financing will apply to the downstream value chain of BCR Group, focusing on retail mortgage clients, particularly targeting those with high energy intensity. Detailed CO_{2e} results for financed emissions, covering the current year, are available in chapter 'E1-6 - Gross Scopes 1,2,3 and Total GHG Emissions', tables Financed emissions and Financed emissions by data quality.

The actions under the decarbonization lever 'Promoting a sustainable real estate sector' have been considered particularly for short and medium term, but in light of the decarbonization targets set, these are to be further enhanced as to be used on a long-time horizon as well. For the implementation of these actions, resources from Corporates, Retail, Risk and Sustainability teams are allocated.

DECARBONISATION LEVER 'FINANCED EMISSIONS REDUCTION IN THE ENERGY SECTOR'

BCR aims to reduce its financed emissions in the energy sector by increasing sustainable financing for renewable energy projects and by reducing its loan portfolio in the coal sector. The contribution to decarbonisation targets significantly depends on the nature of the financed company. For instance, a coal or a conventional fuels-reliant company that utilises the financing to implement adaptation solutions (e.g. such as wind parks) can thereby reduce its reliance on fossil-based technology.

This lever contributes to the decarbonisation of BCR's energy portfolio and is in line with the Sustainable Finance Methodology which defines sustainable investments that contribute to climate-neutrality as well as the BCR Group Responsible Financing Policy which sets exclusion criteria for harmful socio-environmental economic activities, such as investments into specific carbon-

intensive energy activities. Additionally, it contributes to the objectives of the BCR Corporate Lending Policy. Therefore, this decarbonisation lever addresses the IROs of these policies as outlined in chapter 'E1-2 - Policies and transition measures for climate change mitigation and adaptation'. The actions of this lever support the policies' objectives such as the 2050 net zero portfolio ambition, as well as the 25% sustainable corporate target. The achievement of the policies' targets is outlined in chapter 'E1-4 - Targets related to climate change mitigation and adaptation'.

Through the key actions 'renewable energy financing' and 'reducing coal financings', investment in, and financing of energy-intensive energy companies will be reduced, while financing renewable energy projects enables CO₂e-neutral energy production, which is necessary for the transition to a low carbon economic system within sustainable boundaries, offering new clean energy opportunities for BCR's portfolio.

Key action 1: Renewable energy financing

BCR's renewable energy financing aims to increase the share of sustainable financing for projects that support the transition to cleaner energy sources, contributing to the adoption of renewable energy solutions, including wind, solar and battery storage. The anticipated impact includes an increase in financing for renewable energy projects and a reduction in financed emissions from the energy and heat production sectors, particularly if fossil-reliant companies transition to cleaner energy technologies. This initiative is a key measure contributing to the fulfillment of BCR Group's Sustainable Finance targets and goals.

As of year-end 2025, renewable energy producers exposures for 75% of the total electricity production portfolio in BCR Group. The renewable energy exposures are assigned a zero-emission intensity and relate to specific-purpose financing activities in renewable energy generation, such as wind and solar projects.

This portfolio distribution reflects BCR Group commitment to the energy transition and its strategic focus on supporting the expansion of renewable energy infrastructure. By maintaining a significant share of renewable energy financing, BCR Group contributes to decarbonisation efforts and advances the transformation toward a low-carbon electricity system.

Key action 2: Reducing coal financings

In line with its Responsible Financing Policy, BCR Group is committed to progressively reduce its financing of thermal coal mining and thermal coal-based power generation, phasing out coal financing by 2030 in alignment with the National Energy and Climate Plan (NECP) of Romania (with an extension period until 2035 for existing clients within heat and steam, as well as power generation if certain conditions are already in place such as the adoption of a credible transition plan for the exit until 2035). For the oil and gas sector, BCR Group has committed to avoiding any expansion of financing for oil and gas exploration unless it is crucial for independence from Russia, and is indispensable for national energy security within Europe. Gas-fired generation and related infrastructure may still serve as transitional solution and may be financed as long as they also meet the criteria set out in the EU Taxonomy.

BCR actively engages with all clients exposed to thermal coal, focusing on understanding their transition plans. It analyses all clients in this sector in-depth during the annual review process to assess and align their transition plans with the bank's 2050 net zero ambition. This includes identifying clients with over 25% of revenues from thermal coal and requiring them to present a credible, time-bound exit plan. BCR ensures that its engagement focuses on helping oil and gas sector clients adopt environmental action plans and decarbonisation strategies. On one hand, this includes avoiding financing for extraction in unconventional sectors. On the other hand, BCR is prioritising engagements of high emitting clients, who are part of their sector's decarbonisation targets, to assess their transition plans including the necessary CapEx investments.

Through the implementation of the two outlined measures, this initiative will result in a substantial reduction in financed emissions intensity. Renewable energy financing currently constitutes the second-largest component of the Bank's 25% sustainable financing target. Following commercial Real Estate Financing Policy, it is the most significant contributor to the reduction of financed emissions. Romania's coal phase-out strategy is expected to achieve a notable reduction in financed emissions associated with fossil fuels. Focusing on specific-purpose financing in renewable technologies, such as wind, solar and hydro, will further reduce BCR's financed emissions and significantly contribute to the 25% corporate sustainable financing target.

Additional information on the achieved GHG reductions can be found in table 'Portfolio Decarbonisation Targets, with particular emphasis on the electricity production sector.

Scope of the decarbonisation lever

The scope of the 'Sustainable Financing for renewable energy' measure covers the downstream value chain of BCR Group, specifically targeting renewable energy projects in the energy and heat production sectors. The implementation of the sustainable financing measure for renewable energy is designed for a long-term period.

The actions under the decarbonization lever 'Financed emissions reduction in the energy sector' have been considered particularly for short and medium term, but in light of the decarbonisation targets set these are to be further enhanced as to be used on a long time horizon as well. For the implementation of these actions resources from Corporates, Retail, Risk and Sustainability teams are allocated, and the effectiveness of the action is determined based on the financed emissions and coal exposure trends.

DECARBONISATION LEVER 'CLIENT ENGAGEMENT FRAMEWORK'

The client engagement framework is a holistic approach that is aimed to support the shift of the clients belonging to sectors not included in BCR Group's toward low-carbon business models while ensuring alignment with our portfolio decarbonization targets.

The client engagement framework represents the toolkit consisting of several elements such as ESG Assessment Questionnaire, Responsible Financing Policy and Sustainable Finance Methodology. While the later tool provides a framework for classifying sustainable financings that support climate transition of BCR Group clients, the questionnaire facilitates data collection on the environmental footprint of large corporate and commercial real estate, thus enabling the Group to identify clients which are prone to environmental, climate, social and governance risks. It is updated at least annually and allows us to assess the impact of ESG factors on credit risk. Thus, BCR Group focuses on evaluating the transition plans of the clients and aligning them with the sector's decarbonisation targets.

In 2025, the ESG Assessment has been broadened to place greater emphasis on the resilience of ESG risks, such as transition risk, and now also takes into account clients' susceptibility to physical and nature-related risks.

The process follows a structured three-phase approach consisting of: (1) clients assessment and selection, (2) engagement and dialogue and (3) monitoring. The client selection process for BCR Group was finalised in Q4 2025, enabling our teams to engage with the clients following the lending processes throughout the year 2026. The revised framework will further contribute to BCR's Group engagement with clients in the transition journey using a strategy tailored to their maturity. Moreover, the framework will ensure that ESG considerations are systematically integrated into client relationships, credit processes and portfolio steering.

Through this framework, BCR Group aims to act as a trusted partner for its clients, enabling them to navigate the challenges of the green transition while safeguarding financial stability. By combining risk management with financing solutions, BCR Group contributes to a sustainable economy and long-term value creation for all stakeholders.

Scope of the decarbonisation lever

The 'Client Engagement Framework' lever was developed for large corporate clients within BCR Group's lending portfolio. The client engagement approach will enable us to gain deeper insights into BCR Group's clients' transition plans. The Group's approach focuses on supporting clients in this transition, but also includes a reassessment of the relationship with clients who are unwilling to commit to progress. The implementation of this lever is designed as a long-term initiative.

DECARBONISATION LEVER 'EMISSION REDUCTION IN OWN OPERATIONS'

BCR Group aims to decarbonise its operations by lowering the CO₂ emissions associated with employee mobility through electrification, enhancing building energy efficiency, switching to low-carbon energy sources and increasing employee engagement through trainings and joint action. The implemented actions target tCO₂e emissions from own operations, thus contributing to its net zero operations goal set at Bank level. BCR Group's actions currently focus on the reduction of scope 1 and 2 emissions as managing operational scope 3 emissions represents a significant challenge, as these emissions are largely influenced by the activities of third parties and external stakeholders. Please refer to chapter 'E1-4 Targets related to climate change mitigation and adaptation' to gain a deeper understanding of the achieved GHG emission reductions within scope 1 and 2. Additionally, chapter 'E1-6 Gross scopes 1,2,3 and Total GHG emissions' outlines the current CO₂e balance results. For more insights into energy consumption and its breakdown, please see chapter 'E1-5 Energy consumption and mix.

Resources from Property Management, IT operations, People and Culture and Sustainability teams are allocated for the implementation of these actions. This also depends to some extent on the availability of resources, including financial ones. Nevertheless, no constraints in terms of resources which might impair our ability to implement the climate change and mitigation actions in own operations were identified at this stage.

No significant capital expenditure and operating expenditure is required for the described measures.

Scope of the decarbonisation lever

The implementation of the measures relates to the short-term period for employee engagement and awareness and to the medium-term period for decarbonisation of employment mobility, increased energy efficiency of own buildings and low carbon energy use. The decarbonisation lever is tracked with the net zero target which is applicable to BCR Group.

The expected emission reduction per each of the actions/levers presented in this chapter is described by the respective target in the following table. The achieved reductions are disclosed in section 'E1-4 Targets related to climate change mitigation and adaptation'.

Action/Lever	Target
Enabler 1: Financial Health Commercial Real Estate Tool	Decarbonisation target for Commercial Real Estate, sustainable corporate finance target
Enabler 2: Renovation Financing	Decarbonisation target for mortgage, sustainable finance real estate target
Key action 1: Renewable energy finance	Decarbonisation targets for heat and steam production and for electricity production, sustainable corporate finance target
Key action 2: Reducing coal financing	Decarbonisation targets for heat and steam production and for electricity production
Decarbonisation lever 'Client engagement' framework	All decarbonisation targets except those for commercial real estate and mortgages
Decarbonisation lever 'Emission reduction in own operations'	Scope 1 and 2 targets

E1-4 – TARGETS RELATED TO CLIMATE CHANGE MITIGATION AND ADAPTATION

PORTFOLIO DECARBONISATION TARGETS

BCR's decarbonisation targets are presented in the 'Portfolio Decarbonisation Targets' table, detailing emission scopes, the base year, the target value, the reference value and the selected scenario pathways and methodologies. BCR's GHG emission reduction targets are scientifically sound and compatible with BCR Group's ambition to achieve a net zero status of its portfolio by 2050.

The 2050 net zero portfolio ambition set at Erste Group level, which is supported by BCR, is strategically designed to evaluate the effectiveness and efficiency of the initiatives in mitigating the emissions associated with its financing activities. This target not only serves as a benchmark for assessing the success of various measures implemented to reduce the carbon footprint of financed projects, but also underscores the Bank's commitment to sustainable finance.

The policies described in chapter 'E1-2 Policies and transition measures for climate change mitigation and adaptation', such as the SFM, the BCR Group Responsible Financing Policy, the BCR Corporate Lending Policy, the Group Real Estate Financing Policy and the BCR Group Retail Credit Risk Management Policy, collectively support the achievement of the portfolio decarbonisation target by addressing BCR Group's material IROs as listed in the table 'Material Impacts, Risks and Opportunities' in chapter 'SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model'. The portfolio target is primarily achieved through a reduction in financed emissions in the energy sector, as well as the promotion of a sustainable real estate sector. This is explained in more detail in the chapter 'E1-3 Actions and resources in relation to climate change policies'.

By focusing on the energy and real estate sectors, as well as client engagement, BCR aims to address major sources of emissions through sustainable financing, energy efficiency improvements and the transition to renewable energy sources. These efforts are expected to contribute significantly to achieving the GHG emission reduction targets. The portfolio decarbonisation targets address BCR's downstream value chain and applies to the entire geographical area in which it operates in line with the internally defined materiality threshold.

Client executives, industry experts and sustainability advisors were engaged to ensure that Erste Group's goals, and therefore BCR's, are both ambitious and aligned with broader industry standards and expectations. The targets' setting process was coordinated by Erste Group and comprised a series of workshops carried out with the support of an external consultant. During these sessions the SBTi/PACTA methodologies for each sector were discussed, as well as the country level scenarios. BCR provided inputs on the business perspectives for each sector, transactions pipeline, mid- and long-term scenarios. The results of these workshops were used for developing the decarbonization targets at both Erste Group and BCR level.

The following medium and long-term targets have been set to define the path towards a net zero portfolio and make progress measurable:

Portfolio decarbonisation targets and actuals

Sector	Metric	Methodology ¹	Scenario/ pathway	Emission scope ²	Baseline		Value		Targets ³			
					Year	Value	2025	Reduction in %	2030	Reduction in %	2050	Reduction in %
Mortgages ⁴	kgCO ₂ e/ m ²	Internal Model	XDC ITR 2.6°C	1 and 2	2024	39.3	33.9	-14%	31.6	-20%	6.7	-83%
Commercial real estate ⁴	kgCO ₂ e/ m ²	Internal Model	XDC ITR 1.5°C	1 and 2	2024	31.6	23.8	-25%	24.8	-22%	4.6	-85%
Electricity production	kgCO ₂ e/ MWh	PACTA	IEA NZE2050	1 and 2	2022	147.2	79.3	-46%	72.9	-50%	7.8	-95%
Oil and gas extraction	Tsd tCO ₂ e	PACTA	IEA NZE2050	1, 2 and 3	2023	250.7	88.5	-65%	233.6	-7%	103.2	-59%
Automotive production sector*	gCO ₂ e / km	PACTA	IEA NZE2050	1, 2 and 3	2023	184.5	155.6	-17%	100.6	-45%	22.7	-88%

¹ BCR's baseline values fulfill the requirements and calculation approach of third-party standard setters such as SBTi and PACTA. Those standards are based on the latest findings from leading environmental institutions, such as the IPCC⁽⁸⁾. Hence, BCR's baseline value is to be considered a representative one.

² The given scopes represent emissions from BCR's downstream activities, in particular the scope 1, 2 emissions of the client financed by BCR, and where significant also scope 3 emissions from the financed company / project.

³ Decarbonization targets are defined on the Erste Group level, applying materiality threshold, and cascaded to Erste Group Entities including BCR.

⁴ Mortgage and Commercial real estate targets defined based on proprietary internal model (driven by portfolio and market drivers) and benchmarked using X-Degree Compatibility model (version 2025.08) by Right⁸ based on science GmbH. Implied temperature of 2050 target at 2.6°C for Mortgages and 1.5°C for Commercial real estate. More details in the respective chapter on Mortgage and Commercial real estate decarbonisation. SBTi SDA methodology was applied to determine the 1.5°C benchmark.

***In the 2025 review process the Baseline Value and Targets for Automotive sector have been updated to present the relevant values.**

No decarbonisation targets have been set for the portfolio of BCR Leasing due to the fact that no material exposures were booked at subsidiary level for sectors included in the decarbonization setting exercise.

Out of total credit risk volume of RON 155 billion as disclosed in the Note 28 in the Consolidated and Separate Financial Statements, 57% is covered by the financed emissions calculation (see details in the respective chapter of CSRD). The portfolios with decarbonisation targets cover 30% (scope 1 and 2) and 32% (scope 1+2 and scope 3) out of financed emissions in 2025. Decarbonisation targets were established for carbon intensive sectors considering also available scientific methodologies.

As all targets are derived based on the Science-Based Target Initiative (SBTi) and Paris Agreement Capital Transition Assessment (PACTA) methodologies, these targets serve as 1.5°C scenario-based benchmarks, except the real estate sectors. The real estate sector is further described in the section 'Real estate decarbonisation target'. From a risk management perspective, aligning scenario assumptions with realistic portfolio trajectories allows Erste Group, and therefore BCR, to identify potential vulnerabilities early and safeguard the resilience of its business model. Based on this analysis, economic capital was allocated to reflect the transition risk associated with the portfolio's current temperature alignment.

Methodology, defined measures and the current progress towards the targets will be described below.

The progress along the decarbonisation pathway is monitored quarterly via dedicated internal reports presented to the management. Moreover, the actuals are approved by the Management Board as part of the BCR Group Risk Management Report.

The explanation on the progress is elaborated in the chapters dedicated to the decarbonisation of the respective sectors.

Electricity sector decarbonisation target

The focus within the electricity production portfolio is on diversified electricity producers as well as project-based financing of electricity production. A thorough review is applied to confirm that the activities are centered on electricity generation. This focus supports the broader goal of reducing carbon emissions in the power sector, which is a significant contributor to global GHG emissions.

Moreover, the energy sector will be the central cornerstone of Europe's decarbonisation success. As one of the most pollutant industries at present, it also offers a substantial opportunity to transform from fossil fuels to renewable energy. Besides, a more environmentally sustainable energy mix, origination from electricity transformation, will be a key contributor to reduce emissions in other industries.

To support the energy transition, the EU climate objectives have helped to increase the ambition of national programs for deploying clean energy measures. Electricity systems need to be flexible and require growth in battery energy storage and flexible peaking

⁸ <https://www.ipcc.ch/>

power plants such as combined cycle gas turbines. Expansion and modernisation of transmission and distribution grids offer opportunities for financing to meet growing electrification demands.

This portfolio's scope includes direct emissions (scope 1) from the combustion of fossil fuels and indirect emissions (scope 2) associated with the purchase of electricity, heat and cooling necessary for operations, as well as other indirect emissions (scope 3) occurring throughout the entire value chain, such as those from the extraction and production of purchased materials, business travel, employee commuting and other energy-related activities not included in scopes 1 or 2.

BCR's methodological approach is grounded in the PACTA framework, customized for financial institutions. This allows to track and manage the physical emission intensity of electricity producers within its portfolio. Decarbonisation targets are defined considering a physical metric and measured as kgCO₂e/MWh.

This metric plays a crucial role in evaluating whether BCR's clients are prepared for the necessary transition in line with the 2030 and 2050 decarbonisation objectives.

To align with global efforts to limit temperature rise, BCR has adopted the IEA (International Energy Agency) Net Zero 2050 scenario as the guiding benchmark. The targets aim for a 50% reduction in the physical emission intensity of the portfolio by 2030, bringing it down from a 2022 baseline of 147 kgCO₂e/MWh to 73 kgCO₂e/MWh. BCR is tracking the progress closely, with interim results showing a reduction of 46% to 79.3 kgCO₂e/MWh by 2025, marking an improvement compared to the 2024 level of 87.2 kgCO₂e/MWh. This status reflects the group-wide focus on energy transformation and financing renewable energy projects as elaborated in the section on Sustainable financing targets of this chapter.

For deriving the future trajectories for each technology, the NZE (Net Zero Emissions) 2050 (1.5°C) scenario was used. The IEA, with its 'Net Zero by 2050: A Roadmap for the Global Energy Sector report,' depicts the pathway to building a global energy sector with net zero emissions by 2050. The key drivers of this scenario are electrification and electricity supply and demand. Electricity supply will change with the share of renewables rising and the use of coal falling globally. Natural gas is used as a transition up to 2030 but will decline in the long term. The path involves replacing carbon-intensive processes with renewable technologies wherever feasible. For example, this includes waste-heat recovery, geothermal technologies for heating and solar and wind for electricity production.

Oil and gas upstream decarbonisation target

The focus within the oil and gas portfolio is exclusively on clients' upstream activities, thus BCR applies a thorough review process to confirm that activities are related to upstream. Decarbonisation of this portfolio includes Scope 1, 2 and 3 emissions.

The methodological approach is grounded in the PACTA framework, customized for financial institutions.

The scenario used is World Energy Outlook (WEO) 2021 NZE aligned (1.5°C) global. The scenario implies the decline in global oil demand and foresees that natural gas demand remains mostly stable until 2030. The scenario anticipates oil demand reduction coming from the shift of passenger vehicles, transport cars and heavy trucks electric power. The share of natural gas in the global energy mix remains around 11%, while around 70% of natural gas use in 2050 in NZE is equipped with carbon capture, utilisation and storage.

BCR's targets aim for a 7% reduction in the absolute financed emissions of the portfolio by 2030, bringing it down from a 2023 baseline of 250.7 (which takes into account also expected pipeline added to the baseline) thousand tCO₂e to 233.6 thousand tCO₂e. BCR is tracking progress closely, with interim results of 88.5 thousand tCO₂e by 2025. The results show a decrease compared to 2024 (191.5 thousand tCO₂e).

The baseline value has factored in BCR's business with its oil and gas clients at the point of targets setting. BCR has committed to refrain from increasing its exposure to oil and gas exploration financing, with the exemption of projects that align with Europe's national energy and climate plans (NECPs). BCR Group will provide banking services subject to its Group Responsible Financing Policy.

Automotive decarbonisation target

BCR has defined a decarbonisation target for the original equipment manufacturers, namely manufacturers of light duty vehicles (LDV). A thorough review process was carried out to identify the clients whose business activities fall under the definition of this sector. This portfolio includes scope 1, 2 and 3 emissions, thus enabling the consideration of emissions for the entire lifetime of the vehicle.

The methodological approach is grounded in the PACTA framework, customized for financial institutions. This allows BCR to focus on the automotive value chain that controls the bulk of the impact and the decarbonisation efforts, to track and manage the physical emission intensity of auto manufacturers within the portfolio that is measured as gCO₂e/km, following the well-to-wheel

methodology. This metric as well as technology mix plays a crucial role in evaluating whether BCR's clients are prepared for the necessary transition in line with BCR's 2030 and 2050 decarbonisation objectives.

To align with global efforts to limit temperature rise, BCR has adopted the Net Zero 2050 scenario (WEO 2021) as guiding benchmark. The targets aim for a 45% reduction in the physical emission intensity of BCR's portfolio by 2030, bringing it down from a 2023 baseline of 186.7 gCO₂e/km to 102.2 gCO₂e/km.

The reduction of the CO₂e emissions captured in BCR's decarbonisation path is mostly driven by the EU regulation published by the European Parliament, stating the EU ban on sale of new petrol and diesel cars from 2035 as part of the programme Fit for 55. Moreover, the broader EU Green Deal and Sustainable and Smart Mobility Strategy provide the policy umbrella for decarbonizing transport.

BCR is tracking progress closely, with interim results showing a reduction of 17% to 155.6 g CO₂e/km by 2025, marking an improvement compared to the 2024 level of 176 g CO₂e/km. Relatively stable development of emission intensity in the portfolio of BCR Group resembles the trends that are seen on the market, namely slow transition by the auto manufacturers.

Real estate decarbonisation target

BCR's real estate decarbonisation targets are defined for clients in scope of the PCAF real estate module and cover scope 1 and 2 emissions. As communicated in the 2024 CSRD report, BCR proactively considered rebaselining these targets because the existing pathways were not aligned with a 1.5°C scenario.

In 2025, Erste Group implemented significant methodological enhancements (applicable for BCR as well) to the PCAF real estate module, including scope expansion, the introduction of a machine-learning EPC proxy model and the consideration of a financed property flag. Combined with the updated National Energy and retail mortgages. Climate Plans by EU Member States, these improvements triggered the decision to rebaseline the real estate decarbonisation targets in 2025.

The methodological approach of the rebaselining combined a proprietary internal model with a science based pathway assessment. The internal model simulates the development of portfolio emission intensity based on asset-level data, energy performance characteristics, and market assumptions. In parallel, a science-based decarbonisation pathway is applied using the SBTi SDA (Science Based Target initiative Sectoral Decarbonization Approach) methodology aligned with a 1.5°C scenario (based on Carbon Risk Real Estate Monitor (CRREM) pathways). Both approaches allow BCR Group to track and manage the physical emission intensity of this portfolio using a metric that measures the amount of CO₂e emissions per square meter (kgCO₂e/m²). To benchmark the results from the internal model and assess the implied temperature alignment, an external analysis was conducted using X-Degree Compatibility (XDC) model developed by Right^o based on science GmbH.

Mortgages

External benchmarking using the XDC model shows that BCR Group's 2050 retail mortgage portfolio pathway (6.7 kgCO₂e/m²) corresponds to an implied temperature alignment of 2.6°C. Despite the more ambitious commitments, achieving a portfolio composition substantially different from national averages remains challenging. The updated mortgage portfolio decarbonisation target is to achieve a 20% reduction in the portfolio's physical emission intensity by 2030, decreasing from a 2024 baseline of 39.3 kgCO₂e/m² to 31.6 kgCO₂e/m². The portfolio is predominantly composed of retail business volume. BCR Group closely monitors progress, with interim results for 2025 showing a decline to 33.9 kgCO₂e/m².

Financed emission intensity at the end of 2025 amounted to 33.9 tCO₂e/RON mn. The Group has rebaselined decarbonisation targets for this sector, and as stated previously enhanced PCAF real estate module thus no meaningful year-over-year comparison is provided.

Decarbonising the residential mortgage segment remains highly dependent on government action, regulatory incentives and the pace of national energy-system decarbonisation - areas where progress in the CEE region is currently limited. Achieving a 1.5°C-aligned pathway would require large-scale building renovations, substantial energy-efficiency upgrades and a rapid shift towards low-carbon heating technologies. These developments rely heavily on external factors such as the availability of public subsidies, predictable long-term frameworks, simplified permitting procedures, and accelerated decarbonisation of national electricity grids. At present, progress in these areas remains uneven across BCR Group's core markets, and households continue to face significant financial burden. As a result, the external environment limits the feasibility of achieving a fully Paris-aligned decarbonisation pathway for this portfolio.

As regulatory frameworks evolve and government incentives strengthen, the Group will reassess its decarbonisation pathway to ensure continued alignment with the broader transition of the real estate sector.

Commercial real estate

External benchmarking using the XDC model shows that BCR Group's 2050 commercial real estate portfolio pathway (4.6 kgCO₂e/m²) corresponds to an implied temperature alignment of 1.5°C. The updated commercial real estate portfolio decarbonisation target is to achieve a 22% reduction in the portfolio's physical emission intensity by 2030, decreasing from a 2024 baseline of 31.6 kgCO₂e/m² to 24.8 kgCO₂e/m². The portfolio predominantly consists of volumes in corporate business segment. BCR closely monitors progress, with interim results for 2025 showing a decline to 23.8 kgCO₂e/m².

Financed emission intensity at the end of 2025 amounted to 2.3 tCO₂e/RON mn. The Group has rebaselined decarbonisation targets for this sector, and as stated previously enhanced PCAF real estate module thus no meaningful year-over-year comparison is provided.

NET ZERO OPERATIONS TARGET

The net zero target for BCR Group operational scope 1 and 2 emissions was set as a decrease of 90 % in comparison to the base year (2017). In absolute figures, the target is to reduce scope 1 and 2 emissions (market-based method) from 21,374 to 2,137 tCO₂e by 2030. Additionally, chapter 'E1-5 - Energy consumption and mix' provides more in-depth information on BCR Group's energy consumption and its composition.

The net zero target for operational scope 1 and 2 emissions was set according SBTi's net zero Standard and Target Setting tool v 1.1, hence there is compatibility with limiting global warming to 1.5°C. The target setting method applied is absolute contraction, using a cross-sector pathway. It was set in 2021 and was updated to reflect the further development of the standard and align to best practices. The target covers 100 % of scope 1 and 2 emissions of BCR. For scope 2, the market-based method is used to calculate the target. BCR Group's baseline values fulfill the requirements and calculation approach of third-party standard setter SBTi. Those standards are based on the latest findings from leading environmental institutions, such as the IPCC. Hence, BCR Group's baseline value is to be considered a representative one.

The net zero operations target addresses climate change mitigation and energy by aiming to reduce negative impacts through energy mix and own GHG emissions. Currently, there is no formal policy covering the operational emission reduction target, but an internal set of measures. The decarbonisation measures needed to achieve the operational target, have been identified to be renewable energy transition, energy efficiency improvement, decarbonizing employee mobility and employee engagement and awareness trainings like explained in chapter 'E1-3 - Actions and resources in relation to climate change policies'.

An ongoing dialogue is conducted with relevant stakeholders such as supervisory and regulatory authorities, investors, analysts and rating agencies as well as academic and environmental institutions and NGOs. Inputs from these stakeholders were received through bilateral talks, conferences and supervisory dialogues regarding climate change and consequently used in BCR's target setting process which was centrally coordinated by Erste Group. For more details on consideration of interests and views of stakeholders please refer to chapter 'SBM-2 - Interests and views of stakeholders'.

The basis for BCR's target monitoring and review process represent the annual emission calculation of scope 1 and 2 emissions including details on energy consumption and efficiency. With updated annual data, BCR assesses its performance against the set targets and adjusts or plans measures accordingly towards the achievement of the target (e.g. an increased focus on switching to alternative heating systems in own branches where feasible). In the last two years, BCR's scope 1 and 2 emissions showed a significant decrease resulting from the switch to green electricity, reduction in consumption of gas used for business premises heating and increased usage of electric vehicles.

In 2025, scope 1 and scope 2 emissions decreased with approx 2.2%, compared to the previous reporting year, from 6,137 tCO₂e to 6,001 tCO₂e. Overall this continues to represent a substantial 72% reduction compared to the base year 2017. Specifically, scope 1 emissions decreased from 11,435 tCO₂e to 5,354 tCO₂e, while scope 2 emissions fell from 9,939 tCO₂e to 647 tCO₂e compared to the base year. Scope 1 emissions recorded a decrease of 5% in 2025 compared to the previous reporting year. This reduction was primarily driven by the growing share of electric vehicles in the fleet which increased from 21% to 33% and enabled BCR Group to overachieve 2025 short-term target of 30%.

At the same time, the decrease in scope 1 emission was counterbalanced by an increase in scope 2 emissions. The rise in scope 2 emissions was primarily due to a more granular data collection process as regards emissions associated with datacenter operations. With these developments, BCR Group still remains on track to achieve its 2030 target.

Scope 1 and 2 targets

Targets	Metric	Baseline 2017	Target 2025	Target 2030
Total scope 1 and 2 emissions	tCO ₂ e	21,374	6,000	2,137
Electric fleet	% of e-cars in total carfleet	-	30%	100%

BCR's focus is to decrease scope 1 and 2 emissions in own operations, and it has not adopted a target for scope 3 emissions as to be able to progress promptly based on actions targeted at the part of its value chain that it can influence.

SUSTAINABLE FINANCING TARGETS

To measure the effectiveness of actions implementing the Sustainable Finance Methodology (SFM), BCR Group has defined sustainable financing targets for the corporate and retail segments of the Bank.

Methodology

The SFM outlines the following categories based on which a financing can be qualified as a 'sustainable financing':

- either complies fully with the respective EU Taxonomy criteria for specific purpose financings or general purpose financings weighed by counterpart's most recently published Taxonomy-alignment KPI, if the purpose of the financing is unknown (please refer to the 'EU Taxonomy Disclosure' chapter for more information)
- activities for which simplified internal criterion sets for evaluation apply by either showing reduction in carbon emissions compared to the market standard or by supporting climate and nature related objectives;
- support of projects from supranational institutions in key-sectors;
- fulfillment of project categories of voluntary frameworks;
- support of dedicated national programs.

Related to climate change mitigation economic activity 'Construction of new buildings'

Considerable reduction in carbon emissions for the activity 'Construction of new buildings' is shown by a primary energy demand that is 10% lower than the NZEB standard. This is certified by an Energy Performance Certificate.

Climate change mitigation economic activity 'Acquisition and ownership of buildings'

Financings for the activity 'Acquisition and ownership of buildings' are considered sustainable financing for buildings built before 31 December 2020 when the building has at least an Energy Performance Certificate (EPC) class A.

Categories reflected as 'Other' in the table New Sustainable Corporate Financing

- support of projects from supranational institutions in key-sectors e.g. (EIF, EIB);
- fulfillment of project categories of voluntary frameworks (e.g. Green Bond Principles under International Capital Market Association, ICMA, Green Loan principles under Loan Market Association);
- support of dedicated national programmes (as per individual analysis).

Sustainable financings from the categories stated above flow into table 'Sustainable Financings - actuals and targets'. Actions, metrics and targets related to Sustainable Financings are partially linked with the material impacts, risks and opportunities (IROs) outlined in chapter 'E1 SBM-3- material impacts, risks, and opportunities and their interaction with strategy and business model'.

25% sustainable corporate financing target by 2026

The 25% sustainable corporate financing target addresses BCR's identified material impacts and opportunities related to climate change mitigation, emission reduction for real estate, and deployment of renewable energy deployment. This includes primarily financing of real estate and renewable energy projects, while also supporting BCR Group's clients in their decarbonisation efforts and transition to a sustainable business model. The Sustainable Finance Methodology and criteria outlines which financings contributes to the target achievement (see 'Methodology' in this chapter and 'E1-2 - Policies and transition measures for climate change mitigation and adaptation' for more details).

BCR aims to achieve a ratio of 25% of sustainable financings towards corporates in 2026. The target is defined in relative to the gross carrying amount of corporate financing on the balance sheet. The target is applicable for all corporate business lines of BCR. In 2025, the share of sustainable financing related to the corporate's portfolio was 21% (2024: 11.3%). Monitoring is done on a quarterly basis and discussed at the Sustainability, Diversity and Inclusion Committee meetings.

15% sustainable mortgages target by 2027

The 15% target for sustainable mortgages tackles BCR's recognized opportunities concerning climate change mitigation and efficient energy use (material positive impact also considered). This involves financing and investing in real estate, renovation and energy efficient projects. The Sustainable Finance Methodology and related criteria outlines which financings contribute to the

target achievement (see 'Methodology' in this chapter and 'E1-2 - Policies and transition measures for climate change mitigation and adaptation' for more details).

BCR is committed to achieve a ratio of 15% of sustainable mortgage lending towards retail clients in 2027, to support the target set at Erste Group level. However, we have the local ambition to overachieve this target and reach at 25% sustainable mortgage lending by 2027. The target is defined in relative terms to the on-balance gross carrying mortgage amount towards retail clients.

In 2025, the share of sustainable financing related to sustainable mortgages was 29.1% (2024: 20.1%). The actual results are monitored and reviewed in regular intervals. Monitoring is done on a quarterly basis and discussed at Sustainability, Diversity and Inclusion Committee meetings.

The following table shows the actual figures and targets for sustainable financing. The first line shows the ratio of the gross carrying amount out of financing business in corporate business sectors that meet sustainable financing criteria, as a percentage of total receivables in these sectors. The second line shows the ratio of the gross carrying amount out of mortgage loans that meet the sustainable financing criteria, as a percentage of total receivables in this portfolio.

Sustainable financing – actuals and targets

Sustainable financing details and targets									
		Baseline		Actual 2024	Actual 2025	Targets			
		Year	Value			short-term		mid-term	
	Metric	Year	Value	2024	2025	Year	Target	Year	Target
Sustainable corporate financing	% of corporate financing portfolio	-	-	11.3%	21.0%	-	-	2026	25.0%
Sustainable retail mortgages*	% of retail mortgage portfolio	-	-	20.1%	29.1%	-	-	2027	15.0%

* BCR is committed to achieve a ratio of 15% of sustainable mortgage lending towards retail clients in 2027, to support the target set at Erste Group level. However, we have the local ambition to overachieve this target and reach 25% sustainable mortgage lending by 2027.

The sustainable retail mortgage ratio of 29.1% in 2025 (2024: 20.1%) indicates that BCR fulfils its sustainable retail mortgage target ahead of the schedule.

Sustainable corporate financings reaching 21.0% in 2025 (2024: 11.3%) were mainly driven by real estate financings, and renewable energy projects, while also further enhancing BCR's financing opportunities in other sustainable areas.

The base year for the sustainable corporate financing target is 2022 and for the sustainable retail mortgages 2023.

New corporate sustainable (use of proceeds) financing has been supported by a strong contribution from commercial real estate financing and renewable energy projects, as shown in the Table Sustainable corporate financing. This growth has further strengthened our sustainable corporate financing KPI.

The table below includes new business generated during the reporting period in the corporate segment.

New sustainable corporate financing*

in RON million	2024	2025
New corporate sustainable financing, total new business ¹	2,375.6	3,939.6
Construction and real estate	788.4	1,631.0
Renewable energy	1,119.7	1,264.5
Transportation	149.2	43.3
Other corporate financing ¹	318.3	1,000.8

¹ The target is applicable for all corporate business lines of BCR

* New sustainable corporate financing: the new and increased commitment volume delivered within the calendar year

The measurement of these metrics has not been validated by an external body, apart from the assurance provider.

No changes in the targets, corresponding metrics or the underlying methodologies have been made in 2025. The sustainable corporate financing target and the sustainable mortgages target were set based on guidance collected through bilateral discussions, conferences, dialogues from supervisory and regulatory authorities, investors, analysts and rating agencies as well as NGOs, academic and environmental institutions. The internal experts' recommendations were subsequently integrated into the target-setting process which was centrally coordinated by Erste Group. For more details on consideration of interests and view of stakeholders please refer to chapter 'SBM-2 Interests and views of stakeholders'.

E1-5 – ENERGY CONSUMPTION AND MIX

BCR Group uses the Tagetik software program, implemented at Erste Group level, to gather energy consumption data. Energy consumption at approximately 340 business locations is individually recorded and evaluated. Annual electricity and heating consumption values in MWh are collected on an individual address level, broken down by source of electricity and heating type to be able to split the total energy consumption into fossil, nuclear and renewable sources. As proof documents, supplier invoices are recorded in the accounting system. The data is not validated by an external body.

The split between energy from fossil, nuclear and renewable sources is done as follows:

- consumption from 100% renewable sources (e.g. purchased green electricity as defined in the contract with the energy supplier or via other contractual instruments such as Energy Attribute Certificates – Guarantee of Origin (EECS-GO) for green electricity) is automatically allocated to “renewables”.
- consumption from 100% fossil sources (e.g. oil for heating or diesel for emergency generators) is automatically allocated to “fossil”.
- for mixed sources like national electricity supply or district heating partially from renewables and fossil sources, data contributors have the option to enter the split as indicated on their energy bills or provided by their suppliers into the system.
- if data contributors do not have access to this information a national average split is applied.

Measurement uncertainty can result from the fact that the collection of energy consumption is not linked directly to the meters installed at the office or branch locations but based on the manual input of energy consumption as invoiced by the energy provider. Adjustments are made to the invoiced quantity if part of the property is leased out to third parties. Adjustments are based on leased out area as % of total property area if there is no meter available for tenant’s space. Estimated impact of the adjustments: 380 tons tCO₂e for 2025, respectively 292 tCO₂e for 2024. Both figures refer to scope 1 and scope 2 emissions. Overall aim is to estimate BCR Group part of the consumption in the property. Data is extrapolated if invoices are received after the reporting deadline or to account for different cut-off periods. For those locations where no consumption values, supported by a supplier invoice, were available, an average consumption is automatically applied and calculated for the individual location based on the net floor area and comparable properties and considering a national average split of energy source by fossil, nuclear and renewables.

Compared to previous year the total energy consumption showed a slight decrease in 2025, while the share of energy from renewable sources increased from 42.19% to 42.70%, mirroring the rise in green electricity and renewable heating usage across the group.

The total energy consumption in 2025 amounts to 42,369 MWh (2024: 43,515 MWh).

Energy consumption and mix

	2024	2025
Fuel consumption from coal and coal products (MWh)		
Fuel consumption from crude oil and petroleum products (MWh)	5,558	4,209
Fuel consumption from natural gas (MWh)	16,704	16,464
Fuel consumption from other fossil sources (MWh)	0	0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	2,895	3,603
Total fossil energy consumption (MWh)	25,157	24,276
Share of fossil sources in total energy consumption (%)	57.8%	57.3%
Consumption from nuclear sources (MWh)	0	0
Share of consumption from nuclear sources in total energy consumption (%)	0.0%	0.0%
Total energy consumption from renewable sources disaggregated by:	18,358	18,093
– fuel consumption for renewable sources ¹	0	0
– consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources;	18,356	18,022
– consumption of self-generated non-fuel renewable energy.	2	71
– Share of renewable sources in total energy consumption (%)	42.2%	42.7%
Total energy consumption (MWh)	43,515	42,369

¹ incl. biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renew. Sources

E1-6 – GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

TOTAL GREENHOUSE GAS EMISSIONS

Total GHG emissions

					Milestones and target years		
in RON thousand	Base year (2022)	2024	2025	% Change compared to previous year	2030	(2050)	Annual % target / Base year
Scope 1 GHG emissions ¹							
Gross scope 1 GHG emissions (tCO ₂ e)	5,750	5,617	5,354	-5%	1,679		-71%
Percentage of scope 1 GHG emissions from regulated emission trading schemes (%) ²	N/A	N/A	N/A	0%			
Scope 2 GHG emissions							
Gross location-based scope 2 GHG emissions (tCO ₂ e)	6,192	5,605	5,637	1%			
Gross market-based scope 2 GHG emissions (tCO ₂ e)	2,001	520	647	24%	458		-77%
Significant scope 3 GHG emissions ³							
Total Gross indirect (scope 3) GHG emissions (tCO ₂ e)	1,926,941	4,046,684	4,250,153	5%			
Purchased goods and services	704	1,388	1,243	-10%			
Capital goods	61	93	197	112%			
Fuel and energy-related activities	1,918	1,176	1,050	-11%			
Upstream transportation and distribution	3,774	3,984	4,002	0%			
Waste generated in operations	175	1,100	1,109	1%			
Business travels	730	1,473	2,018	37%			
Employee commuting	2,961	3,355	3,284	-2%			
Downstream leased assets	100,082	121,043	146,269	21%			
Investments	1,816,536	3,913,072	4,090,980	5%			
Total GHG emissions							
Total GHG emissions (location-based) (tCO ₂ e)	1,938,883	4,057,906	4,261,144	5%			
Total GHG emissions (market-based) (tCO ₂ e)	1,934,692	4,052,821	4,256,154	5%			

¹ Note: No biogenic emissions are emitted.

² BCR Group is not part of any regulated emission trading schemes. Therefore, no scope 1 GHG emissions stem from such schemes.

³ ESRS E1 refers to the GHG protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard, 2011, which defines 15 scope 3 categories of which only material ones should be disclosed.

The baseline value determined for scope 1 and 2 emissions is 21,374 CO₂ tones and the related base year is 2017, as described above under section 'E1-4 – Targets related to climate change mitigation and adaption'. Values presented in the table above for scope 1 and 2 under column 'Base year 2022' were included to ensure consistency and comparability with the data presented for scope 3, for which the base year was set to be 2022 (for all scope 3 categories). The increase in total GHG emissions and GHG intensity per net revenue in 2025 is primarily attributable to enhanced data quality for scope 3 emissions from investments, specifically the inclusion of downstream emissions reported by debtors.

A cumulated target (scope 1 & 2 emissions) was approved by highest level of management for 2025 as 6,000 tones CO₂ and for 2030 2,137 tones. Scope 2 emissions are market based emissions.

The cumulated targets are supported by separate targets for scope 1 and 2 approved at a lower level of management. These are as follows: scope 1: 5,480 tons in 2025 and 1,679 tons in 2030; scope 2: 520 tons in 2025 and 458 tons in 2030.

With regards to the methodologies and assumptions used for calculating the measured GHG emission please refer to the subsequent paragraphs concerning operational and financed emissions.

GREENHOUSE GAS INTENSITY PER NET REVENUE

GHG intensity per net revenue

	2024	2025	Change compared to prior year
Total GHG emissions (location-based) per net revenue (tCO ₂ e/RON)	1,519	1,705	12.3%
Total GHG emissions (market-based) per net revenue (tCO ₂ e/RON)	1,517	1,703	12.3%

RECONCILIATION OF NET REVENUE

Reconciliation of net revenue

in RON thousand	2024	2025
Amounts used to calculate GHG emissions *	2,671,880	2,499,302
Total amount according to the Consolidated and Separate Financial Statements	9,039,740	10,104,371

* Net revenue used to calculate GHG emissions refer to the net revenue generated from the loans that were included in the financed emissions calculation. GHG intensity per total net revenue is 421.71 tCO₂e / RON (2024: 448.83 tCO₂e / RON) (location-based) and 421.22 tCO₂e / RON (2024: 448.33 tCO₂e / RON) (market-based).

GHG emissions caused by BCR Group's operations are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. Calculations cover scope 1, 2 and 3 emissions and each was measured in CO₂e. The organisational scope of the calculation refers to all entities in the IFRS scope of consolidation with at least one FTE. To calculate the emissions from activities emission factors with a GWP100 was used including relevant GHG emissions (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃). The results are not validated by an external body.

Reconciliation with the statements of profit or loss

Total net revenue amounting to RON 2,499,302 thousand (2024: RON 2,671,880 thousand) which served as the basis for calculating GHG emissions represents net revenue associated with the exposure included in the financed emissions calculation (as presented in Table "Share of the portfolio covered by the calculations"), and are part of the Total amount according to the Consolidated and Separate Financial Statements, amounting to RON 10,104,371 thousand (2024: RON 9,039,740 thousand), as presented in the Consolidated and Separate Financial Statements, and table below. This total is determined according to the net revenue definition of the Council Directive 85/635/EEC, derived from pre-tax result from continuing operations before personnel expenses, other administrative expenses, depreciation and amortisation, impairment result from financial instruments, interest expense, other similar expense and net fee and commission expenses:

in RON thousand	Notes to the Financial Statements	Revenue 2024	Revenue 2025
Interest income	1	6,692,846	6,914,620
Other similar income	1	242,463	518,841
Fee and commission income	2	1,450,865	1,601,850
Dividend income	3	6,192	6,581
Net trading result	4	487,915	544,422
Foreign currency translation		4,371	-8,723
Rental income from investment properties and other operating leases	5	34,543	14,237
Result, but not as a separate presentation line	11	120,545	512,543
Total amount according to the Consolidated and Separate Financial Statements		9,039,740	10,104,371

In case of the various emission categories, BCR Group implemented the following approaches:

Scope 1 and 2

BCR Group gathers scope 1 and 2 emission data as stated in chapter 'E1-5 - Energy consumption and mix'. For a better understanding of BCR Group's methodologies and significant assumptions behind the metrics please refer to chapter 'E1-5 - Energy

consumption and mix'. Scope 2 emissions were calculated using location-based and market-based method. In case of the location-based method, grid factors were used to calculate the emissions. In case of the market-based method, BCR Group considered its actual energy composition based on its own procurement strategy. For conversion to CO₂ equivalents (CO₂e), emission factors from DBEIS 2025 (Department for Business, Energy and Industrial Strategy) and the IEA 2024 (International Energy Agency) are used. These sources are considered reliable sources and were validated at Erste Group level.

Out of BCR Group total energy consumption, 43% is electricity consumption (2024: 42%). Out of electricity consumption, 40% of it was renewable energy through unbundled contractual instruments (2024: 39%), Energy Attribute Certificates – Guarantee of Origin (EECS-GO). The remaining 60% (2024: 61%) of it was renewable energy through bundled contractual instruments directly from Romanian suppliers. As such, this entire 43% (2024: 42%) from the total energy consumption was renewable electricity.

In 2025, due to growing share of electric cars in the fleet, BCR Group reduced its scope 1 and 2 emissions by 2.2%, from 6,137 tCO₂e to 6,001 tCO₂e. Approximately 13% (2024: 12%) of scope 1 data is based on estimates, while the corresponding percentage for scope 2 is 20% (2024: 20%).

Scope 3

For the computation of scope 3 emissions, BCR Group has focused on those categories for which data was available or could be determined on estimates which would not entail high uncertainty, whilst also considering the perspective of exercising a certain level of influence towards commitment to curve down emissions.

The scope 3 categories 'upstream leased assets', 'downstream transportation', 'processing of sold products', 'use of sold products', 'end-of-life treatment of sold products' and 'franchises' are considered immaterial due to the magnitude of GHG emissions and are not disclosed in the total GHG emissions table.

Scope 3 category 1 - Purchased goods and services

For scope 3 category 1 a spend-based method was used. Emissions for goods and services were estimated by collecting data on the economic value of goods (spend in EUR) and services purchased by BCR Group and multiplying it by emission factors originating from an environmentally extended input-output analysis (EEIOA; exiobase 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

Scope 3 category 2 - Capital goods

For scope 3 category 2 a spend-based method was used. Just like for scope 3 category 1, emissions for capital goods were estimated by collecting data on the economic value (spend in EUR) of capital goods purchased by and multiplying it by emission factors originating from an EEIOA (exiobase 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

Scope 3 category 3 - Fuel-and-energy-related activities (not included in scope 1 or 2)

For scope 3 category 3 the average-data method was used. The emissions were estimated by using secondary emission factors (DEFRA, 2024) for upstream emissions per unit of consumption (T&D and WTT). The data for purchased energy and fuel is actual supplier data, which also serves as the basis for the scope 1 and 2 calculations.

Scope 3 category 4 - Upstream transportation and distribution

For scope 3 category 4 a spend-based method was used. Just like for scope 3 category 1 and scope 3 category 2, emissions for upstream transportation and distribution were estimated by collecting data on the economic value (spend in EUR) of transportation and distribution services purchased by BCR Group and multiplying it by emission factors originating from an environmentally extended input-output-analysis (exiobase, 2024). Each purchase, based on customer country, was mapped with the corresponding emission category from exiobase and multiplied accordingly.

Scope 3 category 5 - Waste generated in operations

For scope 3 category 5 a waste-type-specific method was used if primary data was available for different waste types. For all primary data available, waste descriptions were mapped to waste activities and waste types. Waste types were then matched to waste treatment options based on "GHG reporting by department of business, Energy and Industrial Strategy UK" (DEFRA 2024). After that, the emissions for the waste types were multiplied by emission factors based on the waste treatment options provided by DEFRA. The waste treatment splits were set based on research and municipal waste treatment data from OECD and European Environment Agency.

Scope 3 category 6 - Business travel

For scope 3 category 6, the distance-based method was applied. The distance and mode of business trips are collected and partially extrapolated when no primary data was available. For the extrapolation country average distance travelled by mode of

transportation based on actual data entered in the system was used. The appropriate emission factors (Federal Environment Agency, 2025)⁹) for each mode of transportation used were applied.

Scope 3 category 7 - Employee commuting

For scope 3 category 7 a survey was performed in 2024 among Erste Group employees in to assess the average distance travelled and mode of transportation used by employees to travel to their place of work. However, this was not carried out by BCR Group, therefore the results available at Erste Group level were extrapolated for our organization. The 2025 emission calculation is based on survey results from 29 entities part of Erste Group. In addition, the number of working days, with consideration to vacation days, average sick days and home office rates, was determined. Such information was provided by Erste Group People and Culture department. The appropriate emission factors for each mode of transportation used were applied (Federal Environment Agency, 2024) and multiplied accordingly.

Measurement uncertainty can result especially where extrapolations are made in calculating emissions. This is especially relevant for emission categories where actual data availability is limited such as “employee commuting”.

In the process for preparation and presentation of sustainability information in 2024 and 2025, BCR Group assessed the ESRS-related requirements on the reporting on Total GHG emissions, to provide information of the group’s GHG emissions occurring from its upstream value chain. Based on this assessment, emissions from CIT One SRL were included in the calculation. BCR Bank owns 33% of CIT One SRL in a joint venture arrangement and CIT One SRL is financially consolidated through equity method by BCR. It is the main supplier of BCR for cash transport and processing services.

In 2025, BCR Group’s total operational scope 3 emissions slightly increased due increase in business travel emissions. The calculation of scope 3 categories 1, 2 and 4 emissions are 0% (2024: 0%) based on estimates. For category 3 emissions the share of estimates is 15% (2024: 14%), for category 5 the share of estimates is 91% (2024: 89%) and for category 6 emissions the share of estimates is 38% (2024: 24%). The calculation of scope 3 category 7 is 100% (2024: 100%) based on estimates as results from the employee surveys performed were extrapolated using the number of FTEs.

All operational scope 3 emissions described above are measured using inputs from specific activities from BCR upstream value chain such as number of employees, amounts spent for goods and services, distance travelled etc. None of emissions calculated are using primary data obtained from suppliers or other value chain partners.

Scope 3 Category 13 and 15 Financed Emissions

Financed emissions stood at 4.2 million tons CO₂e (2024: 4 million tons CO₂e) and include ‘Investments’ and ‘Downstream Leased Assets’ in table ‘Financed Emissions’. Financed emission intensity stood at 86.1 tCO₂e/RON million (2024: 88.3 tCO₂e/RON million), which is a year-on-year decrease of 2.2 tCO₂e/RON million. Decrease in intensity can be mainly explained by the significant methodological enhancements implemented on Erste Group level for Commercial real estate and mortgages. In line with that, Scope 3 data quality score improved from 3.8 to 3.7.

The scope 1 and 2 financed emissions decreased from 979.9 tonnes CO₂e to 791.6 million tonnes CO₂e mainly driven by methodological enhancements. Following GHG protocol, BCR Group reports financed biogenic emissions separately from financed emissions, which amount at 34.1 tonnes CO₂e.

Overall, the calculation of 2025 financed emissions covers 56.7% (2024: 57.7%) of the BCR Group’s credit exposure and shows a decrease compared to last year, driven by the increase in off-balance sheet exposure, which is not included in the financed emission calculation. The remaining uncovered exposure originates from the fact that selected portfolios (e.g., exposure to central banks and credit institutions, off-balance sheet items and consumer loans) are not part of the current financed emission calculation.

BCR Group applies the GHG Protocol to determine the minimum boundaries of its financed emission calculation. No significant events or changes occurred during the reporting period that would have an impact on the GHG emissions disclosed.

⁹ <https://www.umweltbundesamt.at/en/>

Share of the portfolio covered by the calculations

Dec 24

Dec 25

	Credit exposure	covered by financed emissions		Credit exposure	covered by financed emissions	
	in RON thousands	in RON thousands	%	in RON thousands	in RON thousands	%
Off-balance sheet exposures	29,706,710	0	0.0%	34,114,770	0	0.0%
Central banks	0	0	0.0%	0	0	0.0%
Central governments	44,525,482	35,630,180	80.0%	48,566,282	38,660,515	79.6%
Credit institutions	7,492,959	0	0.0%	7,029,274	0	0.0%
Other financial corporations	1,603,218	853,509	53.2%	1,664,865	924,961	55.6%
Non-financial corporations	25,503,935	25,455,763	99.8%	27,777,094	27,724,635	99.8%
Households	32,227,017	19,387,940	60.2%	35,892,439	20,588,894	57.4%
Total	141,059,320	81,327,393	57.7%	155,044,723	87,899,006	56.7%

BCR uses the PCAF methodology (version 2022) to account for its financed emissions (scope 3 emissions category 15 'Investments'). As this standard is in conformity with the internationally recognised GHG Protocol (Corporate Value Chain (scope 3) Accounting and Reporting Standard) emissions are calculated for all the seven GHGs that are listed in the Kyoto Protocol. These are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O) and the fluorinated gases (F-gases): hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆) as well as nitrogen trifluoride (NF₃).

For details of the methodology including assumptions, see the 'Methodology' section below. BCR Group includes the following PCAF-defined asset classes in its calculation: corporate bonds and listed equity, business loans and unlisted equity, project finance, commercial real estate finance and mortgages. Additionally, BCR calculates emissions of the PCAF-defined asset class 'sovereign debt' and reports them in a separate table. The leasing business (category 13 'Downstream Leased Assets') is included in BCR scope 3 emissions. This category is calculated using the same methodology as for category 15 and is separately shown as a sub-item. For simplicity and following market practice, the report refers to the PCAF - defined asset class 'corporate bond and listed equity' as 'corporate bond' and the asset class 'business loan and unlisted equity' as 'business loan'.

Weighted Average Carbon Intensity (WACI) sets the client emissions in relation to client revenues, weighted by the share of the respective client in the total portfolio. The WACI can only be calculated for in the PCAF-asset classes business loans, corporate bonds and project finance. For the real estate the metric is not applicable, as the calculation is dependent on the financed object and not the client emissions. Scope 1 and 2 WACI increased from 138 gCO₂e/RON revenue (2024) to 210 gCO₂e/RON revenue (2025) mainly due to Energy and Natural resources. In comparison to that, in scope 3 the WACI decreased from 612 gCO₂e/RON revenue (2024) to 558 gCO₂e/RON revenue (2025), mainly driven by the Natural resources and Energy, partially offset by Non-cyclical consumer goods.

One out of the seven currently existing PCAF calculation methodologies – motor vehicle loans – have not been applied yet. The motor vehicles asset class has not been implemented as such because of the low weight of this portfolio. The financed emissions of this portfolio are currently calculated by means of the methodology used for business loans.

Methodology Business Loan, Corporate Bonds and Project Finance

In the case of business loans, BCR follows the PCAF methodology by relying either on emissions reported by the corporate customers or emission factors drawn from the PCAF database or on its own approach for loans to large real estate managing companies.

In 2025, Erste Group refined its PCAF asset class allocation methodology applicable for BCR Group as well, enabling the reclassification of RON 3 billion for BCR from general-purpose calculations (business loans) to specific-purpose calculations (commercial real estate). This shift was made possible by aligning the PCAF definition of commercial real estate with Erste Group's internal Commercial Real Estate Policy. As a result, exposures previously categorized under business loans were reassigned to the commercial real estate category. Consequently, Erste Group discontinued the previous approach of applying commercial real estate intensity factors to real estate companies classified under NACE L68.

BCR is deviating from PCAF standard for listed companies in the business loan and corporate bond modules. It applies the balance sheet value instead of the Enterprise Value including Cash (EVIC) as a denominator to calculate the attribution factor for listed companies, as using EVIC might lead to higher volatilities only driven by capital market movements, e.g., in a market stress situation its financed emissions would increase, which doesn't need to be directly related to movements in the physical production of the company. This approach is in line with Erste Group's peers, due to the limitation of the metric.

In case of project finance, BCR assumes that renewable energy projects (wind, solar, geothermal and hydropower) have an emission factor for scope 1 and 2 of zero. Otherwise, in the absence of financing purpose and specific emission factors, project finance follows the calculation methodology for the business loans asset class by using either the emissions reported by the businesses or estimates based on financial metrics and emission factors drawn from the PCAF database.

BCR keeps using the base year 2015 PCAF emission factors (Exiobase database) for the 2025 reporting to ensure comparability with the figures of the previous year, which were also used as a basis for target setting. The initial PCAF version is based on Exiobase 2015 data base and was the most up-to-date version until March 2023, being replaced by Exiobase 2019 data base. Keeping for 2025 the Exiobase 2015 data base is also in line with the user briefing published by PCAF, providing as a recommendation to apply the same economic emission factor dataset for longer periods of time (minimum 3 years). For scope 3, PCAF Emission factors are not containing Downstream Emissions. In October 2025, PCAF released a new database version based on the Comprehensive Environmental Data Archive (CEDA). BCR Group and Erste Group plan to begin using the CEDA database in 2026. At present, switching to CEDA would not result in an increase in reported emissions.

Methodology Commercial Real Estate and Mortgages

With regards to commercial real estate and mortgages, the calculation of financed emissions is based on building data, which in a first step is used to calculate the emissions of a financed asset. Depending on data availability, BCR calculates emissions from buildings in the following order (which does not reflect the data quality score):

1. CO₂e emissions as per energy performance certificate
2. Primary energy demand (PED) as per energy performance certificate
3. PED class as per energy performance certificate
4. PED class with advanced EPC proxy estimation approach
5. PED class based on the year of construction
6. PED class based on the national average drawn from the PCAF European building emission factor database as of 2025.

Erste Group enhanced the real estate based financed emissions calculation methodology by EPC proxy estimation approach. This approach, applicable for BCR as well, applies advanced methodologies (e.g., machine-learning algorithm) to derive EPC labels from collateral data or other relevant information. In 2025, the identification framework for financed real estate exposures was enhanced. The introduction of a financed-property flag resulted in the exclusion of specific exposures, while real estate assets without buildings were explicitly identified and classified as vacant land. Financing of vacant land was therefore treated separately and assigned zero financed emissions.

For calculation 3 to 6, average primary energy demand is based on the primary energy demand class recorded in the PCAF Database. Once primary energy demand has been determined it has to be converted into emissions as input for calculation 2 to 6. If primary energy demand is not specified in local legislation or has not been historically recorded, final energy demand is used as an alternative. The year selected as the national average in the PCAF European building emission factor database was 2020, in line with a conservative methodology for the older buildings. This approach is used when no better data is available, which is most often the case for older properties.

BCR decided to use emission conversion factors based on statistical data on energy mixes and emission intensities. These factors are also a key component in the development of scenarios for the future in the decarbonisation model. In addition, conversion factors obtained in this manner comes with the advantage, that where in-house portfolio data are available, national averages may be substituted by the relevant portfolio data (e.g. if the gas portion in the portfolio is below/above the national average). Moreover, this internally developed emission conversion factor enables Erste Group to apply values tailored to the specific heating medium used, thereby aligning with Erste Group's financed data rather than relying on national averages. Main data source for the energy mixes and electricity-based emission intensities of the core countries were Eurostat and Electricity map⁽¹⁰⁾ and for the heating-based emission intensities, the German UBA⁽¹¹⁾.

¹⁰ https://ec.europa.eu/eurostat/databrowser/view/nrg_bal_c_custom_12489432/default/table?lang=en
https://app.electricitymaps.com/map/live/fifteen_minutes

¹¹ umweltbundesamt.de/sites/default/files/medien/1410/publikationen/2021-12-13_climate-change_71-2021_emissionsbilanz_erneuerbarer_energien_2020_bf_korr-01-2022.pdf

Financed emissions

2025	Credit exposure	Credit exposure covered by emission calculation	Financed emissions, thousand tCO ₂ e ^{1,2}		Emission intensity in tCO ₂ e/RON million		Weighted data quality (High=1, Low=5)		Weighted average carbon intensity (WACI) in gCO ₂ e/RON revenue	
	in RON million	in RON million	scope 1 and 2	scope 3 ^{2,3}	scope 1 and 2	scope 3	scope 1 and 2	scope 3	scope 1 and 2	scope 3
per PCAF asset class										
Corporate bonds		5	-	-	1	5	4.0	4.0	14	62
Business loans		23,846	645	3,433	27	144	3.7	3.8	178	578
Project finance		1,601	1	12	1	8	2.3	3.5	687	258
Mortgages		20,423	137	-	7	-	3.3	-	-	-
Commercial real estate		3,364	8	-	2	-	3.1	-	-	-
Total	155,045	49,239	791	3,445	16	70	3.5	3.7	210	558
per sector										
Natural resources & commodities	4,442	2,786	114	137	41	49	3.8	3.8	253	257
Energy	14,049	5,862	290	1,625	50	277	2.5	2.8	555	1,342
Construction	8,886	3,339	123	182	37	55	4.1	4.2	230	342
Automotive	2,563	1,773	16	1,041	9	587	3.7	3.7	28	1,166
Cyclical consumer goods	1,851	1,078	17	28	16	26	4.1	4.2	74	127
Non-cyclical consumer goods	4,786	2,634	49	308	18	117	3.5	3.7	75	506
Machinery	1,484	519	5	21	9	41	4.0	3.9	47	239
Transportation	4,453	2,996	10	33	3	11	4.2	4.2	36	116
TMT	826	503	5	11	9	21	4.1	4.1	31	93
Healthcare & Services	3,589	2,412	12	44	5	18	3.9	4.2	42	131
Hotels and Leisure	513	399	2	7	4	18	4.4	4.5	26	123
Real estate	4,528	4,047	9	5	2	1	3.3	4.1	29	70
Public sector	53,818	6	-	-	5	24	4.1	4.1	22	104
Financial institutions	11,262	462	2	3	5	8	3.7	3.8	37	86
Private customers	37,995	20,423	137		7		3.3		16	
Total	155,045	49,239	791	3,445	16	70	3.5	3.7	210	558
of which category 13 (Downstream Leased Assets)										
		2,763	77	69	28	25	5.0	5.0		
according to risk countries										
Romania		48,688	790	3,442	16	71	3.5	3.7	213	568
Belgium		54	-	1	4	23	4.0	4.0	19	119
Netherlands		339	1	1	2	2	4.0	4.0	84	110
UnitedStates		113	-	1	1	5	4.0	4.0	20	79
Slovakia		7	-	-	27	31	2.0	2.0	158	184
Switzerland		5	-	-	13	63	3.9	4.0	11	56
Lithuania		5	-	-	18	21	2.0	2.0	158	184
Germany		6	-	-	7	8	4.5	5.0	10	18
UK		11	-	-	3	4	3.7	4.0	10	71
Italy		3	-	-	7	-	3.8	-	-	-
Remaining Countries		8	-	-	7	1	3.6	4.9	9	151
Total	155,045	49,239	791	3,445	16	70	3.5	3.7	210	558

¹ For details on the calculation of financed emissions see Methodology

² Financed emissions also include category 13 'Downstream Leased Assets' of BCR Group scope 3 emissions, which are shown separately as a sub-category.

³ Where BCR Group uses reported emissions for calculating scope 3 emissions, this includes – if both are reported – both upstream and downstream emissions. Where BCR Group uses emissions with national emission factors from the PCAF database, only scope 3 upstream emissions are accounted for due to data availability. The data quality score for scope 3 emissions is therefore reported separately.

2024	Credit exposure	Credit exposure covered by emission calculation	Financed emissions, thousand tCO ₂ e ^{1,2}		Emission intensity in tCO ₂ e/RON million	Weighted data quality (High=1, Low=5)		Weighted average carbon intensity (WACI) in gCO ₂ e/RON revenue	
	in RON million	in RON million	scope 1 and 2	scope 3 ^{2,3}	scope 3	scope 1 and 2	scope 3	scope 1 and 2	scope 3
per PCAF asset class									
Corporate bonds		13	-	-	8	4.0	4.0	14	62
Business loans		22,157	688	3,041	168	3.7	3.8	131	581
Project finance		859	3	13	19	3.8	3.8	368	1,393
Mortgages		19,231	277	-	14	3.3	-	-	-
Commercial real estate		3,437	12	-	4	3.0	-	-	-
Total	141,059	45,697	980	3,054	88	3.5	3.8	138	612
per sector									
Natural resources & commodities	5,235	3,427	143	645	230	3.8	3.9	113	508
Energy	11,907	4,556	273	1,096	300	2.7	2.8	396	1,588
Construction	8,250	3,485	165	200	105	4.2	4.2	263	319
Automotive	2,266	1,514	11	703	472	3.4	3.4	18	1,166
Cyclical consumer goods	1,844	1,068	18	27	42	4.2	4.2	71	108
Non-cyclical consumer goods	4,342	2,786	44	188	83	3.6	3.7	64	277
Machinery	1,142	498	5	15	42	4.1	4.0	49	140
Transportation	4,614	2,552	11	112	48	4.5	4.5	17	176
TMT	746	508	6	15	40	4.1	4.1	41	109
Healthcare & Services	2,824	1,587	10	41	32	4.2	4.2	35	139
Hotels and Leisure	493	384	3	6	24	4.3	4.5	26	117
Real estate	3,906	3,799	14	5	5	3.1	4.0	104	187
Public sector	48,362	1	-	-	42	4.2	4.2	22	104
Financial institutions	10,943	302	-	1	6	4.2	4.2	27	113
Private customers	33,931	19,230	277		14	3.3	5.0	16	20
Other sectors	254	-	-	-	9	5.0	5.0	88	274
Total	141,059	45,697	980	3,054	88	3.5	3.8	138	612
of which category 13 (Downstream Leased Assets)	-	2,409	63	58	50	5.0	5.0	-	-

Detailed results by PCAF asset class

Corporate bonds

Corporate bonds with a volume of RON 5 million account for 0.03 thousands tCO₂ (2024: RON 13 million account for 0.1 thousands tCO₂e) in financed emissions and an emission intensity of 6 tCO₂e/ RON million (2024: 8 tCO₂e/ RON million).

Business loans

Business loans in the amount of RON 23,846 million (2024: RON 22,157 million) are a major source of financed emissions, because of both their absolute amount of 4,078 thousands tCO₂e (2024: 3,728 thousands tCO₂e) and financed emission intensity of 171 tCO₂e/RON million (2024: 168 tCO₂e/RON million). Business loans comprise financing granted to large international and national corporates, small and medium-sized enterprises as well as micro entrepreneurs (non-financial corporates).

Project finance

The project finance portfolio had a moderate exposure of RON 1,601 million (2024: RON 859 million) and 14 thousands tCO₂e (2024: 16 thousands tCO₂e) of financed emissions and an emission intensity of 9 tCO₂e/RON million (2024: 19 tCO₂e/RON million).

Commercial real estate

Commercial real estate accounted for an exposure of RON 3,364 million (2024: RON 3,438 million), with emissions of 8 thousands tCO₂e (2024: 12 thousands tCO₂e).

Mortgages

Retail mortgages with an exposure of RON 20,423 million (2024: RON 19,231 million) were the second largest contributor of absolute emissions with 137 thousands tCO₂e (2024: 277 thousands tCO₂e).

Detailed results by sector

BCR used its in-house customer segmentation by sectors for the purpose of PCAF measuring and disclosure of financed emissions.

The sector posting the highest financed emission intensity for scope 1 and 2 of 292 tCO₂e/RON million, was the Energy industry, with a credit exposure covered in the emission calculation of RON 5.9 billion.

The sector posting the highest financed emission intensity (scope 1, 2 and 3), of 596 tCO₂e/RON million, was the Automotive industry, with a credit exposure covered in the emission calculation of RON 1.8 billion.

Detailed results by data quality

BCR relies on the PCAF methodology for scoring data quality (data availability), where the scale ranges from a score of DQ 1 (= highest data quality) to DQ 5 (= lowest data quality). The data quality of the calculations reflects the high dependence on sectoral emission factors, as relevant customer information was not widely available. Reported emissions in the corporate customers segment are currently not distinguished between verified and non-verified and therefore the DQ 2 is applied, following a conservative approach.

The weighted average data quality of the quantified portfolio was 3.4 as of 2025 reporting and thus improved versus the previous year (2024: 3.5). The table shows a breakdown of financed emissions distinguished by data availability (energy performance certificates for the real estate sector and reported emissions for the other PCAF asset classes).

BCR is disclosing financed emissions from clients reported emissions or derived from an available energy performance certificate separately from financed emissions where it used PCAF factors to calculate financed emissions. The share of emissions derived from reported emissions or an available energy performance certificate amounts to 46 % (2024 46 %) of the credit exposure (covered by the emission calculations) and 71 % (2024: 69 %) of financed emissions (Scope 1+2+3).

For corporate segments, the emission intensity (tCO₂e/RON million) is lower where BCR Group uses PCAF factors to calculate emissions. For scope 3 this is mainly driven by the fact that PCAF emission factors only contain upstream emissions. Also, the scope 1 and 2 emission intensity for corporate clients are higher in the reported emissions segment. One of the drivers can be unequal industry distribution as clients in carbon intensive sector are more likely in scope of emission disclosure requirements.

Financed emissions by data quality

	Credit exposure covered by calculated emissions	Financed emissions, thousand tCO ₂ e		Emission intensity tCO ₂ e/in RON million		Weighted data quality (High = 1, Low = 5)	
	in RON million	scope 1 and 2	scope 3	scope 1 and 2	scope 3	scope 1 and 2	scope 3
Total 2025	49,239	792	3,446	16	135	3.5	3.7
Reported emissions / energy performance certificate available (by PCAF asset class)							
Corporate bonds ¹							
Business loans ¹	5,311	137	2,787	26	525	2.0	2.0
Project finance ¹	418	1	9	2	22	2.0	2.0
Mortgages ²	14,054	70	0	5	0	3.0	0.0
Commercial real estate ²	3,003	7	0	2	0	3.0	0.0
Total	22,786	215	2,796	9	488	2.7	2.0
No Reported emissions / no energy performance certificate available (by PCAF asset class)							
Corporate bonds	5	0	0	1	5	4.0	4.0
Business loans	18,535	508	646	27	35	4.2	4.3
Project finance	1,182	1	3	1	3	2.4	4.0
Mortgages	6,370	66	0	10	0	4.1	0.0
Commercial real estate	361	1	0	3	0	3.5	0.0
Total	26,453	576	649	22	33	4.1	4.2

- ¹ Availability of reported emissions for corporate bonds / business loans : reported emissions are available for all scopes that are of relevance for calculating financed emissions (equivalent to DQ 2).
² Availability of energy performance certificate for mortgages and commercial real estate: energy performance certificate is available and has been used for calculating financed emissions (equivalent to DQ 3).

	Credit exposure covered by calculated emissions	Financed emissions, thousand tCO ₂ e		Emission intensity tCO ₂ e/in RON million		Weighted data quality (High = 1, Low = 5)	
	In RON million	scope 1 and 2	scope 3	scope 1 and 2	scope 3	scope 1, 2 and 3	scope 3
Total 2024	45,697	980	3,054	21	133	3.5	3.8
Reported emissions / energy performance certificate available (by PCAF asset class)							
Corporate bonds ¹	-	-	-	-	-	-	-
Business loans ¹	4,958	217	2,416	44	487	2.0	2.0
Project finance ¹	69	1	7	9	102	2.0	2.0
Mortgages ²	13,104	146	-	11	-	3.0	-
Commercial real estate ²	3,093	10	-	3	0	3.0	-
Total	21,224	374	2,423	18	482	2.8	2.0
No Reported emissions / no energy performance certificate available (by PCAF asset class)							
Corporate bonds	13	-	-	1	6	4.0	4.0
Business loans	17,199	470	625	27	36	4.2	4.3
Project finance	790	3	6	4	7	4.0	4.0
Mortgages	6,126	131	-	21	-	4.1	-
Commercial real estate	345	2	-	7	-	3.2	-
Total	24,473	606	631	25	35	4.2	4.3

Sovereign emissions

BCR's sovereign emissions stand at 0.8 million tCO₂e including land use, land change and forestry (LULUCF) and 1.4 million tCO₂e excluding LULUCF. The decision to report them separately from other financed emissions is driven by the fact that sovereign scope 1 emissions include the whole production of a country, thus leading to double counting of financed emissions. Additionally, it is important to note that sovereign emissions will decarbonise automatically when the respective country is decarbonizing. For the calculation of Sovereign emissions, BCR applies the PCAF database as of September 2025. The database provides mainly 2021 figures, expressed in million USD. For the calculation of sovereign emissions, the USD/EUR FX rate of the respective emission factor year is applied.

Sovereign emissions - 2025	Credit exposure covered by emissions calculation	Financed emissions, thousand tCO ₂ e		Emission intensity tCO ₂ e/RON million		weighted data quality
	In RON million	scope 1 incl. LULUCF ¹	scope 1 excl. LULUCF ¹	scope 1 incl. LULUCF ¹	scope 1 excl. LULUCF ¹	scope 1 ²
Country						
Romania	38,617	819	1,427	21	37	1
United States	44	2	3	53	60	1
Total	38,661	821	1,430	21	37	1

- ¹ Land use, land change and forestry (LULUCF)
² no change between incl. and excl. LULUCF

Sovereign emissions - 2024	Credit exposure covered by emissions calculation	Financed emissions, thousand tCO ₂ e		Emission intensity tCO ₂ e/RON million		weighted data quality
	In RON million	scope 1 incl. LULUCF ¹	scope 1 excl. LULUCF ¹	scope 1 incl. LULUCF ¹	scope 1 excl. LULUCF ¹	scope 1 ²
Country						
Romania	35,582	772	1,348	22	38	1
United States	48	3	3	55	62	1
Total	35,630	775	1,351	22	38	1

12.2.3 Biodiversity and ecosystems

Biodiversity or biological diversity can be understood as the variety of life, and refers to the uniqueness of all living things. Biodiversity loss can lead to the extinction of species and the depletion of genetic variations. This can have a far-reaching impact on the food chain and the dynamics of ecosystems, on which humanity thrives.

BCR Group has assessed its biodiversity-related impacts, dependencies, risks, and opportunities and is disclosing information related to the identified material negative impact. BCR Group recognizes the indirect impact its financing can have on biodiversity through soil sealing which is one of the five impact drivers included in ESRS E4.

E4 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

Sustainability matter	Type of IRO	IRO description	Value chain	Time horizon
E4- Impacts on the extent and condition of ecosystems Examples: Land degradation; Desertification; Soil sealing	Negative impact*	Financing real estate and public infrastructure projects can have a negative impact on biodiversity as soil is sealed and land is degraded, thus causing increased flooding risks, climate change exacerbation, and possible health issues caused by decreased air and water quality.	Downstream	All time horizons

*In line with the methodology applied for the DMA, if not otherwise indicated, the short-term impact is actual, whilst for medium and long time horizons the impact is potential.

SOIL SEALING

The EU Soil Strategy for 2030 emphasises that soil sealing is highly relevant topic for Europe and efforts towards sustainable use of soils are a key driver in reaching climate neutrality as well. Soil sealing has substantial negative impacts on the environment and society, including the loss of essential ecosystem services, increased flood risks, and more intense urban heat island effects. Additionally, soil sealing can contribute to water scarcity, as sealed surfaces prevent the natural infiltration of water into the ground.

The relationship between biodiversity and financial institutions is indirect. BCR Group finances companies that are, at least partly, dependent on ecosystem services to produce goods and services. Soil sealing has been evaluated in the 2025 Double Materiality Assessment as a short term actual negative impact, which could extend on medium and long term time horizons as well (potential negative impact). This negative impact on biodiversity is originating from the Bank's portfolio activities, in particular the financing of real estate, development of new facilities and energy projects that involve sealing the land. Commercial and retail real estate accounts for 28% of BCR's portfolio activities, to which construction related activities from other sectors might be added, therefore we indirectly contribute to the effects entailed by sealing the soil. Further information can be found in the Note 28 in the Consolidated and Separate Financial Statements, under the sections 'Credit Risk Exposure by Industry and Risk Category' and 'Credit Risk Exposure by Financial Instrument and Collateral'.

BCR Group has not identified any biodiversity related material direct impact or risks and sensitive areas associated with its offices or branch locations, nor material negative impacts related to land degradation and land desertification.

E4-1 – TRANSITION PLAN AND CONSIDERATION OF BIODIVERSITY AND ECOSYSTEMS IN STRATEGY AND BUSINESS MODEL

BCR GROUP'S BUSINESS ENVIRONMENT

BCR Group has analysed the business environment in which it operates and performed an analysis of the resilience of its business model. As part of the resilience analysis, both physical and transitional risks were tracked and analysed for our portfolio. Within this framework, biodiversity loss is categorised under other-environmental risks. There were no impacts, risks and opportunities identified and upstream value chain has not been assessed.

The assessment covers short, medium, and long-term horizons. The time horizons used for the assessment of the business environment and resilience are defined by risk management and are as follows:

- Short-term: 0-1 year.
- Medium-term: 1-5 years.
- Long-term: more than 5 years (up to 2050).

Currently, systematic external stakeholder involvement in the analysis of this topic has not yet been established. However, an ongoing dialog is conducted with stakeholders such as supervisory and regulatory authorities, investors, analysts, and rating agencies, as well as academic and environmental institutions and NGOs. The aspects covered during these dialogues were also considered in the assessment of the topic as material based on the consolidated input provided by our internal experts.

RESULTS OF THE RESILIENCE ANALYSIS

The evaluation for the resilience analysis was carried out in a holistic and qualitative manner and was coordinated by Erste Group. The primary goal was to illustrate how the business models of Erste Group and BCR Group could be influenced by various climate and environmental risk factors. Biodiversity and ecosystem-related physical and transition risks are not yet covered comprehensively by the resilience analysis. Still, no significant threats to the business model or strategy, when considering biodiversity and ecosystems-related physical or transition risks within the existing analysis, were identified for BCR Group. Systemic risks are not treated as a separate risk type, but are indirectly covered when transition and physical risks are assessed based on comprehensive stress testing.

STRATEGY AND BUSINESS MODEL

Supported by Erste Group, BCR Group is assessing its strategy and business model in light of the resilience analysis. BCR Group uses ESG Factor Heatmaps for SMEs and ESG questionnaires for large corporate in its loan application process (for its banking activities), and engages with clients and takes environmental policies into account when deciding on new products and services.

E4-2 – POLICIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

BCR Group has not yet developed a policy to address the material negative impact identified under this sustainability topic. But as an immediate step, BCR Group Responsible Financing Policy has been complemented with restrictions to finance activities or projects that may impact protected areas. Therefore, BCR Group will not provide financing and any other banking services to entities that:

- contribute to degradation of land by adopting intensive practices.
- practice land abandonment and neglect, especially by using agricultural land for other purposes, with the exceptions permitted by law.

BCR Group Responsible Financing Policy does not directly address social consequences of biodiversity and ecosystems-related impacts.

Once having established a methodology to estimate or measure the actual contribution to soil sealing from its financed portfolio, BCR Group shall focus on developing a strategy, establish more actions and set targets to reduce negative impacts on biodiversity and ecosystems from soil sealing. Material dependencies, physical and transition as well as systemic risks and opportunities are currently not covered.

BCR GROUP RESPONSIBLE FINANCING POLICY

BCR Group Responsible Financing Policy, which is implemented within the Bank and BCR Leasing IFN S.A., establishes the exclusion criteria for financing of the Energy, Defense/Weapons, Biodiversity and Gaming & Gambling sectors. In the Double Materiality Assessment, BCR Group has identified a material negative impact related to its financed portfolio for the biodiversity subtopic soil sealing. As a result, BCR Group has broadened the scope of this policy and implemented exclusion criteria regarding activities and projects in protected areas, or with adverse impact on protected areas, as a first step to reduce the identified negative impact. BCR Group will not finance any activities with material adverse effect on protected areas. An environmental impact assessment of the project must be carried out to assess all potential impacts. If the impact assessment confirms that satisfactory mitigation measures have been taken to compensate for any negative impacts of the project on the protected area, the project may be financed. This policy supports the overseeing of the portfolio and contributes to addressing the identified material impact related to soil sealing. Through defined exclusion and non-eligibility criteria, BCR Group aims to eliminate, prevent and mitigate ecosystem-related impacts. Compliance is monitored as part of the regular loan origination process. BCR Group's Responsible Financing Policy does not consider any third-party standards or initiatives.

BCR Group has established a structure and governance model for executing decisions within the scope of the Responsible Financing Policy and has implemented both a first (carried out by the business function) and second (carried out by the non-financial risk management function) line of defense holding responsibilities concerning the application of this policy. BCR Group Responsible Financing Policy is owned by the Sustainability Department, it has been communicated to employees, including as part of the onboarding training for the corporate coverage teams, and is available on BCR's internal website. External stakeholders have also received the policy via email to enable them to better understand BCR Group's approach and implementation status of an Environmental and Social Management System required under bilateral cooperation agreements with these stakeholders.

The principles described in this policy are reviewed at least annually, however, more frequent updates are made whenever BCR Group deems it necessary.

More information concerning BCR Group Responsible Financing Policy can be found in 'E1-2 Policies and transition measures for climate change mitigation and adaptation'.

E4-3 – ACTIONS AND RESOURCES RELATED TO BIODIVERSITY AND ECOSYSTEMS

Besides the policy aspects described above, specific actions have not yet been established. The identified material impact of soil sealing will trigger more comprehensive disclosures in the upcoming years. Following the identification of the biodiversity related material impact, specific actions will be defined in the upcoming years based on a more in-depth analysis.

E4-4 – TARGETS RELATED TO BIODIVERSITY AND ECOSYSTEMS

Specific targets have not yet been established. The identified material impact of soil sealing will trigger more comprehensive disclosures in the upcoming years.

E4-5 – IMPACT METRICS RELATED TO BIODIVERSITY AND ECOSYSTEMS CHANGE

Specific metrics related to the identified material impact of soil sealing in BCR Group's portfolio have not yet been established and thus are not provided in this year reporting. BCR Group does not disclose biodiversity metrics relating to its own operations, because it has no material impact on biodiversity-sensitive areas, nor associated risks.

12.3 Social information

12.3.1 Own workforce

The successful continuous development of BCR Group, of its corporate culture and competences, are driven by its employees. As such, BCR Group places great importance on recruiting, retaining, and engaging a highly qualified workforce. At the same time, it strives to be the employer of choice in the country in the financial sector by providing opportunities for training and continuous professional development, working in diverse and international teams, as well as stimulating tasks within a flexible organization. BCR Group promotes modern working methods that support flexible, adaptive, and client-centric work.

S1 SBM3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTIONS WITH STRATEGY AND BUSINESS MODEL

This chapter provides an overview of the impacts, risks and opportunities (IROs) related to BCR Group, as identified in the DMA process and further detailed below. Policies and actions related to IROs identified extend to own employees excluding non-employees.

Sustainability Matter	Type of IRO	IRO Description	Value chain	Time horizon
S1-Collective bargaining, including rate of workers covered by collective agreements	Actual Positive impact	The existence of a collective bargaining agreement ensures that employees benefit from consistent and transparent employment conditions, including fair and adequate wages, which contributes to job security and strengthens trust in the organization.	Own operations	Short-term
S1-Work-life balance	Actual Positive impact	BCR Group fosters a good balance between career and personal life through its @Valued at BCR initiative which positively impacts the standard of living and satisfaction of employees. By focusing on the physical and mental health of employees BCR Group continuously expands its health offerings to ensure access to quality medical support.	Own operations	Short-term
S1 - Gender equality and equal pay for work of equal value	Negative impact*	The current gender pay gap at BCR Group disadvantages the affected employees.	Own operations	Short to Medium term
S1-Training and skills development	Opportunity	Initiatives like BCR Academies, Școala de Cariere (to prepare young talent for labor market), and the Learning Hub (internal training hub) help attract young talent, improve employee capabilities, and reduce turnover-related costs.	Own operations	Medium to Long-term
S1-Diversity	Potential Positive impact	Diversity initiatives at BCR Group have a positive impact on employees by fostering an inclusive corporate culture. These efforts create an open environment where acceptance and support are prioritized, allowing all employees to feel valued and empowered.	Own operations	Short-term

*In line with the methodology applied for the 2025 DMA the short-term negative impact related to equal pay for work of equal value is actual, whilst for medium time horizon the impact is potential considering the mitigation actions in place (please refer to section 'S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions').

Collective bargaining agreement

BCR Group's strategy includes ensuring fair and standardized wages for all employees across all its subsidiaries, via a collective agreement. This approach promotes financial well-being and equal pay. It also affirms our commitment to include our employees, through their representatives, in deciding all major aspects of their employment life such as remuneration and other financial benefits, working time and flexible working arrangements (including remote work), support in case of redundancies, retirement and other personal life events. The local banking sector has a sectorial collective bargaining agreement in place since 2024, but BCR Group is going beyond the provision of this agreement in terms of compensation and benefits, as a differentiator on the local market.

Work-life balance

A work environment that allows employees to achieve a sound work-life-balance is essential for BCR Group's attractiveness as an employer and for the engagement of its staff. BCR Group supports flexible working hours, balancing family life with work.

To this aim, BCR Group's overarching strategy is to encourage employees to actively manage their work-life balance by using various options that are in place. Developing healthy self-management skills, and the ability to set coherent priorities are crucial for the employees to work effectively and maintain a good balance between time at work and private time. Hybrid working, which combines working from home and in the office, has become the new normal in working life.

Whether a job is structured as part-time or full-time, onsite or remote, BCR Group offers options in terms of working arrangements, that can be used while always putting emphasis on collaboration, productivity and efficiency at work.

Supporting work-life balance also means caring for the physical and mental well-being of our employees and their families. To this end, BCR Group ensures timely access to medical care through a comprehensive health services package offered in partnership with leading private healthcare providers in Romania.

Gender equality and equal pay for work of equal value

Gender equality is a core value for BCR Group, embedded in our culture, governance practices and people management approach. We maintain a strong focus on female representation across all management roles and continuously monitor our progress for underrepresented gender, women in leadership roles and succession planning. Through these measures we aim to ensure balanced opportunities for career growth. Based on our most recent Double Materiality Assessment, gender equality and equal pay for work of equal value is identified as having a material impact based on the equal pay for work of equal value considerations mostly interlinked with gender pay gap. Further information on how BCR Group manages gender equality matters is provided together with diversity related disclosures.

Gender pay equity has been identified as a topic with an actual negative material impact, consistently with the assessment performed across all Erste Group entities. This impact is primarily linked to the level of the unadjusted gender pay gap.

The unadjusted gap is largely driven by structural and demographic factors, including the uneven distribution of women and men across job families. A higher concentration of men is observed in technical and specialist roles that are typically associated with

higher remuneration, while women are more frequently found in administrative or customer-facing roles, which generally have lower pay ranges. While the bank's pay gap reflects the wider context of the Romanian financial sector, our current unadjusted gender pay gap is positioned in line with competitors within the financial industry, as indicated by recent market data collected in the latest edition of the PwC survey⁽¹²⁾.

Notably, the adjusted gender pay gap—which accounts for factors such as job role, seniority level, and scope of responsibility—shows a significant positive trend as described in chapter 'S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions', reflecting the bank's commitment to pay equity for comparable work.

Training and skills development

Continuous training and skills development represent a material opportunity to strengthen organizational resilience and sustain competitive advantage. Rapid technological advancements, evolving regulatory requirements, and changing customer expectations demand a workforce equipped with up-to-date expertise and future-ready capabilities. Investing in structured learning programs helps ensure that employees can deliver high-quality, compliant, and innovative banking solutions.

Training initiatives focus on enhancing technical knowledge, digital & AI literacy, and risk management skills, which are critical for providing a comprehensive range of financial services - from lending and investment products to payment solutions and advisory services. These programs also support the development of analytical and customer-centric competencies, enabling employees to respond effectively to market shifts and client needs. Tailored programs build important capabilities, foster innovation and keep the employees and organization competitive in a rapidly evolving market.

Leadership development remains a strategic priority, ensuring that future leaders possess the agility and decision-making capabilities required in a highly regulated and fast-changing environment. Succession planning and talent management frameworks are designed to secure continuity in governance and strategic execution, reinforcing trust and stability for stakeholders.

By aligning employee development with organizational objectives, BCR Group fosters engagement, productivity, and innovation. This approach not only strengthens operational performance but also contributes to long-term financial sustainability. Coordination of these initiatives is managed within the People & Culture division, ensuring consistency and alignment with industry standards and regulatory expectations.

Diversity

BCR Group provides equal treatment and professional development options to ensure equal opportunities for all employees, with a positive impact on its own workforce. Ensuring diversity inside the organization creates an open and inclusive corporate culture which contributes to BCR Group being an attractive employer. BCR Group stands for a work culture that fosters a sense of belonging and values the work of its employees. Measures include a commitment to greater transparency and gender equality in remuneration, this being also a part of our people and culture strategy.

Non-material sustainability matters

BCR Group has not identified any material negative impacts on own workforce arising from transition plans aimed at reducing negative impacts on the environment and achieving greener and climate-neutral operations. Also, the BCR Group did not identify any significant risk of incidents of forced labor, compulsory labour or child labour and has not identified any sub-groups of their employees that are at greater risk of harm.

S1-1 – POLICIES RELATED TO OWN WORKFORCE

The People & Culture strategy of BCR Group is designed to shape the business of tomorrow by empowering its people, placing leadership mindset, accountability, impact and innovation at the center of future success. The people strategy redefines how BCR attracts, leads, rewards, and develops talent, integrating leadership, performance, and culture into a unified framework that ensures the right people are in the right roles, with the right behaviors.

The strategy is supported by a set of workforce-related policies which contribute to fair working conditions, equal opportunities, and continuous professional development.

HUMAN RIGHTS COMMITMENTS

The Code of Ethics, deriving from Erste Group Code of Conduct, is aligned with the provisions of the Romanian Labour Code and other relevant national legislation. It is also structured in a manner which is consistent with the principles outlined by the

¹² PwC Gender Pay Gap Report, 2024 (<https://hrleadersportal.pwc.com/media/1408/pwc-romania-gender-pay-gap-report-2024.pdf>)

international standards and conventions (including, but not being limited to, the UN Guiding Principles on Business and Human Rights which prohibits involvement in human trafficking, forced labour, or child labour). The Code of Ethics was last updated and internally published in May 2025 and its principles essentially derive from the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the United Nations Guiding Principles on Business and Human Rights, amongst others.

BCR Group must, under no circumstances, be involved in human trafficking, forced labour, or child labour, nor should it benefit from these practices in any way, the principle of human rights observance being the basis of all relations, also considering that the rights and liberties shall, under no circumstances, be exerted in contrary manner to the goals and principles of the United Nations Organization. This commitment aligns also with the principles outlined within ILO Convention No. 29 on Forced Labour, ILO Convention No. 138 on the Minimum Age, and ILO Convention No. 105 on the Abolition of Forced Labour. Processes and mechanisms to monitor compliance with these international standards and conventions include BCR Group's regular procedures as outlined in sections 'S1-2 - Processes for engaging with own workforce and workers' representatives about impacts' and 'S1-3 - Processes to remediate negative impacts and channels for own workforce to raise concerns' from this report and are intended to raise the concerns and include remedies, if the case, for negative impacts on human rights violation.

BCR Group further strengthens this commitment through direct and indirect engagement with its employees, and through clearly defined processes to address any form of discrimination. Fair and reasonable remuneration is integral to compliance with labour rights within BCR Group, and is governed by the Group Remuneration Policy.

BCR has a workplace accident Prevention Plan which includes specific measures to prevent work related accidents and it is revised annually.

All BCR Group policies are revised as agreed with the National Bank of Romania, at every 12 or 36 months depending on the type or scope of the policy. In addition, there are some other triggers for interim reviews, such as alignment to regulatory, business or Erste Group requirements.

BCR policies and procedures are revised based on a general framework (BCR Group Policy Framework) that sets the key requirements related to developing, maintaining, classifying, approving, and implementing policies and procedures in BCR and BCR Group, as applicable. A monthly report on policies and procedures is used to make sure these are being updated regularly. BCR Group policies and procedures are published on the BCR Intranet.

WORK-LIFE BALANCE

Work-life balance is steered under a common umbrella within BCR Group, rather than a standalone policy. However, healthcare services are governed by the established terms of the collective bargaining agreement. A dedicated policy on work-life balance matters was not deemed necessary as these elements are already provided in the Internal Regulation which is updated at least annually.

GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

Gender equality within BCR Group is governed by the Diversity and Inclusion Policy, stating BCR Group's commitment to make continuous progress towards a gender-balanced management at all levels. To achieve this, several accompanying measures have been taken, as described in section 'S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions'.

The BCR Group reinforces its commitment to pay equity through a gender-neutral remuneration framework which is also referenced by the Diversity and Inclusion Policy. This policy establishes that all employees receive equal pay for equal work, maintaining full compliance with Directive on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms¹³ and Article 157 of the Treaty on the Functioning of the European Union ("TFEU")¹⁴.

In addition, the topic of equal pay is covered by the Remuneration Policy, which is approved yearly by the Supervisory Board. This policy reinforces gender equality and equal pay for work of equal value, as defined through structured job grading mechanisms. It provides a standardized framework for designing pay structures, supports equal opportunities for professional development, and addresses the gender pay gap through transparent remuneration practices and regular reviews.

The policy aims to attract and retain competent and committed employees who perform their roles in the long-term interests of the BCR Group, its customers, and shareholders. It defines pay components, variable remuneration schemes, performance

¹³ <https://eur-lex.europa.eu/eli/dir/2013/36/oj/eng>

¹⁴ <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:12012E/TXT:en:PDF>

management processes, job structures, salary benchmarking, and both monetary and non-monetary rewards, all aligned with the Group's values and strategies. It applies to all BCR Group entities and is available to all employees via the intranet.

The remuneration framework applies to all employees of the BCR Group and members of the Supervisory Board. The Remuneration Committee advises the Supervisory Board on, approving and overseeing remuneration-related policies. Its members, appointed in accordance with regulatory requirements, possess expertise in remuneration practices, risk management, and control activities. The committee considers the long-term interests of employees, shareholders, and other stakeholders and meets at least twice a year to align remuneration strategies across the Group.

TRAINING AND SKILLS DEVELOPMENT

BCR Group aims to be the place where people embrace opportunities, learn every day, and collaboratively work together. Collective contribution and impact should go beyond geography, entity, or business area borders. The training and skills development are governed by BCR 'Recruitment, training and Human resources administration' policy and overarched by BCR People and Culture strategy, applicable in BCR Group. These frameworks establish clear principles for fostering continuous learning, capability building, and leadership development, ensuring alignment with organizational objectives and regulatory standards in the financial sector.

BCR Group is committed to strategic workforce planning to enable more targeted recruitment and further development measures, as well as driving employee growth through reskilling and upskilling initiatives, while supporting their financial literacy.

The design of our training and skills development processes involves multiple stakeholder groups, as follows:

- Talent Acquisition, Learn & Development teams as owners of the process and methodology - to enable efficient consultation, alignment with the strategic objectives of BCR Group and feedback integration.
- HR Business Partners (HRBPs) - to support implementing teams and promote the processes among managers and employees.
- Senior Leadership (Top & Middle Management) - to validate priorities and ensure alignment with strategic objectives.
- People managers across all divisions – to provide operational insights and check for practical relevance.
- Employees – to express their views on the targeted curricula through focus groups, surveys, pilot groups, and feedback rounds.
- External partners (learning providers, leadership assessment specialists) – to benchmark and strengthen program design,

A structured and specific communication plan is used for every recruitment, training, and development processes, including but not limited to: People & Culture intranet page, weekly newsletters, Viva Engage internal social platform, direct discussions with stakeholders, emails, open-line sessions, HR Business talks.

Internal HR teams are assigned clear ownership for governance, implementation, and ongoing support. Budget and time resources are allocated annually for leadership training and development programs, digital learning platforms, and external assessments where needed. HR Business Partners were equipped to support teams during the training, performance and development cycles.

Attendance and completion rates for the mandatory training sessions are monitored yearly as to ensure that these are followed by all employees. Optional training courses and dedicated development programs are monitored through attendance data and feedback at the end of each iteration and program overall. This data serves as input for deciding upon the continuation of such programs and/or for future enhancements such as the identification of key interest topics that should be further addressed. Furthermore, feedback loops with HRBPs and managers ensure ongoing refinement of processes. These annual reviews of the talent and development framework ensure alignment with strategy and evolving workforce needs.

The 'Recruitment, training and Human resources administration' policy is approved by the Management Board, its' principles are applicable to all BCR Group entities, and is available to all employees on the communication channels listed in the section S1-3 "Processes to remediate negative impacts and channels for own workforce to raise concerns". BCR Group applies an Erste Group - wide defined leadership framework that promotes accountability, ethical decision-making, and inclusion as well as future orientation and servant leadership. Structured succession planning ensures continuity and prepares future leaders based on group-wide leadership dimensions, supporting long-term organizational resilience.

Nomination and Suitability Assessment Policy for Management Body

The Nomination and Suitability Assessment Policy for Management Body outlines the process for assessing the suitability of individuals who are members of the Management and Supervisory Boards; it also outlines the succession process for potential members of its Supervisory and Management Board and training for the Management Body of BCR Group. This policy provides a structured framework for defining a diverse succession list of potential candidates for these boards, and for monitoring the gender balance targets as specified in the Diversity and Inclusion Policy. Specific criteria outlined in the succession planning part of the Nomination and Suitability Assessment Policy for Management Body are used by the Erste Group Holding Management Board, in collaboration with the local People and Culture division, to evaluate respective managers, based on performance and potential. The results of all assessments form the basis for a pre-selection of potential successors, and are discussed in upcoming succession talks.

Erste Group People and Culture department is responsible for developing and constantly reviewing the succession process for all Management Bodies of the local banks. It also initiates the annual succession process and provides instructions and documentation templates to the local People and Culture division.

The policy also provides a framework based on which the members of the Management Body are provided with proper induction and training that are relevant and appropriate to the members' individual and collective responsibilities, and meet the current and future needs and strategic objectives of the Bank, in accordance with risk and regulatory compliance standards.

Following the periodical assessment/ re-assessment, the Nomination Committee is responsible for the preparation of an annual training plan for Management Body members based on the training needs identified.

The Nomination and Suitability Assessment Policy for Management Body applies to BCR and subsidiaries, namely BCR Banca pentru Locuinte and BCR Pensii SAFPP (except for the succession process).

The Nomination Committee of the Supervisory Board, is responsible for implementing this policy in BCR. People and Culture Division, Legal, Governance and Public Affairs Division (Group Secretariat Department) and Compliance Division support the Nomination Committee in all matters related to this Nomination and Suitability Assessment Policy.

The policy implements the Joint ESMA and EBA Guidelines on the assessment of the suitability of members of the management body and key function holders under Directive 2013/36/EU and Directive 2014/65/EU (EBA/GL/2021/06), the EBA Guideline on internal governance under Directive 2013/36/EU (EBA/GL/2021/05), the Circular Letter on the Suitability of members of the Management Board, Supervisory Board, and Key Function Holders, and the ECB Guide for fit and proper assessments.

The Nomination and Suitability Assessment Policy for Management Body is available on the BCR Group Intranet.

Performance reviews and development talks

The performance management process is a group wide process designed to generate long-term impact. Each year, all employees participate in performance discussions with their line managers to set goals for the current year and define development plans to enable their ongoing personal and professional growth.

To further support consistency and quality in feedback conversations, BCR Group has introduced a structured and unified performance management discussion framework for all managers. The performance management process is governed by the Performance and Development Management Procedure which sets the framework, structure and steps of the performance management process.

DIVERSITY

For BCR Group, an inclusive corporate culture means recognizing every employee in their individuality. BCR Group understands diversity and inclusion as a mindset that obliges everyone to treat each other with respect, so that everyone feels safe to speak their mind openly. BCR Group seeks to create an environment in which people are enabled to develop themselves, support each other when facing challenges and bring out the absolute best in themselves and their peers.

The relations between the BCR Group and its employees are governed by the principle of non-discrimination and elimination of all actions which would violate a person's dignity, which is guaranteed by the Romanian Constitution. Any discrimination based on reasons of race, nationality, ethnicity, language, religion, social category, age, opinions, gender or sexual orientation, disability, chronic non-communicable disease, HIV infection, membership of a underprivileged group or on any other criterion which has as purpose or as effect limiting or elimination of acknowledgment, use or lawful exercising of the fundamental human rights and liberties provisioned by the law of a political, economic social and cultural type, or of any other types or domains of public life is strictly forbidden.

By adopting and implementing the provisions of the *Guide on preventing and combating gender-based and moral harassment in the workplace*, included in the Internal Regulation, and defining a procedure for dealing with discrimination and harassment cases, the organization undertakes to ensure a safe environment for all employees, as per the requirements of the Diversity and Inclusion Policy.

Diversity and Inclusion Policy

BCR Group's Diversity and Inclusion Policy addresses the BCR Group's impacts related to diversity and gender equality. Promoting diversity within the organization fosters an open and inclusive corporate culture, which positively impacts employee's well-being so that they can develop and grow within BCR Group's organization regardless of their protected characteristics.

The purpose of this policy is to outline how BCR Group responds to the societal context in which it operates. It addresses stakeholders' expectations with regards to diversity and inclusion by defining the common understanding of these two concepts within BCR Group and Erste Group. Additionally, it describes roles and responsibilities, as well as the general guidelines for developing, implementing, and adjusting diversity and inclusion strategies and targets. Diversity management is part of our corporate strategy and embraces dimensions like age, gender, origin as well as the cognitive diversity. The policy's prohibited grounds of discrimination, detailed within the Internal Regulation of BCR, fully align with those set out in the Romanian Constitution and applicable legislation.

Embedded within the Erste Group People & Culture division, Erste Group Diversity Management (GDM) identifies key focus areas (like gender balance, anti-discrimination and harassment, etc), and develops a diversity strategy in close collaboration with relevant stakeholders, such as local Diversity Management, Group Communications and Group Corporate Affairs and Stakeholder Management. GDM develops diversity targets which are subsequently transposed into the local Diversity and Inclusion Policy approved by BCR Supervisory Board.

At local level, BCR established the function of "Local Diversity Manager" (LDM) who acts as a focal point for all diversity-related issues of the bank. While GDM defines the general Group diversity strategy, LDM adapts measures, trainings and the Group Diversity & Inclusion Policy, to suit local circumstances and priorities. Regular communication between GDM and LDM ensures that a mutual understanding of diversity issues across Erste Group exists.

BCR Group strives to ensure equal opportunities of development for all employees. Thus, an important field of action, as per the Diversity and Inclusion Policy is to ensure a discrimination-free environment, as a basic prerequisite for establishing an inclusive working culture.

Besides the above-mentioned commitment to ensure a discrimination-free environment for all employees, there are no specific policy commitments related to people from groups at particular risk of vulnerability in our own workforce.

The BCR Diversity and Inclusion Policy covers all BCR employees within own operations. The policy has also been adopted by the following BCR subsidiaries: BCR Banca pentru Locuinte SA, BCR Pensii SAFPP SA and BCR Leasing IFN SA. The management board holds the highest level of accountability for the implementation of the policy. The policy is monitored and reviewed annually or whenever necessary, considering applicable legislation, regulatory requirements and revisions of Erste Group Diversity Policy.

S1-2 – PROCESSES FOR ENGAGING WITH OWN WORKFORCE AND WORKERS' REPRESENTATIVES ABOUT IMPACTS

As a responsible employer, BCR Group recognizes the importance of engaging with its workforce and workers' representatives to understand the impacts of its operations on its employees. One approach that BCR Group takes to foster positive impacts is by supporting a feedback culture. BCR Group supports this culture by providing many channels for direct and indirect engagement with employees, managers, teams, and communities such as Employee Engagement Survey, dedicated open lines, People & Culture events, etc. This gives employees ample opportunities to voice their views and concerns and provide feedback on matters related to our material IROs such as work-life balance, learn & grow, psychological safety and any other topic. With the actions that BCR Group takes it aims to prevent future negative impacts on its employees and to enhance the positive impacts.

The management board, in particular the CEO, is entrusted with the responsibility of managing the organization in a manner that serves the best interests of the BCR Group, while considering the interests and concerns of employees.

DIRECT ENGAGEMENT

BCR Group engages directly with its employees through annual one-to-one performance reviews, as well as through the Group internal social network, the Group engagement survey, various open lines and events dedicated to employees.

All engagement activities take place at entity level, but also at team, project or BCR Group community level. Particular measures to improve culture and work environment may be taken by managers at unit level, as part of our non-structured response to employee's feedback.

BCR Group promotes a work culture that values employees, supports a sense of belonging and facilitates internal communities built around shared goals, values, and interests. These communities are facilitated by collaboration platforms designed to foster professional networking, cross-functional knowledge exchange, and organizational engagement.

We cultivate an inclusive and supportive culture consistent with our commitment to fair working conditions and equal opportunities. By leveraging employee engagement, feedback and collaboration, BCR drives greater organizational cohesion, ensuring every team member can contribute effectively to BCR Group's long-term goals.

The Magic Advisors Engagement community drives engagement activities in all business areas and ensures the communication of actions through internal platform. This is an employee experience platform that fosters communication, collaboration and community building within organizations. It is integrated with Microsoft Teams enabling employees to share updates, engage in discussions and connect across departments. The engagement activities take place at department and division level and they are centralized by the Community Manager. The most inspiring and impactful engagement activities are promoted on BCR Group's intranet and on management level.

Performance management reviews

Talent management at BCR Group is driven by constructive feedback and by fair and transparent assessment of individual potential and performance. An annual performance review meeting is conducted between each employee and their direct superior to discuss the employee's contribution and impact on BCR Group's success, as well as their personal development plan. The division management (B-1), as the most senior role, is required to consider the results of these discussions and maintain an overview of performance and impact in their area of responsibility. Additionally, assessments of long-term performance and potential of individuals can be made during talent reviews / succession planning sessions throughout the year.

For senior management (B-1 level), the performance and potential are assessed by a dedicated Performance Evaluation Committee composed of members of the Management Body and People & Culture representatives ensuring calibration and cross functional alignment.

Group-wide internal social network

Viva Engage is the internal social network that connects all colleagues across the Erste Group. Launched in June 2024, it facilitates collaboration and communication within the group, offering us a shared space where we can exchange information, discuss ideas, and solve problems in real time.

At BCR Group, colleagues interact in more than 25 niche communities on diverse topics: from financial education, AI, and digital innovation to personal development, running, or football.

Echo is our new information and communication platform, launched at BCR in July 2025, which connects the entire Erste Group in a single environment.

Echo is an information hub which integrates 3 former platforms into a modern, accessible place, built for connecting all BCR Group employees. Together with Viva Engage, Echo, the new Group-wide intranet, forms a connected and integrated environment way of working.

Engagement survey

BCR Group aims to strengthen its workplace culture by actively listening to employees and acting on their feedback. Employee surveys provide insights into employee engagement levels, highlighting both strengths and areas for growth. BCR Group conducts the survey on a yearly basis, as part of Erste Group Engagement Survey. The People & Culture division is responsible for coordinating regular engagement surveys at BCR Group level and ensuring that feedback informs workforce-related decisions and improvement plans.

The employee engagement survey serves as a highly valuable mechanism for receiving feedback from all employees. The transparent nature of the results and feedback obtained from the survey enables the implementation of effective improvements and action plan.

Feedback is collected from all employees through an internal platform that enables real-time feedback, sentiment analysis and follow-up actions. This is based on a questionnaire addressing a variety of items, offering opportunity for open comments for each item, plus two general comments which are thoroughly analyzed as qualitative feedback. All managers have access to the platform and can view their teams' results. Key engagement drivers are acknowledged and specific action plans are developed to address the main improvement opportunities. The results are handled under strict confidentiality. All participants are informed of the confidentiality framework at the beginning of the survey. In addition, the principles governing confidentiality are clearly outlined in the intranet FAQs. Employee perspectives are integrated into the decision-making process, and employees are informed about how their feedback has influenced decisions through their managers and HR Business Partners in the first place.

Detailed engagement results are presented to the Management Board and overall engagement results are shared with all employees via intranet.

In 2025, BCR participated in the Erste Group employee engagement survey meant to measure employee engagement and to enhance workplace quality. With a response rate of 87% (90% in 2024), BCR achieved an Employee Engagement Index score of 77 out of 100 points (81 out of 100 in 2024), inviting all employees to voice their opinions.

INDIRECT ENGAGEMENT VIA WORKERS' REPRESENTATIVES

In accordance with legal requirements (Romanian Labour Code and Law on Social Dialogue), BCR Group involves its employees in management decisions via representative bodies in matters that directly affect employees.

In Romania, two representative trade union federations in the banking sector (including banks, savings banks, etc.) negotiate a sector-wide collective agreement. This agreement establishes minimum financial rights that apply to all employees in the banking sector.

In BCR, there are two trade unions, namely the BCR Independent Trade Union (SIBCR) and the BCR National Employees' Union (SNS BCR), which represent members' interests. SIBCR is legally representative and negotiates collective agreements.

The unions secure ongoing collaboration between the management board and BCR employees. The unions meet periodically, at least twice per year, with management board representatives, based on an Agenda brought forward by the unions. Minutes of these meetings are communicated to unions, who further distribute them to their members. Relevant feedback is incorporated into our people strategy, policies and procedures during revisions, ensuring that engagement outcomes influence decision-making.

The People and Culture Division also routinely convenes with the unions to maintain steady communication beyond legally required topics. In 2025 we focused our bilateral conversations to the topic of understanding pay transparency, in the context of collective labour bargaining process. Legally required information and consultation with the unions on topics relevant to employees is documented formally, through email exchanges.

SIBCR has members in two BCR subsidiaries (BCR BPL and BCR Leasing) and participates in local dialogue and collective labor agreement negotiations.

BCR subsidiaries continuously collaborate with employee representation bodies and have regular meetings between the management board and the representative body.

The effectiveness of engagement with our employees is ensured through the various direct and indirect engagement opportunities and the active usage of these formats. Additionally, the employee survey provides insights to continuously improve BCR Group's engagement efforts.

S1-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Equal pay for work of equal value has been identified as a material topic with actual short and potential medium term negative impact on workforce trust and engagement. It is specifically linked to the level of unadjusted gender pay gap (details in section 'S1-16 - Remuneration metrics (pay gap and total remuneration)').

To mitigate and remediate this impact, BCR implemented and is running an ongoing structured pay equity process. This is designed to reduce existing adjusted pay gaps, prevent the recurrence of inequities and ensure fairness at the individual level. Together, they form the foundation for BCR's broader pay equity strategy detailed in 'S1-4 - Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce and effectiveness of those actions'.

Channels to raise concerns

BCR Group has established multiple channels through which employees can raise their concerns and have their needs addressed by the organization:

- Line manager as the first contact point.
- Queries on AskHR team.
- Whistleblowing process (see also chapter 'G1-1 - Business conduct policies and corporate culture').
- Workers' representatives (see also chapter 'S1-2 - Processes for engaging with own workforce and workers' representatives about impacts' for more details).
- Contact with the ethics advisors and the anti-discrimination channel.

- Employee Engagement Survey (see chapter 'S1-2 - Processes for engaging with own workforce and workers' representatives about impacts' for more details).
- Performance reviews (see chapter 'S1-2 - Processes for engaging with own workforce and workers' representatives about impacts' for more details).

Due to the consistent rhythm of engagement opportunities and the multitude of channels available for employees to raise their concerns and issues, without fear of retaliation, the measures taken to improve employee matters are regularly monitored with consideration of employee interests on BCR Group level.

Line managers as the first point of contact, deal mostly with employees' day-to-day complaints. This is mostly an informal process - however, should the employee decide to engage in a formal discussion with his/ her manager, he/she may document the conversation and later escalate, according to local governance standards. The process is managed as normal course of business in case of minor cases, conflicts or claims by People and Culture division, HR BP (Human Resources Business Partner) and Direct Management function.

Queries on Ask HR, which is implemented by BCR, are tracked and monitored. For example, complaints sent by employees via AskHR are monitored by complaint tracking on a dedicated call center app (7 received in 2025 as compared to 17 in 2024).

Whistleblowing channels (internal & external)

The Whistleblowing process which is focused on BCR Group employees' conduct and covers the following categories of abatements: (a) Financial crimes (fraud, embezzlement, etc.), including theft (of material goods and information); (b) Breach of internal regulations and legislation (Regulatory Compliance); (c) Infringement of securities and market regulations (insider dealing, market manipulation, dissemination of false information); (d) Bribery and Corruption, including conflicts of interest (invitations, gifts, extra-professional activities, intercompany relations, etc); (e) Money laundering/ terrorism financing; (f) Data security, confidential information; (g) any act involving a violation of the law, international regulation, professional ethics, by a member of staff/ suppliers/ partner of the Bank. The whistleblowing channel is actively promoted to third parties through the company's website and is also embedded within the content of commercial contracts (detailed in G1-1 Protection of whistleblowers).

BCR Group ensures that employees are familiar with these channels through regular monitoring and through the mandatory Compliance/Whistleblowing course. Related whistleblower channels standard promotion mechanisms are in place such as the annual training for all employees and BCR's website for third parties.

Whistleblowing management process is subject to internal audits (3rd line of defense). Last review was performed in 2023, and no findings were identified. Annually, during the Supervisory Review and Evaluation Process (SREP) inspections conducted by the National Bank of Romania (NBR) information is presented to the regulator (regulator controls). In line with an internal procedure and the applicable regulatory framework, BCR is submitting a semestrial report to NBR related all situations investigated in the reference period. Statistical information is also submitted annually to Erste Group. For the year 2025, no complaints met the admissibility criteria for processing under the whistleblowing reporting channel. Most of the alerts received were redirected to the standard business channels, as they referred to issues concerning the functionality or design of banking products, or to matters related to internal activity and employees, which were handled through the anti-discrimination process.

Anti-Discrimination channel

Complaints sent via the Anti-Discrimination channel are highlighted in a dedicated register (5 claims received in 2025 as compared to 11 in 2024). The process related to Antidiscrimination and Anti-harassment is defined in BCR's Internal Regulation and generally addresses cases in which BCR Group employees submit different claims or complaints related to harassment and discrimination (exclusively). This also includes provisions concerning the non-retaliation safeguards provided to employees.

The objectives of such guidelines and processes are to ensure a zero-tolerance policy for harassment and discrimination in the workplace and to provide all employees with the necessary tools to fully exercise their rights. As regards the anti-discrimination channel, it has been established internally (without participation in third-party mechanisms). All concerns and complaints regarding the harassment and discrimination in the workplace are managed by an internal Committee comprised of three members representing Compliance, Legal and People and Culture Divisions, all certified experts in equal opportunities. The Committee is responsible for receiving, investigating and solving harassment and/or discrimination allegations. Each case is taken seriously and treated with promptness and confidentiality. If the case is classified as a harassment incident, it may be subject to appropriate disciplinary sanction according to the provisions of the Internal Regulation.

BCR informs employees about the availability of above channels to raise their concerns. One of the options used is to inform newcomers right from the beginning of their employment as part of the onboarding welcome program. Other ways to raise awareness is through dedicated online training including this type of information. In addition to this, the Employee Engagement

Survey assesses employees' perception of their ability to express thoughts and ideas openly without fear of negative consequences, highlighting BCR Group's commitment to fostering a psychologically safe environment for communication.

Customized training material related to antidiscrimination and anti-harassment is deployed regularly using also standard communication related channels and process in place.

Employees may voice their concerns through worker's representatives either via dedicated meetings or individual reportings. Reportings through workers' representatives are dealt with protective measures against retaliation, as foreseen by the law and the collective bargaining agreement in force.

S1-4 – TAKING ACTION ON MATERIAL IMPACTS ON OWN WORKFORCE, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO OWN WORKFORCE AND EFFECTIVENESS OF THOSE ACTIONS

BCR Group has implemented various actions to address the material topics of gender pay equity, diversity, training and skills development, work-life balance, to prevent and mitigate negative impacts and to create positive impacts for its own workforce. BCR Group has established group policies that provide a framework for its approach to these material matters (listed in Chapter 'S1-1 - Policies related to own workforce'). The local policies follow the local legal framework and are in line with the group policies through a rollout implementation process.

Financial and other resources for actions related to BCR Group's own employees are allocated mostly from the People & Culture departments, but other teams provide support for specific actions as well. The actions are taken in the reporting year and are also planned to continue annually and over the medium and long term to ensure sustained positive impact, mitigate potential future negative impacts or risks and to pursue material opportunities. To support the implementation of the actions listed in the table below, BCR Group allocates resources from several departments, and allocates dedicated budgets.

Table Key actions and policies associated with the material IROs

Sub-topic	List of key actions	Policy
S1-Collective bargaining	Maintain current coverage (100%) at bank level by committing to periodical negotiations with representative unions, according to national legislation. As regards the subsidiaries, periodical collective bargaining are taking place in those companies where representative unions were established (BCR Leasing IFN and BCR Banca pentru Locuinte SA).	Mandatory negotiations are provided by law, therefore there is no need for a company policy in place.
S1-Work-life balance	Flexibility of working time (part-time, flexible working hours) Hybrid work of remote and on site Private healthcare packages	A dedicated stand alone policy is not implemented, but the topic is covered either by local strategies under overarching Erste Group objectives, by the collective bargaining agreement or by BCR Internal Regulation.
S1 - Gender equality and equal pay for work of equal value	Reduce the adjusted gender pay gap, while also gradually addressing the unadjusted gap driven by structural factors	Remuneration Policy Diversity and Inclusion Policy
S1-Training and skills development	Talent management and leadership Performance reviews and development talks 360° Leadership feedback	BCR Nomination and Suitability Assessment Policy for Management Body Recruitment, Training and Human Resources Policy
S1-Diversity	Establish a new formal framework for deciding upon the diversity priorities and major initiatives (i.e. Sustainability, Diversity and Inclusion Committee). Implementing actions that support the objectives in the Diversity and Inclusion Policy, on topics like Gender Equality, Equal Treatment, Disability and Accessibility, Generational Diversity and Diversity indexing	Diversity and Inclusion Policy

COLLECTIVE BARGAINING

Maintaining almost 100% coverage of BCR's own workforce under a collective bargaining agreement is a key action to continue to create positive impact.

BCR Group commits to periodic negotiations with representative unions in compliance with national legislation to maintain full coverage. For subsidiaries, the objective is to preserve 100% coverage where representative bodies exist:

- Two subsidiaries (BCR Banca pentru Locuinte SA and BCR Leasing IFN SA) already have collective agreements in place
- One subsidiary (BCR Payments Services SRL) is covered by the sector-wide banking agreement.

WORK-LIFE BALANCE

BCR Group has adopted a number of measures to allow working times to be adjusted to personal requirements. BCR Group offers a range of family-friendly measures which are regularly adapted to the needs of its employees. With family-friendly flextime (such as flexible working schedule or additional time off) and work-from-home schemes, BCR Group enables its employees to balance personal time and work.

We prioritize work-life balance through a comprehensive strategy that considers employee perspectives. Through a bottom-up approach, we engaged colleagues from various levels of the organization in a collaborative exercise to shape our flexible work benefits, ensuring that the diverse needs of our workforce are met. The effectiveness of these actions is determined based on monitoring reports on the rate of use for such options and based on the employees' feedback provided specifically or as part of the Engagement Surveys.

To ensure high standards of occupational health and well-being, the BCR Group delivers a comprehensive suite of medical services through a certified health providers. We continuously evaluate the effectiveness of these interventions by analyzing annual health status reports, which serve as the foundation for targeted awareness campaigns focused on preventable illnesses. Furthermore, we monitor anonymized data regarding the utilization of medical services by employees and their dependents to better align our offerings with their needs. To promote equitable access to care, we provide on-site diagnostic screenings in locations with limited clinical infrastructure, facilitating early detection and proactive health management for our employees.

GENDER EQUALITY AND EQUAL PAY FOR WORK OF EQUAL VALUE

BCR believes that pay equity is essential for a fair and equitable workplace. Starting in 2022, BCR has initiated a pay transparency journey focused on delivering structured and customized communication regarding BCR's compensation philosophy and pay practices across the organization. This effort aims to bring greater transparency on BCR's pay strategy, job grading system and salary grids, ensuring that all employees understand the principles behind equal pay for work of equal value.

BCR holds a Fair Pay Analyst certification from the Fair Pay Innovation Lab, with its UNIVERSAL FAIR PAY CHECK® recognized as a certification trademark by the European Union Intellectual Property Office. This certification integrates various European legislative initiatives into a single procedure, accommodating both current and future regulations. The analysis, based on BCR's internal data, provides a solid foundation for implementing fair pay practices and underscores BCR's commitment to conducting pay analyses correctly.

BCR's commitment to pay transparency started with the individual total rewards statement and individual pay positioning vs. the salary grid and will continue with future forthcoming disclosures aiming to improve transparency and promote equity.

Building on remediation processes, BCR Group's strategic actions aim to primarily reduce the adjusted gender pay gap, while also gradually addressing the unadjusted gap driven by structural factors. This approach includes:

- Applying a consistent pay equity analysis methodology aligned with Erste Group standards and external certification practices;
- Conducting systematic pay equity reviews and implementing corrections of individual pay discrepancies as part of the annual salary adjustment process;
- Promoting frameworks to address structural factors, such as gender distribution across roles by promoting fair and transparent salary negotiations beyond collective agreements during the hiring process;
- Progressively ensuring pay transparency, beginning with total reward statements and evolving toward company-wide gender pay gap disclosures.

For more details see chapter 'S1-16 - Remuneration metrics (pay gap and total remuneration)'.

BCR aims to be positioned positively compared to relevant Romanian financial sector peers, while continuing to reduce the adjusted gap further and progressively address structural factors impacting the unadjusted gap over time.

The overarching objective is to achieve a sustainable reduction in pay disparities and reinforce trust through transparent reporting. Through the actions described in this section coupled with the internal gender representation targets which we have in place we are ensuring that the gender pay gap is consistently addressed and its negative impact reduced.

The time horizon for these actions is ongoing. Fostering pay transparency and pay equity remains a top priority for BCR Group and we are committed to continuously refining and expanding our initiatives to ensure sustained progress.

TRAINING AND SKILLS DEVELOPMENT

Talent management and leadership

Training and development represent a key opportunity for BCR Group to strengthen workforce capabilities and ensure long-term organizational resilience. By investing in learning initiatives, the Group aims to equip employees with future-ready skills, foster adaptability, and support career growth in alignment with strategic priorities.

BCR Group delivers centrally coordinated, organization-wide learning programs for all employee levels, complemented by development opportunities. The talent development philosophy is aligned with the Group's strategic priorities to reinforce attractiveness, long-term sustainability and competitiveness.

This approach is reflected in four key areas of action that structure our talent development efforts across the organization.

1. **Continuous Learning and Future-Ready Capabilities for All Employees.** BCR Group provides employees with access to a wide range of learning programs designed to enhance technical expertise, regulatory compliance, and digital transformation skills. Initiatives are implemented to build proficiency in data and AI literacy, financial knowledge, and customer-centric approaches. Structured learning journeys, delivered through blended formats, encourage adaptability and promote a culture of continuous growth. Reskilling and upskilling programs are prioritized to address evolving business needs and technological advancements.
2. **Management Body Development and Executive Managers.** Development for the management body and executive managers includes regular updates on regulatory requirements and participation in Group-wide learning initiatives. Tailored programs are designed to strengthen leadership capabilities and ensure alignment with organizational objectives at senior levels.
3. **Leadership Development.** A comprehensive leadership development framework supports current and future leadership competencies. The approach emphasizes knowledge, skills, and behavioral attributes aligned with Group leadership dimensions. Learning experiences are delivered through diverse formats such as workshops, coaching, and peer learning. Leadership programs are integrated with succession planning to secure continuity and organizational resilience.
4. **Talent Development.** Targeted programs are implemented for high-potential employees to build a diverse and future-ready pipeline of leadership and key talent. Career mobility and cross-functional exposure are encouraged to enhance organizational adaptability. Personalized development plans and mentoring opportunities foster engagement and empowerment, supporting long-term career growth.

All employees are involved in at least one of these development initiatives, being invited to participate, integrate the transferred knowledge, and give feedback for program improvement at the end of each cycle. A specific communication plan is implemented for each of these development initiatives, as described in section "S1-1 Policies related to own workforce". There is a budget allocated for each development initiative, and Learning & Development specialists and experts, as well as HR Business partners and managers are all involved in the implementation process. Development initiative outcomes are assessed through post program evaluations, impact surveys, and follow up reviews with participants and managers. Feedback is collected on an annual basis and serves as input for designing improvement actions.

In 2025, BCR Group employees completed on average 47.26 hours of professional development (2024: 47.6 hours). Employees in management positions completed an average of 70.49 hours of training (2024: 72.9 hours). BCR monitors average trainings hours by collecting the information per year and comparing them to the previous year. The indicator is calculated as the number of training hours in the reporting period divided by the total head count as of year-end. There is no targeted value as the number of training hours may fluctuate throughout the years, as some regulatory training may be required.

Performance reviews and development talks

At BCR Group, talent management starts with constructive feedback, a fair and transparent assessment of individual potential. The performance management process and the results it generates represent a continuous, annual, and highly valuable source of information for learning and skills development activities. In each performance evaluation cycle, the data collected by managers refer to development needs, professional growth directions, and competency gaps at both individual and organizational levels.

All employees should participate in the annual performance and development talk, initiated by the direct superior. Support is offered by the dedicated teams in People and Culture, covering the subject matters of feedback, development and performance. This process implies organizing open lines with all employees as well as dedicated sessions with managers on conducting a performance and development talk with their teams. HR Business partners also offer support and have an overview of the process. Specific communication plan is implemented for, using various channels like direct emails, newsletters, company intranet, notifications from the performance management system in place.

The effectiveness of running the performance management process annually - especially in strengthening the skills of highly qualified employees, enhancing engagement, and increasing productivity - cannot be fully captured through a single, specific

indicator. However, the benefits become visible over time through improvements in processes, products, and overall organizational performance, which indirectly support the company's financial results.

In this way, the annual performance management cycle not only measures performance but also provides a solid basis for the strategic planning of development initiatives, ensuring alignment between business objectives and the evolution of employees' capabilities.

360° Leadership feedback

LEAD360 is Erste Group's leadership feedback survey designed for evaluation of managers based on their daily behaviors at work, while leading a team. 360 Feedback surveys not only form a well-rounded view of a manager's performance, but also increase self-awareness, identify strengths and development areas, promote a culture of feedback and improve team dynamics. This is a development tool which gives valuable insight on future career progression actions as well as performance management. The key insights from the results of LEAD360, are used to assess leadership KPIs and are therefore used in the short-term horizon for yearly performance evaluation of board, senior and mid-level management.

Managers receive feedback from all their direct reports. They are also evaluated by their own managers (including matrix managers if applicable). To get a broader perspective and add valuable context to the overall evaluation, each manager can in addition personally select colleagues who should provide feedback. Special Open line sessions as well as direct discussions help managers understand and apply the process correctly and in the benefit of their own development.

All managers within Erste Group are in the scope of this process and, additional experts or functional leaders may be invited to participate as evaluatees. All employees are automatically invited to offer feedback as subordinates to their superiors within the LEAD 360 process. Additionally, they may be invited to give feedback to peers they frequently work with and who participate in the process as evaluatees. Support is offered by the dedicated teams in People and Culture, covering the subjects of feedback and development and implies offering technical support, guidance and follow-up on the completion rate. HR Business partners also offer support and have an overview of the process. A specific communication plan is implemented using various channels like direct emails, newsletters, company intranet, notifications from the feedback platform.

In 2025, 465 managers from BCR Group have been invited to participate in Lead 360 Feedback and the participation rate exceeded 95%.

At the end of the process, each manager receives an individual report to support his/her individual development plan. Additionally, the aggregated results are used by the Learning and Development teams to create future development programs.

DIVERSITY

BCR established the Sustainability Diversity and Inclusion Committee (SDIC), as a framework for debating and approving the local diversity strategy, as well as:

- deciding upon the diversity and inclusion priorities and major initiatives.
- supporting the adoption of the diversity targets set through the policy and the required measures to achieve the targets.
- promoting diversity as part of corporate culture and strategy.

SDIC is a formal committee, under the direct coordination of BCR Management Board and is comprised of all Board Members, the Head of Sustainability and the Local Diversity Manager .

In 2025, we focused on pursuing the following Diversity & Inclusion areas:

- **Gender Equality** (representation of women on all levels): launching the Program *Lead as you* for the development of female talents in BCR, scaling the MindfulParent Program (BRG) for all parents in BCR to over 450 members in 2025
- **Equal Treatment** (Anti-Discrimination and Harassment), as detailed below
- **Generational Diversity**: connecting generations through mentorship programs, employees becoming Career Teachers or Money School Teachers, launching the *Next45 Community* (BRG), that reached over 150 members in 4 months
- **Accessibility and professional inclusion of people with disabilities**: 1. creating and filling the Accessibility Manager role, first dedicated position in banking industry in Romania (In the context of EAA (European Accessibility Act) implementation, his expertise helped BCR to understand many of the accessibility challenges our clients are facing when they are using banking products and services, and remove digital barriers.); 2. launching BCR Accessibility Webpage; 3. organizing and participating in events designed to raise awareness on disability and accessibility topics; 4. partnering with disability organizations to recruit persons with disabilities. By working towards facilitating a smooth integration, BCR Group is committed to become an inclusive organization that stands for accessibility and empowerment for people with disabilities.

Actions taken by BCR in coordination with Erste Group to address diversity include training programs, like *Fostering respectful interactions at work* and *Preventing sexual harassment*, in order to promote an inclusive and respectful working culture. Additionally, diversity indexing is an action to establish a group-wide monitoring methodology. These initiatives aim to promote an

inclusive corporate culture that strengthens both the internal and external perception of BCR Group as an attractive workplace which also supports the achievement of the objectives in the Diversity and Inclusion Policy.

The effectiveness of the initiatives related to fostering diverse and inclusive work environment are tracked considering the gender and age balance in BCR Group's workforce (see 'S1-9 - Diversity metrics') and number of complaints and discrimination incidents (see 'S1-17 Incidents, complaints and severe human rights impacts').

Resources for actions related to diversity matters are allocated in People and culture team. Budget for diversity trainings addressing all Erste Group Employees is coordinated and allocated by Group Diversity Management team on yearly basis.

S1-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

BCR Group currently does not set measurable targets for all material topics identified and acknowledges the need to further develop this practice in line with ESRS requirements in the future reporting cycles.

However, the organization is pursuing continuous improvements in the following areas:

- Pay equity: progressively address the unadjusted pay gap and maintaining it below industry peer level, actively reducing the adjusted pay gap.
- Diversity: promoting greater representation of the underrepresented gender within the management body, senior management, and succession lists whilst ensuring that the minimum targets foreseen by the regulatory provisions in force are observed.
- Training and skills development: monitoring training hours at employee level with the aim of encouraging and supporting a consistent upward trend.

S1-6 – CHARACTERISTICS OF THE UNDERTAKING'S EMPLOYEES

At 31 December 2025, BCR Group had 5,117 own employees (2024: 5,220). Employees actively undertake business activities based on their job role for which they are compensated for in line with the BCR Group Remuneration Policy. The reporting includes all active employees (headcount).

Data is reported in headcounts (one person = one headcount, irrespective of the number of hours worked). The headcount measure is the relevant metric for labor law and better representation of material topics such as training, diversity etc., compared to full-time equivalent measures. It provides a full picture of the organization's diversity and inclusion efforts. Figures related to own employees refer to the end of the reporting period (31 December 2025 and 31 December 2024 respectively).

The table '**Employee headcount broken down by gender**' shows data for BCR Group, namely the bank and the five subsidiaries. All BCR Group entities operate in Romania, therefore, reporting the own workforce headcount by country is not relevant.

Employee headcount broken down by gender

Gender	2024	2025
Male	1,359	1,356
Female	3,861	3,761
Other	0	0
Not reported	0	0
Total employees	5,220	5,117

Trainees are not included in the headcount or full-time equivalent figures used for the calculation of metrics disclosed under this chapter.

Table '**Employee headcount by contract type, broken down by gender**' indicates that the majority of BCR Group's workforce holds a permanent contract. A permanent (unlimited) contract of employment is a contract of unlimited duration and includes all new employees currently on a probationary period who are likely to have their contract made permanent. Temporary employees have limited contracts and include among others Trainees, Contact Center positions and Management Board contracts. Most of the active headcount are full-time employees, defined as those with 100% occupancy (FTE= 1). BCR Group does not have hourly paid employees.

'Own workforce headcount by contract type, broken down by gender' table shows data for BCR Group, namely the bank and the five subsidiaries.

Employee headcount by contract type, broken down by gender

2025 (headcount)	Female	Male	Other	Not reported	Total
Total number of employees (headcount)	3,761	1,356	0	0	5,117
Number of permanent employees (headcount)	3,588	1,300	0	0	4,888
Number of temporary employees (headcount)	173	56	0	0	229
Number of full-time employees (headcount)	3,642	1,314	0	0	4,956
Number of part-time employees (headcount)	119	42	0	0	161
Number of non-guaranteed hours employees (headcount)	0	0	0	0	0

2024 (headcount)	Female	Male	Other	Not reported	Total
Total number of employees (headcount)	3,861	1,359	0	0	5,220
Number of permanent employees (headcount)	3,658	1,312	0	0	4,970
Number of temporary employees (headcount)	203	47	0	0	250
Number of full-time employees (headcount)	3,735	1,326	0	0	5,061
Number of part-time employees (headcount)	126	33	0	0	159
Number of non-guaranteed hours employees (headcount)	0	0	0	0	0

The table 'Employee turnover (including retirements)' shows data for BCR Group, namely the bank and the five subsidiaries.

Employee turnover (including retirements)

	2024	2025
New hires	386	454
Female	281	319
Male	105	135
Other	n.a.	n.a.
Gender not reported	0	0
Leavers	615	533
Female	462	398
Male	153	135
Other	n.a.	n.a.
Gender not reported	0	0
Turnover ratio (%)	11.60%	10.29%

*Turnover ratio includes employees who leave voluntarily or due to dismissal, retirement, or death in service.

In 2025, employee turnover at BCR Group (total of men and women) was 10.29% (2024: 11.60%).

The turnover ratio presents the number of employees who left voluntarily, due to dismissal, retirement, or death in service during the fiscal year. It does not include employees on parental leave, students completing internship and internal transfers within the group. The employee turnover rate (%) is calculated using the formula: the number of employees who left the company during the reporting period (12 months) divided by the average headcount (HC) at the reporting date since the beginning of the year.

Information about average FTEs can be found in Note 6 (General administrative expenses) in the BCR Group Consolidated and Separate Financial Statements 2025. Using Full-time Equivalent for financial statements, especially in tracking administrative expenses, is generally more effective than headcount as it better represents the cost of labor.

S1-7 – CHARACTERISTICS OF NON-EMPLOYEES IN THE UNDERTAKING'S OWN WORKFORCE

In addition to own employees, there are 669 non-employee workers in BCR Group - headcount as of 31 December 2025 (584 non-employee workers in BCR Group - headcount as of 31.12.2024), which are either self-employed individuals - 5 (2024: 5) or individuals contracted through a third party engaged in employment activity - 664 (2024: 579). Non-employees are contracted for a

specific period of time based on their contract conditions and are mostly active in IT and Risk areas. Similar to BCR Group's operations, where employees' contracts prevail over non-employees' contracts, non-employees represent only 12% (2024: 10%) of the total own-workforce headcount. For non-employees, there are currently no policies, actions or targets in place. Thus, all policies, are specifically addressed to BCR Group's own employees. Additionally, actions, targets, metrics, and engagement and grievance mechanisms are designed to support and benefit own employees.

S1-8 – COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

Overall, a percentage of 99.90% (2024: 99.92%) of BCR employees are covered by a collective bargaining agreement. As for BCR Group subsidiaries, only employees of two BCR subsidiaries (BCR Banca pentru locuinte and BCR Leasing) are covered by the organization's collective bargaining agreement, while BCR Payments Services SRL employees are covered by the banking sector collective bargaining agreement.

Under Romanian legislation, BCR Group does not have the obligation to organize European Workers' Councils since it does not have subsidiaries in other EU countries. However, both BCR Trade Unions participate in the European Workers Council organized by Erste Group (each of the two Trade Unions has 2 members).

The Board Members of BCR and BCR subsidiaries (operating under mandate and not under a labour contract) are not covered by the collective bargaining agreement.

2025 Collective bargaining Coverage

(either by company or by sectoral agreement)

Social dialogue

Entity	Coverage rate	Workplace representation
BCR Bank	99.90%	Yes, 2 trade unions
BCR Banca pentru Locuinte SA	91.67%	Yes, 1 trade union
BCR Leasing IFN SA	98.11%	Yes, 1 trade union
BCR Payments Services SRL	98.48%	No
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA, Suport Colect SRL	0.00%	No

2024 Collective bargaining Coverage

(either by company or by sectoral agreement)

Social dialogue

Entity	Coverage rate	Workplace representation
BCR Bank	99.92%	Yes, 2 trade unions
BCR Banca pentru Locuinte SA	92.59%	Yes, 1 trade union
BCR Leasing IFN SA	97.99%	Yes, 1 trade union
BCR Payments Services SRL	98.53%	No
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA, BCR Fleet Management SRL, Suport Colect SRL	0.00%	No

S1-9 – DIVERSITY METRICS

Employee gender distribution at top management

	Top management* (headcount)		Top management* (share)	
	2024	2025	2024	2025
Female	15	14	38.5%	35.9%
Male	24	25	61.5%	64.1%
Other	0	0	0.0%	0.0%
Not reported	0	0	0.0%	0.0%
Total employees	39	39	100.0%	100.0%

*Management board positions (B0), as well as positions reporting directly to the management board (B-1), are defined as top management positions on the single entity level. From the consolidated group perspective (Table **Employee gender distribution at top management**) Top Management is defined as BCR Bank Top Management (B0 and B-1) and Top Management of the BCR Group subsidiaries. The distribution by gender is presented as both number and percentage for these positions.

Employee age distribution by age groups

	2024		2025	
	Number of employees (headcount)	Share of employees (headcount)	Number of employees (headcount)	Share of employees (headcount)
under 30 years old	783	15.0%	702	13.7%
between 30-50 years old	3,161	60.6%	3,090	60.4%
over 50 years old	1,276	24.4%	1,325	25.9%
Total employees	5,220	100.0%	5,117	100.0%

Employee age distribution by age groups is reported on headcount bases as of year-end.

The table **Employee age distribution shows data for BCR Group**, namely the bank and the five subsidiaries. The distribution is broken down into the following age categories: under 30 years, 30–50 years, and over 50 years, as required by ESRS 'S1-9 - Diversity metrics'.

S1-12 – PERSONS WITH DISABILITIES

In the Double Materiality Assessment process a specific IRO related to persons with disabilities was not identified. However, BCR Group considers this topic to be linked to diversity and has therefore disclosed this metric. The number of employees with disabilities as of 31 December 2025 is collected using the definition based on the Romanian legislation on the rights of persons with disabilities. It defines persons with disabilities as those who due to physical, mental, or sensory impairments, lack the abilities to normally carry out daily activities, requiring protection measures to support recovery, integration, and social inclusion.

As of 31 December 2025, BCR Group had 47 employees with a recognized health disability, all of whom are employed by the bank. This corresponds to 0.92% of the total BCR Group headcount (2024: 43 employees, 0.82%).

S1-13 – TRAINING AND SKILLS DEVELOPMENT METRICS

The material matter of training and skills development is tracked by the average training hours metric and the proportion of performance reviews to the foreseen number of performance reviews concluded by management.

Training and skills development metrics

	2024	2025
Average training hours	47.6	47.3
Female	47.8	48.2
Male	47.2	44.7
Other	0.0	0.0
Gender not reported	0.0	0.0
Management functions	72.9	70.5
Non management functions	45.0	44.9

The table Training and skills development metrics shows data for BCR Group, namely the bank and the following subsidiaries: BCR Leasing IFN, BCR Pensii, Societate de administrare a fondurilor de Pensii Private, BCR Banca pentru Locuinte.

In 2025, BCR Group's employees completed on average 47.3 (2024: 47.6) hours of professional development, thereof women 48.2 (2024: 47.8) hours and men 44.7 (2024: 47.2) hours. Employees in management positions completed an average of 70.5 (2024: 72.9) hours of training. BCR Group monitors average training hours by collecting the information per year for each entity and comparing them to the previous year. The indicator is calculated as the number of training hours completed in the reporting period by its employees active as of 31 December divided by the total headcount as of 31 December. There is no targeted value at group level, as for each entity the optimal number of training hours might be different. Moreover, the number of training hours may fluctuate throughout the years, as some regulatory trainings may be required.

Next to talent management and leadership, performance reviews are one of BCR Group's actions to address the material matter of Training and skills development identified in the Double Materiality Assessment.

In 2025, performance reviews were concluded for 91.60% (2024: 82.55%) of all employees of BCR Group. These performance reviews are based on the 2024 performance (considering that the performance reviews for 2025 performance will be available later in 2026). The figure has been derived through group consolidation of number of performance reviews per active head count (as of December 31) during the reporting period divided by the number of total head count (as of December 31).

As per the provisions of the performance management process, all employees with more than 3 months worked during the reporting year, should have a final performance evaluation concluded for the reporting period. All performance reviews are concluded by each respective manager.

Performance reviews

	2024	2025
Percentage of employees that participated in regular performance and career development reviews	82.55%	91.60%
Female	80.99%	92.13%
Male	86.98%	90.12%
Other	0.00%	0.00%
Gender not reported	0.00%	0.00%
Management functions	93.35%	97.66%
Non management functions	81.45%	90.96%

The table Performance reviews shows data for BCR Group, namely the bank and the five subsidiaries.

S1-15 – WORK-LIFE BALANCE METRICS

All of BCR Group's own employees are entitled to take family-related leaves (based on head count), which include maternity leave, paternity leave, parental leave, and leave for family caregivers, etc., as granted under national law or collective bargaining agreements. A percentage of 18.91% (2024: 18.2%) of employees took family-related leaves during the reporting period, female employees 21.16% (2024: 20.59%), male employees 12.31% (2024: 11.1%). The percentage was calculated by dividing the number of employees who took family-related leave during the reporting period by the sum of active employees and employees on parental leave as of 31 December 2025.

Also, all BCR Group employees benefit of a hybrid working model in accordance with their area of activity. During the reporting period more than 52% (2024: 55%) of BCR Group employees used teleworking days.

S1-16 – REMUNERATION METRICS (PAY GAP AND TOTAL REMUNERATION)

BCR is committed to ensuring fair and transparent remuneration practices. Our approach focuses on understanding the drivers of the gender pay gap and distinguishing between differences that can be explained by objective factors such as job structure, experience, and performance. The organization has established a robust methodology to analyze and monitor pay equity, aligning with transparent communication and coordinated efforts to mitigate any potential negative impacts on the workforce.

Gender Pay Gap Analysis

BCR conducts an annual detailed analysis to identify the current gender pay gap and understand the factors influencing it. Both unadjusted and adjusted pay gaps are monitored:

- Unadjusted Gender Pay Gap: Represents the percentage difference between the average gross hourly pay for women and men across all job levels, without considering any influencing factors.
- Adjusted Gender Pay Gap: Reflects the percentage difference after accounting for various influencing factors that typically impact pay. This calculation uses regression analysis, a robust statistical method that determines how different variables affect individual compensation.
- Remuneration ratio: represents the annual total remuneration of the highest-paid individual of BCR Group (CEO) divided by the median annual total remuneration of all employees except for the highest-paid person.

Calculation Method

At BCR Group, the gender pay gap is calculated on an annualized, full-time equivalent basis, comparing the average pay of all men and women across the organization and job levels. Pay gaps are computed for base pay and total compensation separately. Total compensation includes base pay and variable remuneration, which is performance-driven.

Variable remuneration is based on the overall performance of the entity and individual performance of each employee. Therefore, the performance evaluation for 2025 will be granted in May 2026.

For the 2025 pay gap and remuneration ratio, an estimate of variable remuneration based on 2024 performance (granted in 2025) was necessary to cover the total compensation.

Within the Bank, the 2025 analysis on total compensation (base pay 2025 + variable remuneration based on 2024 performance + all benefits in kind and other amounts paid in 2025) revealed the following:

- Unadjusted gender pay gap: 29.0% (2024: 31.3%), primarily influenced by the current distribution of male and female employees across roles within the organization.
- The remuneration ratio for 2025 is of 43.4 for BCR (2024: 48.4).

BCR unadjusted gender pay gap for base pay is 29.5% (2024: 32.0%).

In addition, BCR monitors the adjusted gender pay gap.

The results confirm that most pay differences are explained by objective factors such as job grading, business area, managerial responsibility, and individual performance.

BCR remains committed to actively reducing gaps through targeted measures, including promoting gender balance across job levels and ensuring equitable career development opportunities.

At BCR Group level, the unadjusted gender pay gap for base pay is 29.5% (2024: 31.7%), while the unadjusted gender pay gap on total compensation is 29.2% (2024: 31.3%), driven by the current workforce demographics and the distribution of male and female employees across roles and entities within the Group.

The Remuneration ratio at BCR Group level for 2025 is of 44 (2024: 48.7).

S1-17 – INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS

BCR Group has reported on its approach to complaints, channels to raise them and on remediation of negative impacts in Chapters 'S1-2 - Processes for engaging with own workforce and workers' representatives about impacts' and 'S1-3 - Processes to remediate negative impacts and channels for own workforce to raise concerns'. Channels for raising concerns have been set-up, and the number of complaints submitted to the organization's reporting tool has been recorded.

BCR recorded 7 discrimination and harassment cases in 2025, out of which 5 were addressed internally, without involvement of local authorities and 2 represented litigations.

In 2025, BCR has received a total of 14 complaints (2024: 28) from its workforce regarding various topics, relating to discrimination and harassment allegations (7 cases in 2025 vs. 11 cases in 2024) and inappropriate behavior, termination of employment and entitlements, performance appraisal results and workplace management (7 cases in 2025 vs. 17 cases in 2024). There have been no fines, penalties, or compensation for damages resulting from incidents of discrimination and complaints or relating to severe human rights issues or incidents connected to BCR's own workforce. Data was compiled from internal HR and compliance systems and reconciled with financial reporting to confirm that no monetary sanctions were applied.

At the level of the BCR subsidiaries, only one incident related to harassment and discrimination was reported in 2025 (2024: 0). The incident was resolved through an informal approach. The other subsidiaries within the BCR Group did not report any incidents or complaints.

12.3.2 Affected Communities

This chapter focuses on BCR Group's impact on communities - defined as people whose life is influenced by the Group's activities. It focuses on a BCR Group specific sustainability topic - Financial literacy, highlighting our positive contributions such as providing to wider groups of stakeholders access to instruments and guidance enabling them to make informed and lasting financial decisions.

S3 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

As part of BCR Group's commitment to transparency and sustainability, this chapter provides an overview of the impacts, risks, and opportunities (IROs) related to affected communities. As a prominent business in the local market, it is crucial for BCR Group to consider the interests and needs of the wider society and contribute to developing stronger and prosperous communities for the long run.

With regard to affected communities, BCR Group has identified a positive impact stemming from its financial literacy initiatives:

Sustainability Matter	Type of IRO	IRO Description	Value chain	Time horizon
S3 - Financial literacy (entity specific)	Positive impact*	Through national programs such as 'Scoala de Bani' and 'Flip', BCR Group provides equitable access to financial education for every segment of society – including underserved and rural communities. By bridging these gaps, we are driving measurable progress in financial literacy, autonomy, and long-term financial well-being for every workshop participant.	Own operations	All time horizons

*In line with the methodology applied for the DMA, if not otherwise indicated, the short-term impact is actual, whilst for medium and long time horizons the impact is potential.

S3-1 - POLICIES RELATED TO FINANCIAL LITERACY

FINANCIAL LITERACY (POSITIVE IMPACT)

Financial literacy is a fundamental pillar of the business strategy (please see section '4.2 BCR Group's strategy and business model' in the Administrator's report), which seeks to equip participants from diverse stakeholder groups with essential knowledge and abilities for managing their personal finances. Through its 'Scoala de Bani' (Money School) initiative, BCR Group demonstrates its commitment to enhancing financial literacy. By focusing on crucial topics like budgeting, saving, and investing, the initiative ensures that individuals are well-prepared to make informed financial choices for their future.

By using digital tools such as a dedicated platform and expert guidance, BCR Group aims to ensure that financial education is accessible and engaging for people of all ages and backgrounds. Also, BCR Group contributes to the empowerment of teachers to integrate financial literacy content in their lessons. This is part of the Life Lab sub-program under Money School and aims to bring financial literacy in each topic of school curricula.

Through personalized approaches and interactive learning experiences under this program, BCR Group supports the development of a more financially stable and educated society. Furthermore, through the implementation of this framework BCR Group supports the UN Sustainable Development Goal 4: quality education.

Money School framework is aimed to support the strategic objectives of BCR on medium and long term. The Marketing and Communication Division of BCR is responsible for the implementation and monitoring of this financial education program, which was developed considering market research data and insights from internal stakeholders during the strategy development process.

S3-2 - PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES ABOUT IMPACTS

Engagement with Affected Communities: Financial Literacy Initiatives

BCR employs a multi-channel engagement process to manage the impacts of its financial education services on local communities, students, and educators. This process is designed to ensure that the Money School and LifeLab initiatives are responsive to the

actual needs of affected stakeholders. A dedicated team for Financial literacy projects is established within the Communications Department. Also, financial literacy teachers in many departments of BCR Group support this initiative by delivering dedicated workshops. Ultimately, the Management Board is entrusted with the responsibility for engaging with affected communities concerning financial literacy.

Direct Engagement Channels:

BCR conducts ongoing direct dialogue through financial literacy sessions and mobile units across schools, companies, and local communities. To ensure inclusive participation, engagement is facilitated through formal partnerships with the Ministry of Education and Regional School Inspectorates (e.g., Bucharest, Ilfov, Iași, Brașov, Cluj).

Methodology for Meaningful Engagement:

Engagement is supported by evidence-based research to identify systemic gaps. This includes:

- Qualitative & Quantitative Studies: Conducted annually with Cult Market Research, utilizing focus groups with students, parents, and teachers to capture lived experiences.
- Strategic Research: Collaboration with the Institute for Research on Quality of Life (ICCV) to establish a strategic framework based on national socio-economic data (identifying a 30% financial illiteracy rate).
- Feedback Loops and Integration: Stakeholder perspectives are systematically gathered via post-event surveys and quarterly reviews. These insights directly inform the bank's strategic objectives.

Outcome of Engagement:

Based on stakeholder feedback and research identifying the need for interdisciplinary scaling, BCR expanded the LifeLab program. As of 2025, this engagement-led strategy resulted in the training of 14,000 teachers and the inclusion of 21,000 students across 12 pilot schools, ensuring the program's evolution aligns with the educational needs of the Romanian community.

S3-3 - PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR AFFECTED COMMUNITIES TO RAISE CONCERNS

No negative impacts have been identified, and no complaints have been received regarding the financial literacy programs. BCR provides multiple channels for stakeholders to raise concerns or submit complaints related to financial education initiatives, including dedicated email addresses (scoaladebani@bcr.ro), contact forms on the Money School platform and LifeLab platform, and direct communication during community sessions. All feedback collected through these channels - along with post-event surveys and insights from direct feedback discussions - is systematically analyzed and integrated into program design and delivery to ensure continuous improvement and responsiveness to community needs.

One example of feedback integrated into program design and delivery is the introduction of interactive budgeting simulations within the Money School workshops. This change was implemented after participants consistently indicated in post-event surveys that they wanted more practical, hands-on exercises to apply financial concepts. As a result, the program incorporated real-life budgeting scenarios and digital tools to enhance engagement and learning outcomes.

Also, all new courses created for the Money School platform were proposed during the focus groups we did with the participants to our training course who were asked to propose new topics of interest for them.

Further details on the processes that BCR Group has in place for raising concerns, as well as on the policies in place regarding the protection of individuals against retaliation are available in section 'G1-1 Business conduct policies and corporate culture'.

S3-4 - TAKING ACTION ON MATERIAL IMPACTS ON AFFECTED COMMUNITIES, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO AFFECTED COMMUNITIES AND EFFECTIVENESS OF THOSE ACTIONS

BCR Group's various initiatives share a common goal of promoting financial and social inclusion. These actions are designed to address the diverse needs of different demographic groups. Continuous monitoring, regular assessments, and stakeholder engagement are integral to ensuring the effectiveness and adaptability of these programs. By focusing on education and financial stability BCR aims to create a positive and lasting impact in its communities.

All the following actions are performed on an ongoing basis. For the implementation of the actions listed in the table below BCR Group allocates budgets and resources from various departments such as Marketing and Communication, People and Culture, Retail, Social Banking.

As concerns the implementation of these actions, no significant CapEx or OpEx was identified as needed for both this year and for medium term.

Subtopic	List of key-actions	Policy
S3-Financial literacy	Financial Literacy <i>Scoala de Bani & Financial literacy</i>	Local Strategy under overarching Erste Group objective
S3-Financial literacy	Financial Literacy <i>FLiP</i>	Local Strategy under overarching Erste Group objective

Scoala de Bani and financial literacy

Money School by BCR is an extensive financial education program launched almost 10 years ago and aimed at empowering Romanians with the knowledge and skills needed to make informed financial decisions, ensuring they can effectively manage their personal finances and plan for long-term financial stability. The long-term initiative, which addresses kids from kindergarten, school, high-school, universities and adults from companies, public institutions, NGOs, already reached, since its implementation, through workshops, webinars, events, online platform, more than 900,000 Romanians across the country. The face-to-face workshops are delivered by 2,000 BCR employees who became volunteers in the School of Money program. Its core objectives are to reduce financial illiteracy, promote responsible financial behavior, and foster a deeper understanding of essential concepts such as savings, budgeting, and investment. The results have been positive, with participants reporting increased confidence in their ability to manage finances and a significant improvement in their financial knowledge measured through evaluation questionnaires applied at the end of the workshops. Through this initiative, BCR aims to create a financially literate society that can contribute to the overall economic development of the country.

More than 250,000 of the participants in our Money School program were kids and youngsters. The Ministry of Education endorsed this program of BCR for the last 9 years, and now it considers introducing financial literacy notions in school teaching curricula. BCR contributes to these efforts of improving financial literacy nationwide through its Life Lab subprogram.

LifeLab by BCR is a national program that integrates financial education into all school subjects, from kindergarten to high school, using interdisciplinary resources and practical exercises. LifeLab started as a pilot program in 2022, tested in more than 12 schools across Romania, proving that financial education can be naturally integrated into any subject. In 2025, the program was scaled nationally through the LifeLab.ro platform, becoming a dedicated digital space for teachers and an essential tool for shaping a more financially informed generation. Through the LifeLab.ro platform, teachers receive free access to over 500 educational materials designed to embed financial literacy into existing curricula, helping students develop essential money management skills for real-life situations.

FLiP

In Romania, Money School on Wheels – FLIP truck was launched in 2016 and it is an itinerant financial education exhibition for kids aged 7-14. Its purpose is to teach kids how to manage their money correctly and why it is important to have a financially responsible behavior. For an hour and a half, kids enter in the “Money World” where they have to pass through 5 steps together with their allies and friends: Games, Interaction and Joy. In 2025 around 13,628 kids have participated to 600 online and offline workshops. The Marketing and Communication Division of BCR is responsible for the implementation and monitoring of FLIP programme, with one colleague from CSR team allocated for this project.

S3-5 - TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

Performance indicators

BCR has developed annual performance indicators to monitor progress against its financial education objectives. These indicators track both the reach and effectiveness of the financial education programs. The main indicator focuses on the number of individuals participating in financial literacy activities organized or initiated by BCR each year, while additional indicators capture the quality and impact of these initiatives, such as participant feedback and knowledge improvement scores. Data is collected continuously through post-workshop surveys, and a qualitative impact study is under development for 2025 related information.

The table below includes data related to Flip - 18,722 participants in 2025 (2024: 0), Money School BCR - 101,134 participants in 2025 (2024: 80,226), Lifelab - 7,975 participants in 2025 (2024:0), Destiny - 108,956 participants in 2025 (2024:0):

Financial Literacy Yearly Performance Indicators					
	Metric	Baseline*		Actual	
		Year	Value	2025	2024
Number of education support participants (financial literacy)	Number of participants	n/a	n/a	236,787	80,226

*no baseline defined

12.3.3 Consumers and end-users

The scope of this chapter is to provide an overview on the approach towards managing the IROs that BCR Group has identified as relevant for consumers and end-users, in particular the retail customer base. As part of its commitment to transparency and sustainability, BCR Group places the interests and needs of its customers at the core of its business activities.

Under ESRS S4, BCR Group has identified material positive impacts regarding the financial health and inclusion of its consumer base. These are primarily driven by social banking services and mobile banking units, which facilitate access for underserved communities.

From a financial materiality perspective, BCR Group recognizes a material opportunity to enhance its business model resilience by improving the long-term financial health of its customers. Conversely, a material risk related to data privacy has been identified. The Group's approach to managing these impacts, risks, and opportunities (IROs), including specific mitigation actions for the privacy topic, is detailed in the following sections.

S4 SBM-3 – MATERIAL IMPACTS, RISKS AND OPPORTUNITIES AND THEIR INTERACTION WITH STRATEGY AND BUSINESS MODEL

The table below provides an overview of the identified IROs related to consumers and end-users. As a prominent business in the local market, it is crucial for BCR Group to prioritize the interests and needs of its customers while effectively managing potential risks.

Sustainability Matter	Type of IRO	IRO Description	Value chain	Time horizon
S4-Financial Health (entity specific)	Potential Positive impact	Through personalized financial health tools such as the Financial Coach in George and CRM-driven advisory services, BCR Group supports clients in improving their financial resilience, budgeting, and long-term planning.	Downstream	Medium to Long-term
	Opportunity	By promoting customer financial health, BCR Group strengthens satisfaction, loyalty, and its own market performance.	Downstream	Medium-term
S4-Privacy	Risk	Cyberattacks and data breaches can erode customer trust, damage BCR Group's reputation, and trigger legal penalties under regulations such as the GDPR.	Own operations	Short to Medium-term
S4-Access to products and services	Positive impact*	By ensuring that all banking products and services are accessible to socially vulnerable people (e.g. people with disabilities and the elderly), BCR promotes their autonomy, social and professional integration and active participation in community life.	Downstream	All time horizons

*In line with the methodology applied for the Double Materiality Assessment ("DMA"), if not otherwise indicated, the short-term impact is actual, whilst for medium and long time horizons the impact is potential.

FINANCIAL HEALTH (ENTITY - SPECIFIC)

Positive Impact

Financial health serves as key pillar of BCR strategy, positively impacting its retail customer base and other stakeholder groups through offering financial advise programs that enhance their economic stability and quality of life. These ongoing financial health programs develop a combination of financial awareness as well as the knowledge, skills, attitudes, and behaviors necessary to make sound financial decisions and ultimately achieve individual financial well-being. This is especially valuable for those clients who are unable to effectively manage their budgets and dealing with unexpected financial pressures which can further affect their ability to meet debt repayments. The outcomes of actions to improve the financial health of customers continuously inform BCR Group's strategy and business model. Further information regarding actions and outcomes can be seen under 'S4-4 - Taking action on material impacts'.

Opportunity

BCR Group believes that by actively supporting the financial health of its retail customer base it can enhance their satisfaction and loyalty, which in turn reinforces its financial performance and market position. With a growing and extensive customer base, BCR Group has a strong foundation for financial health advisory services, as well as tools. This also presents an opportunity to deepen client relationships, especially with those who are digitally active. Technological advancements are driving a shift in its approach to financial health advice. Digital channels allow BCR Group to increase advisory touchpoints and reach more customers.

PRIVACY

Handling customer data is a crucial part of BCR Group's business model. As such, the organization is dedicated to protecting this data and must be vigilant about potential data breaches or cyberattacks. Such incidents could compromise the security and privacy of customers by exposing their private and financial data. Data breaches and cyberattacks can potentially affect all customers whose personal data is processed by the bank. The outcomes of actions to address data breaches and cyberattacks (which can result in theft, fraud and financial loss) continuously influence improvements to BCR's strategy and business model to effectively mitigate risks in a timely manner. Further information regarding actions and outcomes can be seen under "S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions".

ACCESS TO PRODUCTS AND SERVICES (SOCIAL BANKING & MOBILE BANKING UNITS)

Based on its business model, BCR Group provides financial services to socially vulnerable people (e.g elderly, people in rural and/or from low income geographical areas, difficult health conditions or with disabilities), including those who would otherwise be excluded from access to financial goods and services. Initiatives focused on access to banking services, transparency and inclusivity of these customers are key to BCR Group's value proposition and help build long-term customer relationships while improving their financial autonomy. Strategically, these efforts mitigate social risks while enhancing customer trust and loyalty, which are identified as key drivers for the Group's stability and sustainable growth.

S4-1 – POLICIES RELATED TO CONSUMERS AND END-USERS

HUMAN RIGHTS COMMITMENTS

BCR Group commits itself to meeting its responsibilities on human rights and corruption prevention. The BCR Group strategy is based on principles which are in line with the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Convention Against Corruption, among others.

The Code of Ethics serves as a basis of our customer oriented commitment (further details are provided in the section 'Human Rights commitments', in chapter 'S1-1 Policies related to own workforce'). Also, BCR Group dutifully considers and responds to the feedback and inquiries from its customers on a range of topics.

BCR Group's Code of Ethics, is based on principles which are aligned with international instruments that respect the human rights of its customer base such as the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The principles set forth by these international instruments are also incorporated into BCR Group's policies ensuring that operations involving BCR Group's customer based are considering the highest standards of ethical behaviour and respect for human rights.

Furthermore, any non-respect of human rights by BCR Group towards its customer base can be reported by any stakeholder through the whistleblower channels, and standard claim channels, where it is addressed promptly. Such assessment is performed from a client perspective, for example by identifying entanglements and focusing on improving operations considering the data and clients' feedback received through these channels. These mechanisms, supported by the Whistleblowing Policy and customer's complaints management processes, allow BCR Group to maintain transparency and accountability, ensuring that any violations are identified and rectified in a timely manner. In 2025, similarly to last year, BCR Group had no case of non-compliance related to breaches of Human Rights.

For more information on the whistleblowing platform, please see 'G1-1 – Business conduct policies and corporate culture'.

FINANCIAL HEALTH (ENTITY SPECIFIC)

In line with the pillar from its business strategy (please refer to section '4.2 BCR Group's strategy and business model' in the Administrator's report), BCR guides its customers through important financial decisions, enabling choices that allow them to improve their financial health. The overarching aim of this strategic pillar is to normalize financial advice, ensuring that customers receive support, by combining the expertise of human advisors with its digital platform, George. By fostering informed decision-making and providing practical solutions, based on the policies and procedures in place for its core banking activities and which are intertwined with the financial health framework, BCR enables its customers to build a financially secure and confident future.

BCR Group's financial health framework is based on the monitoring of five indicators that support its customers to better understand their financial situation and make informed decisions to grow their wealth: 1) budget, 2) reserve, 3) protection, 4)

investments and 5) pensions. The calculation of these indicators helps BCR Group take a personalized approach towards supporting each digital enabled customer by understanding their individual circumstances.

The financial health of BCR Group's retail customers is reflected by the status, stability and knowledge of their financial situation. By analyzing and evaluating the financial health indicators of its customers, BCR Group can better understand their needs to help them become financially independent. Information regarding the financial health indicators is available on the digital platform George, with some already accessible and others being gradually introduced as the framework evolves. To better understand the needs of its customer base regarding financial advice, BCR will continue to focus its strategy and further enhance its financial health initiatives to improve customer loyalty and build trust.

The Retail Division is responsible for monitoring and implementing this framework.

PRIVACY

BCR Group prioritises the protection of customer data, recognising that the right to data protection is enshrined in the EU Charter of Fundamental Rights.

Thus, the objective of the Data Protection Policy together with its related procedures (i.e., Data protection procedure - general procedure referring to the internal rules on data processing, Data protection procedure referring to data breaches management and Data protection procedure related to the processing of employees' data) is to achieve and maintain appropriate protection of all personal data according to regulatory and business needs within BCR specifically to reach compliance with the GDPR.

The BCR Group Security Strategy, approved by the Management Board, defines strategic goals that are aligned with regulatory standards. Organizationally, many security policies and procedures govern security-related requirements and controls for systems, infrastructure and BCR Group's own employees to protect data of its customers. Compliance with these policies is mandatory for BCR Group. All security-related policies are reviewed and updated on an annual basis. Higher frequency updates are possible, if necessary, such as to integrate new regulatory requirements.

BCR Group places significant emphasis on providing customers with clear and comprehensible information regarding the processing of their personal data. Where necessary, prior consent for the processing of personal data is obtained. Further information related to data protection is made available to BCR Group's client base on the website. This includes the rights of its clients regarding their data as well as whom to contact in the case of any concerns related to data processing or potential breaches.

BCR Group ensures that employees are well-informed about the implementation of Group policies related to privacy through yearly trainings. This comprehensive understanding enables its staff to better serve BCR Group's customers by adhering to high standards of service and data protection. Consequently, these policies directly support BCR Group's commitment to meeting the needs and rights of its customers, while mitigating the risk of any cyberattacks or data breaches.

BCR Data Protection Policy

BCR's Data Protection Policy, along with its associated procedures, are available to all employees via an internal communication platform. The aim is to ensure and sustain the appropriate safeguarding of all personal data in alignment with both regulatory requirements and business needs. This objective is focused on achieving compliance with the General Data Protection Regulation (GDPR). In alignment with the GDPR, the focus of the Data Protection Policy is the personal data of natural persons. Additionally, personal data pertaining to natural persons acting for, or on behalf of a legal person are included within the scope of this policy. The Management Board is ultimately accountable for the policy's implementation. Accountability for policy implementation is assigned to data controlling representatives within each BCR division.

Complementary to this policy, BCR has implemented a bank-wide Data Protection Procedure, which include detailed annexes on different data protection requirements (e.g., roles and responsibilities, transparency, data subjects' rights, etc.). This procedure ensures continuous adherence to data protection standards and allows for identification of areas for improvement.

The following mandatory requirements ensure that data protection governance is effectively implemented within the organization:

1. Data Controller Responsibility Annex: The Data Controller Responsibility Procedure aims to ensure the adequate protection of all personal data and information assets to meet regulatory and business requirements in data processing. The standards require data privacy by design and by default, records of processing activities, technical and organizational security requirements (including data secrecy), responses to data breaches, data protection impact assessments and awareness and training programs.
2. Data Protection Officer Annex: The Data Protection Officer Procedure outlines detailed provisions governing the tasks and other legal functions related to data protection.

3. Data Processing Legitimacy Annex: The Data Processing Legitimacy Procedure sets out the fundamental principles for data processing, including data transfer and storage limitations. The standards cover, among other things, key prerequisites for processing personal data, the commissioning of processors, data transfers to third countries or international organizations as well as time limits for data storage and deletion.
4. Transparency and Data Subjects Rights Annex: The Transparency and Data Subjects Rights Procedure defines the functions and conditions relating to data processing transparency and the rights of affected individuals.

By implementing this internal policy, BCR ensures that data protection rules are respected through all its internal processes (comprising rules to follow, templates, other internal obligations, which reflect the legal provisions on data protection etc.). The Data Protection Policy and procedure are transposed from Erste Group by the Data protection department and adapted to local specifics. The adoption process follows the rules applicable at BCR Group, entailing all the competent reviewers. After adoption in BCR, the Data Protection Policy and procedures follow the same adoption flow in subsidiaries.

The Data protection policy and procedures provide rules on transparency principle, which is subject to specific privacy notices. The privacy notices are updated when necessary. The transparency principle is ensured through general and/or dedicated privacy notices available on BCR's website, as well as in the Framework agreement for Banking Services, signed between the customer and BCR. Depending on the product contracted by the customer, dedicated privacy notices are also provided (e.g., loans, current accounts, investments), enabling customer to understand how their data is processed in detail.

Each subsidiary adopts its privacy notices adapted to their own processes.

BCR Cyber and Information Security Policy

BCR Group's information technology and cyber security operate under a robust set of cyber security policies and procedures. The Cyber and Information Security Policy, along with its associated procedures, is available to all employees via an internal communication platform, and it outlines clear objectives, governance structures and technical safeguards to protect customer data and assets. The overarching objective of the cyber security framework is to protect all types of information assets from cyber threats. Additionally, it outlines the organizational structure, related roles and responsibilities, information security risk management context, as well as definitions and implementation to be performed within BCR. Generally, the security procedures refer to protection of the BCR infrastructure, including applications and data therein. Each procedure has a set of security controls, which are monitored on a regular basis. Generally, the security procedures have to be implemented by all BCR subsidiaries as well.

The Chief Information Security Officer (CISO) is accountable for cyber and information security control and management within the Group, including the definition of the cyber and information security strategy, as well as for the implementation, monitoring and update of the Cyber Information Security Policy. A primary task of the CISO is to monitor and support the implementation of cyber and information security, ensuring it follows 'good practices' and is executed effectively, efficiently, and consistently in daily operations.

The rules and requirements stipulated by this policy are binding for all BCR Group employees, contractors, or service providers who implement, manage, or operate IT solutions used by or for BCR Group entities and their employees and customers. Contractors, service providers or other vendors receive BCR's security requirements in both RFPs, as well as annexes within contracts. The BCR Management Board is the most senior level responsible for the implementation of the policy.

Due to the dynamic nature of cyberthreats, BCR Group regularly adapts its policies to meet changing practices and developing technologies. The policy has been updated to adhere to the requirements of the Digital Operational Resilience Act (DORA, Regulation (EU) 2022/2554 on digital operational resilience for the financial sector). Additional internal stakeholders and experts were consulted in the drafting of this policy to best cater to the protection of customer data.

ACCESS TO PRODUCTS AND SERVICES (SOCIAL BANKING & MOBILE BANKING UNITS)

Social banking at BCR seeks to improve access to financial goods and services for vulnerable groups who might otherwise be excluded, offering them access to financial products. Social Banking seeks to foster starting entrepreneurs through working capital loans and start up loans to create new jobs, as well as supporting vulnerable groups by improving their financial situation through special accounts and micro loans. For example, BCR offers specialized services for Non Governmental Organizations ("NGO's"), including tailored products such as current accounts, financing options, and support for community and educational initiatives. BCR services are designed to empower organizations by providing the financial tools they need to grow and make a positive impact. We support NGO's within following their purpose through dedicated banking solutions.

Social Banking Risk Policy

The Social Banking Risk Policy applied by BCR covers social banking lending to private individuals, starting entrepreneurs or special impact projects, regardless of the further client segmentation.

The policy applied for the social banking lending activities within BCR is also aimed to support the UN Sustainable Development Goals ('SDG'): SDG 3 (good health and well-being), SDG 4 (quality education), SDG 5 (gender equality), SDG 8 (decent work and economic growth), SDG 9 (industry, innovation and infrastructure) and SDG 10 (reduced inequality), and, thus, we contribute at evolving to a more inclusive society by facilitating the access to banking products and services.

BCR's Social Banking Department, which reports to the CEO, is responsible for the overall implementation of the policy which is made available to internal stakeholders via a platform.

Group contributes to the annual impact report⁽¹⁵⁾ of Erste Social Banking disclosing information related to the output of its activities as well as the direct and intended outcomes of its clients. Data in the annual impact report is collected through a relevant number of interviews with BCR clients. Additional information related to our social banking projects is presented on a dedicated webpage⁽¹⁶⁾.

S4-2 – PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS ABOUT IMPACTS

FINANCIAL HEALTH, ACCESS TO PRODUCTS AND SERVICES

Direct engagement with retail customers occurs through a variety of channels, both online and in the branches where BCR offers advisory services to help them achieve their financial goals. To ensure that its customers continue to benefit from BCR's positive impacts, an advisory framework is in place. This framework revolves around encouraging active customer engagement around BCR advisory propositions, which leads to addressing their drivers of financial health. A key element of this approach is ensuring advice is easily accessible across all channels.

BCR also has processes in place to determine the effectiveness of these channels of engagement. These are mainly based on annual monitoring of key data such as topics addressed, frequency and number of clients raising a particular topic, as well as the overall levels of usage and knowledge of the channels available. Following financial health discussions, surveys are regularly triggered, targeting a representative sample of customers. Feedback, which is gathered on a quarterly basis, is subsequently analyzed through studies that contribute to shaping the organization's business strategy. BCR continuously improves accessibility and service quality by collecting and analyzing customer feedback from advisory interactions. Further research is also undertaken to gain insight into the perspectives of retail customers that may be particularly vulnerable. For example, the social banking impact report includes specifically targeted feedback from a representative sample that included financed 'NGOs' who provide support to people in financial difficulties.

BCR designs and delivers financial health products and services tailored to the diverse needs of people in the regions in which it operates. The development and approval of new offerings follow a structured process to ensure high-quality standards. Moreover, BCR creates inclusive environment in which special needs customers (e.g. those with disabilities) have adequate access to its products and services.

BCR conducts user interviews and pilot programs prior to the full rollout of new products to gather customer feedback at an early stage and adapt its processes if necessary. BCR Retail Division is responsible for ensuring engagement with our retail customers.

PRIVACY

The processes surrounding the GDPR are regulated and are valid for all customers, regardless of their background. Therefore, BCR Group does not directly engage with its customer base for insight into an already heavily regulated process. For further information please refer to chapter 'S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns'.

¹⁵https://cdn0.erstegroup.com/content/dam/at/eh/www_erstegroup_com/de/%C3%9Cber%20uns/Social-Banking/social-banking-activity-report-2024.pdf

¹⁶ <https://www.bcr.ro/ro/business/ong-uri#>

S4-3 – PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

PRIVACY

There is no material negative impact related to data protection, but a material risk related to data breaches has been identified. Data breaches are defined as breaches of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, personal data transmitted, stored, or otherwise processed. The reasons for a data breach can vary, e.g. from an email sent erroneously to the wrong recipient, to a system malfunction. Data breaches can be detected through internal technical or organizational measures (e.g., through the data leak prevention system or through internal reports from employees that became aware of the data breach), or through external reports (e.g., through a notification from the wrong recipient).

BCR Group has implemented a structured process to ensure that personal data breaches can be promptly investigated and notified to the National Supervisory Authority for Personal Data Processing ("ANSPDCP"), in case the conditions of the GDPR are met, according to the internal policy and procedures.

All data breach reports are collected and evaluated at the BCR Group entities level. According to Article 33 of the GDPR, a notification will be filed with the responsible data protection authority if the data breach is likely to result in a risk to the rights and freedoms of natural persons. Beyond that, the data breach is communicated to the affected person, when it is likely to result in a high risk to their rights and freedom in accordance with Article 34 in GDPR. The relevant risk assessment is supported by an internally developed data breach risk assessment, based on the methodology established in line with the European Data Protection Board (EDPB) guidelines and other competent authorities. Developing and refining BCR Group's incident response plan is a crucial element of its risk mitigation efforts. This includes clear protocols for identifying, reporting, investigating, lessons learned and mitigating any potential negative impacts on customers.

All data breaches are documented and evaluated, with root causes analyzed on a case-by-case basis and followed by relevant corrective actions. In 2025, BCR Group had no data breaches notified to the relevant data protection authority.

In 2024, BCR Group had one data breach investigated by the relevant data protection authority. Separately, no communications were issued to customers regarding high-level risks to their personal rights and freedoms in 2024 and 2025. For comparison, the data breach investigated in 2024 did not result in a high risk, while in 2025 BCR Group had no data breach investigated by the authority.

BCR Group places great emphasis on providing customers with clear and understandable information about how their personal data are being processed. Prior consent is obtained for the processing of personal data upon initiation of the business relationship or whenever necessary. Furthermore, providers are contractually committed to fulfilling strict requirements related to the handling of customer data.

BCR ensures, through multiple channels available (website, e-mail address or post, territorial units, contact center), that its consumers can submit a request regarding their rights under GDPR. In addition, the Data Protection Officer carries out monitoring measures as required under Article 39 of the GDPR, at the local level.

The processes surrounding the GDPR are heavily regulated and thus are valid for all customers, regardless of background. Separately, related to vulnerable consumers, if processing activities are subject to data protection impact assessments ("DPIA"), the impact of the processing on vulnerable subjects is also assessed.

ACCESS TO PRODUCTS AND SERVICES

BCR Contact Center serves as the first point of contact for customers seeking immediate support, operating 24/7 through multiple channels (telephone, e-mail, George messages, live chat, Facebook Messenger). In Contact Center, different communication channels are available for customers to receive support and raise concerns, with all dissatisfaction formally registered as complaints and used to refine internal processes. Issues raised through these channels are systematically recorded, categorized, and monitored within dedicated reporting systems to ensure timely resolution. Channel effectiveness is assessed through audits, quality checks, feedback, and performance indicators, ensuring accessibility and reliability. Further reinforcing BCR Group's commitment to transparency and trust in its business interactions, customers have access to a whistleblowing platform which can be used on an anonymized basis (for more information, see chapter 'G1-1 - Business conduct policies and corporate culture').

S4-4 – TAKING ACTION ON MATERIAL IMPACTS ON CONSUMERS AND END-USERS, AND APPROACHES TO MANAGING MATERIAL RISKS AND PURSUING MATERIAL OPPORTUNITIES RELATED TO CONSUMERS AND END-USERS AND EFFECTIVENESS OF THOSE ACTIONS

BCR Group's various initiatives share a common goal of promoting financial and social inclusion, while properly mitigating the risk of data breaches and cyberattacks. These actions are designed to address the diverse needs of different demographic groups, from individuals facing financial exclusion to entrepreneurs trying to start their own business. Continuous monitoring, regular assessments, and stakeholder engagement are integral to ensuring the effectiveness and adaptability of these programs. By focusing on education, financial stability, and social innovation, BCR Group aims to create a positive and lasting impact on its customer base.

All the following actions are performed on an ongoing basis. Five financial health indicators are live in George app starting end of 2025. For the implementation of the actions listed in the table below, BCR Group allocates budgets and resources from various departments (e.g., Retail Distribution Division, Retail Development Division etc.). Budgets for training and initiatives are coordinated annually at BCR Group level.

As concerns the implementation of these actions, no significant Capex or Opex was identified as needed for both this year and for medium term.

Subtopic	List of key-actions	Policy
S4-Financial Health	2025 Financial Health Indicators Rollout (via George & Advisors)	A standalone dedicated policy is not in place, but these actions are covered by the existing Financial Health Framework
S4-Financial Health	George enables financial health advice	A standalone dedicated policy is not in place, but these actions are covered by the existing Financial Health Framework
S4-Privacy	Incident response plan	Local Strategies under overarching BCR group objective Data protection procedure, along with annexes Data protection policy Data protection procedure referring to data breaches management
S4-Privacy	Data Protection Control Framework	Overarching BCR group objective Data protection procedure, along with annexes Data protection policy Data protection procedure referring to processing of employees' data
S4-Privacy	Cyber Security Employee security awareness Customer Security Awareness	Overarching BCR group objective Information Technology Security policies Cyber Security policies Employee Security Awareness trainings Informing BCR customers about active threats
S4-Access to products and services	Microfinancing and Social Banking	Overarching Erste Group objective BCR Social Banking Risk Policy
S4-Access to products and services	Mobile banking units	A dedicated policy is not adopted, but this action is carried out in line with the local strategy (under overarching Erste Group objective)

FINANCIAL HEALTH (ENTITY SPECIFIC)

2025 Financial Health Indicators Rollout (via George & Advisors)

Through financial advice and products and services offerings, BCR positively impacts the financial health of its customers, contributing to an improvement in their overall economic stability. By actively supporting its customers' financial health, BCR also improves customer satisfaction and loyalty, building on the opportunity to enhance its own financial performance and market position.

As a part of its approach to Financial Health, in 2025 BCR rolled out all financial health indicators (described in S4-1 'Policies related to consumers and end-users') to all retail customers and defined its overarching awareness campaign among customers. This campaign runs both through advisors and digital channels starting 2026. This process is supported and locally coordinated by BCR Retail Division, and Erste Group Retail Transformation is responsible for ensuring the rollout.

George enables financial health advice

BCR took a major step forward in empowering clients to achieve financial well-being by embedding Financial Health directly into George. Moving beyond the standalone Financial Coach platform used by advisors, BCR introduced a dedicated section in George

(Fin Coach) that evaluates each client's financial situation through five key indicators – budget, reserve, protection, pension, and investments – complemented by actionable recommendations and educational resources.

In January 2025, BCR launched the Benefits Program, helping customers achieve their goals through personalized recommendations and rewarding all Financial Health categories. The efforts delivered significant impact as shown in the section 'S4-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities'.

PRIVACY (RISK)

Incident response plan

BCR Group has an incident response plan, defined as a crucial element of our risk mitigation efforts on the topic of privacy and data processing. While clear protocols are in place in internal procedures and policies for identifying, reporting, investigating, lessons learned and mitigating any potential negative impacts on all BCR Group customers, these protocols must be communicated and taught to all employees across the group.

Separately, in order to prevent data breaches, BCR Group invests in training programs to ensure all staff members are well equipped with the knowledge and skills necessary to handle customer data securely, and how to respond to incidents properly. In the training material, there is a great emphasis on the detection, prevention and handling of data breaches. In addition, our employees are then expected to be able to communicate effectively to our customers about the processing of their personal data. By emphasizing the importance of data protection, BCR Group aims to not only safeguard its customers' information and maintain their trust in its organization, but also to foster a culture of responsibility by raising awareness among its employees about potential risks.

The Data Protection Team provides a training framework comprised of a suit of training forms, such as online (at least once a year)/ individual (subject to topic or event), applicable in different cases such as general know-how or particular topics (specific areas such as data protection agreements, marketing/profiling), performed for all BCR employees/external contractors within BCR and BCR subsidiaries throughout the year. The training framework is updated yearly from two perspectives: (i) the type of trainings to be performed throughout the year and (ii) the information to be delivered through the trainings. The effectiveness of actions is monitored by tracking the level of participation and completion rate.

The training program is overseen by the Data Protection Officer, through delegates responsible for organizing and/or conducting the trainings at the level of BCR Group.

These trainings directly contribute to the achievement of BCR Group's objectives outlined in its Data Protection and Cybersecurity Policies. Specifically, they support BCR Group's goal of ensuring the highest standards of data security and customer privacy, which are critical components of its overall commitment to transparency.

Reported data breaches are handled by expert teams who assess the potential risks using an internally developed data breach risk assessment. Remedial action is taken by active engagement, such as directly contacting the person who reported or caused the data breach and instructing them on how to remediate the threats to the rights and freedoms of the data subjects. The relevant actions range from deleting data, to changing of passwords, giving general advice on how to secure data or how to adapt processes to make them even more data protection friendly. Refresher courses and ultimately disciplinary measures are also actions that help to prevent data breaches and mitigate the associated risks.

Data Protection Control Framework

A specific Data Protection Control Framework is used to ensure ongoing adherence to data protection standards and to identify any areas requiring improvement. The design and execution of the control framework is derived from requirements defined in the BCR Data Protection Policy and BCR Data Protection Procedure. The controls therefore cover the principles relating to processing of personal data as laid out in the GDPR. The scope of the control framework is to monitor and ensure that the policy and the procedures are properly implemented. A self-assessment is done on a local level and afterwards approved on Erste Group level. Continuous monitoring and quality assurance are also done on local and at Erste Group level.

Cyber Security

BCR Group's Cyber Security Policy outlines objectives, governance structures and technical safeguards to protect the assets and customers' data. Due to the dynamic nature of cyber threats, BCR Group regularly reviews and updates the framework to reflect the latest developments, such as those in technology or regulatory requirements.

BCR Group's pro-active approach reflects its deep dedication to have the trust of its customers, partners and stakeholders. It continuously invests in advanced and innovative technologies, robust infrastructure and expert teams to ensure that all of BCR Group's data are handled in a secure and confidential manner. In today's increasingly digital banking world, BCR Group is

committed to protect its assets and customer data with state-of-the art cyber security services and tools. BCR Group's multi-layer security architecture includes, for example, advanced firewall technologies, distributed denial of service (DDoS) protection, comprehensive endpoint detection and response (EDR) solutions, cyber threat intelligence (CTI), security operation center (SOC) as well as robust intrusion prevention systems (IPS).

Employee Security Awareness

BCR Group invests in cyber security trainings and awareness campaigns to help employees recognize and avoid cyber threats like phishing campaigns or social engineering attacks. Therefore, BCR Group regularly educates its employees, executives, board members, and specific user groups (such as branch office employees, newcomers, and trainees) through BCR Group's cybersecurity awareness program, including mandatory annual web-based training, as well as phishing simulations and security awareness events.

Customer Security Awareness

In addition to the cyber security awareness program focusing on internal and external personnel, BCR also sets activities to help its customers strengthen their cyber security awareness. BCR offers best-practice recommendations and cyber security awareness sessions to educate on how to detect, prevent and respond to cyber threats. Furthermore, BCR periodically publishes warnings of current cyber threats (e.g., social engineering attacks, phishing, fake calls) on different channels like George online banking system, on the website '[Securitate bancară](#)'⁽¹⁷⁾ but also on social media channels. Additionally, BCR issues targeted fraud alerts to customers during peak shopping seasons (e.g. holiday seasons, Black Friday) to help them stay vigilant when fraudulent activity is likely to increase.

ACCESS TO PRODUCTS AND SERVICES (POSITIVE IMPACT)

Microfinancing and Social Banking

BCR's Social Banking initiatives are focused on financing NGOs, Social Enterprises and startups across its core market, targeting clients who are typically underserved by traditional banking services. This initiative ensures that these organisations have access to essential financial resources, enabling them to address social and environmental challenges effectively, and contribute to sustainable community development.

The Social Banking department within BCR supports the financial inclusion of social organizations and entrepreneurs by providing tailored financial products, such as loans and current accounts, and capacity-building programs such as Amplify and Marc. Amplify, a BCR Social Finance and Launch Romania initiative, supported by BCR and Erste Foundation, contributes to a thriving, more sustainable and innovative social-impact sector, where all actors act and engage as a purpose-driven community. Marc is a high-impact enterprise scaling program, a joint initiative of Erste Foundation, Erste Social Finance Holding, IFUA Nonprofit and SIMPACT, implemented in Romania by BCR, BCR Social Finance and Synerb.

Furthermore, BCR offers specialized services for NGO's, including tailored products such as current accounts, financing options, and support for community and educational initiatives. BCR services are designed to empower organizations by providing the financial tools they need to grow and make a positive impact. We help NGO's achieve their mission with dedicated banking solutions.

Periodical social impact assessments, including client surveys, are conducted to evaluate the outcomes of these initiatives. This continuous evaluation ensures that the Social Banking financings and programs deliver measurable results, enhancing the economic stability of its clients and strengthening their capacity to create meaningful change within their communities and Romania. For metrics related to the actions presented under this section please refer to 'S4-5 Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities'.

Mobile Banking Units

Since its inception, BCR's financial inclusion program for rural and small urban communities has traveled 27,000 km and reached 52 communities, supporting over 7,500 individuals through financial education and personalized banking services via its mobile units.

In 2025, BCR has expanded this program by putting into operation a second mobile unit which is Romania's first 100% electric modular banking truck. These vehicles travel nationwide to provide underserved communities with access to modern financial services and entrepreneurial education. Through this initiative, the bank aims to mature the program and scale its impact, offering personalized solutions that support the long-term development and financial autonomy of local communities.

¹⁷ <https://www.bcr.ro/ro/persoane-fizice/informatii-utile/securitate/securitatea-tranzactiilor-pe-internet>

S4-5 – TARGETS RELATED TO MANAGING MATERIAL NEGATIVE IMPACTS, ADVANCING POSITIVE IMPACTS AND MANAGING MATERIAL RISKS AND OPPORTUNITIES

FINANCIAL HEALTH (OPPORTUNITY)

A crucial element in enhancing the financial health of BCR's customers is the implementation of financial health indicators (previously detailed in section 'S4-1 Policies related to consumers and end-users') throughout the various channels as well as in advisory services provided in branches.

This initiative enables customers to receive more tailored advice to achieve their financial objectives and to improve their financial growth objectives. Additionally, the calculation of these indicators will allow BCR to focus on further development of its business, by refining the advice and tools offered. A focused and tailored response to the financial needs of BCR's customer base is further aimed at consolidating customer loyalty to further enhance the Bank's financial performance and market position. To monitor the effectiveness and progress of the financial health related actions BCR has defined targets for the short term. As indicated in the table below, in 2025 more than 895,000 Financial Health dialogues took place, thus financial health is part of our clients' everyday banking experience.

Targets set for Education support in financial health dialogues, and actuals:

Metric	Year	Baseline Value	Actual		Targets				
			2025	2024	Year	Target	Short term		Target
							Year	Target	
Education support participants ^{1 2}	2022	32,000	895,976	634,271	2025	1,000,000	2026		1,500,000

1The target shows the total number of persons participating in financial health related programs

2 This metric reflects the number of individuals completing a financial dialogue process with resumes with an action such as for instance setting a financial goal. The computation methodology for this metric considers only dialogues which are following at least one step of the defined process and it relied on completion reports based on George app or filled in by the advisors.

PRIVACY (RISK)

Due to the rigorous regulatory framework governing data protection and cybersecurity, BCR Group has not set additional quantitative targets beyond its commitment to strict GDPR compliance (including preventing data breaches), in order to ensure the highest level of protection for customer data.

BCR Group monitors all data breaches, with oversight provided by the Data Protection Team and the Data Protection Officer (DPO). In accordance with internal policies, all incidents are reported to the Data Protection Team, which determines, in collaboration with the DPO, if notification to the relevant data protection authority is required. Furthermore, the team identifies if it is necessary and implements targeted employee training as a corrective measure following incident analysis, continuously monitoring that data protection rules are understood and applied to prevent future breaches.

As a result of the implemented actions, as previously described above and also in section 'S4-4 – Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users and effectiveness of those actions', in 2025, BCR Group had no data breaches notified to the relevant data protection authority (qualified as significant incidents). Significant incidents are data breaches that are likely to result in a risk to the rights and freedoms of natural persons, which are reported to the data protection authority. Sanctions are any applicable sanction that the data protection authority may impose, including fines (sanctions are detailed in Article 83 of the GDPR). In 2024 BCR Group had one data breach investigated by the relevant data protection authority which did not result in a high risk to the person concerned.

ACCESS TO PRODUCTS AND SERVICES

Performance indicators

BCR is committed to improve access to products and services, including for customers facing vulnerabilities, as well as the financial health of its customers, through tailored initiatives. BCR has set internal targets (milestones) that directly support these objectives and contribute to the financial health and economic stability of customers. The internal targets for social banking financing and job creation and retention are related to measuring the effectiveness of BCR's Social Banking initiatives.

The internal target of social banking financing volume focuses on increasing access to financial services for starting entrepreneurs and NGOs / social enterprises. This is achieved by financing micro companies and start-ups that do not meet regular retail lending criteria.

The volume of social banking financing is reported quarterly by local Social Banking Department of BCR to Erste Group and annually to the Management Board. Job creation and preservation are assessed through the social impact forms filled in by NGO clients and individual discussions and then reported in Erste Group Social Banking Impact report along with qualitative impact data performed on a representative sample of social banking clients. Information regarding the number of beneficiaries involved into the programme each year and the SDGs supported is collected through the social impact form filled in by NGO clients.

By promoting social banking and achieving these internal targets, BCR contributes to the financial health and economic stability of its customers, ultimately leading to a better quality of life and a stronger market position.

BCR has developed social banking yearly performance indicators. Part of them serve as a measure to track the progress of the social banking internal targets, which have been set.

The individual yearly social banking performance indicators presented below, measure the progress and summarise the social banking internal targets. Social banking financing includes microfinance, start-up financing, and financing for social organisations. The internal target for education support participants is based on the number of participants in educational activities organised or initiated by Social Banking each year. The job creation and retention metric relates to the financing and support activities of Social Banking. These indicators are based on information provided directly by the clients (NGOs) through the Social Impact Form or through direct discussions with them. The data on job creation, job preservation, number of beneficiaries and SDG contributions relies on the clients' self-reported information, which represents the best available source for these metrics. The effectiveness of these measures is assessed through a recurring client survey coordinated at Erste Group level and supported by the local BCR team.

Social Banking Yearly Performance Indicators	2024	2025
New social banking financing in RON	71,546,887	22.873.828
New social banking financing in number of new clients	319	1
Microfinance and start-up finance in RON *	60,302,158	-
Microfinance and start-up finance in number of new clients *	317	-
Social organisation finance in RON	11,244,729	22.873.828
Social organisation finance in number of new clients	3	1
Job creation and retention (number of jobs)	134	576
Number of education support participants (Social Banking)	4,270	2,221

*Starting with 2025, BCR no longer granted credits for new Startups.

12.4. Governance information

Business conduct

This section focuses on BCR Group's business conduct and its commitment to ethical behavior. BCR Group places a high value on ethically correct behavior, considering it as a fundamental prerequisite for its business activities and strategic priorities. This commitment is reflected in the Statement of Purpose defined at Erste Group level, which requires employees to consider not only the legality and profitability of business decisions but also whether they are the right thing to do. Building on this foundation, BCR Group's Code of Ethics, last updated and approved by the Management Board in January 2025, sets forth binding rules and ethical principles for all employees and Board Members. The Code emphasises responsibility, respect, and sustainability in all business activities. Additionally, Erste Group and therefore BCR Group, is committed to the principles of the UN Global Compact, which include upholding human rights, labour standards, and combating corruption, drawing from key international declarations and conventions.

In the context of the Double Materiality Assessment, three sustainability matters have been identified as material within Business Conduct: one due to its potential positive impact and two, due to their potential risk implications.

Sustainability Matter	Type of IRO	IRO Description	Value chain	Time horizon
G1 – Corporate culture	Potential Positive impact	BCR Group has a positive corporate culture, promotes a safe, transparent and ethical environment thus ensuring healthy working environment and can increase employee satisfaction.	Own operations	Short-term
G1-Protection of whistle-blowers	Risk	The absence of effective whistle-blower protection and channels, or failure to implement whistle-blowing policies and procedures can lead to potential loss of profits, regulatory violations and reputational damage.	Own operations	Long-term
G1-Corruption and bribery Prevention and detection including training	Risk	Failure to ensure adequate awareness, control, and monitoring of corruption and bribery risks may lead to undetected incidents involving employees and that can expose BCR Group to financial penalties, legal costs, and reputational harm.	Own operations	Long-term

Corporate Culture

Our corporate culture is strategically aligned with the way BCR Group positions itself on the market: as a community partner, fostering the financial education in Romania. This is the main strategic driver that brings together our corporate values of care, learning, results and order.

Protection of whistleblowers

BCR Group has implemented robust whistleblower protection mechanisms that are essential for maintaining organizational integrity and ethical standards. These mechanisms foster a transparent and accountable work environment by encouraging the reporting of misconduct without fear of retaliation.

Secure and confidential reporting channels are critical to safeguarding individuals who disclose unethical practices. Without such protections, whistleblowers could face significant risks, including professional setbacks, social exclusion, or other forms of retaliation—outcomes that can erode trust within the organization.

By providing accessible and confidential reporting avenues for all stakeholders, BCR Group ensures that concerns are addressed promptly and effectively. Regular audits and transparent processes reinforce the reliability of these mechanisms, minimizing potential harm and preventing whistleblowers from experiencing isolation or disadvantage. This proactive approach strengthens compliance, mitigates risk, and upholds the organization's commitment to ethical conduct. No incidents related to breaches of whistleblower protection have been identified.

Corruption and bribery – prevention and detection including training

Training programs aimed at preventing and detecting corruption and bribery are a key pillar of Erste Group's anti-bribery and corruption (ABC) strategy. Offered to all employees, these initiatives play a crucial role in fostering awareness and understanding of

ethical conduct. Without such measures, a lack of knowledge and sensitivity to conflict of interest (CoI) and ABC risks could result in employees failing to identify corrupt practices or becoming unintentionally involved in them, whether through active or passive participation.

In the event of a corruption-related incident, the consequences can be severe. The resulting loss of trust in the organisation would be difficult to restore and could necessitate extensive and prolonged remediation efforts. Moreover, such incidents may lead to significant reputational damage, financial losses and even criminal consequences for the individuals involved or the organization itself.

Ultimately, these preventive initiatives help cultivate a strong business conduct for the sake of zero tolerance to bribery and corruption, reinforcing BCR's Group reputation as a principled and trustworthy financial institution.

G1-1 – BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE

BCR Group's policies relating to business conduct comprise the Code of Ethics, which fosters its corporate culture by embedding its core values of people, fairness and transparency into every aspect of its operations. BCR Group's culture is aligned with its business strategy. BCR Group regularly monitors and refines its culture through exchanges, employee feedback and 360° leadership evaluations to ensure it remains strong and effective. BCR Group enhances its corporate culture through leadership development, employee training on values and ethics and engagement surveys.

To ensure the integrity and trust in the organisation, BCR Group has implemented two key policies: the Whistleblowing Policy and the Policy on Conflict of Interest and Anti-Bribery and Corruption (implemented in BCR through Anti-Corruption Policy and Code of Ethics). These policies are essential components of its governance structure and contribute to an ethical and transparent work environment.

Corporate culture

The aforementioned policies and the frameworks indicated below are aimed to nurture the integration of sustainability principles into our corporate culture, whilst also encouraging employees to adopt our values.

BCR Group has identified financial education as a main driver for our strategy and for growing our corporate culture. A financially educated person will make better financial decisions. And it gives our employees a sense of purpose. Our core values of care, learning, results, and order were established as part of our mission to foster an internal culture that empowers employees to grow personally and professionally while supporting our clients in becoming financially educated.

We actively promote these values through consistent involvement in internal employee training, learning programs and volunteering activities. In addition, we conduct internal campaigns to highlight employee benefits through our dedicated platform, Valued@BCR. This platform not only informs but also reinforces our commitment to creating a supportive and engaging work environment that reflects our core values. Through annual Employee Engagement Survey ("EES") we listen to our teams, understand their needs, and take action to improve their experience.

Each employee can benefit from one paid volunteering day per year, motivating them to engage in community activities and live these values. For the last 8 years we, as a team, were actively involved in impactful sustainability programs and acted as an active promoter of financial education.

Internal communities created around common values, beliefs and interests, with the involvement of our employees, drive an inclusive environment (e.g. Step Into the Future, Mindful Parent, Magic Advisor, Edu Fin Teachers, Career School Teachers). The members of these communities act as ambassadors and are involved in various engagement activities aimed at promoting and nurturing our internal culture.

We regularly inform Board Members about employee related initiatives. These meetings also serve as a platform to review the results of the Employee Engagement Survey and identify actionable ways to support our employees' attachment to our organizational culture.

Board Members encourage and offer guidelines regarding leadership programs development, by acting internally as Sponsors for specific learning modules and participating in internal & external learning and corporate activities and events.

The main themes promoted and communicated as part of our corporate culture include:

- People: Valued@BCR: A dedicated initiative that highlights our benefits, available to our employees, career opportunities and personal development, work-life balance, ensuring they feel appreciated and supported.

- Financial Health: These campaigns are designed to help employees to better understand our strategy and direction, fostering alignment and engagement across all levels.
- Society & Education: We actively promote the organization's community engagement initiatives, encouraging employees to participate and contribute to our community projects.
- Digital Excellence (Bank on an App): integrating digital tools into internal operations, reducing manual workloads, and promoting sustainability by minimizing paper consumption.
- Commercial Time: BCR's advisory approach, processes and commercial focus.

By maintaining an open dialogue at the leadership level, we ensure that our strategies align with employee needs and that we continuously enhance the programs and opportunities that contribute to their growth, satisfaction, and engagement. This collaborative approach reinforces our commitment to building a workplace culture where everyone can thrive.

We have specific incentives and tools designed to foster and encourage our corporate culture, ensuring employees are engaged, informed, and continuously developing their skills. These include:

- Echo platform and Viva Engage: a centralized platform that facilitates communication, collaboration, and access to essential resources, keeping employees connected and informed.
- Learning Platform Courses: training courses available through our learning platforms, empowering employees to grow their skills and align with the values and goals of the organization.
- Regular Newsletters: these provide updates on internal initiatives, achievements, career & learning opportunities and events, ensuring transparency and a sense of inclusion across the organization.
- BCR News: dedicated news updates to keep employees up to date with the latest developments within the organization, reinforcing a shared understanding of our direction and progress.

Protection of whistleblowers

The Whistleblowing Policy establishes group-wide standards to identify, report, and investigate concerns about unlawful behaviour. This also covers behaviours which are in contradiction to the Code of Ethics, except for topics related to antidiscrimination and harassment which are managed in a separate and dedicated workflow as per Romanian legislation.

Promoting a well-established whistleblowing process helps BCR Group to manage potential risks and further build trust among employees, partner organizations, and customers.

A key benefit of this process is the creation of a culture of transparency and accountability. When employees have a safe and confidential way to report concerns, they are more likely to do so, ensuring that instances of misconduct are detected and addressed promptly, fostering a safer and more ethical environment. The policy is based on the EU Directive on the protection of persons who report breaches of Union law no. 2019/1937, and the Law regarding the protection of whistleblowers for public interest no. 361/2022, industry regulations (e.g. The Bank complies with National Bank of Romania Regulation concerning prudential requirements for credit institutions no. 5/2013) and best practices in the sector. Further details on the categories of incidents covered by the whistleblowing process are provided in the section 'S1-3 – Processes to remediate negative impacts and channels for own workforce to raise concerns'.

Following an alert, each whistleblower receives a confirmation within 7 days of its submission. The investigation must be finalized within 45 days, but depending on the investigation pattern and complexity it is possible to extend this term by up to 90 days.

BCR Group provides various channels for reporting concerns, including email, telephone, personal meetings, and Erste web platform. These channels are accessible not only to employees but also to third parties, in accordance with applicable whistleblower protection laws. Information about whistleblowing is provided through BCR Group website⁽¹⁸⁾, internal mandatory training courses, annual mandatory information sessions that are conducted using e-learning tools. Whistleblowing Officers receive specialized training, particularly for data protection, and maintain the independence necessary for their role.

Whistleblowers will not be at risk of dismissal, disciplinary actions or any other contractual penalties or any other form of sanction.

Their identity is protected, even if it is found that what is reported is not confirmed, provided that:

- they act in good faith.
- they believe on reasonable grounds that the information is correct.
- they do not report in bad faith or for the purpose of personal gain or reward.
- they do not make the referral with the purpose of exonerating himself/herself from possible legal/ procedural liability.

¹⁸ <https://www.bcr.ro/en/about-us/whistleblowing>

BCR does not tolerate any harassment or victimization (including informal pressures) and will take appropriate action to protect the identity of whistleblowers that raise a concern in good faith. If a whistleblower requests protection of their identity, BCR will not disclose it without their consent.

The Whistleblowing Policy covers all employees, customers and third parties. The Compliance Division is responsible for implementing this policy.

Comprehensive procedures regarding the reporting process and anti-retaliation protections are established within our internal regulation. A summary of these provisions is publicly available on BCR's website for stakeholders. The BCR alerting system includes an internal reporting function where employees can report suspected cases or ask questions about possible violations. The function, under the Chief Compliance Officer, is staffed by qualified and authorized employees within Compliance Division. Whistleblowing officers are nominated through a Management Board decision. Reports are received and processed confidentially according to a standardized process, with all reports being investigated and appropriate measures taken if necessary. The system provides safeguards for whistleblowers, including anonymity protection, protection of involved individuals, and protection against false accusations. Correct processing of concerns is ensured through regular reporting to the Management and Supervisory Board, as well as internal and external audits and National Bank of Romania (BNR)

In the policy setting process, in addition to the legal requirements, inputs from internal and external stakeholders were received through bilateral talks and envisaged trends and best practices in the sector.

All policies related to employees are available on the intranet, accessible exclusively to internal stakeholders. External stakeholders are informed via BCR website.

Corruption and bribery – Prevention and detection including training

BCR Group's policies, which are based on Erste Group's Policy on Conflict of Interest (CoI) and Anti-Bribery and Corruption (ABC), directly address the risk identified in the materiality assessment on Corruption and bribery - Prevention and detection including training. The aforementioned Erste Group documents are implemented locally through BCR Code of Ethics and BCR Anti-Corruption Policy.

The framework establishes comprehensive standards to prevent and detect conflicts of interest, bribery, and corruption. The framework is derived from the "Statement of Purpose" and the "Code of Conduct" of Erste Group. Responsibilities and standardized procedures for managing conflicts of interest and anti-bribery and corruption throughout all levels of Erste Group's business (including BCR) are defined in the framework and aim to prevent legal breaches and protect the organization's reputation through a responsible corporate culture, a clear compliance framework, and appropriate employee qualifications. This policy is implemented through prevention training offered to all employees. This training effectively counteracts potential corruption and bribery, benefiting the interests of consumers, employees and business partners, and promoting a trusting and ethical business environment.

BCR maintains a consistent approach to preventing bribery and corruption by applying the same standards and expectations to all employees.

Conflict of Interest and Anti-Bribery and Corruption web-based trainings (WBT) are mandatory for all Erste Group entities, including BCR Group employees. All BCR Group employees will annually undergo a WBT session for knowledge refreshment and updating. This approach ensures ongoing alignment with the latest regulations and may involve either revisiting the core course or completing a newly enhanced version.

In addition to the Erste Group WBT, all BCR employees must complete a mandatory annual module specifically developed to address Romanian country-specific requirements.

The Management Board fulfills its annual training obligation through a specialized regulatory session conducted by an external consultant. This training also addresses critical topics, including Anti-Bribery and Corruption (ABC).

The trainings provide an overview of different types of conflicts of interest, such as organizational CoI, confidential CoI, and CoI regarding procurement or the supply chain. The on-line training module (WBT) consists of four categories: general information, treatment of benefits, treatment of secondary activities, and personal and close relationships. It details various terms to ensure a uniform understanding and presents the reporting and approval processes for different types of CoI involving various stakeholders. Employees must pass a knowledge test with a rate of at least 80% at the end of the training.

The Framework is approved by Management Bodies, who are legally accountable and liable for the group-wide Anti-Corruption Policy and Code of Ethics. The framework is owned by the Compliance Division and follows a yearly review cycle, during which

contents are reviewed and assessed based on changes in legal acts or recommendations from public authorities. Investigations regarding the prevention and detection of corruption and bribery are coordinated by the Compliance Division independently of business units (including staff and management).

The policy applies across all geographical areas in which BCR Group operates and addresses the needs and concerns of all affected stakeholder groups. Inputs from internal and external stakeholders, obtained during bilateral meetings, were considered in the policy setting process. The policy is made available through the intranet for all employees and is part of the yearly compliance trainings that all employees must complete. Process owners define detailed processes and regulations, which are rolled out via the intranet or the communication platform to employees. General information about BCR Group's Policies on Anti-Corruption Policy and Code of Ethics is also made available to external stakeholders on our website.

G1-3 – PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

A corruption incident is defined as the abuse of entrusted public or business power, office, or resources for private gain, either by elected government officials or by other private individuals. Bribery, a form of corruption, is defined as the act of receiving a benefit, whether financial or non-financial, that alters the behaviour of the recipient. A bribery incident involves intentionally offering, giving, receiving, or soliciting the benefit, directly or indirectly, or through a third party, to improperly influence a person in the performance of a duty, to obtain or retain a benefit or any undue advantage, or to influence the actions of an official or other person in charge of a public or business duty.

The ABC Program implemented in BCR Group is structured as to address the following 3 pillars: 1. prevention and deterrence; 2. reporting, detection & investigation; 3. reporting & correction.

When an incident of bribery or corruption is suspected, the Compliance Function coordinates the investigation, with cooperation from other functions, if the case (such as Internal Audit function, Security Experts, IT experts, experts from Erste Group Compliance). This ensures that all allegations are investigated independently and comprehensively. The Compliance Division, which operates separately from the chain of management, plays a crucial role in investigating these incidents according to the 3-Lines-of-Defense Model. This model ensures that responsibility for compliance matters, including investigation of BCR has established rigorous procedures to prevent, detect, and address allegations or incidents of corruption and bribery. These efforts focus on ensuring compliance with financial sanctions, embargoes, securities compliance, and good conduct compliance, which includes anti-bribery and anti-corruption agendas.

Regular risk-based monitoring activities /controls are conducted by Compliance Division (as 2nd level controls), actions which ensure adherence to these procedures and raise awareness of compliance risks among all relevant staff. The management bodies of BCR Group are informed on critical conflicts of interest, particularly those indicating corruption, which are also reported to the National Bank of Romania. Such instances are reported to the Board and Supervisory Board of Erste Group Bank AG as well. Reports are submitted through Erste Group Conduct Unit within the Compliance function to Group Internal Audit, the Management Board, and the Supervisory Board.

Compliance officers are provided with specific internal working instructions outlining procedures to prevent, detect and address allegations or incidents of corruption and bribery. Investigations are carried out by the Compliance Division Monitoring Unit, which operates independently from the chain of management, ensuring unbiased and thorough investigations.

BCR Compliance Division Monitoring Unit monitors the fulfillment of the e-learning completion and is responsible for implementation of the e-learning and for escalating cases of non-completion. The overall process within the BCR Group Compliance steering scope is the same as the IFRS consolidation scope.

People and Culture Division provides support for the implementation of the e-learning and provides regular completion reports to the Compliance Division Monitoring Unit. For 2025, the completion rate for BCR own employees active at 31.12.2025, was 97.34% for WBT training and 98.33% for local training (see table 'Anti-corruption and bribery training' for details).

BCR Antifraud Department provides a comprehensive and mandatory fraud prevention training to employees. This training educates employees on common fraud schemes, red flags, preventive measures and reporting procedures, including internal fraud awareness. It includes BCR Group's legal/regulatory framework around fraud, addressing its Zero Tolerance Policy and elaboration of all types of fraud. The training tackles techniques on how to detect fraud, strategies to prevent and how to report fraud. The training is designed for both new and existing employees, with specific formats and frequencies to ensure comprehensive coverage. New employees receive on-site fraud training available in both English and Romanian languages, conducted regularly at least once a month.

The following data includes the completion rates within BCR:

Anti-corruption and bribery training

Anti-corruption and bribery WBT training (Group E-learning Training)	2024		2025	
	All staff incl. Management roles	Out of which, Management roles including MB	All staff incl. Management roles	Out of which, Management roles including MB
Training coverage (%)	98.45%	97.91%	100.00%	100.00%
Total employees at end of period (#)	4,919	431	4,809	411
Total employees registered in trainings (#)	4,843	422	4,809	411
Training completion (%)	96.43%	92.18%	97.34%	91.73%
Total employees with trainings completed (#)	4,670	389	4,681	377
Duration of web-based training	1 hour	1 hour	1 hour	1 hour
Frequency	Annually	Annually	Annually	Annually

Erste Group implements a comprehensive training framework designed to prevent corruption, bribery, and conflicts of interest. The foundation of this framework is a mandatory, group-wide web-based training (WBT) on Conflicts of Interest (CoI) and Anti-Bribery & Corruption (ABC), which is also available in locally adapted versions. Training results are primarily based on the completion of this group-wide CoI and ABC WBT. BCR applies this training framework in full, adopting the content and requirements 1:1, in line with Erste Group standards.

The training covers all relevant aspects around the different types of conflicts of interests, corruption and bribery, how they occur, how they can be prevented and reported. It is based on BCR Group's legal and regulatory framework and the group-wide CoI and ABC Policy, which establishes a zero-tolerance approach towards any form of corruption and bribery. The WBT takes 1 hour, with the theoretical input lasting 45 minutes and the quiz 15 minutes.

Additional training courses vary in duration and assignment logic and are adapted to the specific content and targeted audience, based on entity risks.

To this extent BCR is rolling out on annual basis a local e-learning addressed to all staff, including management, on the topics of Ethics/Conflicts of Interests /Whistleblowing/Anti-bribery and Corruption.

Anti-corruption and bribery training (BCR Local E-learning Training)	2024	2025
	All staff incl. management roles	All staff incl. management roles
Training coverage (%)	99.51%	99.69%
Total employees at end of period (#)	4,919	4,809
Total employees registered in trainings(#)	4,895	4,794
Training completion (%)	98.51%	98.33%
Total employees with trainings completed (#)	4,822	4,714
Web-based training	1 hour	1 hour
Frequency	annually	annually

The training sessions started in March 2025 and availability ended in December 2025. The training covered all relevant topics within the framework (Code of Ethics, ABC Policy and Whistleblowing). The learning session is finalized with a test that contains questions from the information material.

Beside quantitative monitoring process the qualitative indicators are followed, meaning that each employee who attends the training session must obtain a pass rate of minimum 70%. For the implementation of the actions related to these training sessions no significant Capex or Opex was identified as needed for both reporting year and for medium term.

G1-4 – INCIDENTS OF CORRUPTION OR BRIBERY

Incidents of corruption or bribery can undermine its integrity and ethical standards and at BCR such incidents are treated with the utmost seriousness, in accordance with the BCR's Policy on CoI and ABC; BCR Group maintains a strict zero tolerance approach towards any form of bribery or corruption.

There have been zero convictions for violations of anti-corruption and anti-bribery laws, and the number of fines for such violations is zero for year 2025. This mirrors the situation from the previous year, where both convictions and fines were also zero.

Subtopic	List of key-actions	Policy
G1-Corruption and bribery - prevention and detection including training	Training programmes to prevent and detect corruption and bribery	Code of Ethics and BCR Anticorruption Policy

For the implementation of the programs indicated in the table above no significant Capex or Opex was identified as needed for both the reporting year and for medium term.

Training programmes to prevent and detect corruption and bribery

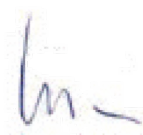
BCR Group employees have completed in 2025 the Erste Group web-based training ABC as per completion rate mentioned under section 'G1-3 - Prevention and detection of corruption and bribery' above. In addition, BCR Group has implemented local training programs tailored to the local context and target audience, programs that are addressed to all BCR Group employees. Furthermore, the BCR Management Body participates in dedicated sessions as part of the annual training programs.

An additional implementation of a group-wide compliance platform is in progress. This platform is designed to serve as a central hub for knowledge, sharing on key compliance topics, including conflicts of interest, the Policy on CoI and ABC, relevant points of contact and links to WBT resources. Its objective is to enhance the accessibility and dissemination of essential compliance information across the organization.

The progress of these actions is monitored through evaluations of the WBT, data analysis of the reporting tool, checks and risk assessments (see 'G1-3 - Prevention and detection of corruption and bribery'). BCR Compliance, with support from the People and Culture Division, monitors the completion rates of the e-learning programs and escalates cases of non-completion. By implementing these targeted training programs and the compliance platform, both Erste Group and BCR Group effectively take measures to avert the risks identified in the Double Materiality Assessment 2025.

Supervisory Board Chairmen,

Manfred WIMMER



Banca Comercială Română S.A.

Consolidated and Separate Financial Statements

(The Group and the Parent Bank)

Prepared in Accordance with

International Financial Reporting Standards

as adopted by the European Union

LEI Code: 549300ORLU6LN5YD8X90

31 December 2025

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Independent auditors' report to the shareholders of Banca Comercială Română S.A.

STATEMENTS OF PROFIT OR LOSS
Consolidated and Separate for the year ended 31 December 2025

Statements of profit or loss

	Notes	Group		Bank	
in RON thousands		31.12.2025	31.12.2024	31.12.2025	31.12.2024
Net interest income	1	4,746,338	4,400,976	4,549,187	4,253,358
Interest income		6,914,594	6,692,846	6,905,858	6,720,942
Other similar income		518,841	242,463	357,939	77,352
Interest expenses		-2,459,089	-2,504,410	-2,487,045	-2,515,429
Other similar expense		-228,008	-29,923	-227,565	-29,507
Net fee and commission income	2	1,214,169	1,128,180	1,148,886	1,071,921
Fee and commission income		1,601,850	1,450,865	1,528,033	1,387,671
Fee and commission expense		-387,681	-322,685	-379,147	-315,750
Dividend income	3	6,581	6,192	10,124	74,078
Net trading result	4	544,422	487,915	544,422	487,871
Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss		19,736	24,723	19,736	24,723
Foreign currency translation		-8,723	4,371	-21,254	-2,074
Net result from equity method investments	41	-4,240	8,831	-	-
Rental income from investment properties and other operating leases	5	14,237	34,543	5,266	5,346
Personnel expenses	6	-1,110,961	-1,111,044	-1,042,600	-1,047,484
Other administrative expenses	6	-1,013,577	-900,699	-997,567	-890,171
Depreciation and amortisation	6	-270,946	-259,105	-258,129	-241,797
Gains/(losses) from derecognition of financial assets measured at amortized cost	7	-	-26,881	-	-26,881
Other gains/(losses) from derecognition of financial instruments not measured at fair value through profit or loss	8	-1,307	-4,127	-1,307	-4,127
Net impairment gain/ (losses) on financial instruments	9,10	-252,408	-106,342	-215,199	-66,482
Other operating result, out of which	11	60,533	-400,038	54,159	-354,175
Other operating income		702,611	84,752	612,161	50,890
Other operating expense, out of which		-642,078	-484,790	-558,002	-405,065
Supplementary tax for credit institutions		-316,070	-182,460	-307,637	-181,702
Pre-tax result from continuing operations		3,943,854	3,287,495	3,795,724	3,284,106
Taxes on income	12	-623,763	-520,072	-612,089	-502,354
Net result for the year		3,320,091	2,767,423	3,183,635	2,781,752
Net result attributable to non-controlling interests		20	8	-	-
Net result attributable to owners of the parent		3,320,071	2,767,415	3,183,635	2,781,752

AUTHORIZED PERSON,

Signature
Executive Vice-President,

Elke Meier



AUTHORIZED PERSON,

Signature
Director Accounting Division,

Gina Badea



STATEMENTS OF COMPREHENSIVE INCOME
Consolidated and Separate for the year ended 31 December 2025

Statements of comprehensive income

	Notes	Group		Bank	
in RON thousands		31.12.2025	31.12.2024	31.12.2025	31.12.2024
Net result for the year		3,320,091	2,767,423	3,183,635	2,781,752
Actuarial gains/(losses) on defined benefit pension plans	37	-17,503	5,314	-17,089	5,179
Deferred taxes relating to items that will not be reclassified	12	2,771	-820	2,734	-829
Total items that will not be reclassified to profit or loss		-14,732	4,494	-14,355	4,350
Items that may be reclassified to profit or loss					
Debt instruments at fair value through other comprehensive income		218,228	-19,063	218,228	-15,307
Currency translation reserve		-	3,402	-	-
Reclassification adjustments		38	-	-	-
Deferred taxes relating to items that may be reclassified	12	-34,916	2,899	-34,916	2,449
Total items that may be reclassified to profit or loss		183,350	-12,762	183,312	-12,858
Total other comprehensive income		168,618	-8,268	168,957	-8,508
Total comprehensive income		3,488,709	2,759,155	3,352,592	2,773,244
Total comprehensive income attributable to non-controlling interests		20	8	-	-
Total comprehensive income attributable to owners of the parent		3,488,689	2,759,147	3,352,592	2,773,244

AUTHORIZED PERSON,

Signature
Executive Vice-President,

Elke Meier



AUTHORIZED PERSON,

Signature
Director Accounting Division,

Gina Badea



STATEMENTS OF FINANCIAL POSITION
Consolidated and Separate as at 31 December 2025

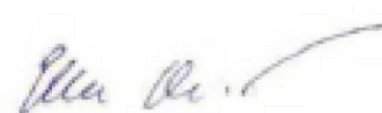
Statements of financial position

		Group		Bank	
in RON thousands	Notes	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Assets					
Cash and cash equivalents	14	11,440,918	10,642,241	11,435,554	10,596,154
Financial assets held for trading		3,329,764	1,912,779	3,329,764	1,912,779
Derivative financial instruments held for trading	18	102,599	187,806	102,599	187,806
Debt securities held for trading	19, 23	3,227,165	1,724,973	3,227,165	1,724,973
thereof pledged as collateral	24, 25	620,510	9,898	620,510	9,898
Non-trading financial assets mandatorily at fair value through profit or loss	20	97,614	87,862	97,614	87,862
Equity instruments		92,124	75,345	92,124	75,345
Debt securities		5,490	12,517	5,490	12,517
Financial assets at fair value through other comprehensive income	21, 23	13,290,491	12,767,715	13,290,491	12,767,715
Debt securities	21, 23	13,290,491	12,767,715	13,290,491	12,767,715
thereof pledged as collateral	24, 25	644,802	20,797	1,166,685	20,797
Financial assets at amortized cost	15	98,155,165	90,038,137	100,365,988	91,972,536
Debt securities	15, 1, 22, 23	23,248,722	20,623,315	23,115,245	20,497,053
thereof pledged as collateral	24, 25	100,925	322,960	100,925	855,579
Loans and advances to banks	15, 2	5,572,108	6,004,729	5,566,874	5,960,826
Loans and advances to customers	15, 3	69,334,335	63,410,093	71,683,869	65,514,657
Finance lease receivables	35	2,678,181	2,321,385	30,375	15,043
Property and equipment	31	1,135,557	1,029,795	1,107,182	902,686
Investment property	31	15,343	112,198	15,342	112,198
Intangible assets	33	551,266	496,946	515,201	468,484
Investments in joint ventures and associates	41	34,599	38,838	25,961	25,961
Current tax assets	12	1,068	139	-	-
Deferred tax assets	12	2,445	92,230	394	90,567
Assets held for sale and disposal group	46	15,204	729	15,204	729
Trade and other receivables	16	943,541	1,002,936	939,449	995,338
Investments in subsidiaries	34, 40	-	-	925,316	613,371
Other assets	34	213,191	261,005	127,067	115,272
Total assets		131,904,347	120,804,935	132,220,902	120,676,695
Liabilities and Equity					
Financial liabilities held for trading		165,342	133,740	165,342	133,740
Derivative financial instruments held for trading	18	165,342	133,740	165,342	133,740
Financial liabilities measured at amortized cost	17	112,153,887	104,405,296	112,668,813	104,748,753
Deposits from banks	17, 1	2,740,235	1,174,726	3,262,252	1,686,012
Borrowings and financing lines	17, 2	439,197	533,268	108,463	127,307
Deposits from customers	17, 4	93,084,106	91,007,840	93,460,301	91,281,395
Debt securities issued	17, 3	14,246,361	10,407,030	14,246,361	10,407,030
Other financial liabilities	17, 5	1,643,988	1,282,432	1,591,436	1,247,009
Lease liabilities	35	591,782	500,390	590,344	498,276
Provisions	37	490,048	788,313	477,507	768,162
Current tax liabilities	12	58,994	42,508	54,373	38,260
Deferred tax liabilities	12	22,130	25,177	-	-
Other liabilities	36	592,575	919,357	547,340	475,339
Total liabilities		114,074,758	106,814,781	114,503,719	106,662,530
Total equity	39	17,829,589	13,990,154	17,717,183	14,014,165
Attributable to non-controlling interest		83	64	-	-
Attributable to owners of the parent		17,829,506	13,990,090	17,717,183	14,014,165
Share capital		2,952,565	2,952,565	2,952,565	2,952,565
Additional equity instruments		2,482,035	741,555	2,482,035	741,555
Retained earnings		10,325,096	8,430,294	10,212,878	8,454,512
Other reserves		2,069,810	1,865,676	2,069,705	1,865,533
Total liabilities and equity		131,904,347	120,804,935	132,220,902	120,676,695

AUTHORIZED PERSON,

Signature
Executive Vice-President,

Elke Meier



AUTHORIZED PERSON,

Signature
Director Accounting Division,

Gina Badea



STATEMENTS OF CHANGES IN EQUITY
Consolidated and Separate for the year ended 31 December 2025

Statements of changes in equity

	31.12.2025											Group
in RON thousands	Share capital	Share premium	Additional equity instruments (1)	Retained earnings	Other reserves (2)	Fair value reserve	Currency translation reserve	Actuarial gains/(losses) on defined benefit pension plans	Deferred tax	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	Total
Total equity as of 01.01.2025	2,952,565	395,483	741,555	8,430,294	1,369,128	53,765	-	66,511	-19,211	13,990,090	64	13,990,154
Dividends paid	-	-	-	-1,389,876	-	-	-	-	-	-1,389,876	-	-1,389,876
Capital increases	-	-	1,740,480	-	-	-	-	-	-	1,740,480	-	1,740,480
Reclassification among components of equity	-	-	-	-35,393	35,393	-	-	-	-	-	-	-
Other changes	-	-	-	-	122	-	-	-	-	122	-1	121
Total comprehensive income, of which	-	-	-	3,320,071	38	218,228	-	-17,503	-32,145	3,488,689	20	3,488,709
Net result for the year	-	-	-	3,320,071	-	-	-	-	-	3,320,071	20	3,320,091
Other comprehensive income	-	-	-	-	38	218,228	-	-17,503	-32,145	168,618	-	168,618
Total equity as of 31.12.2025	2,952,565	395,483	2,482,035	10,325,096	1,404,682	271,993	-	49,008	-51,356	17,829,506	83	17,829,589

(1) Capital increases include AT1 instruments issued as described in Note 39.

(2) Other reserves include legal reserves and general banking risk reserve described Note 39.

	31.12.2024											Group
in RON thousands	Share capital	Share premium	Additional equity instruments (1)	Retained earnings	Other reserves (2)	Fair value reserve	Currency translation reserve	Actuarial gains/(losses) on defined benefit pension plans	Deferred tax	Equity attributable to owners of the parent	Equity attributable to non-controlling interests	Total
Total equity as of 01.01.2024	2,952,565	395,483	741,555	6,961,940	1,316,622	72,828	-3,402	61,197	-21,290	12,477,498	56	12,477,554
Dividends paid	-	-	-	-1,243,706	-	-	-	-	-	-1,243,706	-	-1,243,706
Reclassification among components of equity	-	-	-	-53,145	53,145	-	-	-	-	-	-	-
Other changes	-	-	-	-2,210	-639	-	-	-	-	-2,849	-	-2,849
Total comprehensive income, of which	-	-	-	2,767,415	-	-19,063	3,402	5,314	2,079	2,759,147	8	2,759,155
Net result for the year	-	-	-	2,767,415	-	-	-	-	-	2,767,415	8	2,767,423
Other comprehensive income	-	-	-	-	-	-19,063	3,402	5,314	2,079	-8,268	-	-8,268
Total equity as of 31.12.2024	2,952,565	395,483	741,555	8,430,294	1,369,128	53,765	-	66,511	-19,211	13,990,090	64	13,990,154

(1) Capital increases include AT1 instruments issued as described in Note 39.

(2) Other reserves include legal reserves and general banking risk reserve described Note 39.

STATEMENTS OF CHANGES IN EQUITY
Consolidated and Separate for the year ended 31 December 2025

	31.12.2025								Bank
in RON thousands	Share capital	Share premium	Additional equity instruments (1)	Retained earnings	Other reserves (2)	Fair value reserve	Actuarial gains/(losses) on defined benefit pension plans	Deferred tax	Total
Total equity as of 01.01.2025	2,952,565	395,483	741,555	8,454,512	1,369,128	53,767	66,376	-19,221	14,014,165
Dividends paid	-	-	-	-1,389,876	-	-	-	-	-1,389,876
Capital increases	-	-	1,740,480	-	-	-	-	-	1,740,480
Reclassification among components of equity	-	-	-	-35,393	35,393	-	-	-	-
Other changes	-	-	-	-	-178	-	-	-	-178
Total comprehensive income, of which	-	-	-	3,183,635	-	218,228	-17,089	-32,182	3,352,592
Net result for the year	-	-	-	3,183,635	-	-	-	-	3,183,635
Other comprehensive income	-	-	-	-	-	218,228	-17,089	-32,182	168,957
Total equity as of 31.12.2025	2,952,565	395,483	2,482,035	10,212,878	1,404,343	271,995	49,287	-51,403	17,717,183

- (1) Capital increases include AT1 instruments issued as described in Note 39.
(2) Other reserves include legal reserves and general banking risk reserve described Note 39.

	31.12.2024								Bank
in RON thousands	Share capital	Share premium	Additional equity instruments (1)	Retained earnings	Other reserves (2)	Fair value reserve	Actuarial gains/(losses) on defined benefit pension plans	Deferred tax	Total
Total equity as of 01.01.2024	2,952,565	395,483	741,555	6,969,611	1,316,622	69,074	61,197	-20,841	12,485,266
Dividends paid	-	-	-	-1,243,706	-	-	-	-	-1,243,706
Reclassification among components of equity	-	-	-	-53,145	53,145	-	-	-	-
Changes in scope of consolidation and ownership interest	-	-	-	-	-639	-	-	-	-639
Total comprehensive income, of which	-	-	-	2,781,752	-	-15,307	5,179	1,620	2,773,244
Net result for the year	-	-	-	2,781,752	-	-	-	-	2,781,752
Other comprehensive income	-	-	-	-	-	-15,307	5,179	1,620	-8,508
Total equity as of 31.12.2024	2,952,565	395,483	741,555	8,454,512	1,369,128	53,767	66,376	-19,221	14,014,165

- (1) Capital increases include AT1 instruments issued as described in Note 39.
(2) Other reserves include legal reserves and general banking risk reserve described Note 39.

CASH FLOWS STATEMENTS

Consolidated and Separate for the year ended 31 December 2025

Statements of cash flows

in RON thousands	Notes	Group		Bank	
		31.12.2025	31.12.2024	31.12.2025	31.12.2024
Net result for the year		3,320,091	2,767,423	3,183,635	2,781,752
Non-cash adjustments for items in net result for the period					
Depreciation, amortisation of assets	6	270,946	259,105	258,129	241,797
Allocation and release of impairment of loans	9	264,734	151,197	217,176	92,061
Gains/(losses) from the sale of property and equipment and investment properties	11	3,356	-8,840	-7,548	-12,470
Gain on disposal of non-current assets held for sale and disposal group	11	-1,808	-5,747	-1,808	-5,145
Other provisions	11	-221,627	-16,762	-212,816	-18,233
Net impairment of subsidiaries	11	-	-	-352,282	-25,266
Impairment tangible and intangible assets	11	8,106	27,309	4,098	9,568
Impairment of assets held for sale and other assets	11	6,293	29,509	3,855	30,758
Current tax not paid	12	568,887	488,605	554,098	476,066
Expenses with supplementary tax for credit institutions		316,070	182,460	307,637	181,702
Deferred tax	12	54,958	31,467	57,991	26,288
Other adjustments		-225,647	-94,182	198,877	-59,675
Adjustments for items in net profit/(loss) for the year		-4,752,944	-4,407,168	-4,559,337	-4,327,436
Interest income from operating activities		-6,273,466	-6,007,993	-6,112,121	-5,877,837
Interest expense for operating activities		1,951,161	1,801,407	1,993,547	1,836,284
Interest income from investing activities		-1,159,995	-927,316	-1,151,702	-920,457
Interest expense for financing activities		735,937	732,926	721,063	708,652
Dividend income from investing activities	3	-6,581	-6,192	-10,124	-74,078
Changes in assets and liabilities from operating activities after adjustment for non-cash components					
Financial assets - held for trading	19	-1,502,192	-1,159,563	-1,502,192	-1,159,563
Financial assets at fair value through other comprehensive income	21	-305,283	-2,649,139	-305,283	-2,649,104
Financial assets at amortized cost		-6,232,335	-13,163,420	-6,369,454	-13,162,297
Loans and advances to banks	15	867,944	-3,231,699	829,275	-3,171,122
Loans and advances to customers	15	-6,736,679	-9,606,457	-7,184,580	-9,993,512
Finance lease receivables	35	-363,600	-325,264	-14,149	2,337
Supplementary tax for credit institutions paid		-253,895	-133,907	-245,648	-133,309
Other assets from operating activities	34	36,253	58,277	2,813	50,396
Financial liabilities measured at amortized cost	17	4,081,054	11,061,355	4,136,316	10,959,001
Deposits from banks	17	1,618,936	240,585	1,589,744	116,152
Deposits from customers	17	2,100,563	12,476,497	2,202,144	12,511,285
Other financial liabilities	18	361,555	-1,655,727	344,428	-1,668,436
Income tax paid		-551,351	-526,717	-538,136	-520,939
Other liabilities from operating activities	36	45,043	41,671	79,220	33,459
Interest received from operating activities		6,509,265	6,390,970	6,428,993	6,326,847
Interest paid for operating activities		-1,995,669	-1,784,145	-2,022,121	-1,798,805
Cash flow from operating activities		-557,695	-2,460,242	-683,787	-2,662,547
Proceeds of disposal:		2,620,603	2,144,608	2,600,357	2,098,109
Debt securities at amortized cost	17	2,583,109	1,990,682	2,583,109	1,990,682
Property and equipment, intangible assets, investment properties and assets held for sale	31, 46	37,494	97,210	17,248	50,711
Assets held for sale and disposal group	46	-	56,716	-	56,716
Acquisition of:		-5,379,127	-5,219,382	-5,362,717	-5,200,781
Debt securities at amortized cost	15	-5,084,682	-4,951,396	-5,084,682	-4,951,396
Property and equipment, intangible assets, investment properties and assets held for sale	31, 46	-294,445	-267,986	-278,035	-249,385
Interest received from investing activities		1,042,270	758,622	1,033,977	758,143
Dividends received from investing activities	3	6,581	6,192	10,124	74,078
Cash flow from investing activities		-1,709,673	-2,309,960	-1,718,259	-2,270,451
Additional equity instruments	39	1,740,480	-	1,740,480	-
Capital decrease		-	-	40,336	-
Dividends paid to equity holders of the parent	13	-1,279,455	-1,175,306	-1,279,455	-1,175,306
Dividends paid to non-controlling interests	13	-1,391	-1,295	-1,391	-1,295
Repayment of principal of lease liabilities (IFRS 16)	35	-117,184	-116,257	-106,668	-100,708
Debt securities issued	17	3,705,250	223,835	3,705,250	223,835
AT1 coupon	13	-109,030	-67,105	-109,030	-67,105
Outflows from other financing activities	17	-127,288	-149,302	-27,012	-33,538
Interest paid for financing activities		-745,337	-732,926	-721,063	-708,652
Debt securities issued		-745,337	-732,926	-721,063	-708,652
Cash flow from financing activities		3,066,045	-2,018,356	3,241,447	-1,862,769
Cash and cash equivalents at beginning of period	14	10,642,241	16,763,792	10,596,153	16,724,913
Cash flow from operating activities		-557,695	-2,460,242	-683,787	-2,662,547
Cash flow from investing activities		-1,709,673	-2,309,960	-1,718,259	-2,270,451
Cash flow from financing activities		3,066,045	-2,018,356	3,241,447	-1,862,769
Other non-cash movements in the statement of financial positions		-	667,007	-	667,007
Cash and cash equivalents at the end of the period	14	11,440,918	10,642,241	11,435,554	10,596,153

Notes to the group financial statements of BCR Group

Corporate information

Banca Comercială Română S.A. (“the Bank” or “BCR”), together with its subsidiaries (“the Group”), is one of Romania’s leading financial institutions, offering a comprehensive range of banking and financial services tailored to individuals, businesses, and institutional clients. With a commitment to innovation, accessibility, and sustainability, the Bank’s expertise spans retail banking, corporate & investment banking, treasury, capital markets, leasing, and private pensions, delivering solutions that support financial education and long-term prosperity. As a result of the privatization process organized by the government of Romania, Erste Bank der oesterreichischen Sparkassen AG (‘Erste Bank’) purchased 61.88% of the share capital of the Bank pursuant to a share purchase agreement dated 21 December 2005. Until 31 December 2025, Erste Bank purchased further 38.0116% from other shareholders (including employees) of the Bank, adding up to 99.8916%. Erste Bank is the direct parent of the Bank. Erste Bank is owned 100% by Erste Group Bank AG. The ultimate parent of the Group is Erste Group Bank AG.

The Group provides day-to-day banking services and other financial services to governmental institutions, corporate and individual clients operating in Romania and abroad. These services include: accounts opening, domestic and international payments, foreign exchange transactions, working capital finance, medium and long-term facilities, retail loans, finance micro and small enterprises, bank guarantees, letters of credit and through subsidiaries also leasing, brokerage, financial consultancy services and asset management.

Banca Comercială Română S.A. is incorporated and domiciled in Romania. Its registered office is at 15D, Soseaua Orhideelor, The Bridge -Building 1, 2nd floor, Bucharest, Romania.

The consolidated financial statements for the year ended 31 December 2025 were pre-approved by the Management Board on 18 March 2026 and Supervisory Board on 27 March 2026.

The financial statements are audited by PricewaterhouseCoopers Audit SRL starting with the financial year ended 31 December 2017.

Chapter 1 – Material accounting policies information

The accounting policies apply to both the consolidated (‘Group’) and separate financial statements of the Bank.

a) Basis of preparation

The separate and consolidated financial statements of the Group have been prepared in accordance with applicable International Financial Reporting Standards (IFRS) as adopted by the European Union on the basis of IAS Regulation (EC) No. 1606/2002 and in accordance with NBR Order 27/2010 with further amendments.

The Bank and its subsidiaries which are incorporated in Romania maintain their books of account and prepare their statutory financial statements in accordance with Romanian Accounting Regulations and in the case of the Bank and its subsidiaries ‘BCR Leasing IFN SA’ and ‘Banca pentru Locuinte’ in accordance with IFRS and Romanian Banking Regulations. The foreign subsidiaries maintain their books of account and prepare their statutory financial statements in their presentation currencies and in accordance with the regulations of the countries in which they operate. Subsidiaries included in scope of consolidation are presented in Note 40.

The Bank’s separate and Group’s consolidated financial statements are presented in Romanian Lei (‘RON’), and all values are rounded to the nearest RON thousands, except when otherwise indicated. The tables in these Financial Statements may contain rounding differences.

The Bank’s separate and consolidated financial statements have been prepared on a going concern basis.

The Group presents its statements of financial position in decreasing order of liquidity.

NOTES TO THE FINANCIAL STATEMENTS
Consolidated and Separate for the year ended 31 December 2025

b) Accounting and measurement methods

Foreign currency translation

The financial statements are presented in RON, which is the Bank's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

i. Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency at the rate of exchange applicable at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the rate of exchange applicable at the statements of financial position date. Differences are taken to 'Foreign currency translation' in the profit or loss except for Financial assets at fair value through other comprehensive income which are booked to Fair value Reserves and Non-trading financial assets mandatorily at fair value through profit or loss which are booked to Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

ii. Group companies

As at the reporting date, the assets and liabilities of foreign subsidiaries are translated into the Bank's presentation currency (RON) at the National Bank of Romania (NBR) rate of exchange ruling at the statements of financial position date, and their profits or losses are translated at the average NBR exchange rates for the year. Exchange differences arising on translation are taken directly to a separate component of equity 'Currency translation reserve'. On disposal of a foreign entity, the deferred cumulative amount recognized in equity relating to that particular foreign operation is recognized in the statements of other comprehensive income in 'Other operating result'.

c) Significant accounting judgments, assumptions and estimate

The consolidated and separate financial statements contain amounts that have been determined on the basis of judgments and by the use of estimates and assumptions. The estimates and assumptions used are based on historical experience and other factors, such as planning as well as expectations and forecasts of future events that are currently deemed to be reasonable. As a consequence of the uncertainty associated with these assumptions and estimates, actual results could in future periods lead to adjustments in the carrying amounts of the related assets or liabilities. The most significant uses of judgments, assumptions and estimates are described in the notes of the respective assets and liabilities and relate in particular to:

- Taxes on income and deferred tax assets (Note 12 - Taxes on income);
- Impairment of financial instruments (Chapter Financial instruments – Material accounting policies, Note 28 Credit risk).

d) Application of amended and new IFRS/IAS New Accounting Pronouncements

Effective Standards and Interpretations

The accounting policies adopted are consistent with those used in the previous financial year.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability. The amendments to IAS 21 were issued in August 2023 and become effective for annual periods beginning on or after 1 January 2025. The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Application of these amendments had no significant impact on the Group's financial statements.

As regards new standards and interpretations and their amendments, only those that are relevant for the business of the Group are listed below.

NOTES TO THE FINANCIAL STATEMENTS
Consolidated and Separate for the year ended 31 December 2025

Adoption of New or Revised Standards and Interpretations

The standards and amendments set out below have been issued by the IASB but are not yet effective. They have been endorsed by the EU with the exception of IFRS 19.

IFRS 18 Presentation and Disclosure in Financial Statements. IFRS 18 was issued in April 2024 and become effective for annual periods beginning on or after 1 January 2027. The standard replaces IAS 1. It sets out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

Application of IFRS 18 will result in adjustments in the structure of the consolidated statement of income of the Group driven by a new mandatory subtotal 'Operating profit or loss'. New disclosures in the area of management-defined performance measures will be provided.

Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.

The amendments to IFRS 7 and IFRS 9 were issued in May 2024 and become effective for annual periods beginning on or after 1 January 2026.

The amendments to IFRS 9 permit an entity to deem a financial liability that will be settled using an electronic payment system to be discharged before the settlement date. BCR Group will not make use of the option to deem a financial liability that will be settled using an electronic payment system to be discharged before the settlement date.

Further, they bring clarifications for classification of financial assets in the areas of contractual terms which are consistent with a basic lending agreement, assets with non-recourse features and contractually linked instruments.

The amendments to IFRS 7 bring new disclosure requirements for investment in equity instruments measured at fair value through other comprehensive income and for contractual terms that could change the timing or amount of contractual cash flows.

The amendments to IFRS 9 will result in a different way of SPPI assessment with period starting 1st of January 2026, for financial assets whose interest is adjusted based on meeting certain ESG-linked targets by the borrowers. Group will no longer assess them based on whether the effect of adjustments is de-minimis but whether the adjusted cash flows could be significantly different from the contractual cash flows without such an ESG-linked feature. Other amendments to IFRS 9 are not expected to have a significant impact on the Group's financial statements. Amendments to IFRS 7 will result in new disclosures.

Annual Improvements Volume 11. In July 2024, the IASB issued a set of amendments to various standards. The amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 are effective for annual periods beginning on or after 1 January 2026. Application of these amendments is not expected to have a significant impact on the Group's financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures (Issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027). IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. The Group is not eligible to apply the reduced disclosure requirements introduced by this standard.

Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7 (Issued on 18 December 2024 and effective from 1 January 2026). The IASB has made targeted amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company's performance. The amendments include:

- (a) clarifying the application of the 'own-use' requirements;
- (b) relaxing certain hedge accounting requirements if these contracts are used as hedging instruments; and
- (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on financial performance and cash flows.

Application of these amendments is not expected to have an impact on the Group's financial statements.

NOTES TO THE FINANCIAL STATEMENTS
Consolidated and Separate for the year ended 31 December 2025

Chapter 2 - Performance/ return

1. Net interest income

Net interest income is broken down into line items of 'interest income', 'other similar income', 'interest expenses' and 'other similar expenses'. The distinguishing factor is whether the effective interest rate (EIR) method is mandatorily applied for recognition of interest income or expense in accordance with IFRS 9.

'Interest income' relates to interest revenue from financial assets measured at amortized cost and at fair value through other comprehensive income. It is calculated using the EIR method as presented in chapter 'Financial instruments – Material accounting policies', 'Measurement methods for financial instruments', part i.' Amortized cost and effective interest rate'. The prepayment fees are not deferred and are assimilated to interest income.

'Other similar income' captures interest-like sources of income resulting from financial leases, non-derivative financial assets measured at fair value through profit or loss and finance lease receivables.

'Interest expenses' relates to interest expense from financial liabilities measured at amortized cost calculated using effective interest rate as discussed in chapter 'Financial instruments', 'Measurement methods for financial instruments', part (i) 'Amortized cost and effective interest rate'.

'Other similar expenses' capture interest-like sources of expense resulting from effect of passage of time on provisions recognised under IFRS 9 and IAS 37 and net defined liability (net interest cost on severance payment, pension and jubilee obligations) under IAS 19.

As regards types of financial instruments, interest income and other similar income include interest income on loans and advances to banks and customers, on cash balances, on debt securities in all measurement categories of financial assets, on trade and other receivables and on finance lease receivables. Interest expenses and other similar expenses include interest paid on deposits from customers, deposits from banks, debt securities issued and other financial liabilities in all measurement categories of financial liabilities and interest paid on lease liabilities.

Interest income also includes modification gains and losses recognised on financial assets in Stage 1. Further, the unamortized balance of the origination fees/transaction costs upon derecognition of assets in Stage 1 and 2 considered in the effective interest rate is presented as interest income at the derecognition date.

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Interest and other similar income				
Financial assets at amortized cost	6,144,658	6,101,377	6,135,922	6,129,473
Financial assets measured at fair value through other comprehensive income	769,962	591,469	769,962	591,469
Interest income	6,914,620	6,692,846	6,905,884	6,720,942
Finance lease receivables	161,785	165,934	883	823
Financial assets held for trading	356,606	76,031	356,606	76,031
Other assets	446	389	446	389
Negative interest from financial liabilities	4	109	4	109
Other similar income	518,841	242,463	357,939	77,352
Total interest and other similar income	7,433,461	6,935,309	7,263,823	6,798,294
Interest and other similar expense				
Financial liabilities measured at amortized cost	-2,459,089	-2,504,410	-2,487,045	-2,515,429
Interest expenses	-2,459,089	-2,504,410	-2,487,045	-2,515,429
Lease liabilities	-20,342	-18,814	-19,922	-18,449
Financial liabilities held for trading	-197,606	-	-197,606	-
Other liabilities	-10,028	-11,085	-10,005	-11,034
Negative interest from financial assets	-32	-24	-32	-24
Other similar expense	-228,008	-29,923	-227,565	-29,507
Total interest and other similar expense	-2,687,097	-2,534,333	-2,714,610	-2,544,936
Net interest income	4,746,364	4,400,976	4,549,213	4,253,358

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2. Net fee and commission income

The Group earns fee and commission income from a diverse range of services it provides to its customers. Fee and commission income is measured based on the consideration specified in the contract with a customer. The Group recognizes revenue when it performs a promised service to a customer. Fee income can be divided into the following two categories:

Fee income earned from services that are provided over a certain period of time

Fees earned for the provision of services over a period of time are accrued over that period, being recognized in statements of profit or loss gradually. These fees include commitment fees, premiums received for financial guarantees and other fees from lending business, commission income from asset management, custody and other management and advisory fees. Services provided over a period of time also include certain payment services like periodic card fees.

Loan commitment given and received fees for loans that are likely to be drawn down and other credit related fees are deferred (together with any incremental costs) and recognized as an adjustment to the effective interest rate on the loan. When it is unlikely that a loan will be drawn down, the loan commitment fees are recognized over the commitment period on a straight-line basis.

Fee income from providing transaction services

Fees arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement of the acquisition of shares or other securities or the purchase or sale of businesses, are recognized on completion of the underlying transaction. Fees or components of fees that are linked to a certain performance are recognized after fulfilling the corresponding criteria. Fees that are recognized when the service is provided are securities – brokerage, clearing and settlement, custody, payment services, customer resources distributed but not managed, structured finance.

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent). This determination is made by identifying each specified (i.e. distinct) good or service promised to the customer in the contract and evaluation whether the entity obtains control of the specified goods or service before it is transferred to the customer (e.g. intermediation for insurance, pension and leasing products).

When the Group is a principal, it recognizes as revenue the 'gross' amount paid by the customer for the specified good or service and records a corresponding expense for the commission or fee that it has to pay to any agent, in addition to the direct costs of satisfying the contract.

in RON thousands	31.12.2025		31.12.2024		Group
	Income	Expenses	Income	Expenses	
Securities - brokerage	84,448	-9,321	72,177	-8,190	
Own issues	15,225	-	5,942	-	
Transfer orders	65,577	-9,321	66,235	-8,190	
Other	3,646	-	-	-	
Clearing and settlement	14,477	-2,730	11,477	-3,921	
Asset management	49,221	-	40,689	-	
Custody	29,528	-7,833	26,116	-7,059	
Payment services	1,002,649	-282,519	933,101	-259,308	
Card business	472,206	-178,850	436,688	-164,253	
Other	530,443	-103,669	496,413	-95,055	
Customer resources distributed but not managed	219,460	-1,758	197,327	-9,496	
Collective investment	56,384	-	51,506	-	
Insurance products	158,653	-	142,972	-4,242	
Foreign exchange transactions	-	-1,758	-	-5,254	
Other	4,423	-	2,849	-	
Structured finance	37,668	-	23,278	-	
Lending business	106,079	-61,932	89,100	-30,299	
Guarantees given, guarantees received	10,346	-6,435	10,287	-113	
Loan commitments given, loan commitments received	74,380	-	63,473	-	
Other lending business	21,353	-55,497	15,340	-30,186	
Other	58,320	-21,588	57,600	-4,412	
Total fee and commission income and expenses	1,601,850	-387,681	1,450,865	-322,685	
Net fee and commission income	1,214,169		1,128,180		

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in RON thousands	31.12.2025		31.12.2024		Bank
	Income	Expenses	Income	Expenses	
Securities - brokerage	84,448	-9,321	72,177	-8,190	
Own issues	15,225	-	5,942	-	
Transfer orders	65,577	-9,321	66,235	-8,190	
Other	3,646	-	-	-	
Clearing and settlement	14,477	-2,650	11,483	-3,826	
Asset management	-	-	-	-	
Custody	29,528	-4,879	26,116	-4,154	
Payment services	1,003,088	-281,960	933,526	-258,984	
Card business	472,209	-178,850	436,691	-164,252	
Other	530,879	-103,110	496,835	-94,732	
Customer resources distributed but not managed	201,851	-1,758	179,431	-9,496	
Collective investment	56,384	-	51,506	-	
Insurance products	137,563	-	121,757	-4,242	
Foreign exchange transactions	-	-1,758	-	-5,254	
Other	7,904	-	6,168	-	
Structured finance	37,668	-	23,278	-	
Lending business	107,338	-61,599	91,065	-30,038	
Guarantees given, guarantees received	11,601	-6,435	12,228	-113	
Loan commitments given, loan commitments received	74,384	-	63,497	-	
Other lending business	21,353	-55,164	15,340	-29,925	
Other	49,635	-16,980	50,595	-1,062	
Total fee and commission income and expenses	1,528,033	-379,147	1,387,671	-315,750	
Net fee and commission income	1,148,886		1,071,921		

3. Dividend income

Revenue is recognized when the Group's or Bank's right to receive the payment is established. This line item includes dividends from all shares and other equity investments, i.e. from those that are held for trading, non-trading equity instruments at FVPL and at FVOCI.

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Non-trading financial assets at fair value through profit or loss (i)	6,581	6,192	6,581	6,192
Dividend income from investment in subsidiaries and associates (ii)	-	-	3,543	67,886
Dividend income	6,581	6,192	10,124	74,078

(i) Dividends received from non-trading financial assets at fair value through profit or loss: Biroul de Credit, BCR Asigurari de Viata, Transfond SA and Omniasig Vienna Insurance Group;

(ii) Dividends received from subsidiaries: BCR Pensii SAFPP and BCR Payments Services.

4. Net trading result

Results arising from trading activities include all gains and losses from changes in fair value (clean price) of financial assets classified as held for trading and from derivatives not designated as hedging instruments and gains and losses from their derecognition. Also, foreign exchange gains and losses on all monetary assets and liabilities and from spot currency conversions are included in this line. Transactions with related parties are presented in Note 44.

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Securities and derivatives trading	165,011	104,941	165,011	104,941
Foreign exchange transactions	379,411	382,974	379,411	382,930
Net trading result	544,422	487,915	544,422	487,871

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5. Rental income from investment properties and other operating leases

Rental income from investment properties and other operating leases is recognised on a straight-line basis over the lease term.

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Investment properties	3,636	3,115	4,013	3,598
Other operating leases	10,601	31,428	1,253	1,748
Rental income from investment properties and other operating leases	14,237	34,543	5,266	5,346

Operating leases are mainly from vehicles rentals and other buildings which do not meet the criteria for investment property. Reported decrease is in line with expectation of operating leasing business of the Group (see Note 35).

6. General administrative expenses

Personnel expenses

Personnel expenses include wages and salaries, bonuses, statutory and voluntary social security contributions, staff-related taxes, levies and cash-settled share-based payments, service costs for severance payments.

Short-term employee benefits include wages, salaries, bonuses and social security contributions. Short-term employee benefits are recognized as expense when services are rendered.

The Bank and the subsidiaries in Romania, in the normal course of business make payments to the Romanian State funds on behalf of its Romanian employees for pension, health care and income tax and unemployment benefit. All employees of the Bank and of the subsidiaries in Romania are members and are also legally obliged to make defined contributions (included in the social security contributions) to the Romanian State pension plan (a State defined contribution plan). All relevant contributions to the Romanian State pension plan are recognized as an expense in the profit or loss as incurred. The Bank and its subsidiaries in Romania make payments to the Romanian state's funds on behalf of its Romanian employees for contributions due to the state social insurance budget, contributions due to the single health insurance fund. Contributions are paid by the employer. The amounts paid in 2025 to the Romanian State Pension Plan are RON 289,727 thousands for Group (2024: RON 277,263 thousands) and RON 250,234 thousands for the Bank (2024: RON 240,283 thousands). BCR pays the labor insurance contribution to the state funds, the contribution is relevant to the profit and loss account.

For Management Board members, all executive directors and Other Identified staff, variable remuneration is subject to a deferral mechanism from accounting treatment point of view in accordance with Remuneration Policy.

Depending on the amount, a pre-set % of the variable remuneration payment is allocated immediately (meaning upfront payment) and a pre-set % of the variable remuneration payment is deferred over the minimum five (5) years for Management Board members and minimum four (4) years (equal installments) for all Executive Managers and Other Identified Staff. 50% of the entire variable remuneration has to be effected in cash and 50% in remuneration certificates. BCR uses a remuneration certificate as an alternative to non-monetary payment. The nominal value of a certificate shall be 1 RON (at granting date). The value of a certificate at the payment date shall be set based on its current price observing the calculation method detailed in the Remuneration Policy.

Other administrative expenses

Other administrative expenses include primarily information technology expenses (IT), expenses for office space, office operating expenses, advertising and marketing and expenditures for legal and other consultants. Furthermore, the line item contains deposit insurance contributions.

Depreciation and amortisation

This line item comprises depreciation of property and equipment, depreciation of investment property and amortisation of intangible assets.

In the line item 'Depreciation and amortisation', also the depreciation of right-of-use assets according to IFRS 16 is disclosed.

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	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Personnel expenses (i)	-1,110,961	-1,111,044	-1,042,600	-1,047,484
Other administrative expenses (ii)	-1,013,577	-900,699	-997,567	-890,171
Depreciation and amortisation (iii)	-270,946	-259,105	-258,129	-241,797
Total	-2,395,484	-2,270,848	-2,298,296	-2,179,452
Personnel expenses	-1,110,961	-1,111,044	-1,042,600	-1,047,484
Wages and salaries	-1,052,020	-1,056,624	-986,536	-996,074
Compulsory social security	-28,458	-28,527	-26,639	-26,925
Long-term employee provisions	-1,538	-507	-1,473	-28
Other personnel expenses	-28,945	-25,386	-27,952	-24,457
Other administrative expenses	-1,013,577	-900,699	-997,567	-890,171
Payments into deposit insurance fund	-20,043	-19,988	-19,651	-19,582
IT expenses	-457,336	-387,974	-448,763	-380,930
Expenses for office space maintenance	-73,732	-66,538	-73,111	-65,822
Office operating expenses	-169,807	-155,443	-176,032	-162,072
Security services	-12,174	-11,753	-12,174	-11,753
Service charge	-20,133	-18,566	-19,880	-18,362
Advertising / Marketing	-150,520	-137,191	-144,620	-134,206
Legal and consulting costs	-64,242	-64,615	-61,061	-61,395
Sundry administrative expenses	-45,590	-38,631	-42,275	-36,049
Depreciation and amortisation	-270,946	-259,105	-258,129	-241,797
Software and other intangible assets	-95,750	-88,432	-90,093	-82,378
Owner occupied real estate	-19,795	-15,164	-19,643	-15,012
Investment properties	-4,768	-5,127	-4,768	-5,127
Right of use assets	-79,590	-77,466	-75,831	-73,357
Office furniture and equipment and sundry property and equipment	-71,043	-72,916	-67,794	-65,923
General administrative expenses	-2,395,484	-2,270,848	-2,298,296	-2,179,452

(i) Personnel expenses almost flat, reduced FTEs and lower variable remuneration, fully offsetting the collective labor agreement driven wage inflation. The number of full time equivalent of the Bank at 31 December 2025 was 4,737 employees (31 December 2024: 4,851 employees). The number of full time equivalent of the Group at 31 December 2025 was 5,051 employees (31 December 2024: 5,158 employees).

Starting 2022, WeShare program was implemented in BCR Bank and its subsidiaries in Romania. WeShare program is a cash-settled share-based payment transaction and consists of two parts: WeShare-Investment Plus and WeShare-Participation. Both parts are offered to employees of BCR Group provided that the specific requirements detailed in the Remuneration Policy are met.

Under the WeShare-Investment Plus part program all employees, who had been employed by an entity of the Group, from March/April 2025 until June 2025 (service condition) could voluntarily invest in Erste Group (EGB) shares and receive free shares depending on the amount of their personal investment. The WeShare-Investment Plus part was settled in June 2025. The number of free shares, which were granted under this program for the period, is 15,680. Personnel expenses in the amount of RON 5,504 thousands were booked.

In June 2025 was implemented the WeShare-Participation part of 2024 program. All employees who have been employed by an entity of the Group for at least six months in 2024 and were still employed until the transfer of the shares in June 2025 (service condition) were entitled to receive shares in an equivalent amount of EUR 350. The number of free shares, which were granted under this program for the period, was 24,666. Personnel expenses in the amount of RON 15,134 thousands (employer taxes included) were booked for the period July 2024 – June 2025.

In the WeShare-Participation part all employees, who have been employed by an entity of the Group for at least six months in 2025 and are still employed until the transfer of the shares to the employees in 2026 (service condition) are entitled to receive shares in an equivalent amount of EUR 350. The number of shares granted is calculated using the on-grant date expected EGB share price on settlement date. Based on the number of entitled employees, personnel expenses in the amount of RON 6,347 thousands (employer taxes included) were booked for the period July – December 2025;

(ii) Other administrative expenses for the Group in 2025 were higher (+13% / 112,878 thousand) compared with 2024, driven by higher IT costs supporting strategic projects, as well as elevated advertising and marketing spend (including the reclassification of 'recommendation fees' from NFC to GAE), alongside the effect of higher inflation and VAT with impact across all costs positions.

(iii) Depreciation and amortization for the Group in 2025 were higher (+5% / RON 11,841 thousand) compared with 2024, mainly coming from IT depreciation (Software and other intangible assets - projects related) and Property depreciation (Owner occupied real estate - mainly due to put in function of major investments related to Retail plan)

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The key management remuneration for the Bank

in RON thousands	2025				2024			
	Expenses	Employer taxes	Accrued liability	Employer taxes	Expenses	Employer taxes	Accrued liability	Employer taxes
Short-term benefits	16,886	242	-	-	16,205	205	-	-
Salaries	11,383	191	-	-	10,784	161	-	-
Benefits in kind	5,503	51	-	-	5,421	44	-	-
Share-based compensation:	83	2	27,486	618	-	-	26,066	586
Cash-settled share-based compensation (bonus cash)	83	2	27,486	618	-	-	26,066	586

The actual cash out for share-based compensation was of 7,748 thousands RON in 2025 and 7,150 thousands RON in 2024.

The average numbers of own employees during the financial years are presented below (weighted according to the period of employment):

	2025	2024
Domestic	5,116	5,227
Banca Comerciala Romana	4,810	4,924
BCR Leasing IFN SA	154	149
BCR Banca pentru Locuinte SA	29	31
BCR Payments Services SRL	65	64
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA	54	52
BCR Fleet Management SRL	-	3
Suport Colect SRL	4	4
Total	5,116	5,227

7. Gains/losses from derecognition of financial assets measured at amortized cost

This line item includes selling and other derecognition gains or losses on financial assets measured at amortized cost.

There were no such sales during 2025. As for 2024, there were sales of bond with nominal value of RON 248,746 thousands, with a carrying amount of RON 224,363 thousands, generated a loss of RON 26,881 thousands.

8. Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss (FVOCI)

This line item includes selling and other derecognition gains or losses on financial assets at FVOCI.

In 2025, sales of bonds with nominal value of RON 266,600 thousands and a carrying amount of RON 273,421 thousands generated a loss of RON 1,307 thousands.

In 2024, sales of bonds with nominal value of RON 529,245 thousands and a carrying amount of RON 541,005 thousands generated a loss of RON 4,127 thousands.

9. Net impairment loss on financial instruments

Net impairment losses on financial instruments comprise impairment losses and reversals of impairment on all types of financial instruments, to which the IFRS 9 expected credit loss impairment model applies. The impairment result also includes recoveries on written-off financial assets. Modification gains and losses recognised on financial assets in Stage 2 and Stage 3 and POCI assets are also included in this line item. Moreover, gains/losses from derecognition of financial assets in Stage 3 and POCI assets are presented as part of the impairment result – see section D Impairment of Financial Instruments.

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	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
(Allocation)/Release to risk provisions	-263,017	-144,390	-215,458	-85,261
Financial assets at fair value through other comprehensive income	-361	-929	-361	-929
Financial assets at amortized cost	-357,711	-218,335	-318,426	-185,469
Finance lease receivables	-6,804	-26,435	1,183	-13
Commitments and guarantees given	101,859	101,309	102,146	101,150
Direct write-offs	-1,717	-6,807	-1,717	-6,800
Recoveries recorded directly to the income statements	18,342	53,598	7,992	34,322
Modification gains or losses	-6,016	-8,743	-6,016	-8,743
Net impairment gain/ (losses) on financial instruments	-252,408	-106,342	-215,199	-66,482

Group impairment result amounted to RON 252mn, mainly driven by allocations booked for NPL inflows, partially offset by proceeds from Retail debt sale, recoveries and portfolio provisions reassessment.

10. Reconciliation of the net impairment result to the changes in the credit loss allowances (CLA)

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Opening balance of credit loss allowances	-3,403,863	-3,393,930	-3,235,478	-3,227,088
(Allocation)/Release to risk provisions	-263,017	-144,390	-215,458	-85,261
(Increase)/ decrease attributable to write-offs	423,386	156,722	367,428	97,863
(Increase) due to passage of time (UWC)	-117,533	-93,567	-115,248	-89,729
CLA decreases due to sales	338,270	65,793	338,270	65,793
Other CLA changes*	115,971	5,509	120,570	2,944
Closing balance of credit loss allowances (total)	-2,906,786	-3,403,863	-2,739,916	-3,235,478

* The deviation compared to previous year is related to adjustments for purchased originated credit-impaired loss.

Balance of credit loss allowance includes allowances for cash and cash equivalents in amount of RON 1,470 thousands for Group (2024: RON 1,156 thousands) and RON 1,470 thousands for the Bank (2024: RON 1,066 thousands).

11. Other operating result

The other operating results reflect all other income and expenses not directly attributable to Group's primary activities.

In particular, this includes impairment losses or any reversal of impairment losses as well as results on the sale of property and equipment, investment property and intangible assets. The main reasons for impairment losses to be recognized are summarized hereinafter:

- the intention to sell fixed assets and accordingly their re-measurement before reclassifying them based on IFRS 5;
- not fully occupied buildings that triggered a lower recoverable amount;
- recurring measurement for foreclosed assets at the balance sheet date;
- recurring measurement for own used items of property at the balance sheet date; and
- net releases from other provisions and subsidiaries impairment

In addition, the other operating result encompasses the following: Recovery and resolution fund contribution, expenses for other taxes, income from the release of and expenses for allocations to provisions and gains or losses from impairment of subsidiaries.

Furthermore, specific supplementary turnover tax is considered as part of the other operating result. Group recognizes a liability for the tax when the activity that triggers payment, as identified by the relevant legislation, occurs.

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	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Other income, of which:	702,611	101,514	612,161	94,389
Gain on disposal of property and equipment	-	4,847	7,323	8,477
Gain on disposal of investment properties and intangible assets	223	3,993	223	3,993
Gain on disposal of non-current assets held for sale and disposal group (i)	1,808	5,747	1,808	5,145
Gains on other assets	43,424	25,733	2,767	12,341
Other income (ii)	435,529	44,432	34,942	20,934
Other provisions - net (allocation)/release (iii)	221,627	16,762	212,816	18,233
Impairment of subsidiaries - net (allocation)/release (iv)	-	-	352,282	25,266
Other expense, of which:	-642,078	-501,552	-558,002	-448,564
Loss on disposal of premises and equipment	-3,582	-	-	-
Losses on other assets	-39,936	-21,150	-1,663	-7,555
Impairment of tangible and intangible assets - net (allocation)/release (v)	-8,106	-27,309	-4,098	-9,568
Impairment of assets held for sale and other assets(vi)	-6,298	-29,509	-3,860	-30,758
Recovery and resolution fund	-37,658	-27,393	-37,648	-27,383
Insurance premiums	-58,626	-59,925	-57,580	-56,749
Other taxes	-53,275	-20,183	-48,707	-16,386
Supplementary tax for credit institutions (vii)	-316,070	-182,460	-307,637	-181,702
Other expenses (viii)	-118,527	-133,623	-96,809	-118,463
Total	60,533	-400,038	54,159	-354,175

- (i) In 2025 the Bank sold various lands and buildings held for sale;
- (ii) In September 2025, BCR Banca pentru Locuinte recognized as income from the release of the liability for penalties recorded towards the Ministry of Development, an amount of RON 388,919 thousand;
- (iii) The movement in amount of RON 194,583 thousands in other provisions are presented in Note 37;
- (iv) Impairment of subsidiaries is eliminated at Group level. For 2025, the Bank registered a release of impairment, in amount of RON 352,282 thousands. Further details are presented in Note 40;
- (v) The book value of fixed assets was adjusted to the recoverable amount based on an external valuator report in 2025, as a result of annual impairment test as presented in Note 31;
- (vi) In 2025 impairment for repossessed assets was in amount of RON (3,7) million compared to 2024 where impairment repossessed assets were RON (16) million and impairment sundry debtors RON (11) million;
- (vii) Increase compared to 2024 is due to change in percentage from 2 % to 4% and increase in tax base. For more details please see Note 12.3. From the total Group amount of RON 316,070 thousand, an amount of RON 7.778 thousand represents the related supplementary tax for credit institutions due to the release of RON 388.919 thousand, as disclosed in Note 40.
- (viii) Includes sundry expenses: cash transportations, penalties, expenses from the disposal of intangible assets.

12. Taxes on income

12.1 Current and deferred tax

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period. However, they are recognised in other comprehensive income (OCI) or directly in equity if they arise from a transaction or event which itself is recognised in OCI or equity.

i. Current tax

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the statements of financial position date.

ii. Deferred tax

Deferred tax assets are recognized for all deductible temporary differences.

The Group recognizes both deferred tax assets and liabilities within different entities across the Group which have no enforceable right to be compensated.

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Taxes on income are made up of current taxes on income calculated in each of the Group companies based on the results reported for tax purposes and the change in deferred taxes.

Material Accounting Judgments, Assumptions and Estimates

Judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. For this purpose a planning period of 5 years is used. Income tax uncertainties in accounting have been considered by weighting possible outcome scenarios.

Taxes on income are made up of current taxes on income calculated in each of the Group entities based on the results reported for tax purposes, corrections to taxes on income for previous years and the change in deferred taxes.

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Current tax expense/income	-568,805	-488,605	-554,098	-476,066
Current period	-568,887	-488,605	-554,098	-476,066
Prior period	82	-	-	-
Deferred tax expense/income	-54,958	-31,467	-57,991	-26,288
Current period	-54,958	-31,467	-57,991	-26,288
Taxes on income	-623,763	-520,072	-612,089	-502,354

The following table reconciles the income taxes reported in the statements of profit or loss to the pre-tax profit/loss multiplied by the nominal Romanian tax rate.

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Pre-tax profit/(loss)	3,943,854	3,287,495	3,795,724	3,284,106
Income tax expense for the financial year at the domestic statutory tax rate (16%)	-631,017	-525,999	-607,316	-525,457
Impact of tax-exempt income and other similar income (i)	411,647	344,990	329,634	301,230
Tax increases due to non-deductible expenses and similar elements (ii)	-430,105	-391,318	-362,138	-339,739
Impact of other elements (iii)	25,630	52,255	27,731	61,612
Tax expense not attributable to the reporting period	82	-	-	-
Income tax (expense) / release reported in the income statements	-623,763	-520,072	-612,089	-502,354
The effective tax rate	15.82%	15.82%	16.13%	15.30%

- (i) Includes mainly the releases of the provisions for off-balance sheet exposures, releases of the provisions for litigations;
(ii) Includes mainly the allocation of the provisions for off-balance sheet exposures, allocations of the provisions for litigations and other provisions, specific supplementary turnover tax;
(iii) Includes sponsorship, tax exemption for reinvested profit.

The increase in income tax from RON 502,354 thousand in 2024 to RON 612,089 thousand in 2025 is primarily attributable to the Bank's higher pre-tax profit, reflecting a stronger operating performance in 2025 relative to the prior year. Furthermore, the tax charge was additionally impacted by the sale of receivables.

12.2 Pillar 2

Law no. 431/2023 transposes the provisions of Directive (EU) 2022/2523 (hereinafter referred to as "Pillar 2 Directive") to introduce into the Romanian legislation a complex system of rules for an effective minimum taxation of 15% for multinational enterprise groups and large-scale domestic groups with annual consolidated revenues of at least EUR 750 million in at least two of the four previous financial exercises. The law is applied to financial exercises starting as of December 2024.

For financial year 2025, the reporting deadline is 15 months from the last day of reporting financial year. This is also the deadline for the potential payment of the top-up tax. The Group calculated the effective tax rate under the Globe model rules for 2025 and is above the legal threshold of 15%, meaning that the Group is not liable for paying Pillar 2 income taxes.

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12.3 Supplementary tax for credit institutions

BCR is liable for a specific supplementary turnover tax ("Impozit suplimentar pentru institutiile de credit"- Supplementary tax for credit institutions) in accordance with the provisions of Fiscal Code, calculated by applying the following tax rates to the Issuer's turnover:

- 2% for 1st January 2024 – 30th June 2025;
- 4% as of 1st July 2025 until 31st December 2026.

To determine the fiscal result, this tax is a non-deductible expense. The supplementary tax for credit institutions is computed, declared and paid quarterly, up to and including the 25th day of the month following the quarter for which the payment is made, for first to third quarters, and up to and including 25 March of the following year, for the fourth quarter. The turnover subject of tax consists of elements such as interest income, fee and commission income, dividend income, net trading result, net gains on financial instruments and other income determined in accordance to National Bank of Romania Order 8/2024.

12.4 Reinvested profit

Tax exemption on reinvested profit is a tax relief/incentive available for profit reinvested in technical equipment (subgroup 2.1 or 2.2.9 of the Catalogue of the Classification and the Normal Useful Life of Fixed Assets) and software or license rights produced/acquired during the relevant tax period and is represented by the acquisition value (including VAT) of the respective investment (investment go live in the current year). The amount of profit for which the profit tax exemption was applied, minus the portion related to the legal reserve, shall be allocated at the end of the financial year or during the following year, with priority given to the establishment of reserves, up to the level of the accounting profit recorded at the end of the financial year.

In order to benefit from this tax exemption, BCR has to keep the equipment for at least half of the normal useful economic life, in accordance with the applicable accounting rules, but no more than 5 years.

The amount of RON 4,745 thousand represents the tax exemption related to the reinvested profit recognized in 2025, totaling RON 29,655 thousand, which will be transferred to Other Reserves following the approval of the General Meeting of Shareholders, in accordance with the applicable legal provisions. Should a decision be made in the future to use or distribute this reserve in any form, the tax exemption associated with the profit recorded in Other Reserves will be reversed, and the corresponding tax will become payable at that time.

12.5 Sponsorship

All companies registered as corporate income taxpayers that record sponsorship expenses in accordance with the relevant legislation may benefit from tax credit (deduction from the corporate income tax due) for sponsorship, which means that part of the tax due to the state budget is redirected towards the recipients of the sponsorships granted by the company.

Eligibility for the tax credit requires that sponsorships comply with Law no. 32/1994 on Sponsorship, as amended, and with the Fiscal Code. Sponsorships must be supported by a written agreement, and beneficiaries must be registered, at the contract date, in the Register of entities eligible for tax deductions. In 2025, the Bank incurred sponsorship expenses of RON 22,986 thousand (2024: RON 55,259 thousand), generating a tax credit of an equivalent amount. If the statutory minimum threshold under the Fiscal Code is not fully utilized, the taxpayer may instruct the tax authority to redirect additional amounts to eligible registered beneficiaries.

The following table shows the income tax effects relating to each component of other comprehensive income:

in RON thousands	2025			2024			Group
	Before-tax amount	Tax benefit/ (expense)	Net-of-tax amount	Before-tax amount	Tax benefit/ (expense)	Net-of-tax amount	
Fair value reserve	271,993	-43,517	228,476	53,765	-8,601	45,164	
Remeasurement of net gain/ (losses) on benefit plans	49,008	-7,839	41,169	66,511	-10,610	55,901	
Other comprehensive income	321,001	-51,356	269,645	120,276	-19,211	101,065	

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in RON thousands	2025			2024			Bank
	Before-tax amount	Tax benefit/ (expense)	Net-of-tax amount	Before-tax amount	Tax benefit/ (expense)	Net-of-tax amount	
Fair value reserve	271,995	-43,517	228,478	53,767	-8,601	45,166	
Remeasurement of net gain/ (losses) on benefit plans	49,287	-7,886	41,401	66,376	-10,620	55,757	
Other comprehensive income	321,282	-51,403	269,879	120,143	-19,221	100,923	

Major components for deferred tax assets and deferred tax liabilities

in RON thousands	31.12.2025				Group		
					Net variance 2025		
	Tax assets 2025	Tax assets 2024	Tax liabilities 2025	Tax liabilities 2024	Total	Through profit or loss	Through other comprehensive income
Temporary differences related to the following items:							
Financial assets at fair value through other comprehensive income	-43,517	-8,601	-	-	-34,916	-	-34,916
Property and equipment (useful life in tax law different)	3,686	2,548	-	-	1,138	1,138	-
Long-term employee provisions (tax valuation different)	-7,839	-10,610	-	-	2,771	-	2,771
Other provisions (tax valuation different)	102,185	151,453	-	-	-49,268	-49,268	-
Intangible assets	-56,860	-49,141	-	-	-7,719	-7,719	-
Other	4,790	6,581	-22,130	-25,177	1,256	891	-
Total deferred taxes	2,445	92,230	-22,130	-25,177	-86,738	-54,958	-32,145
Total current taxes	1,068	139	-58,994	-42,508	-568,805	-568,805	-
Total taxes	3,513	92,369	-81,124	-67,685	-655,543	-623,763	-32,145

in RON thousands	31.12.2025				Bank		
					Net variance 2025		
	Tax assets 2025	Tax assets 2024	Tax liabilities 2025	Tax liabilities 2024	Total	Through profit or loss	Through other comprehensive income
Temporary differences related to the following items:							
Financial assets at fair value through other comprehensive income	-43,517	-8,603	-	-	-34,914	-	-34,914
Property and equipment (useful life in tax law different)	4,724	6,463	-	-	-1,739	-1,739	-
Long-term employee provisions (tax valuation different)	-7,888	-10,620	-	-	2,732	-	2,732
Other provisions (tax valuation different)	101,988	151,212	-	-	-49,224	-49,224	-
Intangible assets	-54,913	-47,885	-	-	-7,028	-7,028	-
Total deferred taxes	394	90,567	-	-	-90,173	-57,991	-32,182
Total current taxes	-	-	-54,373	-38,260	-554,098	-554,098	-
Total taxes	394	90,567	-54,373	-38,260	-644,271	-612,089	-32,182

13. Dividends paid

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the Group's shareholders.

Following the Decision of the Ordinary General Meeting of shareholders, BCR distributed during 2025 for financial year 2024: dividends related to AT1 instruments in amount of EUR 21,904,562 (RON 109,029,956 equivalent) as described in Note 39 and dividends related to ordinary shares in amount of RON 1,280,845,846. For 2024 the value of the gross dividend per share was RON 0.0788.

Distributed during 2024 for financial year 2023: dividends related to AT1 instruments in amount of EUR 13,485,000 (RON 67,105,405 equivalent) and dividends related to ordinary shares in amount of RON 1,176,600,923. For 2023 the value of the gross dividend per share was RON 0.0724.

Chapter 3 – Financial instruments – Material accounting policies

A financial instrument is any contract giving rise to a financial asset of one party and a financial liability or equity instrument of another party. In accordance with IFRS 9, all financial assets and liabilities – which also include derivative financial instruments – have to be recognised on the statements of financial position and measured in accordance with their assigned categories.

a. Measurement methods for financial instruments

Measurement of financial assets and financial liabilities is subject to two primary measurement methods.

(i) Amortized cost and effective interest rate

Amortized cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount. For financial assets, the amount is adjusted for any loss allowance.

(ii) Fair value

Details on valuation techniques applied for fair value measurement and on the fair value hierarchy are disclosed in Note 23 “Fair value of financial assets and liabilities”.

b. Classification and subsequent measurement of financial assets

In accordance with IFRS 9, the classification and subsequent measurement of financial assets depend on the following two criteria:

- the business model for managing the financial assets and
- the cash flow characteristics of the financial assets.

Application of these criteria leads to classification of financial assets into three measurement categories described in the notes:

- Note 15 - Financial assets at amortized cost;
- Note 21 - Financial assets at fair value through other comprehensive income;
- Note 20 – Non-trading financial assets mandatorily at fair value through profit or loss.

c. Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at amortized cost unless they are measured at fair value through profit or loss. Interest expense is calculated by applying the EIR to the amortized cost of a financial liability. Further details on financial liabilities at amortized cost and financial liabilities at FVPL are in the notes: Note 17 Financial liabilities measured at amortized costs and section Financial instruments at fair value.

d. Impairment of financial instruments

BCR Group recognizes loss allowances for impairment on its debt instrument financial assets, other than those measured at FVPL, its lease receivables and its off-balance credit risk exposures arising from financial guarantees and irrevocable loan commitments.

The amount of the impairment loss is recognised as a loss allowance. For the purpose of the measurement of the amount of expected credit loss and recognition of interest income, BCR Group distinguishes between three stages of impairment.

As per IFRS 9 requirements, the following definitions of expected credit losses are used:

- lifetime expected credit losses - the expected credit losses that result from all possible default events over the expected life of a financial instrument;
- 12-month expected credit losses - the portion of lifetime expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Stage 1 relates to financial instruments for which no significant increase in credit risk has been recorded since their initial recognition. The impairment is measured in the amount of the 12-month expected credit loss. Interest income is recognised by effective interest rate (EIR) applied to the gross carrying amount of the financial asset.

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Financial instruments in Stage 2 are subject to significant increase in credit risk since their initial recognition. The impairment is measured in the amount of the lifetime expected credit loss. Interest income is recognised by EIR applied to the gross carrying amount of the financial asset.

Financial assets in Stage 3 are credit-impaired. In respect of applying the 'credit-impaired' concept of IFRS 9, BCR Group generally adopted the approach of aligning it with the regulatory concept of 'default'. The impairment for such financial assets is measured in the amount of lifetime expected credit loss. Interest income is recognised by EIR applied to the amortized cost (i.e. the net carrying amount) of the financial asset.

From statements of financial position perspective, interest is accrued based on the financial assets' gross carrying amount. The difference between the interest accrued on the assets and the interest income on the net carrying amount recognised is reflected through the allowance account (without impacting the impairment loss).

The loss allowances decrease the value of the assets, i.e. for financial assets measured at amortized cost, the net carrying amount of the financial asset presented on the balance sheet is the difference between the gross carrying amount and the cumulative loss allowance, that is recognised in the statements of profit or loss. However, for financial assets measured at FVOCI, the loss allowance is recognised in accumulated OCI, specifically under 'Fair value reserve' in the statements of changes in equity and it does not reduce the carrying amount of the financial asset on the statements of financial position.

For financial assets that are credit-impaired at initial recognition (purchased or originated credit-impaired – POCI – financial assets) lifetime expected credit losses are initially reflected in the credit-adjusted effective interest rate. As a result, no loss allowance is recognised at inception. Subsequently, only adverse changes in lifetime expected credit losses after the initial recognition are recognised as loss allowance, whilst favorable changes are recognised as impairment gains increasing the gross carrying amount of the POCI financial assets.

Loss allowances for loan commitments and financial guarantees are presented under the balance sheet line item 'Provisions'. Measurement of ECL for credit lines and other facilities with undrawn component is done separately for the undrawn component.

In the statements of profit or loss, impairment losses and their reversals (gains) on all categories of financial instruments are presented in the line item 'Net impairment loss on financial instruments'. Disclosures concerning impairment of financial assets are in Note 9.

e. Derecognition of financial instruments including treatment of contractual modifications

i. Derecognition of financial assets

The difference between the carrying amount of the derecognized asset and the consideration received is presented in the statements of profit or loss in the line 'Gains/losses from derecognition of financial assets measured at amortized cost' (if the case) or, for debt financial assets at FVOCI, in the line 'Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss'. For financial assets measured at FVPL, the derecognition gains or losses are recognised together with the measurement result in the lines 'Net trading result' or 'Gains/losses from financial instruments measured at fair value through profit or loss'.

ii. Derecognition criteria with respect to contractual modifications of financial assets

In the normal course of running its lending business and in agreement with the respective debtors, BCR Group may renegotiate or otherwise modify some terms or conditions of the underlying contracts. This can involve either market-driven commercial renegotiations or contractual changes aimed at alleviating or preventing borrower's financial difficulty. For the purpose of capturing the economic substance and financial effect of such contractual modifications, BCR Group has developed a set of criteria to assess whether or not the modified terms are substantially different from the original terms and thus the financial asset should be derecognized.

Substantial modifications lead to derecognition of the original financial asset and initial recognition of the modified financial asset as a new financial instrument. They include the following events:

- change of the contractual counterparty (unless this is a formal change such as changes in legal name);
- change in the currency of the contract (unless the change results from exercising an embedded option in the original contract with pre-agreed conditions of the change, or if the new currency is pegged to the original currency);
- introduction of a non-SPPI contractual feature (unless it is intended to improve recoveries from debtors by granting concessions supporting them to recover from financial difficulties);

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- removal of a non-SPPI contractual feature; and
- the modification which alters floating interest rate into fixed interest rate (such as Euribor-based interest rate into fixed interest rate) or vice versa for the entire remaining life of the financial asset.

Some derecognition criteria distinguish whether contractual modifications are applied to debtors facing financial difficulties. Application of certain modifications to debtors in financial difficulties is not considered as substantial since they are aimed at improving the prospects of the Bank to recover the claims by tailoring the repayment schedules to specific financial conditions of those debtors. On the other hand, such contractual modifications applied to performing debtors may be considered as substantial enough to warrant the derecognition, as further detailed below.

From this perspective, the following criteria lead to derecognition unless they are considered as forbearance measures, they are applied to customers in default or they trigger default:

- repayment schedule changed in a way that the weighted remaining maturity of the assets is modified by more than 100% and not less than two years compared to the original asset;
- change in timing/amount of contractual cash flows resulting in the present value of the modified cash flows (discounted at pre-modification effective interest rate) being different by more than 10% of the gross carrying amount of the asset immediately before the modification (cumulative assessment considering all modifications occurring over the last twelve months).

If contractual modifications that qualify as forbearance measures are applied to customers in default or trigger default are so significant that they are qualitatively assessed as an extinguishment of original contractual rights, they result in derecognition. Examples of such modifications are:

- a new agreement with materially different terms signed up as part of distressed restructuring following a standstill agreement suspending the rights of the original assets;
- consolidation of multiple original loans into one with substantially different terms; or
- transformation of a revolving loan into non-revolving.

Contractual modifications leading to derecognition of the related original assets result in the initial recognition of new financial assets. If the debtor is in default or the significant modification leads to the default, then the new asset will be treated as POCI. The difference between the carrying amount of the derecognized asset and initial fair value of the new POCI asset is presented in the statements of profit or loss in the line 'Impairment result from financial instruments'.

If the debtor is not in default or the significant modification does not lead to default, the new asset recognised after derecognition of the original asset will be in Stage 1. For loans measured at amortized cost, the unamortized balance of the origination fees/transaction costs considered in the effective interest rate is presented in the line 'Net interest income' at the derecognition date. The release of the credit loss allowance attached to the original asset at the date of that significant modification as well as the credit loss allowance recognised for the new asset are presented in the line 'Impairment result from financial instruments'.

For financial assets measured at FVPL, irrespective of whether they are in default, the derecognition gains and losses are included in the same line items of the statements of profit or loss as their measurement result, i.e. in 'Gains/losses from financial instruments measured at fair value through profit or loss'.

For debt instrument assets not measured at FVPL that are subject to contractual modifications that do not result in derecognition, the gross carrying amount of the asset is adjusted against recognizing a modification gain or loss in profit or loss. The modification gain or loss equals the difference between the gross carrying amount before the modification and the present value of the cash flows based on the modified terms discounted with the original effective interest rate. In the statements of profit or loss, the modification gain or loss is presented in the line 'Net interest income' if the modification relates to financial assets in Stage 1. For financial assets in Stage 2 and 3 and POCI financial assets, the modification gain or loss is presented in the line 'Impairment result from financial instruments'. However, to the extent that the contractual modification involves the Bank giving up its rights of collecting cash flows in respect of an outstanding amount of the asset, such as waiving (part of) principal or accrued interest amount, it is treated as a write-off.

(iii) Write-offs

BCR Group writes off a financial asset or a part of it when it has no reasonable expectations of recovering the respective cash flows. When performing the write-off, the gross carrying amount of the asset is reduced simultaneously with the related loss allowance balance.

BCR Group has specified criteria for writing off the unrecoverable balances in its loan business.

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As a general rule, the write-off can only occur after all applicable and appropriate workout measures have been exhausted in order to recover the exposure towards the client to the largest extent possible.

Usually, write offs occurs in the following situations:

- If all possible and reasonable legal actions to achieve further recovery of the credit claim have been exhausted and the decision about the final closing of the case is made, the remaining exposure is written-off (debt forgiveness);
- the contractual rights of the relevant loan have been transferred to a third party, the respective exposure in default is sold and/or assigned without recourse; upon the derecognition due to sale the gross carrying amount is removed against the selling price and the existing credit loss allowance;
- in exceptional cases, when the value of the collateral is only minor or the marketability is not given and/or the costs for the realization of the collateral would exceed the proceeds from the collateral.

Still, during a final restructuring agreement aiming at restoration of the financial sustainability of the customer, the Bank may consent to conditional debt forgiveness. Usually this happens under the condition of a substantial participation from the owners' side (in particular equity injection from original owners and/or new investors). Also, the discount in an insolvency proceeding is treated as a contractual (conditional) debt forgiveness.

Write-off can result from forbearance measures whereby the Bank contractually waives part of the existing balance in order to help the customers overcome financial difficulties and thus improve the prospects of recovering the remaining loan balance (normally this relates to going concern scenarios for corporate customers). In non-going concern scenarios with corporate customers, write-offs of the unrecoverable exposure parts are triggered by enforcement activities such as filing or termination of legal proceedings (bankruptcy, liquidation, court case).

Other write-off triggers may result from decisions about no enforcement due to worthlessness of the claim/collateral or generally from assessment that the receivable is economically lost.

For retail customers, the non-recoverability, the timing and amounts of write-off crystallize during the collection process when it becomes evident that the amount due cannot be collected, e.g. due to ongoing bankruptcy proceedings. Residual uncollectable balances are written off after the finalization of the collection process.

f. Significant accounting judgments, assumptions and estimates

(i) SPPI assessment

The assessment of whether the contractual cash flows of financial assets give rise to cash flows that are solely payments of principal and interest (SPPI) is subject to the application of significant judgments which rely on the guidance in IFRS 9. These judgments are crucial in accordance with IFRS 9 classification and measurement process as they determine whether the asset must be measured at FVPL or, depending on the business model assessment, at amortized cost or at FVOCI. When taking into consideration specific features of loans in the business of BCR Group, significant areas of judgment are project financing loans and benchmark test for loans with interest mismatch features.

The assessment whether the prepayment fees applied to loans can be considered as a reasonable compensation for early terminations or prepayments is based on comparing the level of the fees with the economic costs incurred by the Bank upon the early termination. For these purposes, BCR Group uses a quantitative test where the costs relate to the lost interest margin and the lost interest differential due to a decrease in the interest rates upon early termination or prepayment.

The evaluation is normally performed on a portfolio level. The adequacy of the fees can also be defended on a qualitative basis such, as common market practice regarding level of prepayment fees and their acceptance by authorities.

For project financing loans, BCR Group assesses whether they represent basic loan agreements rather than investments in the financed projects. In this respect credit rating, level of collateralization, existing sponsor guarantees and the extent of equity funding of the financed projects are considered.

Interest mismatches relate mainly to floating rate agreements for which the floating base rate is contractually repriced based on past date price (ex. loans with rate linked to 3-month Euribor and reset frequency of 3 months but the rate is always fixed as of the last day of previous month).

For assets with interest mismatches resulting only from prior and average rates (i.e. no mismatches resulting from a tenor different from the reset frequency), SPPI compliance is considered to be met based on a qualitative assessment if the time lag between the fixation of the rate and the start of the interest period does not exceed one month.

For assets with interest mismatches resulting from prior and average rates (i.e. no mismatches resulting from a tenor different from the reset frequency) with the lag between the fixation of the rate and the start of the interest period higher than 1 month, BCR Group has developed what is called a 'benchmark test' to assess whether the interest mismatch feature

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could result in contractual (undiscounted) cash flows that are significantly different from the (undiscounted) benchmark cash-flows (that would arise if the time value of money element was not modified).

Apart from the interest mismatch features, the terms of this benchmark deal correspond to the asset in the test (i.e. if the floating rate reset frequency is 3 months, then the floating rate would be the 3-month Euribor and/or no time lag exists in the floating rate fixation).

The quantitative significance threshold is set to 5% for the cumulative cash flow ratio (ratio between the simulated cash flow of the actual deal and the benchmark deal). If the significance thresholds are breached, the benchmark test is not passed and the financial asset must be measured at fair value through profit or loss.

IRCC is a regulated rate mandatorily used for pricing the loans granted to individuals which was assessed as being a proxy for the time value of money element because it provides consideration that is broadly consistent with the passage of time.

In the last years financial assets whose interest is adjusted based on meeting certain ESG-linked targets by the borrowers (e.g. meeting specified CO2 emission targets) became part of BCR Group's business. BCR Group has concluded that ESG-related interest adjustments have a de minimis effect on the contractual cash flows. As a result, they do not affect the SPPI assessment.

(ii) Business model assessment

For each SPPI-compliant financial asset at initial recognition, BCR Group must assess whether it is part of a business model where the assets are held in order to collect contractual cash flows, to both collect the contractual cash flows and sell the assets or they are held in other business models. As a consequence, the critical aspect in distinguishing the business models is frequency and significance of sales of assets in the respective business model. Since asset allocation to business models is based on the initial assessment, it may happen that in subsequent periods cash flows are realized differently than originally expected, and a different measurement method may seem to be appropriate. In accordance with IFRS 9, such subsequent changes do not generally lead to reclassifications or prior period error corrections in respect of existing financial assets.

The new information on how cash flows are realized may, however, indicate that the business model, and thus the measurement method changes for newly acquired or newly originated financial assets.

At BCR Group, sales due to increases in credit risk, sales close to assets' maturity, infrequent sales triggered by a non-recurring event (such as changes in regulatory or tax environment, major internal reorganization or a business combination, severe liquidity crisis, etc.) are considered as not contradicting the held to collect contractual cash flows business model. Other kinds of sales carried out in the 'held to collect' business model is assessed retrospectively and if they exceed certain quantitative thresholds or whenever it is considered necessary with regard to new expectations, BCR Group performs a prospective test. If the outcome was that the carrying amount of assets expected to be sold over the expected life of the current business model portfolio, for reasons other than the cases above, exceeds 10% of the carrying amount of the portfolio, any new acquisitions or originations of assets would be classified in a different business model.

(iii) Impairment of financial instruments

The expected credit loss impairment model is inherently based on judgment since it requires assessment of significant increases in credit risk and measurement of expected credit losses without providing detailed guidance. In respect of significant increases in credit risk, BCR Group has determined specific assessment rules consisting of qualitative information and quantitative thresholds. Another area of complexity relates to establishing groups of similar assets when credit risk deterioration has to be assessed on a collective basis before specific information is available at individual instrument level. Measurement of expected credit losses involves complex models relying on historical statistics of probabilities of default and loss rates in case of defaults, their extrapolations in case of insufficient observations, individual estimates of credit-adjusted cash flows and probabilities of various scenarios including forward-looking information. In addition, the life of the instruments has to be modelled in respect of behavioral life of revolving credit facilities. The impairment loss on loans and advances is disclosed in more detail in Note 28 Credit risk.

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Chapter 4 – Financial instruments held at amortized cost

Financial assets are measured at amortized cost if they are held in a business model whose objective is to collect contractual cash flows, and their contractual cash flows are SPPI.

On the balance sheet, these assets are carried at amortized cost, i.e. the gross carrying amount net of the credit loss allowance. They are presented under the line 'Financial assets at amortized cost', 'Trade and other receivables', and 'Cash and cash balances'.

Interest income on these assets is calculated by effective interest method and is included under the line 'Interest income' under 'Net interest income'. Impairment gains or losses are included in the line 'Impairment result from financial instruments'.

At Group level, financial assets at amortized cost constitute the largest measurement category, which includes the vast majority of loan business to customers, interbank lending business (including reverse repo transactions), deposits with central banks, amounts in the course of settlement, trade and other receivables.

For description of financial liabilities at measured amortized cost refer to Note 17 Financial liabilities measured at amortized costs.

14. Cash and cash equivalents

Cash and cash equivalents balances include cash in hand, claims (deposits) against central banks and credit institutions that are repayable on demand. Repayable on demand means that they may be withdrawn at any time or with a term of notice of only one business day or 24 hours. Mandatory minimum reserves are also shown under this item.

Starting with January 2025 according to NBR Regulation no. 5/2024, the methodology for credit institutions to maintain mandatory minimum reserves in mandatory minimum reserve accounts, in RON and in euros, opened at the NBR, has changed. The change implied the calculation based on balances instead of averages, the first calculation was performed based on balances as of 31st December 2024.

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Cash on hand	3,778,145	3,116,586	3,778,146	3,116,586
Mandatory cash balances and other cash with central banks (i)	7,549,267	7,215,740	7,544,578	7,215,733
Correspondent accounts and overnight placements with other banks	113,506	264,089	112,830	263,835
Overnight placements with central bank	-	45,826	-	-
Cash and cash equivalents	11,440,918	10,642,241	11,435,554	10,596,154

(i) The current accounts held by the Bank with National Bank of Romania ensure the compliance with minimum mandatory reserves requirements of National Bank. Mandatory reserve rates at the end of 2025 were for RON 8% (December 2024: 8%) and for foreign currencies 5% (December 2024: 5%). The Group can use the daily balance of these accounts based on its liquidity needs, however it needs to maintain a minimum average balance during a certain month-interval as per local regulatory requirements, being considered as realized mandatory reserves. All cash and cash equivalents are not overdue, of which stage 1 RON 11.432.335 thousands and stage 2 RON 3.219 thousands, for more details please see Note 28.

15. Financial assets at amortized cost

15.1 Debt securities

Investments in debt securities measured at amortized cost may be acquired with different business objectives (such as fulfilling internal/external liquidity risk requirements and efficient placement of the structural liquidity surplus, strategic positions decided by the board of directors, initiation and fostering of client relationships, substitution of loan business or other yield enhancement activities). Their common attribute is that significant and frequent sales of such securities are not expected. For a description of what sales are considered as compliant with the held to collect contractual cash flows business model, see paragraph 'Business model assessment' in section 'Financial instruments - Material accounting policies'.

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31.12.2025											Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Debt securities	23,258,268	450	-	-	23,258,718	-9,992	-4	-	-	-9,996	23,248,722
General governments	23,258,268	450	-	-	23,258,718	-9,992	-4	-	-	-9,996	23,248,722

31.12.2024											Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Debt securities	20,631,560	640	-	-	20,632,200	-8,880	-5	-	-	-8,885	20,623,315
General governments	20,631,560	640	-	-	20,632,200	-8,880	-5	-	-	-8,885	20,623,315

31.12.2025											Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Debt securities	23,124,735	450	-	-	23,125,185	-9,936	-4	-	-	-9,940	23,115,245
General governments	23,124,735	450	-	-	23,125,185	-9,936	-4	-	-	-9,940	23,115,245

31.12.2024											Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Debt securities	20,505,245	640	-	-	20,505,885	-8,827	-5	-	-	-8,832	20,497,053
General governments	20,505,245	640	-	-	20,505,885	-8,827	-5	-	-	-8,832	20,497,053

The year-end total gross carrying amount of AC debt securities that were initially recognized (purchased) during the reporting period and not fully derecognized by 31 December 2025 amounts to RON 5,211,078 thousands at Group level, RON 5,203,200 thousands for the Bank (2024: RON 5,176,996 thousands for the Group, RON 5,132,423 thousands for the Bank.) The gross carrying amount (GCA) of amortized cost (AC) debt securities that were held on 1 January 2025 and fully derecognized during the reporting period amounts to RON 3,553,503 thousands at Group level, RON 3,553,503 thousands for the Bank (2024: RON 1,979,780 thousands for the Group, RON 1,941,312 thousands for the Bank).

Impact from sale of debt securities is presented in Note 7 Gain/losses from derecognition of financial assets at amortized cost.

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15.2 Loans and advances to banks

											31.12.2025	Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount	
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total		
Loans and advances to banks	5,572,304	-	-	-	5,572,304	-196	-	-	-	-196	5,572,108	
Credit institutions	5,572,304	-	-	-	5,572,304	-196	-	-	-	-196	5,572,108	

											31.12.2024	Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount	
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total		
Loans and advances to banks	6,004,786	-	-	-	6,004,786	-57	-	-	-	-57	6,004,729	
Credit institutions	6,004,786	-	-	-	6,004,786	-57	-	-	-	-57	6,004,729	

											31.12.2025	Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount	
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total		
Loans and advances to banks	5,567,071	-	-	-	5,567,071	-197	-	-	-	-197	5,566,874	
Credit institutions	5,567,071	-	-	-	5,567,071	-197	-	-	-	-197	5,566,874	

											31.12.2024	Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount	
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total		
Loans and advances to banks	5,960,867	-	-	-	5,960,867	-41	-	-	-	-41	5,960,826	
Credit institutions	5,960,867	-	-	-	5,960,867	-41	-	-	-	-41	5,960,826	

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15.3 Loans and advances to customers

31.12.2025											Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI*	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Loans and advances to customers	62,294,662	7,570,584	1,769,823	250,757	71,885,826	-426,140	-756,351	-1,353,970	-15,030	-2,551,491	69,334,335
General governments	9,920,136	249,429	168	4,628	10,174,361	-6,386	-8,947	-168	-9	-15,510	10,158,851
Other financial corporations	837,846	519,162	718	-	1,357,726	-2,678	-14,316	-716	-	-17,710	1,340,016
Non-financial corporations	19,733,697	3,790,891	879,123	117,827	24,521,538	-209,814	-378,573	-659,780	-361	-1,248,528	23,273,010
Households	31,802,983	3,011,102	889,814	128,302	35,832,201	-207,262	-354,515	-693,306	-14,660	-1,269,743	34,562,458

*The increase in POCI compared to previous year is related to Agri business, part of Natural resources & Commodities, and was determined mainly by a single debtor.

31.12.2024											Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Loans and advances to customers	54,827,405	9,732,261	1,648,431	155,447	66,363,544	-432,363	-1,067,655	-1,424,806	-28,627	-2,953,451	63,410,093
General governments	9,856,205	372,147	1,280	5,583	10,235,215	-9,925	-39,334	-687	-15	-49,961	10,185,254
Other financial corporations	1,198,013	198,959	870	-	1,397,842	-6,526	-7,953	-776	-	-15,255	1,382,587
Non-financial corporations	16,803,841	5,200,841	649,788	15,170	22,669,640	-243,586	-602,003	-506,031	-2,295	-1,353,915	21,315,725
Households	26,969,346	3,960,314	996,493	134,694	32,060,847	-172,326	-418,365	-917,312	-26,317	-1,534,320	30,526,527

31.12.2025											Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI*	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Loans and advances to customers	65,207,900	7,009,657	1,690,524	250,757	74,158,838	-408,096	-734,072	-1,317,771	-15,030	-2,474,969	71,683,869
General governments	9,920,136	249,429	168	4,628	10,174,361	-6,386	-8,947	-168	-9	-15,510	10,158,851
Other financial corporations	5,558,572	518,186	710	-	6,077,468	-7,126	-14,273	-710	-	-22,109	6,055,359
Non-financial corporations	17,953,619	3,242,778	808,271	117,827	22,122,495	-187,673	-357,139	-631,034	-361	-1,176,207	20,946,288
Households	31,775,573	2,999,264	881,375	128,302	35,784,514	-206,911	-353,713	-685,859	-14,660	-1,261,143	34,523,371

*The increase in POCI compared to previous year is related to Agri business, part of Natural resources & Commodities, and was determined mainly by a single debtor.

31.12.2024											Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Loans and advances to customers	57,320,766	9,336,176	1,580,235	155,447	68,392,624	-411,688	-1,049,491	-1,388,161	-28,627	-2,877,967	65,514,657
General governments	9,856,205	372,147	1,280	5,583	10,235,215	-9,925	-39,334	-687	-15	-49,961	10,185,254
Other financial corporations	5,458,365	197,683	724	-	5,656,772	-9,401	-7,920	-720	-	-18,041	5,638,731
Non-financial corporations	15,063,074	4,811,417	591,603	15,170	20,481,264	-220,314	-584,419	-477,777	-2,295	-1,284,805	19,196,459
Households	26,943,122	3,954,929	986,628	134,694	32,019,373	-172,048	-417,818	-908,977	-26,317	-1,525,160	30,494,213

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The movement in gross exposure is presented below

						31.12.2025	Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Thereof arising from		Exchange-rate and other changes (+/-)	Closing Balance
				out of which write-offs	out of which repayments		
Loans and advances to banks	6,004,787	5,567,059	-5,999,542	-	-5,999,542	-	5,572,304
Loans and advances to customers	66,363,544	22,081,316	-16,777,426	-360,122	-14,088,997	218,392	71,885,826
Total	72,368,331	27,648,375	-22,776,968	-360,122	-20,088,539	218,392	77,458,130

in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	31.12.2024		Exchange-rate and other changes (+/-)	Group Closing Balance
				Thereof arising from			
				out of which write-offs	out of which repayments		
Loans and advances to banks	2,125,779	5,942,887	-2,063,879	-	-2,063,879	-	6,004,787
Loans and advances to customers	58,025,706	18,799,823	-10,461,150	-152,454	-9,274,956	-835	66,363,544
Total	60,151,485	24,742,710	-12,525,029	-152,454	-11,338,835	-835	72,368,331

						31.12.2025	Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Thereof arising from		Exchange-rate and other changes (+/-)	Closing Balance
				out of which write-offs	out of which repayments		
Loans and advances to banks	5,960,867	5,567,059	-5,960,856	-	-5,960,856	-	5,567,070
Loans and advances to customers	68,392,624	21,244,552	-15,696,730	-322,819	-13,045,607	218,392	74,158,838
Total	74,353,491	26,811,611	-21,657,586	-322,819	-19,006,463	218,392	79,725,908

						31.12.2024	Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Thereof arising from		Exchange-rate and other changes (+/-)	Closing Balance
				out of which write-offs	out of which repayments		
Loans and advances to banks	2,142,955	5,902,870	-2,084,958	-	-2,084,958	-	5,960,867
Loans and advances to customers	59,727,818	18,330,501	-9,664,860	-96,173	-8,478,731	-835	68,392,624
Total	61,870,773	24,233,371	-11,749,818	-96,173	-10,563,689	-835	74,353,491

In 2025 and 2024, the Group and the Bank derecognized a part of non-performing loan portfolio, as follows:

in RON thousands	31.12.2025		31.12.2024	
	Group		Group	
	Gross carrying amount	Credit loss allowances	Gross carrying amount	Credit loss allowances
Transfer of loans				
Sale on balance loans	338,270	338,270	69,009	69,009
Write off on balance loans and trade and other receivables	400,106	400,106	155,041	155,041
Total exposure reduction from sale and write offs	738,376	738,376	224,050	224,050

in RON thousands	31.12.2025		31.12.2024	
	Bank		Bank	
	Gross carrying amount	Credit loss allowances	Gross carrying amount	Credit loss allowances
Transfer of loans				
Sale on balance loans	338,270	338,270	68,941	68,941
Write off on balance loans and trade and other receivables	344,150	344,150	96,174	96,174
Total exposure reduction from sale and write offs	682,420	682,420	165,115	165,115

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16. Trade and other receivables

The main items under 'Trade and other receivables' position are represented by factoring assets. Recourse factoring is initially recognized against the Seller at the date when the Bank becomes contractually bound to the terms and conditions of the underlying factoring contract with the seller (typically, the sign-up date of that underlying factoring contract).

In case of non-recourse factoring, the related assets are recognized against the underlying buyers at the dates when the Bank acquires from the seller the right to collect from the underlying buyers the contractual cash-flows of the related underlying invoices (typically, the date of a down-payment required by the seller).

Regarding the timing and amount of revenue recognition, the IFRS 15 requirements are applied in case of all fees related to non-recourse factoring and in case of the fees derived from recourse factoring which are not part of the effective interest rate.

31.12.2025											Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
General governments	5,495	1,624	46	-	7,165	-8	-14	-46	-	-68	7,097
Credit institutions	44,853	82,220	-	-	127,073	-58	-185	-	-	-243	126,830
Other financial corporations	187,211	60,147	36	-	247,394	-1,331	-2,229	-36	-	-3,596	243,798
Non-financial corporations	515,940	42,668	26,358	660	585,626	-4,023	-1,933	-22,477	-660	-29,093	556,533
Households	6,214	3,273	5,468	75	15,030	-110	-231	-5,340	-66	-5,747	9,283
Total	759,713	189,932	31,908	735	982,288	-5,530	-4,592	-27,899	-726	-38,747	943,541

31.12.2024											Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
General governments	45,242	186	91	125	45,644	-37	-10	-91	-125	-263	45,381
Credit institutions	228,205	12	-	110	228,327	-126	-4	-	-	-130	228,197
Other financial corporations	128,179	25,883	34	-	154,096	-798	-1,272	-27	-	-2,097	151,999
Non-financial corporations	417,589	45,829	19,266	467	483,151	-5,978	-2,719	-16,053	-467	-25,217	457,934
Households	115,988	3,682	6,931	69	126,670	-99	-216	-6,871	-59	-7,245	119,425
Total	935,203	75,592	26,322	771	1,037,888	-7,038	-4,221	-23,042	-651	-34,952	1,002,936

31.12.2025											Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
General governments	5,076	1,621	46	-	6,743	-8	-13	-46	-	-67	6,676
Credit institutions	44,853	82,301	-	-	127,154	-58	-185	-	-	-243	126,911
Other financial corporations	187,047	63,667	3	-	250,717	-1,328	-2,229	-3	-	-3,560	247,157
Non-financial corporations	515,960	39,788	14,864	660	571,272	-3,950	-1,870	-14,864	-660	-21,344	549,928
Households	6,071	3,028	5,207	75	14,381	-105	-226	-5,207	-66	-5,604	8,777
Total	759,007	190,405	20,120	735	970,267	-5,449	-4,523	-20,120	-726	-30,818	939,449

31.12.2024											Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
General governments	44,838	184	91	125	45,238	-37	-10	-91	-125	-263	44,975
Credit institutions	228,205	12	-	110	228,327	-126	-4	-	-110	-240	228,087
Other financial corporations	128,693	25,881	11	-	154,585	-742	-1,272	-11	-	-2,025	152,560
Non-financial corporations	416,365	42,947	6,984	467	466,763	-5,899	-2,646	-6,984	-467	-15,996	450,767
Households	115,698	3,528	6,797	69	126,092	-76	-211	-6,797	-59	-7,143	118,949
Total	933,799	72,552	13,883	771	1,021,005	-6,880	-4,143	-13,883	-761	-25,667	995,338

The year-end total gross carrying amount of trade receivables that were initially recognized (purchased) during the year 2025 and not fully derecognized by 31 December 2025 amounts to RON 647,383 thousands (2024: RON 541,408 thousands) at Group level, RON 633,791 thousands (2024: RON 531,081 thousands) at Bank level. The gross carrying amount of trade receivables that were held on 1 January 2025 and derecognized during the year 2025 amounts to RON 109,528 thousand at Group level (2024: RON 43,776 thousand), RON 97,742 thousands (2024: RON 43,435 thousands) at Bank level.

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17. Financial liabilities measured at amortized cost

The financial liabilities measured at amortized cost are further broken down into: 'Deposits from banks' 'Borrowings and financing lines', 'Deposits from customers', 'Debt securities issued' and 'Other financial liabilities'.

Interest expenses incurred are calculated using effective interest method are reported in the line item 'Interest expenses' under 'Net interest income' in the statements of profit or loss. Gains and losses from derecognition (mainly repurchase) are reported under the line item 'Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss'.

17.1 Deposits from banks

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Current accounts / overnight deposits	824,719	664,852	763,721	528,440
Term deposits from other banks	547,524	192,876	641,902	331,539
Repurchase agreements	1,367,992	316,998	1,856,629	826,033
Deposits from banks	2,740,235	1,174,726	3,262,252	1,686,012
Borrowings and financing lines	439,197	533,268	108,463	127,307
Total	3,179,432	1,707,994	3,370,715	1,813,319

17.2 Borrowings and financing lines

Maturity of financing lines is on September 2030, the interest rates are fixed or variable in a range between 2.01% and 5.14%.

Liabilities from financing activities	Group
in RON thousands	Other borrowed funds
Borrowings at 01.01.2024	650,435
Cash flow	-149,302
Foreign exchange adjustments	-92
Accrued interest	32,227
Borrowings at 31.12.2024	533,268
Cash flow	-127,288
Foreign exchange adjustments	13,007
Accrued interest	20,210
Borrowings at 31.12.2025	439,197

Liabilities from financing activities	Bank
in RON thousands	Other borrowed funds
Borrowings at 01.01.2024	152,934
Cash flow	-33,538
Foreign exchange adjustments	-42
Accrued interest	7,953
Borrowings at 31.12.2024	127,307
Cash flow	-27,012
Foreign exchange adjustments	2,832
Accrued interest	5,336
Borrowings at 31.12.2025	108,463

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17.3 Debt securities issued

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Subordinated debt securities issued	1,281,647	1,251,505	1,281,647	1,251,505
Senior non-preferred bonds	12,339,232	8,554,268	12,339,232	8,554,268
Other debt securities issued	625,482	601,257	625,482	601,257
Debt securities issued	14,246,361	10,407,030	14,246,361	10,407,030

	Bank	
in RON thousands	2025	2024
Debt securities issued at beginning of period	10,407,030	10,170,143
Cash flow	3,705,250	223,835
Foreign exchange adjustments	134,081	13,052
Debt securities issued at end of period	14,246,361	10,407,030

BCR's current debt issuance programme implemented in 2013 is a programme for issuing debt instruments in various currencies and maturities with a limited range of interest rate structures.

In April 2018, BCR's Extraordinary Shareholders General Meeting has approved the extension of the Debt Issuing Programme (DIP) for a period of 10 years, as well as new bond structures (e.g. subordinated notes, Minimum requirement for eligible liabilities (MREL) notes). In 2019, the debt issuance programme has been integrated into the Multi Issuer Programme (MIP) arranged by Erste Group Bank and is approved by Financial Market Authority (Austria) and listed on the Vienna Stock Exchange.

In 2025, 3 bond issues (2024: 1) were executed under the MIP, a Senior Preferred bond with a volume of RON 31 million (2024: EUR 45 million), listed on the Vienna Stock Exchange, a RON 1.125 million Senior Non Preferred bond with listed on the Bucharest Stock Exchange, and a EUR 500 million Senior Non Preferred bond listed on the Vienna Stock Exchange, were listed on the Bucharest Stock Exchange.

As of 31 December 2025, BCR had 14 bond issues outstanding under the Multi Issuer Programme, in total amount of RON 12.68 billion, out of which 10 bonds listed on the Bucharest Stock Exchange (www.bvb.ro), 6 bonds issues listed in the Vienna Stock Exchange (<https://www.wienerborse.at/en/search/?q=BCR>).

The proceeds of the Green Bond are used to finance and/or refinance the loans and investments of the Issuer dedicated to the financing of Eligible Green Projects (i.e. (i) Green Buildings (Residential), (ii) Green Buildings (Commercial) and (iii) Renewable Energy) with environmental benefits ("Green Loans") in accordance with the Erste Group Sustainable Finance Framework dated April 2021 (as amended and/or replaced periodically). Green Loans are identified and reported in accordance with Sustainable Finance Guidelines of Erste Group, available to define and identify assets and investments that can be considered as environmental and/or social eligible to mobilize funds for a transition towards a low carbon economy. Loans are classified and measured in accordance with Financial assets measured at amortised cost policy.

The summary of the bonds is presented below:

ISIN	Issue date	Maturity date	Category	Type	Currency	Issue value	Paying Agent	Listing Venue
ROEAZVK5DFP8	16/12/2019	16/12/2026	SENIOR	NON-PREFERRED	RON	600,000,000	BCR	BVB
RO1AQREPLMW7	21/5/2021	21/5/2028	SENIOR	NON-PREFERRED	RON	1,000,000,000	BCR	BVB
ROMU2ND4VHC6	14/10/2021	14/10/2028	SENIOR	PREFERRED	RON	500,000,000	BCR	BVB, VSE
ROPQT4NGMLM3	9/12/2021	9/12/2028	SENIOR	NON-PREFERRED	RON	600,000,000	BCR	BVB
RO451CMZH2K1	31/3/2022	31/3/2027	SENIOR	NON-PREFERRED	RON	351,500,000	BCR	BVB
ROP9F84ZSG4	14/6/2022	14/6/2027	SENIOR	NON-PREFERRED	RON	702,000,000	BCR	BVB
ROGJ5KD9L1W9	6/10/2022	6/10/2028	SENIOR	NON-PREFERRED	RON	334,000,000	BCR	BVB
AT0000A32YQ4	7/3/2023	15/12/2029	SENIOR	PREFERRED	USD	20,000,000	EGB	VSE
AT0000A34CN3	19/5/2023	19/5/2027	SENIOR	NON-PREFERRED	EUR	700,000,000	EGB	VSE, BVB
ROM2PE1DEUG5	11/12/2023	11/12/2029	SENIOR	NON-PREFERRED	RON	1,000,000,000	BCR	BVB
AT0000A3DBN9	14/6/2024	14/1/2028	SENIOR	NON-PREFERRED	EUR	45,000,000	EGB	VSE
AT0000A3K3M8	13/3/2025	13/3/2031	SENIOR	PREFERRED	RON	31,000,000	EGB	VSE
RODKEOXXSB02	11/11/2025	11/11/2031	SENIOR	NON-PREFERRED	RON	1,125,000,000	BCR	BVB
AT0000A3QMW9	25/11/2025	25/11/2031	SENIOR	NON-PREFERRED	EUR	500,000,000	EGB	VSE, BVB

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17.4 Deposits from customers

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Overnight deposits	53,641,223	50,738,116	53,923,062	50,951,041
Savings deposits	6,021,879	4,256,125	6,021,879	4,256,067
Other financial corporations	29,495	40,602	29,495	40,602
Non-financial corporations	504,686	482,019	504,686	482,019
Households	5,487,698	3,733,504	5,487,698	3,733,446
Non-savings deposits	47,619,344	46,481,991	47,901,183	46,694,974
General governments	3,411,167	6,014,999	3,411,167	6,014,999
Other financial corporations	1,522,568	1,266,016	1,804,208	1,477,626
Non-financial corporations	18,090,008	15,060,950	18,090,207	15,062,324
Households	24,595,601	24,140,026	24,595,601	24,140,025
Term deposits	39,442,883	40,269,724	39,537,239	40,330,354
Deposits with agreed maturity	39,442,883	40,269,724	39,537,239	40,330,354
Savings deposits	252,241	323,603	217,649	235,062
Households	252,241	323,603	217,649	235,062
Non-savings deposits	39,190,642	39,946,121	39,319,590	40,095,292
General governments	1,867,444	7,812,908	1,867,444	7,812,908
Other financial corporations	1,131,190	726,658	1,188,802	807,767
Non-financial corporations	15,298,204	11,033,398	15,369,540	11,101,460
Households	20,893,804	20,373,157	20,893,804	20,373,157
Deposits from customers	93,084,106	91,007,840	93,460,301	91,281,395
General governments	5,278,611	13,827,907	5,278,611	13,827,907
Other financial corporations	2,683,253	2,033,276	3,022,505	2,325,995
Non-financial corporations	33,892,898	26,576,367	33,964,433	26,645,803
Households	51,229,344	48,570,290	51,194,752	48,481,690

17.5 Other financial liabilities

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Intrabanking settlement liabilities	246,115	314,147	247,385	315,956
Settlement liabilities due to clients	484,640	347,609	461,578	344,396
Client accounts for securities transactions	480,381	154,730	480,381	154,730
Financial liabilities - suppliers	429,195	377,238	398,435	343,219
Other financial liabilities	3,657	88,708	3,657	88,708
Total other financial liabilities	1,643,988	1,282,432	1,591,436	1,247,009

Chapter 5 – Financial instruments at fair value

Financial instruments at fair value through profit or loss

Financial assets whose contractual cash flows are not considered as SPPI are automatically measured at FVPL.

Other source of FVPL measurement relates to financial assets that are part of residual business models, i.e., they are neither held to collect contractual cash flows nor held to either collect contractual cash flows or sell the assets. These financial assets are generally expected to be sold before their maturity or they are managed and their performance is evaluated on a fair value basis.

In the statements of financial position, debt instrument financial assets measured at FVPL are presented as 'Financial assets held for trading', sub-items 'Debt securities held for trading'. Financial assets are mandatorily measured at fair value through profit or loss either because their contractual cash flows are not SPPI or they are held as part of residual business models that are other than held for trading.

In the statements of profit or loss, the profit or loss effects of non-derivative financial assets measured at FVPL are split into dividend income and fair value gains and losses to determine the realized income. The dividend income on equity instruments is presented in the line 'Dividend income'. The fair value gains or losses are calculated net of the dividend income. The transaction costs and origination fees are immediately recognized in profit or loss. These are reported in the line 'Net trading result' for financial assets held for trading and in the line 'Gains/losses from non-trading financial instruments mandatorily measured at fair value through profit or loss' in case of non-trading financial assets at FVPL.

Financial liabilities at FVPL consist of financial liabilities held for trading.

The gains or losses on financial liabilities held for trading are reported in the line 'Net trading result' in the statements of profit or loss.

18. Derivatives financial instruments held for trading

Derivative financial instruments are used by BCR Group to manage exposures to interest rates, foreign currencies and other market price risks. Derivatives used by BCR Group include mainly interest rate swaps, futures, forward rate agreements, interest rate options, currency swaps and currency options as well as credit default swaps.

Derivative financial instruments are carried at fair value (dirty price) on the balance sheet. Derivatives are carried as assets if their fair value is positive and as liabilities if their fair value is negative.

Derivatives – held for trading are those that are not designated as hedging instruments for hedge accounting. They are presented in the line item 'Derivatives' under the heading 'Financial assets/Financial liabilities held for trading'. All kinds of non-hedging derivatives without regard to their internal classification, i.e. both derivatives held in the trading book and banking book, are presented in this line item.

Changes in the fair value (clean price) of derivatives – held for trading are reported in the statements of profit or loss in the line item 'Net trading result'.

Derivatives held for trading

in RON thousands	Group					
	2025			2024		
	Notional amount	Fair value		Notional amount	Fair value	
		Positive	Negative		Positive	Negative
Derivatives held in Trading book	18,946,817	100,954	158,716	21,573,006	132,934	130,836
Interest rate instruments and related derivatives	10,369,059	77,079	110,126	9,393,407	98,721	104,010
Foreign exchange trading and related derivatives	8,577,758	23,875	48,590	12,179,599	34,213	26,826
Derivatives held in Banking Book	2,591,808	1,645	6,626	3,307,662	54,872	2,904
Foreign exchange trading and related derivatives	2,591,808	1,645	6,626	3,307,662	54,872	2,904
Total	21,538,625	102,599	165,342	24,880,668	187,806	133,740

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in RON thousands	2025			2024		
	Notional amount	Fair value		Notional amount	Fair value	
		Positive	Negative		Positive	Negative
Derivatives held in Trading book	18,946,817	100,954	158,716	21,573,006	132,934	130,836
Interest rate instruments and related derivatives	10,369,059	77,079	110,126	9,393,407	98,721	104,010
Foreign exchange trading and related derivatives	8,577,758	23,875	48,590	12,179,599	34,213	26,826
Derivatives held in Banking Book	2,591,808	1,645	6,626	3,307,662	54,872	2,904
Foreign exchange trading and related derivatives	2,591,808	1,645	6,626	3,307,662	54,872	2,904
Total	21,538,625	102,599	165,342	24,880,668	187,806	133,740

19. Other financial assets held for trading

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Debt securities	3,227,165	1,724,973	3,227,165	1,724,973
General governments (i)	3,227,165	1,724,973	3,227,165	1,724,973
Debt securities held for trading	3,227,165	1,724,973	3,227,165	1,724,973

(i) Debt securities include treasury bills and bonds denominated in RON. The amount increased at the end of 2025 due to acquisition of investments in treasury bills and bonds, both issued by Ministry of Public Finance.

20. Non-trading financial assets mandatorily at fair value through profit or loss

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Mandatorily at fair value		Mandatorily at fair value	
Equity instruments	92,124	75,345	92,124	75,345
Debt securities	5,490	12,517	5,490	12,517
Other financial corporations	5,490	12,517	5,490	12,517
Non-trading financial assets mandatorily at fair value through profit or loss	97,614	87,862	97,614	87,862

21. Financial assets at fair value through other comprehensive income

Debt instrument financial assets are measured at fair value through other comprehensive income (FVOCI) if their contractual cash flows are SPPI-compliant and they are held within a business model whose objective is achieved by both to collect contractual cash flows and sell the assets (they relate to various business objectives such as fulfilling internal/external liquidity risk requirements and efficient placement of the structural liquidity surplus, strategic positions decided by the Management Board, initiation and fostering of client relationships, substitution of loan business or other yield-enhancement activities). In the statements of financial position, they are included as 'Debt securities' under the line 'Financial asset at fair value through other comprehensive income'.

Interest income on these assets is calculated using the effective interest method and is included under the line 'Net interest income' in the statements of profit or loss. Impairment gains and losses are recognised in profit or loss in the line 'Net impairment loss on financial instruments'. As a result, the measurement impact recognised in profit or loss is the same as for financial assets measured at amortized cost.

The difference between the fair value at which the assets are carried in the statements of financial position and the amortized cost component is recognised as accumulated OCI in equity specifically under 'Fair value reserve' in the statements of changes in equity. The change for the period is reported as OCI in the statements of other comprehensive income in the line 'Debt instruments at fair value through other comprehensive income'. When the debt financial asset is derecognized, the amount previously accumulated in OCI is reclassified to profit or loss and reported under the line 'Other gains/losses from derecognition of financial instruments not measured at fair value through profit or loss'.

The common attribute for investments in debt instruments at FVOCI is that an active yield optimization via sales is integral to achieving the objectives. The sales are carried out in order to optimize the liquidity position or to realize the fair value gains or losses. As a result, the business objectives are achieved through both collecting contractual cash flows and sales of the securities.

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									31.12.2025	Group
in RON thousands	Gross carrying amount				Credit loss allowances				Accumulated other fair value changes	Carrying amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Debt securities	13,024,305	-	-	13,024,305	-5,807	-	-	-5,807	266,186	13,290,491
General governments	11,896,769	-	-	11,896,769	-5,082	-	-	-5,082	246,854	12,143,623
Credit institutions	1,127,536	-	-	1,127,536	-725	-	-	-725	19,332	1,146,868
Total	13,024,305	-	-	13,024,305	-5,807	-	-	-5,807	266,186	13,290,491

									31.12.2024	Group
in RON thousands	Gross carrying amount				Credit loss allowances				Accumulated other fair value changes	Carrying amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Debt securities	12,719,382	-	-	12,719,382	-5,434	-	-	-5,434	48,333	12,767,715
General governments	11,885,062	-	-	11,885,062	-5,065	-	-	-5,065	40,900	11,925,962
Credit institutions	834,320	-	-	834,320	-369	-	-	-369	7,433	841,753
Total	12,719,382	-	-	12,719,382	-5,434	-	-	-5,434	48,333	12,767,715

									31.12.2025	Bank
in RON thousands	Gross carrying amount				Credit loss allowances				Accumulated other fair value changes	Carrying amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Debt securities	13,024,305	-	-	13,024,305	-5,809	-	-	-5,809	266,186	13,290,491
General governments	11,896,769	-	-	11,896,769	-5,082	-	-	-5,082	246,856	12,143,625
Credit institutions	1,127,536	-	-	1,127,536	-727	-	-	-727	19,330	1,146,866
Total	13 024 305	-	-	13 024 305	-5 809	-	-	-5 809	266 186	13 290 491

									31.12.2024	Bank
in RON thousands	Gross carrying amount				Credit loss allowances				Accumulated other fair value changes	Carrying amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total		
Debt securities	12,719,382	-	-	12,719,382	-5,434	-	-	-5,434	48,333	12,767,715
General governments	11,885,062	-	-	11,885,062	-5,065	-	-	-5,065	40,900	11,925,962
Credit institutions	834,320	-	-	834,320	-369	-	-	-369	7,433	841,753
Total	12,719,382	-	-	12,719,382	-5,434	-	-	-5,434	48,333	12,767,715

The year-end total gross carrying amount of FVOCI debt securities that were initially recognized (purchased) during the year 2025 and not fully derecognized by 31 December 2025 amounts to RON 2,723,327 thousands (2024: RON 4,600,862 thousands) at Group level, RON 2,723,327 thousands (2024: RON 4,600,862 thousands) at Bank level. The gross carrying amount of FVOCI debt securities that were held on 1 January 2025 and derecognized during the year 2025 amounts to RON 2,484,726 thousand at Group level (2024: RON 1,992,154 thousand), RON 2,484,726 thousands (2024: RON 1,992,154 thousands) at Bank level.

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Chapter 6 – Financial instruments – other disclosure matters

22. Securities

in RON thousands	2025				2024				Group
	Financial Assets				Financial Assets				
	Financial assets at amortized cost	Trading financial assets	Financial assets mandatorily measured at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Trading financial assets	Financial assets mandatorily measured at fair value through profit or loss	Financial assets at fair value through other comprehensive income	
Bonds and other interest-bearing securities	23,248,722	3,227,165	5,490	13,290,491	20,623,315	1,724,973	12,517	12,767,715	
Listed	22,191,255	1,826,453	-	10,205,933	17,987,558	561,837	-	9,305,444	
Unlisted	1,057,467	1,400,712	5,490	3,084,558	2,635,757	1,163,136	12,517	3,462,271	
Equity related securities	-	-	92,124	-	-	-	75,345	-	
Listed	-	-	6,841	-	-	-	6,549	-	
Unlisted	-	-	85,283	-	-	-	68,796	-	
Total	23,248,722	3,227,165	97,614	13,290,491	20,623,315	1,724,973	87,862	12,767,715	

in RON thousands	2025				2024				Bank
	Financial Assets				Financial Assets				
	Financial assets at amortized cost	Trading financial assets	Financial assets mandatorily measured at fair value through profit or loss	Financial assets at fair value through other comprehensive income	Financial assets at amortized cost	Trading financial assets	Financial assets mandatorily measured at fair value through profit or loss	Financial assets at fair value through other comprehensive income	
Bonds and other interest-bearing securities	23,115,245	3,227,165	5,490	13,290,491	20,497,053	1,724,973	12,517	12,767,715	
Listed	22,057,778	1,826,453	-	10,205,934	17,861,296	561,837	-	9,305,444	
Unlisted	1,057,467	1,400,712	5,490	3,084,557	2,635,757	1,163,136	12,517	3,462,271	
Equity related securities	-	-	92,124	-	-	-	75,345	-	
Listed	-	-	6,841	-	-	-	6,549	-	
Unlisted	-	-	85,283	-	-	-	68,796	-	
Total	23,115,245	3,227,165	97,614	13,290,491	20,497,053	1,724,973	87,862	12,767,715	

23. Fair value of financial assets and liabilities

Financial assets and financial liabilities measured at fair value are categorized under the three levels of the IFRS fair value hierarchy.

For financial instruments not listed in an active market, the fair value is determined by using appropriate valuation techniques. Valuation techniques include pricing models or discounted cash flow techniques. Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is market related rate at the statements of financial position date for an instrument with similar terms and conditions. Where pricing models are used, inputs are based on market related measures at the statements of financial position date. Where a fair value cannot reliably be estimated, unquoted equity instruments e.g., investments in subsidiaries (see note 40) that do not have a quoted market price in an active market are measured at cost and periodically tested for impairment.

The fair value is best evidenced by a quoted market price if such exists. Credit Value Adjustment/Debt Value Adjustment is included in the fair value of derivatives, not representing a significant amount both at 31 December 2025 and 31 December 2024.

Level 1 of the fair value hierarchy

The fair value of financial instruments assigned to level 1 of the fair value hierarchy is determined based on quoted prices in active markets for identical financial assets and liabilities. More particular, the evaluated fair value can qualify as a level 1 input if transactions occur with sufficient frequency, volume and pricing consistency on an ongoing basis. This will be used as fair value and there is no need for a valuation model in this case. These include exchange traded derivatives (futures, options), shares, government bonds, as well as other bonds and funds which are traded in highly liquid and active markets.

Level 2 of the fair value hierarchy

In case a market quote is used for valuation but due to restricted liquidity the market does not qualify as active (derived from available market liquidity indicators) the instrument is classified as level 2.

If no market prices are available, the fair value is measured by using valuation models which are based on observable market data. If all the significant inputs in the valuation model are observable, the instrument is classified as level 2 of the fair value hierarchy. For level 2 valuations typically yield curves, credit spreads and implied volatilities are used as observable market parameters. These include over-the-counter (OTC) derivatives, less liquid shares, bonds and funds, as well as and own issues. Should the spread not be observable, it has to be tested if the unobservable input parameter is significant. An unobservable input parameter for theoretical priced securities is considered significant if the effect of the unobservable input on the fair value of the respective security is higher than 2%.

Level 3 of the fair value hierarchy

In some cases, the fair value can be determined neither on the basis of sufficiently frequent quoted market prices nor of valuation models that rely entirely on observable market data. In these cases, individual valuation parameters not observable in the market are estimated on the basis of reasonable assumptions. If any unobservable input in the valuation model is significant or the price quote used is updated infrequently the instrument is classified as level 3 fair value hierarchy. For level 3 valuations, besides observable parameters, typically credit spreads derived from internally calculated historical probability of default (PD) and loss given default (LGD) measures are used as unobservable parameters.

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The following table shows fair values and fair value hierarchy of financial instruments whose fair value is disclosed in the notes for the year-end:

						31.12.2025				
						Bank				
						Carrying amount	Fair value	Fair value hierarchy		
								Level 1	Level 2	Level 3
in RON thousands										
Assets										
Cash and cash balances						11,435,554	11,435,554	3,778,145	7,657,409	-
Financial assets at amortized cost						100,365,988	99,665,135	20,309,156	2,473,944	76,882,035
Loans and advances to banks						5,566,874	5,581,905	-	-	5,581,905
Loans and advances to customers						71,683,869	71,268,102	-	-	71,268,102
Debt securities						23,115,245	22,815,128	20,309,156	2,473,944	32,028
Finance lease receivables						30,375	29,084	-	-	29,084
Trade and other receivables						939,449	935,261	-	-	935,261
Liabilities										
Financial liabilities measured at amortized cost						112,668,813	112,343,085	-	11,471,791	100,871,294
Deposits from banks, borrowings and financial lines						3,370,715	3,356,221	-	-	3,356,221
Deposits from customers						93,460,301	93,292,073	-	-	93,292,073
Debt securities in issue						14,246,361	14,103,355	-	11,471,791	2,631,564
Other financial liabilities						1,591,436	1,591,436	-	-	1,591,436
Lease liabilities						590,344	590,344	-	-	590,344
Financial guarantees and commitments										
Financial guarantees						-	128,142	-	-	128,142
Irrevocable commitments						-	-12,862	-	-	-12,862
						-	141,004	-	-	141,004
						31.12.2024				
						Bank				
						Carrying amount	Fair value	Fair value hierarchy		
								Level 1	Level 2	Level 3
in RON thousands										
Assets										
Cash and cash balances						10,596,154	10,596,154	3,116,586	7,479,568	-
Financial assets at amortized cost						91,972,536	90,635,148	18,995,220	516,323	71,123,605
Loans and advances to banks						5,960,826	5,963,806	-	-	5,963,806
Loans and advances to customers						65,514,657	65,154,326	-	-	65,154,326
Debt securities						20,497,053	19,517,016	18,995,220	516,323	5,473
Finance lease receivables						15,043	14,702	-	-	14,702
Trade and other receivables						995,338	991,717	-	-	991,717
Liabilities										
Financial liabilities measured at amortized cost						104,748,753	104,489,796	-	7,242,206	97,247,590
Deposits from banks, borrowings and financial lines						1,813,319	1,793,736	-	-	1,793,736
Deposits from customers						91,281,395	91,025,807	-	-	91,025,807
Debt securities in issue						10,407,030	10,423,244	-	7,242,206	3,181,038
Other financial liabilities						1,247,009	1,247,009	-	-	1,247,009
Lease liabilities						498,276	498,276	-	-	498,276
Financial guarantees and commitments										
Financial guarantees						-	562,415	-	-	562,415
Irrevocable commitments						-	-5,510	-	-	-5,510
						-	567,925	-	-	567,925

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The fair value of loans and advances to customers and credit institutions has been calculated by discounting future cash flows while taking into consideration interest and credit spread effects. The interest rate impact is based on the movements of market rates, while credit spread changes are derived from PD's used for internal risk calculations. For the calculation of fair value loans and advances were grouped into homogeneous portfolios based on rating method, rating grade, maturity, and the country where they were granted. The measurement of fair values of loans to customers is not affected by whether they are subject to synthetic securitisations. As a result, they are categorised as Level 3 measurements (see Note 28).

The fair values of financial assets at amortized cost are either taken directly from the market or they are determined by directly observable input parameters (i.e., yield curves).

The fair value of issued securities and subordinated liabilities measured at amortized cost is based on market prices or on observable market parameters, if these are available, otherwise it is estimated by taking into consideration the actual interest rate environment and in this case, they are allocated to Level 2.

The fair value of deposits and other financial liabilities measured at amortized cost is estimated by taking into consideration the actual interest rate environment and own credit spreads, and these are allocated to Level 3.

The fair value for commitments is based on the commitment amounts by rating method and rating grade for which hypothetical loans are created through applying credit conversion factors, which finally will be subject to the regular fair value calculation procedure described above for loans and advances.

Guarantees are seen as having two types of cash-flows or legs representing the regular fee payments received, and a single potential compensation payment, respectively. The first leg consists of the sum of the discounted fee payments, weighted by the survival probability (annualized marginal default probability), while the second leg consists of the negative sum of discounted potential protection payments, i.e., the sum of the discounted loss weighted by the default probability. The fair value of the guarantee is derived as the value of the premium leg minus the value of the compensation leg.

Financial instruments measured at fair value in the statements of financial position

in RON thousands	Group							
	Quoted market prices in active markets Level 1		Marked to model based on observable market data Level 2		Marked to model based on non-observable inputs Level 3		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Assets								
Financial assets - held for trading	3,049,959	1,060,225	279,805	852,554	-	-	3,329,764	1,912,779
Derivative financial instruments held for trading	-	-	102,599	187,806	-	-	102,599	187,806
Debt securities held for trading	3,049,959	1,060,225	177,206	664,748	-	-	3,227,165	1,724,973
Non-trading financial assets at fair value through profit or loss	4,966	4,674	-	1,875	92,648	81,313	97,614	87,862
Equity instruments	4,966	4,674	-	1,875	87,158	68,796	92,124	75,345
Debt securities	-	-	-	-	5,490	12,517	5,490	12,517
Financial assets at fair value through other comprehensive income	11,504,513	10,795,661	1,669,167	1,966,327	116,811	5,727	13,290,491	12,767,715
Debt securities	11,504,513	10,795,661	1,669,167	1,966,327	116,811	5,727	13,290,491	12,767,715
Total assets	14,559,438	11,860,560	1,948,972	2,820,756	209,459	87,040	16,717,869	14,768,356
Liabilities								
Financial liabilities held for trading	-	-	165,342	133,740	-	-	165,342	133,740
Derivative financial instruments held for trading	-	-	165,342	133,740	-	-	165,342	133,740
Total liabilities	-	-	165,342	133,740	-	-	165,342	133,740

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in RON thousands	Quoted market prices in active markets Level 1		Marked to model based on observable market data Level 2		Marked to model based on non-observable inputs Level 3		Total		Bank
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	
Assets									
Financial assets - held for trading	3,049,959	1,060,225	279,805	852,554	-	-	3,329,764	1,912,779	
Derivative financial instruments held for trading	-	-	102,599	187,806	-	-	102,599	187,806	
Debt securities held for trading	3,049,959	1,060,225	177,206	664,748	-	-	3,227,165	1,724,973	
Non-trading financial assets at fair value through profit or loss	4,966	4,674	-	1,875	92,648	81,313	97,614	87,862	
Equity instruments	4,966	4,674	-	1,875	87,158	68,796	92,124	75,345	
Debt securities	-	-	-	-	5,490	12,517	5,490	12,517	
Financial assets at fair value through other comprehensive income	11,504,513	10,795,661	1,669,167	1,966,327	116,811	5,727	13,290,491	12,767,715	
Debt securities	11,504,513	10,795,661	1,669,167	1,966,327	116,811	5,727	13,290,491	12,767,715	
Total assets	14,559,438	11,860,560	1,948,972	2,820,756	209,459	87,040	16,717,869	14,768,356	
Liabilities									
Financial liabilities held for trading	-	-	165,342	133,740	-	-	165,342	133,740	
Derivative financial instruments held for trading	-	-	165,342	133,740	-	-	165,342	133,740	
Total liabilities	-	-	165,342	133,740	-	-	165,342	133,740	

Financial assets held for trading position has increased during 2025 compared 2024 mostly due to an increase in the government bonds portfolio.

Non-trading financial assets at fair value through profit or loss position includes:

- equity instruments, in principal minority interests classified as level 3 instruments for which the fair value is determined based on internal assessment. The most common valuation methods used in the evaluation of minority interest are: Quoted price in active markets, Expert opinion or Recent transaction value, Discounted Cash Flow Method / Dividend Discount Model, the adjusted Net Asset Value, Simplified income approach;
- Visa Inc Preferred Share equity for which fair value is computed based on internal assessment for class C.

Financial assets at fair value through other comprehensive income includes:

- debt securities issued by Ministry of Finance which are actively traded classified on level 1 and 2;
- two debt securities issued by a financial institution, which is theoretically priced is presented on level 3.

Valuation of level 3 financial instruments

The volume of level 3 financial assets can be allocated to the following two categories:

- market values of derivatives where the credit value adjustment (CVA) has a material impact and is calculated based on unobservable parameters (i.e., internal estimates of PDs and LGDs);
- illiquid bonds, shares and funds not quoted in an active market where either valuation models with non-observable parameters have been used (e.g., credit spreads) or broker quotes have been used that cannot be allocated to Level 1 or Level 2.

The unobservable inputs from CVA calculation are the probability of default (PD) and loss given default (LGD). The probabilities of default are the result of the rating models development internally (at Erste Group level) and are used to evaluate the credit risk including CVA. According to the allocated rating, each counterparty has assigned a probability of default. The value of LGD parameter for the calculation of CVA is 60%.

As at December 2025, the fair valuation of VISA Inc class C preferred shares was based on reasonable assumptions and estimations and was consequently classified in level 3. The sale of shares is limited to certain conditions which may restrict the conversion of preferred shares into tradable VISA Inc shares. Due to these limiting conditions, and in order to reflect the potential price volatility of Class A common shares and the limited liquidity of preferred shares the fair value of the preferred shares was capped based on assumptions compared to free tradable VISA Inc. class A common shares. The price of class C preferred shares was determined based on the conversion ratio of 1:0.764 and an additional haircut of 27.07% was applied.

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Movements in Level 3 of financial instruments carried at fair value

								Group
in RON thousands	Balance	Gain/(loss) in profit or loss	Gain/(loss) in other comprehensive income	Settlements	Transfers into Level 3	Transfers out of Level 3	Exchange rate differences	Balance
Assets	01.01.2025							31.12.2025
Non-trading financial assets at fair value through profit or loss	81,313	16,606	-	-7,164	1,875	-	18	92,648
Equity instruments	68,796	16,487	-	-	1,875	-	-	87,158
Debt securities	12,517	119	-	-7,164	-	-	18	5,490
Financial assets at fair value through other comprehensive income	5,727	-	844	-	115,967	-5,727	-	116,811
Debt securities	5,727	-	844	-	115,967	-5,727	-	116,811
Total assets	87,040	16,606	844	-7,164	117,842	-5,727	18	209,459

								Group
in RON thousands	Balance	Gain/(loss) in profit or loss	Gain/(loss) in other comprehensive income	Disposals out of the group	Transfers out of Level 3	Exchange rate differences	Balance	
Assets	01.01.2024							31.12.2024
Non-trading financial assets at fair value through profit or loss	70,683	25,907	-	-	-14,074	-1,203		81,313
Equity instruments	50,670	18,126	-	-	-	-	-	68,796
Debt securities	20,013	7,781	-	-	-14,074	-1,203	-	12,517
Financial assets at fair value through other comprehensive income	31,022	-	63	-25,663	-	305		5,727
Debt securities	31,022	-	63	-25,663	-	305	-	5,727
Total assets	101,705	25,907	63	-25,663	-14,074	-898		87,040

								Bank
in RON thousands	Balance	Gain/(loss) in profit or loss	Gain/(loss) in other comprehensive income	Settlements	Transfers into Level 3	Transfers out of Level 3	Exchange rate differences	Balance
Assets	01.01.2025							31.12.2025
Non-trading financial assets at fair value through profit or loss	81,313	16,606	-	-7,164	1,875	-	18	92,648
Equity instruments	68,796	16,487	-	-	1,875	-	-	87,158
Debt securities	12,517	119	-	-7,164	-	-	18	5,490
Financial assets at fair value through other comprehensive income	5,727	-	844	-	115,967	-5,727	-	116,811
Debt securities	5,727	-	844	-	115,967	-5,727	-	116,811
Total assets	87,040	16,606	844	-7,164	117,842	-5,727	18	209,459

								Bank
in RON thousands	Balance	Gain/(loss) in profit or loss	Gain/(loss) in other comprehensive income	Disposals out of the group	Transfers out of Level 3	Exchange rate differences	Balance	
Assets	01.01.2024							31.12.2024
Non-trading financial assets at fair value through profit or loss	70,683	25,907	-	-	-14,074	-1,203		81,313
Equity instruments	50,670	18,126	-	-	-	-	-	68,796
Debt securities	20,013	7,781	-	-	-14,074	-1,203	-	12,517
Financial assets at fair value through other comprehensive income	5,359	-	63	-	-	305		5,727
Debt securities	5,359	-	63	-	-	305	-	5,727
Total assets	76,042	25,907	63	-	-14,074	-898		87,040

Unobservable inputs and sensitivity analysis for Level 3 measurements

In case the fair value measurement of a financial asset is retrieved from input parameters which are not observable in the market, those parameters can be retrieved from a range of alternative parameters. For the preparation of the statements of financial position, the parameters were chosen to reflect the market situation at the reporting date.

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Range of unobservable valuation parameters used in Level 3 measurement

Financial assets	Type of instrument	Valuation technique	Significant unobservable inputs	Range of unobservable inputs (weighted average)
Dec-25				
Financial assets at FVOCI	Fixed and variable coupon bonds	Discounted cash flow	Credit Spread	0.97% - 1.28%
Financial assets at FVOCI / at FVPL	Non-trading equity instruments (participations)	Dividend Discount Model; Simplified Income Approach	Beta relevered	Industries: Insurance (General) 0.87 Financial Svcs. (Non-bank & Insurance) 1.1
			Country risk premium	Romania 2.16% - 2.18%
		Adjusted Net Asset Value	Adjusted Equity	Depending on accounting equity of investment.

Range of unobservable valuation parameters used in Level 3 measurement

Financial assets	Type of instrument	Valuation technique	Significant unobservable inputs	Range of unobservable inputs (weighted average)
Dec-24				
Financial assets at FVOCI	Fixed and variable coupon bonds	Discounted cash flow	Credit Spread	2.41%
Financial assets at FVOCI / at FVPL	Non-trading equity instruments (participations)	Dividend Discount Model; Simplified Income Approach	Beta relevered	Industries: Insurance (General) 0.96 Financial Svcs. (Non-bank & Insurance) 0.98-1.07
			Country risk premium	Romania 2.39%-2.68%
		Adjusted Net Asset Value	Adjusted Equity	Depending on accounting equity of investment.

In estimating these impacts, mainly changes in credit spreads (for bonds), and market values of comparable equities were considered. An increase (decrease) of spreads result in a decrease (increase) of the corresponding fair values. For non-trading equity instruments increases (decreases) in any of the inputs used for the cost of equity calculation in isolation would result in a lower (higher) fair value.

The following ranges of reasonably possible alternatives of the unobservable inputs were considered in the sensitivity analysis table:

- for debt securities range of credit spreads between +100 basis points and -75 basis points;
- for equity related instruments the price range between -10% and +5%;
- for unquoted equity instruments measured by the adjusted net asset value the price range between -10% and +10%;
- for unquoted equity instruments measured by dividend discount model/simplified income approach the cost of equity range between -2% and +2%.

in RON thousands	Bank	
	Positive Dec. 2025	Negative Dec. 2025
Debt securities	3,043	-4,057
Other comprehensive income	3,043	-4,057
Equity instruments	368	-737
Income statements	368	-737
Total	3,411	-4,794
Income statements	368	-737
Other comprehensive income	3,043	-4,057

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24. Encumbered assets for repo transactions

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Financial assets at amortized cost	100,925	322,960	100,925	855,579
Financial assets held for trading	620,510	9,898	620,510	9,898
Financial assets at fair value through other comprehensive income	644,802	20,797	1,166,685	20,797
Total	1,366,237	353,655	1,888,120	886,274

Encumbered assets include securities used for repo transactions (see further details in note 25).

25. Transfers of financial assets

Repurchase transactions

Transactions involving sales of securities under an agreement to repurchase them at a specified future date are also known as 'repos' or 'sale and repurchase agreements'. Securities sold in such transactions are not derecognized from the statements of financial position, as Group retains substantially all the risks and rewards of ownership because the securities are repurchased when the repo transaction ends. Furthermore, the Group is the beneficiary of all the coupons and other income payments received on the transferred assets over the period of the repo transactions. These payments are remitted to the Group or are reflected in the repurchase price.

The corresponding cash received is recognized on the statements of financial position with a corresponding obligation to return it as a liability under the line item 'Financial liabilities measured at amortized cost', sub-items 'Deposits from banks' or 'Deposits from customers' reflecting the transaction's economic substance as a loan to the Group. The difference between the sale and repurchase prices is treated as interest expense and recorded in the statements of profit or loss under the line item 'Net interest income' and is accrued over the life of the agreement. Conversely, securities purchased under agreements to resell at a specified future date are not recognized on the statements of financial position. Such transactions are also known as 'reverse repos'.

The consideration paid is recorded on the statements of financial position under the respective line items 'Financial assets at amortized cost', sub-item 'Loans and advances to banks' or 'Loans and receivables to customers', reflecting the transaction's economic substance as a loan by the Group. The difference between the purchase and resale prices is treated as interest income and is accrued over the life of the agreement and recorded in the statements of profit or loss under the line item 'Net interest income'.

in RON thousands	Group			
	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
	31.12.2025		31.12.2024	
Financial assets held for trading	620,510	620,343	9,898	9,910
Financial assets at fair value through other comprehensive income	644,802	645,150	20,797	20,703
Financial assets at amortized cost	100,925	102,499	322,960	286,385
Total	1,366,237	1,367,992	353,655	316,998

in RON thousands	Group			
	Fair value of transferred assets	Fair value of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities
	31.12.2025		31.12.2024	
Financial assets held for trading	620,510	617,675	9,898	9,910
Financial assets at fair value through other comprehensive income	644,802	642,376	20,797	20,703
Financial assets at amortized cost	102,470	102,058	288,090	283,292
Total	1,367,782	1,362,109	318,785	313,905

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in RON thousands	Bank			
	Carrying amount of transferred assets	Carrying amount of associated liabilities	Carrying amount of transferred assets	Carrying amount of associated liabilities
Repurchase agreements	31.12.2025		31.12.2024	
Financial assets held for trading	620,510	620,343	9,898	9,910
Financial assets at fair value through other comprehensive income	1,166,685	1,133,787	20,797	20,703
Financial assets at amortized cost	100,925	102,499	855,579	795,420
Total	1,888,120	1,856,629	886,274	826,033

The transferred financial instruments consist of government bonds issued by Romania.

The following table shows fair values of the assets pledged and associated liabilities which have recourse only to the transferred assets. These assets and liabilities relate to repo transactions.

in RON thousands	Bank			
	Fair value of transferred assets	Fair value of associated liabilities	Fair value of transferred assets	Fair value of associated liabilities
Repurchase agreements	31.12.2025		31.12.2024	
Financial assets held for trading	620,510	617,675	9,898	9,910
Financial assets at fair value through other comprehensive income	1,166,685	1,128,911	20,797	20,703
Financial assets at amortized cost	102,470	102,058	818,362	786,830
Total	1,889,665	1,848,644	849,057	817,443

Repurchase agreements are primarily financing transactions. They are structured as a sale and subsequent repurchase of securities at a pre-agreed price and time. This ensures that the securities stay in hands of lender as collateral in case that borrower defaults in fulfilling any of its obligations.

Cash and non-cash financial collateral involved in these transactions is restricted from using it by the transferor during the time of the pledge. The carrying amount of assets pledged is included in note 24.

As at 31 December 2025, reverse repurchase transactions in amount of RON 5,344,953 thousands were concluded (2024: RON 5,852,878 thousands). The Bank received as collateral financial assets consisting in bonds. The fair value of collateral as of December 31, 2025 was in amount of RON 5,434,987 thousands (31.12.2024: RON 5,958,285 thousands). The Bank has the right to sell or repledge the assets in the absence of default situation of the owner of the collateral.

Chapter 7 – Risk and capital management

26. Risk management

Risk Management is embedded within the daily operation of the Bank, from strategy formulation and capital projects, through to operational planning and processes. In adopting this approach, the Bank provides a visible assurance of transparency and effective self-governance to stakeholders. At the same time the risk process assists the Bank in the planning of its resources, setting priorities, identifying opportunities, agreeing a relevant program of internal control and audit, and ensures that clear responsibility exists for the management of each area of risk.

The core function of the Bank is to take risks in a conscious and selective manner and to manage the risks professionally. The Group's proactive risk policy and risk strategy aims at achieving balanced risk and return in order to generate a sustainable and adequate return on equity.

The Group uses a risk management and control system that is forward-looking and tailored to its business and risk profile. This system is based on a clear risk strategy that is consistent with the business strategy and focused on early identification and management of risks and trends. In addition to meeting the internal goal of effective and efficient risk management, the Group's risk management and control system has been developed to fulfil external requirements and, in particular, regulatory requirements.

Given the Group's business strategy, the key risks for the Group are credit risk, market risk, operational risks, and liquidity risk. In addition, a risk materiality assessment is undertaken on at least an annual basis. It is ensured that all relevant material risks are covered by the Group's control and risk management framework. This entails a set of different tools and governance to ensure adequate oversight of the overall risk profile and sound execution of the risk strategy, including appropriate monitoring and escalation of issues that could materially impact the risk profile of the group. The Bank always seeks to enhance and complement existing methods and processes in all areas of risk management.

Risk governance structure

The Bank has developed a governance model based on a framework which ensures efficiently organized corporate governance. It also helps ensuring the Bank's stability and maintains the corporate governance standards and of business conduct.

The Risk Governance structure is presented below:

Supervisory Board

The Supervisory Board secures the supervision, manages and coordinates the Management Board activity and monitors the compliance with the applicable legislation and the BCR Charter provisions including the decisions of the General Meeting of Shareholders and the Bank's strategies and policies. The Supervisory Board functions based on its own Internal Rules.

The Risk and Compliance Committee of the Supervisory Board

The Risk and Compliance Committee assists the Supervisory Board in carrying out its attributions in relation to risk management and is a consultative body which revises, reports to, counsels and assists the Supervisory Board in fulfilling attributions which fall in its responsibility in relation to risk management, compliance, litigations, business continuity and security management and issues recommendations according to the authority limits established through the Internal Rules. The Risk and Compliance Committee is in permanent contact and collaboration with the head of the risk management function and takes into account its recommendations and expertise in taking decisions or preparing reports towards the Management Board and Supervisory Board in relation to the key risk issues of the Bank.

Audit Committee of the Supervisory Board

The Audit Committee has a consultative role, as it was established in order to assist the Supervisory Board in carrying out its attributions, drafting recommendations within the limits of its competencies, according to its responsibilities and attributions provisioned in the Internal Rules, in relation to internal control, financial reporting process, annual financial statements and audit (internal and external).

Management Board

The Management Board fulfils the management, according to the law and secures the operational management of the Bank and effective administration of the compliance risk, having responsibilities established by the applicable legislation and by the Management Board Internal Rules, approved by the Supervisory Board.

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The Management Board is responsible for the overall risk strategy of the Bank, including the risk tolerance/risk appetite, as well as for the risk management framework.

Risk Committee

Risk Committee is organized and works as analysis/approval body referring to the main subjects linked to operational risk administration, within the authority limits established through the Internal Rules and other specific internal regulations, delegated by the Management Board.

Credit Committee

The Credit Committee is a decisional body which is subordinated to the MB that carries out its activities in the corporate and retail credit areas as well as Workout area.

Sustainability, Diversity and Inclusion Committee

Sustainability Committee is an analysis, consultative and decision-making body for all the sustainability related topics within the authority limits established through the Internal Rules and other specific internal regulations, delegated by the Management Board.

Strategic Risk Committee

Strategic Risk Committee is an analysis, consultative and decision-making body subordinated to the Management Board, exercising responsibilities delegated by the Management Board regarding all technical aspects related to the risk management frameworks, methodologies, and technical documentation to ensure BCR's compliance with prudential requirements.

Risk management organization

Risk control and risk steering within the Group are performed based on the strategy and risk appetite approved by the Supervisory Board. Risk monitoring and control are achieved through a clear organizational structure with defined roles and responsibilities, delegated authorities and risk limits.

The Chief Risk Officer (CRO) has the role of Compliance Function and Risk Management Function coordinator and oversees the management of retail and corporate credit risk, market risk, operational risk, liquidity as well as reputational risk and strategic risk, the assessment of collaterals and other risk related activities and the compliance risk.

Also, CRO as BCR Compliance Officer coordinates the implementation of the internal policies and procedures for complying with the stipulations of the Law no. 129/2019 for AML/CFT:

- Coordinates the enforcement of the policies, procedures and the approved controls;
- Enacts the risk mitigation measures in case of non-compliance situations regarding AML/CFT/KYC/ international sanctions;
- Participates in the meetings of the Bank's commissions and working committees on topics regarding situations that expose the bank to a higher level of risk AML/ CFT/ KYC/ international sanctions.

Within this framework, the risk management specialists are clearly delimited from an organizational point of view from the employees of the operational and support functions.

The Risk Management function is a central organizational function, structured so it can implement risk policies and control the risk management framework.

The main roles of the Risk Management function are:

- Ensures that all material risks are identified, measured and properly reported;
- Implements the Enterprise Risk Management principles and ensures that adequate and consistent risk management policies are developed and implemented for all material risks; and
- Ensures that the Bank has effective risk management processes in place by being involved the elaboration and review of the strategies, in the decision-making process, as well as in the risk monitoring process.

The Risk Management function performs regular reports both at individual material risk level and at bank-wide risk exposure level (i.e. complete view of the whole range of risks) to the Management Board, the Risk Committee, Credit Committee, Assets and Liabilities Committee, the Risk and Compliance Committee of the Supervisory Board and the Supervisory Board of the risk aspects that are considered within the decision-making process of the Bank.

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Reports include information on aspects such as:

- Risk exposures and their development;
- Key risk indicators evolution and specific limits;
- Results of the stress testing exercises;
- Internal capital adequacy (risks coverage capacity).

As of 31.12.2025, the risk management function is consolidated under Risk Functional Line, coordinated by the Chief Risk Officer and consists from the following divisions: Retail Risk Management Division, Corporate Risk Management Division, Strategic Risk Management Division, Security Management and Business Continuity Division, Compliance Division.

Group-wide risk and capital management

The main purposes of the Group's capital management policies and practices are to support its business strategy and to ensure that it is sufficiently capitalised to withstand even severe macroeconomic downturns.

The Group considers the management of risk and capital to be among its core responsibilities and a key factor in providing a stable, high return to shareholders. The Group's capital management aims to ensure efficient use of capital to meet the Group's overall capital targets.

The risk management framework enables an increased focus on holistic risk management and ensures comprehensive, cross-risk Group-wide risk portfolio steering. Also, it drives key strategic cross-risk initiatives to establish greater cohesion between the risk strategy including the risk appetite and limit steering. ERM involves all risk functions and key divisions to strengthen risk oversight group-wide, covering capital (RWA and ICAAP), credit, liquidity (ILAAP), market, operational and other risks.

At the Bank level, Strategic Risk Management Division is responsible for the group's Internal Capital Adequacy Assessment Process (ICAAP) including the stress testing framework, and furthermore for the proper calculation of risk-weighted assets (RWA), risk portfolio steering with respect to material risks, risk planning and risk input into capital planning, risk appetite and limit management, as well as liquidity & market risk / operational risk steering.

As in prior years, the Group's risk management framework has been continuously strengthened. This includes as its fundamental pillar the Internal Capital Adequacy Assessment Process (ICAAP), as required under Pillar II of the Basel framework.

The risk management framework is designed to support the Bank's management in managing the risk portfolios as well as the coverage potential to ensure that the bank holds at all times adequate capital for the nature and magnitude of the bank's risk profile. It is tailored to the Group's business and risk profile, and it reflects the strategic goal of protecting shareholders while ensuring the sustainability of the organization.

The risk management framework is a modular and comprehensive management and steering system within the Group and is an essential part of the overall steering and management instruments. It can be clustered as follows:

- Risk appetite statement, limits and risk strategy;
- Portfolio & risk analytics, including:
 - Risk materiality assessment,
 - Concentration risk management,
 - Stress testing
- Risk-bearing capacity calculation
- Risk planning & forecasting, including:
 - Risk-weighted asset management,
 - Capital allocation
- Recovery planning.

In addition to the ICAAP's ultimate goal of ensuring ongoing and prospective capital adequacy, the risk management framework serves to support the Bank's management in pursuing and achieving its strategy.

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27. Own funds and capital requirements

Own funds disclosure

Regulatory Requirements

Capital management at the Group and Bank level is calculated on total own funds. Since 1 January 2014, Group has been calculating the regulatory capital and the regulatory capital requirements according to Basel 3. The requirements have been implemented within the EU by the CRR and the CRD IV as well as within various technical standards issued by European Bank Authority, which were enacted in national law in the National Bank of Romania, Regulation No 5/2013 with further modifications and amendments.

All requirements as defined in the CRR, the NBR and the aforementioned technical standards were fully applied by the Group and the Bank, during 2025 and 2024.

The below disclosure is based on the information provided to the management, following IAS 1 paragraph 135.

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Common equity tier 1 capital (CET1)	11,081,818	11,498,401	11,157,041	11,532,698
Additional tier 1 capital (AT1)	2,482,035	741,555	2,482,035	741,555
Tier 1 Capital	13,563,853	12,239,956	13,639,076	12,274,253
Tier 2 Capital	1,170,167	1,202,642	1,170,169	1,202,642
Total own funds	14,734,020	13,442,598	14,809,245	13,476,895
Capital Ratios				
CET 1 Capital ratio	17.11%	20.11%	18.03%	21.64%
T1 Capital ratio	20.94%	21.41%	22.04%	23.03%
Total capital ratio	22.75%	23.52%	23.93%	25.28%

28. Credit Risk

ESG Risk Management

Environmental, Social and Governance (ESG) risks remained a key focus area in 2025. BCR integrated ESG factors in the risk management and industry strategy framework. To evaluate small and medium-sized enterprises, the ESG Factor Heatmap is utilized as a screening tool, identifying specific segments (out of the existing segmentation) that may be exposed to ESG risks, and highlighting industries more susceptible to such risks. Based on these insights, the Bank develops industry strategies and lending standards aimed at guiding its portfolio while considering ESG risks.

For large corporate the Bank conducts a systemic ESG analysis via an internal digital ESG Assessment questionnaire. The questionnaire is a mandatory prerequisite in the loan origination and monitoring process. Through this comprehensive assessment, BCR is able to determine to which extent a client's ESG strategy is aligned with the Bank's industry strategies and how certain ESG factors may have a positive or negative impact on the financial performance of clients. Questions cover various dimensions, such as current and targeted greenhouse gas emissions, impact of carbon prices on profitability, EU Taxonomy aligned and eligible financial data, waste, water consumption, biodiversity, physical risk impact, workers and human rights, governance topics and compliance with minimum safeguards. The questionnaire forms an integral part of the credit application and is updated at least annually, allowing the Bank to understand the client's business model in the context of carbon transition.

Furthermore, ESG relevant data (e.g. building's environmental footprint, including information on land consumption, space efficiency) is collected for certain types of collateral, as defined in the Collateral Management Policy for real estate collateral valuations, documentation and reporting purposes. Environmental aspects which affect the value of the collateral have to be included in the real estate valuations, which can lead to a higher or lower valuation result.

BCR acknowledges the additional challenges caused by ESG risks and is in the process of analyses how these risks can be incorporated into expected credit loss measurement. As of 31 December 2025 no overlays are deemed necessary. In the Risk Materiality Assessment, climate and environment related risks are overall assessed as medium. This assessment is driven by the transition risk as a share of the portfolio still has high greenhouse gas emissions and would therefore be exposed to increased risk in the event of a disorderly transition scenario.

Definition

Credit risk is the risk of a partial or complete default on contractually agreed payment obligations. Credit risk refers to the negative consequences associated with defaults or the non-fulfillment of concluded contracts in banking operations due to deterioration in the counterparty's credit quality.

The Bank also defines credit risk as the current or prospective risk to earnings and capital arising from a borrower's failure to meet the terms of any contract with the credit institution or its failure to perform as agreed. Credit risk arises in BCR's traditional lending and investment activities.

Internal rating system

BCR has business and risk strategies in place that govern policies for lending and credit approval processes. These policies are reviewed and adjusted regularly, at minimum on a yearly basis. They cover the entire lending business, taking into account the nature, scope and risk level of the transactions and the counterparties involved. Credit approval considers individual information on the creditworthiness of the customer, the type of credit, collateral, covenant package and other risk mitigation factors involved.

The assessment of counterparty default risk within the Group is based on the customer's probability of default (PD). For each credit exposure and lending decision, the Group assigns an internal rating, which is a unique measure of the counterparty default risk. The internal rating of each customer is updated event-specific, however, at least once a year (annual rating review). Ratings of workout customers are reviewed with higher frequency.

The main purpose of the internal ratings is to support the decision-making for lending and for the terms of credit facilities. Internal ratings also determine the level of decision-making authority within the Group and the monitoring procedures for existing exposures. At a quantitative level, internal ratings influence the level of required risk pricing, risk allowances and risk-weighted assets.

Internal ratings take into account all available significant information for the assessment of counterparty default risk. For non-retail borrowers, internal ratings take into account the financial strength of the counterparty, the possibility of external support, flexibility in corporate financing, general company information and external credit history information, where available. For retail clients, internal ratings are based mainly on payment behavior versus the Bank and, where applicable,

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credit bureau information, supplemented with information provided by the respective client and general demographic information. Rating ceiling rules on credit quality are applied based on membership in a group of economically related entities and the country of main economic activity (applicable to cross-border financing facilities).

Internal specialist teams develop and improve internal rating models and risk parameters in cooperation with risk managers. Model development follows an internal group-wide methodological standard and utilizes relevant data covering the respective market.

All rating models and their components (scorecards), whether retail or non-retail, are regularly validated by the central validation unit based on a Erste Group standard methodology. Validation uses statistical techniques to evaluate the accuracy of default prediction, rating stability, data quality, completeness and relevance, reviews the quality of documentation and degree of user acceptance. The results of this validation process are reported to the Group's management body. In addition to the validation process, the Group applies a regular monitoring process on the performance of rating tools, reflecting developments in new defaults and early delinquencies.

Credit risk classification

For the purpose of disclosing asset quality, the Group assigns each customer to one of the following four risk categories:

Low risk: Typically regional customers with well-established and rather long-standing relationships or large internationally recognized customers. A strong and good financial position and no foreseeable financial difficulties. Retail clients having long relationships with the Group, or clients with a wide product pool use. No relevant late payments currently or in the most recent 12 months. New business is generally with clients in this risk category.

Management attention: Vulnerable non-retail clients that may have overdue payments or defaults in their credit history or may encounter debt repayment difficulties in the medium term. Retail clients with limited savings or payment problems in the past triggering early collection reminders. These clients typically have a good recent payment history.

Substandard: The borrower is vulnerable to negative financial and economic developments and shows an elevated probability of failure. In some cases, restructuring measures are possible or already in place. Such loans are managed in specialized risk management departments.

Non-performing: In line with EBA's Technical Standards on forbearance and non-performing exposure. This category includes the non-performing exposure to defaulted customers in the sense of art. 178 of EU Regulation no. 575/2013 including unlikelihood to pay, overdue material amounts with more than 90 days past due, restructuring resulting into a loss to the lender, realization of a loan loss and initiation of Bankruptcy proceedings. BCR applies the customer view for all customer segments, including retail clients; if an obligor defaults on one deal, then the customer's performing transactions are classified as non-performing as well.

The materiality of 90 days past due credit obligation is applied for on-balance exposure at client level and assessed daily against the group-wide defined materiality threshold (except the local regulator has defined different thresholds) for the:

- retail exposures: absolute limit on client level of 150 RON and relative 1% on client level;
- non-retail exposures: absolute limit on client level of 1000 RON and relative 1% on client level.

The assignment of exposures to risk categories is based on the calibration of PDs for regulatory purposes to the default rates published by rating agencies, the equivalent external customer rating was used for the assignment to risk categories. For the agency ratings, average one-year default rates resulting from long-term time series were applied.

In order to manage the credit risk for large corporates, banks, sovereigns and country risk, credit limits are established to reflect the maximum exposure that the Bank is willing to have towards a particular customer or group of connected clients. All credit limits and the transactions booked within the limits are reviewed at least once a year.

For corporate clients there is a procedure in place related to Early Warning Signals identification and monitoring, through which it is ensured the detection at early stage of the sensitive exposure through a pro-active approach of the clients and maintaining an adequate payment behavior of the corporate clients. Once adverse developments are identified, an action plan containing corrective measures is initiated.

For smaller enterprises (micro-banking) and private individuals (PI) customers, the portfolio monitoring and management is based on an automated early warning system and MIS (Management Integrated System) Group standards. In retail risk management the following early warning signals indicate potential adverse portfolio developments if left unaddressed:

- deterioration of new business quality;
- decreasing collections efficiency;
- average portfolio rating deterioration.

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Credit portfolio reports for asset classes and business lines are prepared on a regular basis. Watch-list meetings are held on a regular basis to monitor customers with a poor credit standing and to discuss pre-emptive measures to help a particular debtor avoid default.

Credit risk review and monitoring

Credit risk exposure relates to the following statements of financial position items:

- cash and cash balances - demand deposits to credit institutions;
- debt instruments held for trading;
- non-trading debt instruments at fair value through profit or loss (FVPL);
- debt instruments at fair value through other comprehensive income (FVOCI);
- debt instruments at amortized cost (AC), other than trade and other receivables;
- trade and other receivables (for disclosure purposes in the tabular summaries below, any contract assets are also included in this category);
- finance lease receivables;
- debt instruments held for sale in disposal groups;
- off-balance sheet exposures (primarily financial guarantees and undrawn loan commitments).

For credit risk purposes debt instruments shall include debt securities and loans and advances. Equity instruments are not included in the credit risk exposure.

The credit risk exposure equates the gross carrying amount (or nominal value in the case of off-balance sheet positions) excluding:

- credit loss allowances for financial assets;
- credit loss allowances for loan commitments and financial guarantees;
- provisions for other commitments;
- any collateral held (including risk transfer to guarantors);
- netting effects;
- other credit enhancements;
- credit risk mitigating transactions.

The gross carrying amount of the credit risk exposure of the Group increased by RON 13.987.555 thousands from almost RON 141.059.322 thousands as of 31 December 2024 to approximately RON 155.046.877 thousands as of 31 December 2025.

The gross carrying amount of the credit risk exposure of the Bank increased by RON 14.612.769 thousands, from almost RON 140.903.658 thousands as of 31 December 2024 to approximately RON 155.516.427 thousands as of 31 December 2025.

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Reconciliation between the gross carrying amount and the carrying amount of the credit risk exposure components

in RON thousands	Group				Bank			
	Credit risk exposure	Credit loss allowances	Adjustments *	Carrying amount	Credit risk exposure	Credit loss allowances	Adjustments *	Carrying amount
31.12.2025								
Cash and cash balances - demand deposits to central banks and credit institutions	114,045	-539	-	113,506	113,368	-538	-	112,830
Debt instruments held for trading	3,329,764	-	-	3,329,764	3,329,764	-	-	3,329,764
Non-trading debt instruments at FVPL	5,490	-	-	5,490	5,490	-	-	5,490
Debt securities	5,490	-	-	5,490	5,490	-	-	5,490
Debt instruments at FVOCI	13,024,305	-5,809	266,186	13,290,491	13,024,304	-5,809	266,187	13,290,491
Debt securities	13,024,305	-5,809	266,186	13,290,491	13,024,304	-5,809	266,187	13,290,491
Debt instruments at AC	100,716,848	-2,561,683	-	98,155,165	102,851,092	-2,485,104	-	100,365,988
Debt securities	23,258,717	-9,995	-	23,248,722	23,125,184	-9,939	-	23,115,245
Loans and advances to banks	5,572,305	-197	-	5,572,108	5,567,071	-197	-	5,566,874
Loans and advances to customers	71,885,826	-2,551,491	-	69,334,335	74,158,837	-2,474,968	-	71,683,869
Trade and other receivables	982,282	-38,741	-	943,541	970,265	-30,816	-	939,449
Finance lease receivables	2,759,373	-81,192	-	2,678,181	30,404	-29	-	30,375
Off balance-sheet exposures	34,114,770	-217,887	-	-	35,191,740	-216,685	-	-
Financial guarantees	2,555,974	-10,980	-	-	2,597,710	-11,010	-	-
Loan commitments	26,412,722	-206,907	-	-	27,442,956	-205,675	-	-
Total	155,046,877	-2,905,851	266,186	118,516,138	155,516,427	-2,738,981	266,187	118,074,387

*Adjustments refer to the fair value changes of the carrying amount for financial assets at FVOCI.

in RON thousands	Group				Bank			
	Credit risk exposure	Credit loss allowances	Adjustments *	Carrying amount	Credit risk exposure	Credit loss allowances	Adjustments *	Carrying amount
31.12.2024								
Cash and cash balances - demand deposits to central banks and credit institutions	264,333	-244	-	264,089	263,995	-160	-	263,835
Debt instruments held for trading	1,912,779	-	-	1,912,779	1,912,779	-	-	1,912,779
Non-trading debt instruments at FVPL	12,517	-	-	12,517	12,517	-	-	12,517
Debt securities	12,517	-	-	12,517	12,517	-	-	12,517
Debt instruments at FVOCI	12,719,382	-5,435	48,333	12,767,715	12,719,382	-5,434	48,333	12,767,715
Debt securities	12,719,382	-5,435	48,333	12,767,715	12,719,382	-5,434	48,333	12,767,715
Debt instruments at AC	93,000,530	-2,962,393	-	90,038,137	94,859,377	-2,886,841	-	91,972,536
Debt securities	20,632,200	-8,885	-	20,623,315	20,505,886	-8,833	-	20,497,053
Loans and advances to banks	6,004,786	-57	-	6,004,729	5,960,867	-41	-	5,960,826
Loans and advances to customers	66,363,544	-2,953,451	-	63,410,093	68,392,624	-2,877,967	-	65,514,657
Trade and other receivables	1,037,882	-34,946	-	1,002,936	1,021,004	-25,666	-	995,338
Finance lease receivables	2,405,189	-83,804	-	2,321,385	16,229	-1,186	-	15,043
Off balance-sheet exposures	29,706,710	-316,171	-	-	30,098,375	-315,330	-	-
Financial guarantees	2,166,804	-15,671	-	-	2,317,499	-16,339	-	-
Loan commitments	23,455,975	-300,500	-	-	23,684,971	-298,991	-	-
Total	141,059,322	-3,402,993	48,333	108,319,558	140,903,658	-3,234,617	48,333	107,939,763

*Adjustments refer to the fair value changes of the carrying amount for financial assets at FVOCI.

Credit loss allowances comprise impairments for financial assets measured at amortized cost (including finance lease receivables and trade and other receivables) and at fair value through other comprehensive income (FVOCI), as well as provisions for off-balance sheet exposures.

Credit loss allowances do not include expected credit loss for cash at central banks (2025: RON 1,470 thousands in case of Bank and RON 1,470 thousands in case of Group).

The gross carrying amount of contingent liabilities refers to the nominal value, while credit risk provisions refer to provisions for financial guarantees. A carrying amount is not presented in the case of contingent liabilities.

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Breakdown of credit risk exposure

On the following pages the credit risk exposure is categorized in the following way:

- industry and risk category;
- region and risk category;
- business segment and risk category;
- financial instrument and collateral.

Credit risk exposure by industry and risk category

	31.12.2025				Group
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Natural Resources & Commodities	1,377,601	2,093,594	490,204	480,693	4,442,092
Energy	12,216,572	1,579,994	152,495	99,742	14,048,803
Construction and building materials	4,337,270	3,824,765	524,767	198,912	8,885,714
Automotive	2,024,104	395,657	93,396	49,885	2,563,042
Cyclical Consumer Products	779,287	829,814	198,018	44,307	1,851,426
Non-Cyclical Consumer Products	2,727,393	1,704,274	315,724	38,987	4,786,378
Machinery	454,569	847,254	169,425	13,048	1,484,296
Transportation	1,835,161	2,024,011	431,060	163,157	4,453,389
TMT and Paper & Packaging	475,082	265,847	64,765	19,962	825,656
Healthcare & Services	2,112,845	1,312,865	139,894	23,718	3,589,322
Hotels, Gaming & Leisure Industry	137,855	245,300	108,107	21,503	512,765
Real Estate	4,279,102	169,271	73,950	5,517	4,527,840
Public Sector	53,509,232	233,305	73,448	1,782	53,817,767
Financial Institutions	10,172,108	1,058,419	32,589	769	11,263,885
Private Households	32,566,962	3,624,619	872,443	930,478	37,994,502
Other	-	-	-	-	-
Total	129,005,143	20,208,989	3,740,285	2,092,460	155,046,877

	31.12.2024				Group
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Natural Resources & Commodities	1,751,252	2,569,418	739,332	174,703	5,234,705
Energy	9,798,040	1,897,963	185,312	25,687	11,907,002
Construction and building materials	4,070,298	3,194,446	679,393	305,559	8,249,696
Automotive	1,558,926	540,656	109,959	56,127	2,265,668
Cyclical Consumer Products	703,624	838,333	251,060	51,261	1,844,278
Non-Cyclical Consumer Products	2,327,249	1,630,360	340,644	43,769	4,342,022
Machinery	326,529	648,297	148,108	19,416	1,142,350
Transportation	1,894,002	2,249,198	326,251	144,747	4,614,198
TMT and Paper & Packaging	308,607	341,728	72,733	22,632	745,700
Healthcare & Services	979,519	1,681,766	137,221	25,776	2,824,282
Hotels, Gaming & Leisure Industry	186,277	187,546	101,251	18,154	493,228
Real Estate	3,561,790	276,923	61,108	5,943	3,905,764
Public Sector	48,223,420	76,092	62,727	218	48,362,457
Financial Institutions	10,407,678	502,429	32,710	495	10,943,312
Private Households	28,669,784	3,439,403	779,574	1,041,560	33,930,321
Other	-	-	254,339	-	254,339
Total	114,766,995	20,074,558	4,281,722	1,936,047	141,059,322

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	31.12.2025				Bank
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Natural Resources & Commodities	1,319,767	1,845,672	378,510	442,712	3,986,661
Energy	12,088,142	1,533,931	144,057	97,504	13,863,634
Construction and building materials	4,074,138	3,169,249	373,300	164,870	7,781,557
Automotive	1,684,389	223,116	34,576	34,130	1,976,211
Cyclical Consumer Products	756,200	656,558	156,696	36,036	1,605,490
Non-Cyclical Consumer Products	2,615,592	1,548,938	288,683	32,401	4,485,614
Machinery	435,902	813,916	105,006	11,728	1,366,552
Transportation	1,687,480	962,642	157,404	117,356	2,924,882
TMT and Paper & Packaging	464,906	221,748	48,699	19,421	754,774
Healthcare & Services	2,076,500	1,081,637	55,650	19,538	3,233,325
Hotels, Gaming & Leisure Industry	121,635	115,791	52,542	15,689	305,657
Real Estate	4,274,225	103,519	18,633	4,060	4,400,437
Public Sector	53,373,505	232,798	72,839	1,782	53,680,924
Financial Institutions	16,112,631	1,025,857	28,269	769	17,167,526
Private Households	32,562,998	3,624,292	871,855	924,038	37,983,183
Other	-	-	-	-	-
Total	133,648,010	17,159,664	2,786,719	1,922,034	155,516,427

	31.12.2024				Bank
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Natural Resources & Commodities	1,680,887	2,257,921	635,926	152,234	4,726,968
Energy	9,705,879	1,847,712	179,053	24,514	11,757,158
Construction and building materials	3,828,142	2,642,110	553,671	253,213	7,277,136
Automotive	1,451,299	367,567	75,339	25,953	1,920,158
Cyclical Consumer Products	651,029	722,369	214,449	44,773	1,632,620
Non-Cyclical Consumer Products	2,227,262	1,471,165	309,236	39,258	4,046,921
Machinery	310,766	574,108	128,729	17,839	1,031,442
Transportation	1,759,953	1,148,602	203,524	105,605	3,217,684
TMT and Paper & Packaging	302,539	297,270	62,280	21,797	683,886
Healthcare & Services	933,224	1,488,888	87,067	18,261	2,527,440
Hotels, Gaming & Leisure Industry	168,874	82,521	70,712	14,857	336,964
Real Estate	3,552,008	210,008	29,761	4,024	3,795,801
Public Sector	48,097,024	73,553	62,366	218	48,233,161
Financial Institutions	15,032,297	480,510	30,897	2,766	15,546,470
Private Households	28,663,794	3,438,745	778,685	1,034,286	33,915,510
Other	-	-	254,339	-	254,339
Total	118,364,977	17,103,049	3,676,034	1,759,598	140,903,658

With 83.2%, the low-risk exposure has the highest share in total credit risk exposure, while management attention represents 13.0% for BCR Group as of December 2025. The substandard exposure contributes 2.4% and the non-performing category with 1.3%. In case of BCR standalone the low risk exposure increased by RON 15,283,033 (from almost RON 118.364.977 thousands as of 31 December 2024 to approximately RON 133.648.010 thousands as of 31 December 2025), representing the highest share in total credit risk exposure 85.9%. Management attention represents 11.0% for BCR standalone as of December 2025 while the substandard exposure contributes 1.8% and the non-performing category with 1.2%.

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Credit risk exposure by region and risk category

	31.12.2025				Group
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Core markets	121,730,287	19,915,036	3,708,066	2,085,791	147,439,180
Austria	1,494,186	13,428	2	182	1,507,798
Romania	120,146,890	19,901,605	3,708,063	2,078,582	145,835,140
Slovakia	14,432	-	-	7,027	21,459
Czech Republic	18,687	1	-	-	18,688
Hungary	56,092	2	1	-	56,095
Other EU	6,576,665	3,014	29,822	5,787	6,615,288
Other industrialised countries	561,408	687	381	742	563,218
Emerging markets	136,783	290,252	2,016	140	429,191
Southeastern Europe/CIS	1,721	289,797	1,977	54	293,549
Asia	19,259	69	38	65	19,431
Latin America	43	1	-	1	45
Middle East/Africa	115,760	385	1	20	116,166
Total	129,005,143	20,208,989	3,740,285	2,092,460	155,046,877

	31.12.2024				Group
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Core markets	109,808,608	19,880,497	4,247,392	1,932,565	135,869,062
Austria	3,500,844	14,745	3	184	3,515,776
Romania	106,049,619	19,865,409	4,239,117	1,932,378	132,086,523
Slovakia	13,715	341	8,271	-	22,327
Czech Republic	51,228	1	-	-	51,229
Hungary	193,096	-	1	1	193,098
Other EU	4,615,487	41,522	28,510	2,275	4,687,686
Other industrialised countries	324,648	226	5,326	1,008	331,207
Emerging markets	18,358	152,314	494	201	171,367
Southeastern Europe/CIS	1,812	26,745	273	83	28,913
Asia	13,482	73	103	60	13,718
Latin America	-	1	-	2	3
Middle East/Africa	3,064	125,495	118	56	128,733
Total	114,766,995	20,074,558	4,281,722	1,936,047	141,059,322

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	31.12.2025				Bank
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Core markets	126,373,154	16,865,712	2,758,750	1,915,366	147,912,982
Austria	1,494,186	13,394	2	182	1,507,764
Romania	124,789,757	16,852,314	2,758,747	1,908,157	146,308,975
Slovakia	14,432	-	-	7,027	21,459
Czech Republic	18,687	2	-	-	18,689
Hungary	56,092	2	1	-	56,095
Other EU	6,576,665	3,014	25,572	5,787	6,611,038
Other industrialised countries	561,408	686	381	741	563,216
Emerging markets	136,783	290,252	2,016	140	429,191
Southeastern Europe/CIS	1,721	289,797	1,977	54	293,549
Asia	19,259	69	38	65	19,431
Latin America	43	1	-	1	45
Middle East/Africa	115,760	385	1	20	116,166
Total	133,648,010	17,159,664	2,786,719	1,922,034	155,516,427

	31.12.2024				Bank
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Core markets	113,406,590	16,908,991	3,644,886	1,756,116	135,716,583
Austria	3,500,844	14,652	3	184	3,515,683
Romania	109,647,601	16,894,335	3,636,611	1,755,929	131,934,476
Slovakia	13,715	-	8,271	-	21,986
Czech Republic	51,228	2	-	-	51,230
Hungary	193,096	1	1	1	193,099
Other EU	4,615,487	41,522	25,328	2,274	4,684,504
Other industrialised countries	324,648	226	5,326	1,009	331,207
Emerging markets	18,358	152,311	494	201	171,364
Southeastern Europe/CIS	1,812	26,745	273	83	28,913
Asia	13,482	70	103	60	13,715
Latin America	-	1	-	2	3
Middle East/Africa	3,064	125,495	118	56	128,733
Total	118,364,977	17,103,049	3,676,034	1,759,598	140,903,658

The geographic analysis of credit risk exposure is based on the country of risk of borrowers and counterparties. It also includes obligors domiciled in other countries if the economic risk exists in the respective country of risk.

Credit risk exposure increased in absolute figures mainly in Romania with RON 13,748,617 thousands from RON 132,086,523 thousands in 2024 to RON 145,835,140 thousands in 2025 in case of Group. The increase in exposure in main market - Romania registered at Group level is also observed at Bank level: increase with RON 14,374,499 thousands from RON 131,934,476 thousands in 2024 to RON 146,308,975 thousands in 2025. In total, BCR Group's core markets and the EU accounted for 99.4% (2024: 99.6%) of credit risk exposure.

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Credit risk exposure by business segment and risk category

	31.12.2025				Group
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Retail	33,716,830	5,071,979	2,027,414	1,178,475	41,994,698
Corporates	43,307,948	14,800,533	1,684,963	913,473	60,706,917
Group Markets	10,698,725	332,993	25,149	-	11,056,867
Asset/Liability Management and Local Corporate Center	41,281,640	3,484	2,759	512	41,288,395
Total	129,005,143	20,208,989	3,740,285	2,092,460	155,046,877

	31.12.2024				Group
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Retail	29,653,493	4,884,939	2,144,923	1,280,544	37,963,899
Corporates	37,684,247	14,932,558	1,854,898	655,296	55,126,999
Group Markets	9,443,212	254,906	25,389	-	9,723,507
Asset/Liability Management and Local Corporate Center	37,986,043	2,155	256,512	207	38,244,917
Total	114,766,995	20,074,558	4,281,722	1,936,047	141,059,322

	31.12.2025				Bank
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Retail	33,478,331	4,195,434	1,421,575	1,096,510	40,191,850
Corporates	42,245,915	12,627,753	1,337,236	825,012	57,035,916
Group Markets	10,703,725	332,993	25,149	-	11,061,867
Asset/Liability Management and Local Corporate Center	47,220,039	3,484	2,759	512	47,226,794
Total	133,648,010	17,159,664	2,786,719	1,922,034	155,516,427

	31.12.2024				Bank
in RON thousands	Low risk	Management attention	Substandard	Non-performing	Total
Retail	29,437,189	4,082,601	1,682,815	1,210,935	36,413,540
Corporates	36,870,611	12,698,901	1,711,317	546,086	51,826,915
Group Markets	9,449,994	261,882	25,390	-	9,737,266
Asset/Liability Management and Local Corporate Center	42,607,183	59,665	256,512	2,577	42,925,937
Total	118,364,977	17,103,049	3,676,034	1,759,598	140,903,658

Low risk exposure has a share in total credit risk exposure (Group: 83.2% and Bank: 85.9%) as of December 2025, higher than 2024 (Group: 81.4% and Bank: 84%).

Non-performing risk category registered a decrease in 2025 for BCR Group (2025: 1.3% and 2024: 1.4%) and was stable for the Bank (2025: 1.2% and 2024: 1.2%). This trend reflects the continuous workout efforts to diminish the non-performing stock through recoveries, healings and write-offs.

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Main types of collateral

The following types of collateral are accepted:

- real estate comprises residential and commercial real estate;
- financial collateral: such as securities, cash deposits and life insurance policies;
- guarantees given by sovereigns, public sector entities, financial institutes, companies and individuals. All guarantors must have a minimum credit rating, which is reviewed annually;
- movables: such as equipment, investment goods, machineries and motor vehicles;
- claims and rights: such as account receivables of trade, leasehold rights and shares in a company's capital.

Synthetic securitisations of loan portfolios are non-integral guarantees in the business of BCR Group. BCR Group uses synthetic securitisations for portfolios of loans to SME, corporate customers, commercial real estate loans and residential mortgages. No transfer of loans and set up of SPVs are involved. Each synthetic securitisation transaction is structured so that credit losses on the underlying loans are allocated on a waterfall basis first to the excess spread, then to the junior tranche, mezzanine tranche and finally to the senior tranche. The losses related to the excess spread and the junior tranche, but also to the senior tranche, are borne by BCR Group. BCR Group receives a guarantee in relation to the volume of the mezzanine tranche. The guarantee providers are external parties to BCR Group including Supranational and institutional investors (mainly insurance companies). For accounting purposes, BCR Group treats synthetic securitisations as non-integral guarantees (see chapter Financial instruments – Material accounting policies, part Impairment of financial instruments). For regulatory capital purposes, the synthetic securitisations reduce risk weights of the underlying loans which is the primary objective of BCR Group for undertaking the transactions.

The following table compares the credit risk exposure and allocated collateral broken down by financial instrument.

The allocated collateral values are capped by the amount of the secured transaction.

Credit risk exposure by financial instrument and collateral

								31.12.2025	Group
in RON thousands	Total credit risk exposure	Collateral total	Collateralised by			Credit risk exposure net of collateral	IFRS9 impairment relevant		
			Guarantees	Real estate	Other		Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash balances - demand deposits to central banks and credit institutions	114,045	-	-	-	-	114,045	114,045	-	-
Debt instruments held for trading	3,329,764	-	-	-	-	3,329,764	-	-	-
Non-trading debt instruments at FVPL	5,490	-	-	-	-	5,490	-	-	-
Debt instruments at FVOCI	13,024,305	-	-	-	-	13,024,305	13,024,305	-	-
Debt instruments at AC	104,458,503	35,191,807	4,326,645	20,944,312	9,920,850	69,266,696	98,265,556	4,168,834	2,024,113
Debt securities	23,258,717	-	-	-	-	23,258,717	23,258,717	-	-
Loans and advances to banks	5,572,305	5,317,023	-	-	5,317,023	255,282	5,572,305	-	-
Loans and advances to customers	71,885,826	27,820,411	4,326,645	20,938,562	2,555,204	44,065,415	65,980,889	3,992,577	1,912,360
Trade and other receivables	982,282	-	-	-	-	982,282	922,524	27,124	32,634
Finance lease receivables	2,759,373	2,054,373	-	5,750	2,048,623	704,999	2,531,121	149,133	79,119
Off balance-sheet exposures	34,114,770	5,382,125	278,454	439,106	4,664,565	28,732,645	28,900,589	-	68,107
out of which: other commitments	5,146,074	2,378,823	-	22,841	2,355,982	2,767,251	-	-	-
Total	155,046,877	40,573,932	4,605,099	21,383,418	14,585,415	114,472,945	140,304,495	4,168,834	2,092,220

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								31.12.2024	Group
in RON thousands	Total credit risk exposure	Collateral total	Collateralised by			Credit risk exposure net of collateral	IFRS9 impairment relevant		
			Guarantees	Real estate	Other		Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash balances - demand deposits to central banks and credit institutions	264,333	-	-	-	-	264,333	264,333	-	-
Debt instruments held for trading	1,912,779	-	-	-	-	1,912,779	-	-	-
Non-trading debt instruments at FVPL	12,517	-	-	-	-	12,517	-	-	-
Debt instruments at FVOCI	12,719,382	-	-	-	-	12,719,382	12,719,382	-	-
Debt instruments at AC	96,443,601	34,321,991	6,119,371	18,073,120	10,129,500	62,121,610	90,729,889	3,893,227	1,820,485
Debt securities	20,632,200	-	-	-	-	20,632,200	20,632,200	-	-
Loans and advances to banks	6,004,786	5,836,990	-	-	5,836,990	167,796	6,004,786	-	-
Loans and advances to customers	66,363,544	26,593,224	6,119,371	18,067,418	2,406,435	39,770,320	60,898,683	3,769,533	1,695,328
Trade and other receivables	1,037,882	3,851	-	9	3,842	1,034,031	996,932	13,976	26,974
Finance lease receivables	2,405,189	1,887,926	-	5,693	1,882,233	517,263	2,197,288	109,718	98,183
Off balance-sheet exposures	29,706,710	6,453,502	297,265	376,084	5,780,153	23,253,208	25,507,326	-	115,453
out of which: other commitments	4,083,931	3,046,162	-	12,920	3,033,242	1,037,769	-	-	-
Total	141,059,322	40,775,493	6,416,636	18,449,204	15,909,653	100,283,829	129,220,930	3,893,227	1,935,938

							31.12.2025	Bank	
in RON thousands	Total credit risk exposure	Collateral total	Collateralised by			Credit risk exposure net of collateral	IFRS9 impairment relevant		
			Guarantees	Real estate	Other		Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash balances - demand deposits to central banks and credit institutions	113,368	-	-	-	-	113,368	113,368	-	-
Debt instruments held for trading	3,329,764	-	-	-	-	3,329,764	-	-	-
Non-trading debt instruments at FVPL	5,490	-	-	-	-	5,490	-	-	-
Debt instruments at FVOCI	13,024,304	-	-	-	-	13,024,304	13,024,304	-	-
Debt instruments at AC	103,851,761	31,343,354	4,326,645	20,937,821	6,078,888	72,508,407	98,161,613	3,836,243	1,853,905
Debt securities	23,125,184	-	-	-	-	23,125,184	23,125,184	-	-
Loans and advances to banks	5,567,071	5,317,023	-	-	5,317,023	250,048	5,567,071	-	-
Loans and advances to customers	74,158,837	26,026,331	4,326,645	20,937,821	761,865	48,132,506	68,512,808	3,812,968	1,833,061
Trade and other receivables	970,265	-	-	-	-	970,265	926,146	23,275	20,844
Finance lease receivables	30,404	-	-	-	-	30,404	30,404	-	-
Off balance-sheet exposures	35,191,740	5,356,493	278,454	439,106	4,638,933	29,835,247	29,972,778	-	67,888
out of which: other commitments	5,151,074	2,378,823	-	22,841	2,355,982	2,772,251	-	-	-
Total	155,516,427	36,699,847	4,605,099	21,376,927	10,717,821	118,816,580	141,272,063	3,836,243	1,921,793

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								31.12.2024	Bank
in RON thousands	Total credit risk exposure	Collateral total	Collateralised by			Credit risk exposure net of collateral	IFRS9 impairment relevant		
			Guarantees	Real estate	Other		Neither past due nor credit impaired	Past due but not credit impaired	Credit impaired
Cash and cash balances – demand deposits to central banks and credit institutions	263,995	-	-	-	-	263,995	263,995	-	-
Debt instruments held for trading	1,912,779	-	-	-	-	1,912,779	-	-	-
Non-trading debt instruments at FVPL	12,517	-	-	-	-	12,517	-	-	-
Debt instruments at FVOCI	12,719,382	-	-	-	-	12,719,382	12,719,382	-	-
Debt instruments at AC	95,896,610	30,744,454	6,119,371	18,066,762	6,558,321	65,152,156	90,669,880	3,582,587	1,644,143
Debt securities	20,505,886	-	-	-	-	20,505,886	20,505,886	-	-
Loans and advances to banks	5,960,867	5,836,990	-	-	5,836,990	123,877	5,960,867	-	-
Loans and advances to customers	68,392,624	24,907,464	6,119,371	18,066,762	721,331	43,485,160	63,193,727	3,571,768	1,627,129
Trade and other receivables	1,021,004	-	-	-	-	1,021,004	995,541	10,819	14,644
Finance lease receivables	16,229	-	-	-	-	16,229	13,859	-	2,370
Off balance-sheet exposures	30,098,375	6,453,502	297,265	376,084	5,780,153	23,644,873	25,887,016	-	115,454
out of which: other commitments	4,095,905	3,046,162	-	12,920	3,033,242	1,049,743	-	-	-
Total	140,903,658	37,197,956	6,416,636	18,442,846	12,338,474	103,705,702	129,540,273	3,582,587	1,759,597

In addition to the amounts in the table, loans and advances to customers at amortized cost with outstanding nominal value of RON 3,445 millions (2024: 0) are guaranteed through synthetic securitisation transactions as explained above. The unguaranteed first loss portion which is related to the excess spread and the junior tranches amounts to RON 137.3 millions (2024: 0). The credit protection received relates to the mezzanine tranches which amount to RON 342.7 millions (2024: 0).

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Development of Credit Loss Allowances (CLA)

The following tables give an overview over the development of credit loss allowances per balance sheet line item. The exposures are presented in Note 15.1.

The movements in allowances for financial assets at amortized cost - Debt securities

	31.12.2025						Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-8,880	-3,691	3,473	-868	-	-26	-9,992
General governments	-8,880	-3,691	3,473	-868	-	-26	-9,992
Stage 2	-5	-	-	1	-	-	-4
General governments	-5	-	-	1	-	-	-4
Total	-8,885	-3,691	3,473	-867	-	-26	-9,996

	31.12.2024						Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-7,494	-3,214	1,804	-109	26	107	-8,880
General governments	-7,494	-3,214	1,804	-109	26	107	-8,880
Stage 2	-36	-	-	38	-7	-	-5
General governments	-36	-	-	38	-7	-	-5
Total	-7,530	-3,214	1,804	-71	19	107	-8,885

	31.12.2025						Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-8,826	-3,687	3,473	-870	-	-26	-9,936
General governments	-8,826	-3,687	3,473	-870	-	-26	-9,936
Stage 2	-6	-	-	2	-	-	-4
General governments	-6	-	-	2	-	-	-4
Total	-8,832	-3,687	3,473	-868	-	-26	-9,940

	31.12.2024						Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-7,443	-3,195	1,790	-111	26	107	-8,826
General governments	-7,443	-3,195	1,790	-111	26	107	-8,826
Stage 2	-36	-	-	38	-8	-	-6
General governments	-36	-	-	38	-8	-	-6
Total	-7,479	-3,195	1,790	-73	18	107	-8,832

In column 'Increases due to origination and acquisition' increases of CLA due to the initial recognition of debt securities at AC during the current reporting period are disclosed.

Releases of CLA following the derecognition of the related debt securities at AC are reported in column 'Decreases due to derecognition'.

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In column 'Transfers between stages' CLA net changes due to changes in credit risk that triggered re-assignments of the related AC debt securities from Stage 1 (on 1 January 2025 or initial recognition date) to Stages 2 or 3 at 31 December 2025 or vice-versa are reported. The effects of transfers from Stage 1 to Stages 2 or 3 on the related CLAs are adverse and presented in lines attributable to Stages 2 or 3. The effects of transfers from Stages 2 or 3 to Stage 1 on the related CLAs are favorable and presented in line 'Stage 1'.

Any other changes in credit risk which do not trigger a transfer between Stage 1 and Stage 2 or 3 or vice-versa are disclosed in row 'Net changes due to change in credit risk (net)'.

The movements in allowances loans and advances to banks

The exposures are presented in Note 15.2.

						31.12.2025	Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Net changes due to modifications without derecognition	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to banks							
Stage 1	-57	-362	227	-4	-	-	-196
Credit institutions	-57	-362	227	-4	-	-	-196
Stage 2	-	-	-	116	-116	-	-
Credit institutions	-	-	-	116	-116	-	-
Total	-57	-362	227	112	-116	-	-196

						31.12.2024	Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Net changes due to modifications without derecognition	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to banks							
Stage 1	-33	-150	127	-1	-	-	-57
Credit institutions	-33	-150	127	-1	-	-	-57
Total	-33	-150	127	-1	-	-	-57

						31.12.2025	Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Net changes due to modifications without derecognition	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to banks							
Stage 1	-41	-362	227	-21	-	-	-197
Credit institutions	-41	-362	227	-21	-	-	-197
Stage 2	-	-	-	116	-116	-	-
Credit institutions	-	-	-	116	-116	-	-
Total	-41	-362	227	95	-116	-	-197

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						31.12.2024	Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Net changes due to modifications without derecognition	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to banks							
Stage 1	-311	-133	405	-2	-	-	-41
Credit institutions	-311	-133	405	-2	-	-	-41
Stage 2	-223	-	223	-	-	-	-
Credit institutions	-223	-	223	-	-	-	-
Total	-534	-133	628	-2	-	-	-41

In column 'Increases due to origination and acquisition' increases of CLA due to the initial recognition of loans and advances to banks at AC during the current reporting period are disclosed. Releases of CLA following the derecognition of the related loans and advances to banks at AC are reported in column 'Decreases due to derecognition'.

Any changes in credit risk which do not trigger a transfer between Stage 1 and Stage 2 or 3 or vice-versa are disclosed in column 'Net changes due to change in credit risk'.

The movements in allowances - loans and advances to customers

The exposures are presented in Note 15.3.

								31.12.2025	Group
in RON thousands	Opening balance	Increases due to origination and acquisition (1)	Decreases due to derecognition (2)	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3 (3)	Net changes due to modifications without derecognition (4)	Decrease in allowance account due to write-offs and POCI loans (5)	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to customers									
Stage 1	-432,363	-306,433	148,838	-221,000	391,817	-	139	-7,138	-426,140
General governments	-9,925	-9,866	9,830	-1,970	304	-	-	5,241	-6,386
Other financial corporations	-6,526	-3,106	1,256	4,592	2,284	-	-	-1,178	-2,678
Non-financial corporations	-243,586	-150,342	97,676	-32,310	122,319	-	-	-3,571	-209,814
Households	-172,326	-143,119	40,076	-191,312	266,910	-	139	-7,630	-207,262
Stage 2	-1,067,655	-50,355	186,042	302,854	-73,347	3,653	83	-57,626	-756,351
General governments	-39,334	-	1	-3,384	-16	170	-	33,616	-8,947
Other financial corporations	-7,953	-2,591	127	-5,189	-645	-	-	1,935	-14,316
Non-financial corporations	-602,003	-38,547	122,062	271,657	-49,551	-49	-	-82,142	-378,573
Households	-418,365	-9,217	63,852	39,770	-23,135	3,532	83	-11,035	-354,515
Stage 3	-1,424,806	-	601,696	-1,011,654	-4,635	2,132	359,078	124,219	-1,353,970
General governments	-687	-	-	47	-	-	-	472	-168
Other financial corporations	-776	-	474	-954	-	-	540	-	-716
Non-financial corporations	-506,031	-	241,168	-801,791	-4,545	1,241	282,593	127,585	-659,780
Households	-917,312	-	360,054	-208,956	-90	891	75,945	-3,838	-693,306
POCI	-28,627	-	1,647	12,825	-	347	822	-2,044	-15,030
General governments	-15	-	-	-20	-	26	-	-	-9
Non-financial corporations	-2,295	-	75	3,328	-	134	74	-1,677	-361
Households	-26,317	-	1,572	9,517	-	187	748	-367	-14,660
Total	-2,953,451	-356,788	938,223	-916,975	313,835	6,132	360,122	57,411	-2,551,491

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	31.12.2024								Group
in RON thousands	Opening balance	Increases due to origination and acquisition (1)	Decreases due to derecognition (2)	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3 (3)	Net changes due to modifications without derecognition (4)	Decrease in allowance account due to write-offs and POCI loans (5)	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to customers									
Stage 1	-351,154	-338,701	115,653	-405,482	553,216	-	34	-5,929	-432,363
General governments	-5,665	-7,110	5,358	-12,176	8,878	-	-	790	-9,925
Other financial corporations	-5,651	-2,287	21	1,433	479	-	-	-521	-6,526
Non-financial corporations	-230,654	-131,243	78,083	-170,243	206,930	-	-	3,541	-243,586
Households	-109,184	-198,061	32,191	-224,496	336,929	-	34	-9,739	-172,326
Stage 2	-1,289,433	-134,321	313,747	177,517	-97,890	7,231	33	-44,539	-1,067,655
General governments	-33,176	-	94	-3,286	-1,716	1,033	-	-2,283	-39,334
Other financial corporations	-10,317	-	92	2,469	-236	-	-	39	-7,953
Non-financial corporations	-696,746	-127,429	231,116	81,916	-65,358	184	-	-25,686	-602,003
Households	-549,194	-6,892	82,445	96,418	-30,580	6,014	33	-16,609	-418,365
Stage 3	-1,151,635	-	150,971	-534,817	-6,578	1,341	111,552	4,360	-1,424,806
General governments	-838	-	-	228	-	-	-	-77	-687
Other financial corporations	-653	-	-	-123	-	-	-	-	-776
Non-financial corporations	-305,793	-	33,356	-298,399	-6,262	61	71,014	-8	-506,031
Households	-844,351	-	117,615	-236,523	-316	1,280	40,538	4,445	-917,312
POCI	-35,889	-	2,664	1,975	-	171	1,319	1,133	-28,627
General governments	-19	-	-	4	-	-	-	-	-15
Non-financial corporations	-2,650	-	362	-1,375	-	-23	75	1,316	-2,295
Households	-33,220	-	2,302	3,346	-	194	1,244	-183	-26,317
Total	-2,828,111	-473,022	583,035	-760,807	448,748	8,743	112,938	-44,975	-2,953,451

	31.12.2025								Bank
in RON thousands	Opening balance	Increases due to origination and acquisition (1)	Decreases due to derecognition (2)	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3 (3)	Net changes due to modifications without derecognition (4)	Decrease in allowance account due to write-offs and POCI loans (5)	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to customers									
Stage 1	-411,688	-287,637	145,811	-231,351	383,768	-	139	-7,138	-408,096
General governments	-9,925	-9,866	9,830	-1,970	304	-	-	5,241	-6,386
Other financial corporations	-9,401	-2,744	1,210	2,712	2,275	-	-	-1,178	-7,126
Non-financial corporations	-220,314	-132,352	94,722	-40,674	114,516	-	-	-3,571	-187,673
Households	-172,048	-142,675	40,049	-191,419	266,673	-	139	-7,630	-206,911
Stage 2	-1,049,491	-50,355	182,438	291,302	-54,076	3,653	83	-57,626	-734,072
General governments	-39,334	-	-	-3,383	-16	170	-	33,616	-8,947
Other financial corporations	-7,920	-2,591	126	-5,195	-628	-	-	1,935	-14,273
Non-financial corporations	-584,419	-38,547	118,533	260,599	-31,114	-49	-	-82,142	-357,139
Households	-417,818	-9,217	63,779	39,281	-22,318	3,532	83	-11,035	-353,713
Stage 3	-1,388,161	-	598,772	-976,520	-122	2,132	321,774	124,354	-1,317,771
General governments	-687	-	-	47	-	-	-	472	-168
Other financial corporations	-720	-	379	-833	-	-	464	-	-710
Non-financial corporations	-477,777	-	238,419	-766,692	-32	1,241	246,222	127,585	-631,034
Households	-908,977	-	359,974	-209,042	-90	891	75,088	-3,703	-685,859
POCI	-28,627	-	1,647	12,825	-	347	822	-2,044	-15,030
General governments	-15	-	-	-20	-	26	-	-	-9
Non-financial corporations	-2,295	-	75	3,328	-	134	74	-1,677	-361
Households	-26,317	-	1,572	9,517	-	187	748	-367	-14,660
Total	-2,877,967	-337,992	928,668	-903,744	329,570	6,132	322,818	57,546	-2,474,969

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	31.12.2024								Bank
in RON thousands	Opening balance	Increases due to origination and acquisition (1)	Decreases due to derecognition (2)	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3 (3)	Net changes due to modifications without derecognition (4)	Decrease in allowance account due to write-offs and POCI loans (5)	Exchange-rate and other changes (+/-)	Closing Balance
Loans and advances to customers									
Stage 1	-336,580	-322,837	115,652	-407,750	545,722	-	34	-5,929	-411,688
General governments	-5,665	-7,110	5,358	-12,176	8,878	-	-	790	-9,925
Other financial corporations	-10,753	-2,013	21	3,829	36	-	-	-521	-9,401
Non-financial corporations	-211,513	-115,835	78,083	-174,506	199,916	-	-	3,541	-220,314
Households	-108,649	-197,879	32,190	-224,897	336,892	-	34	-9,739	-172,048
Stage 2	-1,270,535	-134,321	313,747	162,881	-83,988	7,231	33	-44,539	-1,049,491
General governments	-33,176	-	94	-3,286	-1,716	1,033	-	-2,283	-39,334
Other financial corporations	-9,668	-	92	1,622	-5	-	-	39	-7,920
Non-financial corporations	-678,835	-127,429	231,116	68,172	-51,941	184	-	-25,686	-584,419
Households	-548,856	-6,892	82,445	96,373	-30,326	6,014	33	-16,609	-417,818
Stage 3	-1,115,833	-	150,971	-519,954	-165	1,341	89,211	6,268	-1,388,161
General governments	-838	-	-	228	-	-	-	-77	-687
Other financial corporations	-557	-	-	-163	-	-	-	-	-720
Non-financial corporations	-279,281	-	33,356	-284,489	-48	61	50,723	1,901	-477,777
Households	-835,157	-	117,615	-235,530	-117	1,280	38,488	4,444	-908,977
POCI	-35,889	-	2,664	1,975	-	171	1,319	1,133	-28,627
General governments	-19	-	-	4	-	-	-	-	-15
Non-financial corporations	-2,650	-	362	-1,375	-	-23	75	1,316	-2,295
Households	-33,220	-	2,302	3,346	-	194	1,244	-183	-26,317
Total	-2,758,837	-457,158	583,034	-762,848	461,569	8,743	90,597	-43,067	-2,877,967

(1) Increases of CLA due to the initial recognition of loans and advances to customers at AC during the current reporting period are disclosed. According to the Bank's principles for stage 2 allocation, events such as transfer of the client to workout department, forbearance or client's;

(2) releases of CLA following the derecognition of the related loans and advances to customers at AC are reported;

(3) changes in credit risk that triggered re-assignments of the related AC loans and advances to customers from Stage 1 at 1 January 2025 (or initial recognition date, if later) to Stages 2 or 3 at 31 December 2025 or vice-versa are reported. The effects of transfers from Stage 1 to Stages 2 or 3 on the related CLAs are adverse (incremental year-on-year allocations) and presented in lines attributable to Stages 2 or 3. The effects of transfers from Stages 2 or 3 to Stage 1 on the related CLAs are favorable (incremental year-on-year releases) and presented in the line Stage 1;

(4) reflects the effect on CLA arising from contractual modifications of loans and advances to customers at AC which do not trigger their full derecognition;

(5) the use of CLA triggered by full or partial write-offs of AC loans and advances to customers is reported in columns 'Write-offs'.

Loss allowance movements in 2025 primarily reflect changes in credit quality and the regular update of risk parameters.

- Within the **Non-financial corporations** portfolio, the evolution was mainly driven by the recognition of new defaults, the regular annual review of LGD parameters based on the latest observable recovery data, and the write-off of one exposure under legal proceedings.
- In the **Household** portfolio, allocations related to NPL formation were largely offset by releases from the sale of non-performing exposures in the private individuals segment. In addition, the regular annual LGD recalibration—particularly for secured private individuals—resulted in a net release of loss allowances, together with the impact of regular stage migrations.

The reconciliation between movement in allowances and net impairment loss is presented in Note 10.

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Transfers between impairment stages (gross exposures) for loans and advances to customers are presented below

The exposures are presented in Note 15.1.

	31.12.2025				Group	
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
in RON thousands	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3
General governments	167,730	14,650	-	-	-	-
Other financial corporations	511,827	53	105	-	561	-
Non-financial corporations	1,935,273	1,278,261	316,511	3,505	264,936	401
Households	1,273,266	934,446	150,929	42,265	234,902	23,838
Total	3,888,096	2,227,410	467,545	45,770	500,399	24,239

	31.12.2024				Group	
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
in RON thousands	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3
General governments	154,282	230,020	-	-	-	-
Other financial corporations	7,900	14,788	62	73	188	-
Non-financial corporations	2,898,120	2,294,254	210,867	44,629	177,450	1,053
Households	1,888,031	1,100,621	162,018	40,303	158,285	16,645
Total	4,948,333	3,639,683	372,947	85,005	335,923	17,698

	31.12.2025				Bank	
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
in RON thousands	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3
General governments	167,730	14,650	-	-	-	-
Other financial corporations	511,139	581,742	105	-	561	-
Non-financial corporations	1,512,908	1,212,926	289,328	1,387	238,572	-
Households	1,263,772	933,642	150,739	42,187	234,556	23,838
Total	3,455,549	2,742,960	440,172	43,574	473,689	23,838

	31.12.2024				Bank	
	Transfers between Stage 1 and Stage 2		Transfers between Stage 2 and Stage 3		Transfers between Stage 1 and Stage 3	
in RON thousands	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3
General governments	154,282	230,020	-	-	-	-
Other financial corporations	2,010	132	62	-	113	-
Non-financial corporations	2,326,643	1,964,867	173,908	31,570	155,585	737
Households	1,879,798	1,098,843	159,723	40,254	157,217	16,645
Total	4,362,733	3,293,862	333,693	71,824	312,915	17,382

The above transfers include stage changes against the opening of the financial year or initial recognition of the impairment stage.

NOTES TO THE FINANCIAL STATEMENTS
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The movements in allowances for financial assets at amortized cost – trade and other receivables

The exposures are presented in Note 16.

31.12.2025								Group	
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-7,038	-12,111	6,122	-123	211	60	7,358	-9	-5,530
General governments	-37	-44	11	62	-	-	-	-	-8
Credit institutions	-126	-998	100	956	8	-	-	2	-58
Other financial corporations	-798	-3,190	194	2,418	1	45	1	-2	-1,331
Non-financial corporations	-5,978	-7,760	5,661	3,724	167	15	157	-9	-4,023
Households	-99	-119	156	-7,283	35	-	7,200	-	-110
Stage 2	-4,221	-	4,262	-8,193	-135	-21	3,716	-	-4,592
General governments	-10	-	3	5	-13	-	1	-	-14
Credit institutions	-4	-	-	-181	-	-	-	-	-185
Other financial corporations	-1,272	-	1,207	-2,176	-1	-	4	9	-2,229
Non-financial corporations	-2,719	-	2,895	-2,361	-104	-19	384	-9	-1,933
Households	-216	-	157	-3,480	-17	-2	3,327	-	-231
Stage 3	-23,042	-	1,179	-20,488	-40	-	16,427	-1,935	-27,899
General governments	-91	-	1	39	-	-	5	-	-46
Other financial corporations	-27	-	3	-20	-	-	8	-	-36
Non-financial corporations	-16,053	-	1,047	-16,620	-40	-	11,104	-1,915	-22,477
Households	-6,871	-	128	-3,887	-	-	5,310	-20	-5,340
POCI	-651	-	7	-87	-	-	6	-1	-726
General governments	-125	-	-	125	-	-	-	-	-
Non-financial corporations	-467	-	2	-199	-	-	4	-	-660
Households	-59	-	5	-13	-	-	2	-1	-66
Total	-34,952	-12,111	11,570	-28,891	36	39	27,507	-1,945	-38,747

	31.12.2024								Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-4,153	-11,263	5,561	-4,620	6,227	-	1,208	2	-7,038
General governments	-16	-2,800	3,531	-752	-	-	-	-	-37
Credit institutions	-201	-639	702	12	-	-	-	-	-126
Other financial corporations	-49	-605	17	-161	-	-	-	-	-798
Non-financial corporations	-3,859	-7,108	1,256	-2,489	6,197	-	23	2	-5,978
Households	-28	-111	55	-1,230	30	-	1,185	-	-99
Stage 2	-20,224	-	3,722	14,503	-4,559	-	2,331	6	-4,221
General governments	-36	-	2	23	-	-	1	-	-10
Credit institutions	-2,761	-	-	2,757	-	-	-	-	-4
Other financial corporations	-238	-	59	-1,098	-2	-	2	5	-1,272
Non-financial corporations	-15,582	-	3,301	13,764	-4,523	-	320	1	-2,719
Households	-1,607	-	360	-943	-34	-	2,008	-	-216
Stage 3	-33,617	-	1,325	-5,842	-153	-	13,648	1,597	-23,042
General governments	-276	-	4	180	-	-	1	-	-91
Other financial corporations	-113	-	-	85	-	-	1	-	-27
Non-financial corporations	-27,925	-	288	-2,039	-143	-	12,164	1,602	-16,053
Households	-5,303	-	1,033	-4,068	-10	-	1,482	-5	-6,871
POCI	-669	-	77	-103	-	-	44	-	-651
General governments	-90	-	-	-35	-	-	-	-	-125
Non-financial corporations	-521	-	63	-45	-	-	36	-	-467
Households	-58	-	14	-23	-	-	8	-	-59
Total	-58,663	-11,263	10,685	3,938	1,515	-	17,231	1,605	-34,952

NOTES TO THE FINANCIAL STATEMENTS

Consolidated and Separate for the year ended 31 December 2025

	31.12.2025								Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-6,880	-11,985	5,958	-69	178	-	7,358	-9	-5,449
General governments	-37	-43	11	61	-	-	-	-	-8
Credit institutions	-126	-998	100	956	8	-	-	2	-58
Other financial corporations	-742	-3,188	192	2,411	-	-	1	-2	-1,328
Non-financial corporations	-5,899	-7,638	5,521	3,780	138	-	157	-9	-3,950
Households	-76	-118	134	-7,277	32	-	7,200	-	-105
Stage 2	-4,143	-	4,190	-8,185	-101	-	3,716	-	-4,523
General governments	-10	-	3	6	-13	-	1	-	-13
Credit institutions	-4	-	-	-181	-	-	-	-	-185
Other financial corporations	-1,272	-	1,206	-2,176	-	-	4	9	-2,229
Non-financial corporations	-2,646	-	2,831	-2,356	-74	-	384	-9	-1,870
Households	-211	-	150	-3,478	-14	-	3,327	-	-226
Stage 3	-13,883	-	107	-14,658	-	-	10,249	-1,935	-20,120
General governments	-91	-	1	39	-	-	5	-	-46
Other financial corporations	-11	-	1	-1	-	-	8	-	-3
Non-financial corporations	-6,984	-	4	-10,981	-	-	5,012	-1,915	-14,864
Households	-6,797	-	101	-3,715	-	-	5,224	-20	-5,207
POCI	-761	-	6	24	-	-	6	-1	-726
General governments	-125	-	-	125	-	-	-	-	-
Credit institutions	-110	-	-	110	-	-	-	-	-
Non-financial corporations	-467	-	1	-198	-	-	4	-	-660
Households	-59	-	5	-13	-	-	2	-1	-66
Total	-25,667	-11,985	10,261	-22,888	77	-	21,329	-1,945	-30,818

	31.12.2024								Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Net changes due to modifications without derecognition	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-3,985	-10,896	5,560	-4,930	6,161	-	1,208	2	-6,880
General governments	-16	-2,793	3,531	-759	-	-	-	-	-37
Credit institutions	-201	-639	702	12	-	-	-	-	-126
Other financial corporations	-49	-486	17	-224	-	-	-	-	-742
Non-financial corporations	-3,702	-6,889	1,255	-2,719	6,131	-	23	2	-5,899
Households	-17	-89	55	-1,240	30	-	1,185	-	-76
Stage 2	-20,118	-	3,722	14,323	-4,407	-	2,331	6	-4,143
General governments	-36	-	2	23	-	-	1	-	-10
Credit institutions	-2,761	-	-	2,757	-	-	-	-	-4
Other financial corporations	-237	-	59	-1,101	-	-	2	5	-1,272
Non-financial corporations	-15,479	-	3,301	13,598	-4,387	-	320	1	-2,646
Households	-1,605	-	360	-954	-20	-	2,008	-	-211
Stage 3	-17,285	-	1,202	309	-	-	1,994	-103	-13,883
General governments	-276	-	4	180	-	-	1	-	-91
Other financial corporations	-88	-	-	76	-	-	1	-	-11
Non-financial corporations	-11,739	-	249	4,094	-	-	510	-98	-6,984
Households	-5,182	-	949	-4,041	-	-	1,482	-5	-6,797
POCI	-669	-	77	-213	-	-	44	-	-761
General governments	-90	-	-	-35	-	-	-	-	-125
Credit institutions	-	-	-	-110	-	-	-	-	-110
Non-financial corporations	-521	-	63	-45	-	-	36	-	-467
Households	-58	-	14	-23	-	-	8	-	-59
Total	-42,057	-10,896	10,561	9,489	1,754	-	5,577	-95	-25,667

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The movements in allowances for financial assets at fair value through other comprehensive income – debt securities

The exposures are presented in Note 21.

Allowances for financial assets at fair value through other comprehensive income

	31.12.2025						Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-5,434	-3,310	3,333	-381	-	-15	-5,807
General governments	-5,065	-3,246	3,333	-92	-	-12	-5,082
Credit institutions	-369	-64	-	-289	-	-3	-725
Total	-5,434	-3,310	3,333	-381	-	-15	-5,807

Allowances for financial assets at fair value through other comprehensive income

	31.12.2024						Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-7,089	-4,859	3,450	2,618	198	248	-5,434
General governments	-6,625	-2,078	3,424	213	-	1	-5,065
Credit institutions	-464	-2,781	26	2,405	198	247	-369
Stage 2	-196	-	-	196	-	-	-
Credit institutions	-196	-	-	196	-	-	-
Total	-7,285	-4,859	3,450	2,814	198	248	-5,434

Allowances for financial assets at fair value through other comprehensive income

	31.12.2025						Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-5,434	-3,310	3,333	-383	-	-15	-5,809
General governments	-5,065	-3,246	3,333	-92	-	-12	-5,082
Credit institutions	-369	-64	-	-291	-	-3	-727
Total	-5,434	-3,310	3,333	-383	-	-15	-5,809

Allowances for financial assets at fair value through other comprehensive income

	31.12.2024						Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Exchange-rate and other changes (+/-)	Closing Balance
Debt securities							
Stage 1	-4,557	-4,859	918	2,420	396	248	-5,434
General governments	-4,093	-2,078	892	15	198	1	-5,065
Credit institutions	-464	-2,781	26	2,405	198	247	-369
Stage 2	-196	-	-	196	-	-	-
Credit institutions	-196	-	-	196	-	-	-
Total	-4,753	-4,859	918	2,616	396	248	-5,434

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The movements in allowances for finance lease are presented below:

The exposures are presented in Note 35.

	31.12.2025							Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-20,481	-18,195	3,987	5,516	4,331	-	-25	-24,867
General governments	-34	-14	-	30	-	-	-	-18
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-510	-359	33	135	123	-	-25	-603
Non-financial corporations	-19,603	-17,436	3,926	5,252	4,057	-	-	-23,804
Households	-334	-386	28	99	151	-	-	-442
Stage 2	-19,049	-	1,578	9,175	-11,132	-	-	-19,428
General governments	-47	-	-	18	-	-	-	-29
Credit institutions	-	-	-	-	-	-	-	-
Other financial corporations	-43	-	8	28	-326	-	-	-333
Non-financial corporations	-18,442	-	1,523	8,971	-10,339	-	-	-18,287
Households	-517	-	47	158	-467	-	-	-779
Stage 3	-43,954	-	3,584	49	-8,784	12,477	-	-36,628
Other financial corporations	-159	-	-	74	-	-	-	-85
Non-financial corporations	-43,142	-	3,570	575	-8,784	12,126	-	-35,655
Households	-653	-	14	-600	-	351	-	-888
POCI	-320	-	-	52	-	-	-	-268
Non-financial corporations	-320	-	-	52	-	-	-	-268
Total	-83,804	-18,195	9,149	14,792	-15,585	12,477	-25	-81,191

	31.12.2024							Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-15,723	-15,023	129	-2,262	12,398	-	-	-20,481
General governments	-28	-17	-	11	-	-	-	-34
Other financial corporations	-121	-333	2	-306	248	-	-	-510
Non-financial corporations	-15,199	-14,474	126	-2,157	12,101	-	-	-19,603
Households	-375	-199	1	190	49	-	-	-334
Stage 2	-26,306	-	410	22,018	-15,171	-	-	-19,049
General governments	-	-	-	-47	-	-	-	-47
Other financial corporations	-346	-	13	500	-210	-	-	-43
Non-financial corporations	-25,420	-	365	21,385	-14,772	-	-	-18,442
Households	-540	-	32	180	-189	-	-	-517
Stage 3	-38,302	-	745	-25,556	-3,802	24,872	-1,911	-43,954
Other financial corporations	-202	-	57	-214	-56	256	-	-159
Non-financial corporations	-37,595	-	616	-24,879	-3,668	24,295	-1,911	-43,142
Households	-505	-	72	-463	-78	321	-	-653
POCI	-	-	-	-320	-	-	-	-320
Non-financial corporations	-	-	-	-320	-	-	-	-320
Total	-80,331	-15,023	1,284	-6,120	-6,575	24,872	-1,911	-83,804

	31.12.2025							Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-9	-	-	16	-	-	-25	-18
Other financial corporations	-6	-	-	17	-	-	-25	-14
Non-financial corporations	-3	-	-	-1	-	-	-	-4
Households	-	-	-	-	-	-	-	-
Stage 2	-5	-	-	-5	-	-	-	-10
Credit institutions	-	-	-	-3	-	-	-	-3
Other financial corporations	-2	-	-	-4	-	-	-	-6
Non-financial corporations	-3	-	-	2	-	-	-	-1
Stage 3	-1,172	-	-	1,172	-	-	-	-
Credit institutions	-1,172	-	-	1,172	-	-	-	-
Total	-1,186	-	-	1,183	-	-	-25	-28

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	31.12.2024							Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Net changes due to change in credit risk	Transfers between Stage 1 and Stages 2/3	Decrease in allowance account due to write-offs and POCI loans	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	-13	-	-	4	-	-	-	-9
Other financial corporations	-12	-	-	6	-	-	-	-6
Non-financial corporations	-1	-	-	-2	-	-	-	-3
Stage 2	-8	-	-	3	-	-	-	-5
Other financial corporations	-5	-	-	3	-	-	-	-2
Non-financial corporations	-3	-	-	-	-	-	-	-3
Stage 3	-1,154	-	-	-18	-	-	-	-1,172
Credit institutions	-1,154	-	-	-18	-	-	-	-1,172
Total	-1,175	-	-	-11	-	-	-	-1,186

In column 'Increases due to originations and acquisition' increases of CLA due to the initial recognition of finance lease receivables during the current reporting period are disclosed. Releases of CLA following the derecognition of the related finance lease receivables are reported in column 'Decreases due to derecognition'.

In column 'Transfers between stages' CLA net changes due to changes in credit risk that triggered re-assignments of the related finance lease receivables from Stage 1 as of 1 January 2025 or initial recognition date to Stages 2 or 3 as of 31 December 2025 or vice-versa are reported.

The effects of transfers from Stage 1 to Stages 2 or 3 on the related CLAs are adverse and presented in lines attributable to Stages 2 or 3. The effects of transfers from Stages 2 or 3 to Stage 1 on the related CLAs are favorable and presented in line 'Stage 1'.

Any other changes in credit risk which do not trigger a transfer between Stage 1 and Stage 2 or 3 or vice-versa are disclosed in column 'Other changes in credit risk (net)'.

Transfers between stages for finance lease

The exposures are presented in Note 35.

	31.12.2025						Group
	To Stage 2 from Stage 1		To Stage 3 from Stage 2		To Stage 3 from Stage 1		
in RON thousands	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3	
Other financial corporations	5,684	526	-	5	-	-	-
Non-financial corporations	295,946	83,690	13,402	7,722	21,542	871	-
Households	10,675	1,412	255	201	1,152	-	-
Total	312,305	85,628	13,657	7,928	22,694	871	

	31.12.2024						Group
	To Stage 2 from Stage 1		To Stage 3 from Stage 2		To Stage 3 from Stage 1		
in RON thousands	To Stage 2 from Stage 1	To Stage 1 from Stage 2	To Stage 3 from Stage 2	To Stage 2 from Stage 3	To Stage 3 from Stage 1	To Stage 1 from Stage 3	
Other financial corporations	4,412	10,283	232	-	143	-	-
Non-financial corporations	418,495	338,677	63,351	7,156	20,624	409	-
Households	4,934	2,482	781	215	797	-	-
Total	427,841	351,442	64,364	7,371	21,564	409	

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Movement in allowances for loan commitments and financial guarantees

The exposures are presented in Note 28.

	31.12.2025						Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Transfers between Stage 1 and Stages 2/3	Other changes in credit risk (net)	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	125,711	126,071	-43,541	-15,511	-77,175	-4,034	111,521
Stage 2	118,619	-	-60,017	57,423	11,532	-51,826	75,731
Defaulted	71,841	-	-48,606	12,184	4,399	-9,182	30,636
Total	316,171	126,071	-152,164	54,096	-61,244	-65,042	217,888

	31.12.2024						Group
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Transfers between Stage 1 and Stages 2/3	Other changes in credit risk (net)	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	92,018	115,572	-30,951	-27,638	-17,554	-5,736	125,711
Stage 2	239,349	-	-110,373	82,750	-49,775	-43,332	118,619
Defaulted	79,664	19	-17,759	4,963	2,267	2,687	71,841
Total	411,031	115,591	-159,083	60,075	-65,062	-46,381	316,171

	31.12.2025						Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Transfers between Stage 1 and Stages 2/3	Other changes in credit risk (net)	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	124,616	122,557	-40,401	-15,118	-76,864	-4,034	110,756
Stage 2	118,873	-	-58,967	56,501	10,839	-51,826	75,420
Defaulted	71,841	-	-48,606	12,184	4,272	-9,182	30,509
Total	315,330	122,557	-147,974	53,567	-61,753	-65,042	216,685

	31.12.2024						Bank
in RON thousands	Opening balance	Increases due to origination and acquisition	Decreases due to derecognition	Transfers between Stage 1 and Stages 2/3	Other changes in credit risk (net)	Exchange-rate and other changes (+/-)	Closing Balance
Stage 1	92,351	110,768	-27,736	-27,638	-17,386	-5,743	124,616
Stage 2	239,188	-	-109,282	82,750	-50,452	-43,331	118,873
Defaulted	79,664	19	-17,759	4,963	2,268	2,686	71,841
Total	411,203	110,787	-154,777	60,075	-65,570	-46,388	315,330

In column 'increases due to origination and acquisition' increases of CLA due to the initial recognition of loan commitments and financial guarantees during the current reporting period are disclosed. Releases of CLA following the derecognition of the related loan commitments and financial guarantees are reported in column 'Decreases due to derecognition'.

In the column 'Transfers between stage 1 and Stages 2/3' CLA net changes due to changes in credit risk that triggered re-assignments of the related loan commitments and financial guarantees from Stage 1 (on 1 January 2025 or initial recognition date) to Stages 2 or defaulted on 31 December 2025 or vice-versa are reported. The effects of transfers from Stage 1 to Stages 2 or Defaulted on the related CLAs are adverse and presented in lines attributable to Stages 2 or Defaulted. The effects of transfers from Stages 2 or Defaulted to Stage 1 on the related CLAs are favorable and presented in line 'Stage 1'. The P&L neutral effect from cross-stage transferring of the related CLA amounts recognized prior to stage re-assignments are presented above in column 'Other changes in credit risk (net)'. This column also captures the passage-of-time adverse effect ('unwinding') over the lifetime expected cash shortfalls of defaulted loan commitments and financial guarantees.

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Measurement of expected credit loss

The Expected Credit Loss (ECL) model

The general principles and standards for expected credit loss measurement are governed by internal policies, methodologies and procedures. According to IFRS 9, credit loss allowances are calculated for all components of the credit risk exposure which are measured at amortized cost (AC) or at fair value through other comprehensive income and include other demand deposits, debt securities, loans and advances to customers as well as finance lease and trade receivables. Provisions for loan commitments and financial guarantees are calculated if they meet the applicable IFRS 9 respective definitions.

According to the IFRS 9, there are three main stages outlined for expected credit loss (ECL) determination:

- A financial instrument that is not credit-impaired on initial recognition or for which credit risk has not increased significantly since initial recognition is classified in Stage 1. Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months;
- If a significant increase in credit risk (SICR) since initial recognition is identified but the exposure is not yet deemed to be credit-impaired, the financial instrument is moved to Stage 2. Instruments in Stage 2 have their ECL measured based on lifetime ('LT') expected credit losses arising from default events that are possible over the expected life of the instrument. In the case of drawings by non-defaulted customers on previously committed credit lines, depending on the development of credit risk between the commitment date and the drawing date, the whole exposure (on-balance and off-balance) is categorized as either Stage 1 or Stage 2;
- If the financial instrument is considered credit-impaired, it is moved to Stage 3. Instruments in Stage 3 have their ECL measured based on lifetime expected credit losses;
- Purchased or originated credit-impaired (POCI) financial instruments are those financial instruments that are credit-impaired on initial recognition. Their ECL is always measured on LT basis.

The key judgments and assumptions adopted by the Group in addressing the requirements of the standard are presented below:

Significant increase in credit risk determination

In the area of expected credit loss (ECL) modelling and calculation of ensuring credit loss allowances (CLA), the Group has concluded that one of the key drivers of the impact from applying the ECL model required by IFRS 9 is the assessment of significant increase in credit risk (SICR) for exposures that are not identified as credit-impaired as at the reporting date. In this respect, across portfolios and product types, quantitative and qualitative criteria are defined for assessing SICR, including the 30 days-past-due (DPD) criteria as a backstop.

Quantitative criteria

Quantitative SICR indicators include adverse changes in lifetime probability of default with significance being assessed by comparison to the thresholds. The Bank has established thresholds for significant increases in credit risk based on both a percentage (relative) and absolute change in PD compared to initial recognition. SICR occurs for a particular financial instrument, when both the relative and the absolute thresholds are breached.

The relative measure is calculated as a ratio between current annualized LT PD and annualized LT PD value on initial recognition, considering remaining maturity of the instrument. The breach means that such ratio has reached or is higher than the established threshold. These relative thresholds for SICR assessment are established at PD segment level or client rating level.

Relative thresholds for SICR assessment

Romania	Threshold	
	Min	Max
31.12.2025	1.06	3.37
31.12.2024	1.06	3.37

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There are certain portfolios where SICR quantitative criteria are assessed based on the ratings rather than PDs. The main rule in those cases is that downgrading of the ratings would lead to a positive conclusion on SICR. These rules are applied primarily to leasing and factoring business receivables.

The relative thresholds in place since the IFRS9 implementation have remained consistent as one of the most significant estimates in ECL measurement.

Absolute threshold is treated jointly with relative threshold for staging purposes in order to mitigate the potential impact of relative threshold might have on better rating grades (with potentially higher relative PD increase).

Qualitative criteria

Some of the main qualitative SICR criteria used include:

- forbearance-type flags (identification of regulatory forbearance);
- work-out transfer flag (when account starts being monitored by work-out department);
- information from early-warning-system (if it is not sufficiently considered in rating) and;
- fraud indicators.

The assignment of some of the qualitative indicators inherently relies on experienced credit risk judgment being exercised adequately and timely. The related group-wide and entity-level credit risk controlling policies and procedures ensure the necessary governance framework. These indicators are used internally for identification of insolvency or increased probability that a borrower will enter bankruptcy and there is increased risk of default in the foreseeable future.

Besides the qualitative indicators defined on client level, the assessment of significant increase in credit risk is performed on portfolio level if the increase in credit risk on individual instrument or client level is only available with a certain time lag or is observable exclusively on portfolio level.

Backstop

A backstop is applied and the financial instruments are considered to have experienced a SICR if the borrower is more than 30 days past due on contractual payments. As observed during validation, this does not represent a major trigger for Stage 2 classification.

Low credit risk exemption

The 'low credit risk exemption' allowed by IFRS 9 for 'investment grade' assets or other assets deemed 'low risk' (and resulting in 12 months expected credit losses being calculated irrespective of SICR quantitative measures) has been implemented with limitations in Group. Thus, the potential activation of this exemption is limited to particular types of debt instruments (sovereign bonds) and counterparty categories, and only if supported by sufficient 'low risk' evidence. On this basis, the 'low risk exemption' is expected to be occasionally applied only to banks and sovereigns. As of 31 December 2025, the Group registered low credit risk exposures for sovereign clients with PD below 0.1% in amount of RON 39,070,978 thousands (2024: RON 35,923,734 thousands).

Purchased or Originated Credit Impaired ('POCI') exposures

POCI includes financial instruments which were credit-impaired at initial recognition, irrespective of whether they are still credit-impaired at the reporting date. Expected credit losses against POCI exposures are always calculated on a lifetime basis and are reflected in the credit-adjusted effective interest rate at initial recognition. As a result, no loss allowance is recognised at inception. Subsequently, only adverse changes in lifetime expected credit losses after the initial recognition are recognised as loss allowance, whilst favorable changes are recognised as impairment gains increasing the gross carrying amount of the POCI financial assets.

Credit-impaired assets

Stage 3 includes financial instruments which are credit-impaired at the reporting date but were not credit-impaired at initial recognition. In principle, a financial instrument becomes credit-impaired when the customer defaults. The default definition applied in the Group has been developed in accordance with EBA/GL/2016/07 'Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013. The Group generally applies a customer view in applying the default definition, which leads to an impairment of all claims even if the customer defaults only on one of several transactions ('pulling effect'). On the other side, an upgrade to a non-defaulted rating grade implies that the total exposure ceases to be impaired.

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Measurement of expected credit loss

The measurement of ECLs is a probability-weighted average estimate of credit losses that reflect the time value of money. A credit loss is the difference between the cash flows that are due to the Group in accordance with the contractual terms of the instrument and the cash flows that the Group expects to receive (i.e. cash shortfalls) discounted at the original effective interest rate ('EIR') of the same instrument, or the credit-adjusted EIR in case of purchased or originated credit impaired assets.

For the purposes of measuring ECL, the Group estimates expected cash shortfalls, which reflect the cash flows expected from all possible sources including collateral and other credit enhancements that are part of the contractual terms. In the case of a collateralized financial instrument, the estimated expected cash flows related to the collateral reflects the amount and timing of cash flows that are expected from foreclosure on the collateral less the discounted costs of obtaining and selling the collateral. ECL is calculated over the residual period over which the Bank is exposed to credit risk. The residual period is defined based on the substantive terms of the instrument, including the Group's ability to demand repayment or cancellation and the customer's ability to require extension. However, for revolving credit facilities (i.e. those that include both a loan and an undrawn commitment component) the period of exposure is determined in accordance with the Group's expected credit risk management actions to mitigate credit risk, including terminating or limiting credit exposure. In doing so, the Group considers its normal credit risk mitigation process, its past practice, future intentions and expected credit risk mitigation actions.

For exposures to non-defaulted customers (i.e. in Stage 1 and Stage 2) the Bank determines ECL on a collective basis irrespective of the significance of the customer. The calculation of ECL for non-defaulted customers requires grouping the related exposures into homogenous groups on the basis of shared credit risk characteristics. The grouping criteria may differ on the customer segment (retail, corporate) and include product type, collateral type, repayment type, loan to value band or credit rating band/rating method. The calculation of credit loss allowances is done on a monthly basis on a single exposure level and in the contractual currency of the exposure.

ECL is determined as the product of exposure at default ('EAD') that also includes a credit conversion factor in case of off-balance sheet exposures, probability of default ('PD') and loss given default ('LGD'), discounted with the original EIR, as follows:

- PD represents the likelihood of a borrower defaulting on its financial obligation (as per definition of default below), either over the next 12 month ('1Y PD') or over the remaining lifetime ('LT PD');
- EAD is based on the amounts the Group expects to be owed at the time of default, over next 12 months ('1Y EAD') or over remaining lifetime ('LT EAD'). The estimation includes current balance, expected repayments and expected drawings up to the current contractual limit by the time of default, should it occur;
- LGD represents the Group's expectation of the extent of loss on defaulted exposures. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit exposure at the time of default (EAD).

Lifetime parameters

The LT PD is developed through observation of historical defaults from initial recognition through the lifetime of the loans. It is assumed to be the same across all assets in the same portfolio and rating band. The 1Y and LT EADs are determined based on the expected payment profiles, which vary by different product types. The LT EAD calculation utilizes repayment schedule or repayment type (annuity, linear, bullet). In the case of undrawn commitments, a credit conversion factor is estimated for reflecting the expected credit exposure in the EAD. The LGD is estimated as a life-time curve for any point in time, based on the historical loss observations.

The risk parameters used in the ECL calculation take into account available information at the reporting date about past events, current conditions and forecasts on future economic trends. Generally, the risk parameters applied in the calculation of IFRS 9 ECL differ from the risk parameters compliant with capital requirement regulations, calculated on a through-the-cycle basis.

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Credit risk exposure by region and IFRS 9 treatment

	31.12.2025						Group
in RON thousands	Stage 1	Stage 2	Stage 3	POCI	Credit risk exposure (AC and FVOCI)	Not subject to IFRS 9 impairment	Total
Core markets	127,249,946	9,697,571	1,941,911	258,034	139,147,462	8,291,718	147,439,180
Austria	1,233,384	97,600	182	-	1,331,166	176,632	1,507,798
Romania	125,965,552	9,599,968	1,934,702	258,034	137,758,256	8,076,884	145,835,140
Slovakia	14,432	-	7,027	-	21,459	-	21,459
Czech Republic	18,686	2	-	-	18,688	-	18,688
Hungary	17,892	1	-	-	17,893	38,202	56,095
Other EU	6,412,082	27,523	5,483	404	6,445,492	169,796	6,615,288
Other industrialised countries	538,742	7,092	741	-	546,575	16,643	563,218
Emerging markets	399,435	26,444	141	-	426,020	3,171	429,191
Southeastern Europe/CIS	264,825	26,122	54	-	291,001	2,548	293,549
Asia	19,287	79	65	-	19,431	-	19,431
Latin America	43	-	2	-	45	-	45
Middle East/Africa	115,280	243	20	-	115,543	623	116,166
Total	134,600,205	9,758,630	1,948,276	258,438	146,565,549	8,481,328	155,046,877

	31.12.2024						Group
in RON thousands	Stage 1	Stage 2	Stage 3	POCI	Credit risk exposure (AC and FVOCI)	Not subject to IFRS 9 impairment	Total
Core markets	115,727,908	12,174,359	1,884,157	163,450	129,949,874	5,919,079	135,868,953
Austria	3,321,094	14,533	184	-	3,335,811	179,965	3,515,776
Romania	112,148,435	12,151,552	1,883,972	163,450	126,347,409	5,739,114	132,086,523
Slovakia	14,055	8,272	-	-	22,327	-	22,327
Czech Republic	51,228	1	-	-	51,229	-	51,229
Hungary	193,096	1	1	-	193,098	-	193,098
Other EU	4,562,646	58,682	2,085	240	4,623,653	64,140	4,687,793
Other industrialised countries	304,384	5,639	1,010	-	311,033	20,176	331,209
Emerging markets	136,401	28,934	202	-	165,537	5,830	171,367
Southeastern Europe/CIS	1,974	24,370	83	-	26,427	2,486	28,913
Asia	11,625	168	60	-	11,853	1,865	13,718
Latin America	-	-	3	-	3	-	3
Middle East/Africa	122,802	4,396	56	-	127,254	1,479	128,733
Total	120,731,339	12,267,614	1,887,454	163,690	135,050,097	6,009,225	141,059,322

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	31.12.2025						Bank
in RON thousands	Stage 1	Stage 2	Stage 3	POCI	Credit risk exposure (AC and FVOCI)	Not subject to IFRS 9 impairment	Total
Core markets	128,983,736	8,603,009	1,772,021	257,499	139,616,265	8,296,717	147,912,982
Austria	1,233,350	97,600	182	-	1,331,132	176,632	1,507,764
Romania	127,699,375	8,505,406	1,764,812	257,499	138,227,092	8,081,883	146,308,975
Slovakia	14,432	-	7,027	-	21,459	-	21,459
Czech Republic	18,687	2	-	-	18,689	-	18,689
Hungary	17,892	1	-	-	17,893	38,202	56,095
Other EU	6,408,371	26,984	5,483	404	6,441,242	169,796	6,611,038
Other industrialised countries	538,741	7,092	741	-	546,574	16,642	563,216
Emerging markets	399,435	26,443	140	-	426,018	3,173	429,191
Southeastern Europe/CIS	264,825	26,121	54	-	291,000	2,549	293,549
Asia	19,287	79	65	-	19,431	-	19,431
Latin America	44	-	1	-	45	-	45
Middle East/Africa	115,279	243	20	-	115,542	624	116,166
Total	136,330,283	8,663,528	1,778,385	257,903	147,030,099	8,486,328	155,516,427

	31.12.2024						Bank
in RON thousands	Stage 1	Stage 2	Stage 3	POCI	Credit risk exposure (AC and FVOCI)	Not subject to IFRS 9 impairment	Total
Core markets	116,603,106	11,311,265	1,708,345	162,813	129,785,529	5,931,054	135,716,583
Austria	3,321,001	14,533	184	-	3,335,718	179,965	3,515,683
Romania	113,023,959	11,288,458	1,708,157	162,813	126,183,387	5,751,089	131,934,476
Slovakia	13,715	8,271	-	-	21,986	-	21,986
Czech Republic	51,228	2	-	-	51,230	-	51,230
Hungary	193,097	1	1	-	193,099	-	193,099
Other EU	4,562,539	55,500	2,085	240	4,620,364	64,140	4,684,504
Other industrialised countries	304,384	5,639	1,008	-	311,031	20,176	331,207
Emerging markets	136,398	28,934	201	-	165,533	5,831	171,364
Southeastern Europe/CIS	1,973	24,370	83	-	26,426	2,487	28,913
Asia	11,622	168	60	-	11,850	1,865	13,715
Latin America	-	-	3	-	3	-	3
Middle East/Africa	122,803	4,396	55	-	127,254	1,479	128,733
Total	121,606,427	11,401,338	1,711,639	163,053	134,882,457	6,021,201	140,903,658

Stage 1 and Stage 2 comprise not impaired credit exposure, while Stage 3 includes impaired credit exposure. POCI (purchased or originated credit impaired) consists of credit exposures already impaired when purchased or originated.

The defaulted part of POCI amounted to RON 143,945 thousands (2024: RON 48,598 thousands), the non-defaulted part to RON 114,493 thousands (2024: RON 115,092 thousands) in case of BCR Group. The defaulted part of POCI in case of BCR amounted to RON 143,410 thousands (2024: RON 47,961 thousands), while the non-defaulted part is similar with the Group.

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Credit risk exposure and IFRS 9 treatment by business segment

31.12.2025 Group												
in RON thousands	Credit risk exposure					Credit loss allowances				Coverage ratio		
	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Retail	36,402,792	4,306,553	1,148,935	135,877	541	-251,777	-523,177	-900,542	-15,062	12.15%	78.38%	11.09%
Corporates	49,904,590	5,012,199	798,829	122,561	4,868,738	-311,397	-323,938	-547,952	-1,090	6.46%	68.59%	0.89%
Group Markets	7,123,127	342,986	-	-	3,590,754	-4,824	-8,769	-	-	2.56%	-	-
Asset/Liability Management and Local Corporate Center	41,169,696	96,892	512	-	21,295	-16,262	-549	-512	-	0.57%	100.00%	-
Total	134,600,201	9,758,630	1,948,276	258,438	8,481,328	-584,260	-856,433	-1,449,006	-16,152	8.78%	74.37%	6.25%

31.12.2024 Group												
in RON thousands	Credit risk exposure					Credit loss allowances				Coverage ratio		
	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Retail	31,214,415	5,362,023	1,244,664	141,946	850	-220,930	-569,984	-1,127,317	-26,899	10.63%	90.57%	18.95%
Corporates	43,555,914	6,868,288	642,693	21,634	4,038,469	-356,417	-637,430	-435,964	-2,965	9.28%	67.83%	13.71%
Group Markets	7,807,554	35,126	-	-	1,880,828	-8,111	-2,112	-	-	6.01%	-	-
Asset/Liability Management and Local Corporate Center	38,153,456	2,177	97	110	89,078	-14,697	-70	-97	-	3.22%	100.00%	-
Total	120,731,339	12,267,614	1,887,454	163,690	6,009,225	-600,155	-1,209,596	-1,563,378	-29,864	9.86%	82.83%	18.24%

31.12.2025 Bank												
in RON thousands	Credit risk exposure					Credit loss allowances				Coverage ratio		
	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Retail	35,100,711	3,887,752	1,066,970	135,877	541	-231,430	-505,648	-859,651	-15,062	13.01%	80.57%	11.09%
Corporates	47,004,004	4,330,245	710,903	122,026	4,868,738	-282,061	-299,386	-508,107	-822	6.91%	71.47%	0.67%
Group Markets	7,123,127	342,986	-	-	3,595,754	-4,824	-8,769	-	-	2.56%	-	-
Asset/Liability Management and Local Corporate Center	47,102,441	102,545	512	-	21,295	-22,154	-555	-512	-	0.54%	100.00%	-
Total	136,330,283	8,663,528	1,778,385	257,903	8,486,328	-540,469	-814,358	-1,368,270	-15,884	9.40%	76.94%	6.16%

31.12.2024 Bank												
in RON thousands	Credit risk exposure					Credit loss allowances				Coverage ratio		
	Stage 1	Stage 2	Stage 3	POCI	Not subject to IFRS 9 impairment	Stage 1	Stage 2	Stage 3	POCI	Stage 2	Stage 3	POCI
Retail	30,150,238	4,945,450	1,175,059	141,946	850	-203,930	-550,363	-1,091,684	-26,899	11.13%	92.90%	18.95%
Corporates	40,840,144	6,393,188	534,114	20,997	4,038,471	-326,928	-619,474	-381,839	-2,645	9.69%	71.49%	12.60%
Group Markets	7,809,336	35,126	-	-	1,892,802	-8,113	-2,112	-	-	6.01%	-	-
Asset/Liability Management and Local Corporate Center	42,806,709	27,574	2,466	110	89,078	-18,636	-615	-1,269	-110	2.23%	51.46%	100.00%
Total	121,606,427	11,401,338	1,711,639	163,053	6,021,201	-557,607	-1,172,564	-1,474,792	-29,654	10.28%	86.16%	18.19%

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Incorporation of Forward-Looking Information (FLI)

Parameters are determined to reflect the risk as a 'point-in-time' measure and with consideration of forward-looking information (FLI). This approach considers a baseline forecast and a number of alternative scenarios for selected macroeconomic variables. The alternative scenarios are derived, together with their probabilities of occurrence, as a deviation from baseline forecasts. The baseline forecasts are, with a few exceptions, internally determined by BCR's research department. Given multiple scenarios, the 'neutral' PDs (and, with a few exceptions, also LGDs) are adjusted using macro models that link relevant macroeconomic variables with risk drivers.

The same macro-shift models as for external and internal stress test are used. Forward-looking information is incorporated for first three years of ECL measurement and has at least a yearly frequency of update.

Thus, the unbiased probability weighted ECL considering FLI is derived using the weights representing the probability of occurrence of each macroeconomic scenario. Typical macroeconomic variables may include real gross domestic product, unemployment rate, inflation rate, production price index, wages and market interest rates. The main indicators are GDP development for Corporate and wages for Retail.

In addition, economic effects of the war in Ukraine led to increasing inflation and/or interest rates, as well as uncertainty about energy carriers' availability and their prices. The Bank adjusted macro-shift models to properly reflect expected effects of those into credit risk parameters.

The Bank reviewed the scenarios used in forward looking information in 2025 according to the disclosed forecasts for baseline, downside and upside scenarios and decided to use 24% probability of occurrence assigned for upside forecast and 26% for downside forecast due to more stable macroeconomic forecasts than as compared which the ones observed during previous year.

Baseline, upside and downside scenarios of GDP growth by geographic region

31.12.2025	Scenario	Probability weights	GDP growth in %		
		2026-2028	2026	2027	2028
Romania	Upside	24%	5.04	5.94	5.64
	Baseline	50%	2.10	3.00	2.70
	Downside	26%	-1.43	-0.53	-0.83

31.12.2024	Scenario	2025-2027	2025	2026	2027
Romania	Upside	26%	4.35	5.55	4.95
	Baseline	50%	1.20	2.40	1.80
	Downside	24%	-3.02	-1.02	-0.67

Baseline, upside and downside scenarios of the inflation development

31.12.2025	Upside scenario			Baseline scenario			Downside scenario			Scenario weighted outcome		
	2026	2027	2028	2026	2027	2028	2026	2027	2028	2026	2027	2028
GDP growth	5.04	5.94	5.64	2.10	3.00	2.70	-1.43	-0.53	-0.83	1.89	2.79	2.49
Interest Rate (ROBOR 3M)	2.71	1.51	1.19	5.53	4.33	4.00	8.36	7.16	6.83	5.59	4.39	4.06
Inflation (CPI)	4.60	1.10	1.10	6.50	3.00	3.00	8.40	4.90	4.90	6.54	3.04	3.04

31.12.2024	Upside scenario			Baseline scenario			Downside scenario			Scenario weighted outcome		
	2025	2026	2027	2025	2026	2027	2025	2026	2027	2025	2026	2027
GDP growth	4.35	5.55	4.95	1.20	2.40	1.80	-3.02	-1.02	-0.67	1.01	2.40	2.03
Interest Rate (ROBOR 3M)	2.34	1.54	1.44	5.20	4.40	4.30	8.15	7.65	6.90	5.17	4.44	4.18
Inflation (CPI)	2.14	1.24	1.14	4.10	3.20	3.10	7.97	5.42	4.17	4.52	3.22	2.85

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ECL for Stage 3 or POCI

ECL on Stage 3 or POCI exposures are calculated individually or collectively. The individual approach is applied in case of exposures to significant defaulted customers and consists of the individual assessment of the difference between the gross carrying amount and the net present value of the expected cash flows which are estimated by workout or risk managers. More than one scenario of expected future cash flows shall be considered in ECL calculation to ensure the unbiased and probability weighted result. In accordance with internal workout processes, the following scenarios should be accounted for: approved workout strategy (base scenario), alternative base case (if applicable), contingency scenario (e.g. bankruptcy/liquidation) and exit scenario (e.g. NPL sale).

The discounting of the cash flows is based on the effective interest rate (POCI: credit-adjusted effective interest rate). However, for financial guarantees the discount rate shall reflect the current market assessment of the time value of money and the risks that are specific to the cash flows which in Group's implementation means using a risk free rate as a proxy. A defaulted customer is classified as individually significant if the total on- and off-balance exposure exceeds a predefined materiality limit. The materiality limit on client level is 400,000 EUR (2025: RON equivalent 2,039 thousands) for non-retail clients and 250,000 EUR (2025: RON equivalent 1,274 thousands) for retail clients. Otherwise, the customer is considered as insignificant and a rule-based approach is used for the calculation of the related credit loss allowance. Under this approach, credit loss allowances are calculated as the product of gross carrying amount and LGD, where the LGD depends on characteristics such as time in default or the stage of the workout process, collateralization level. Specifically for retail clients ECL calculation is based on Expected Loss Best Estimates (ELBE) model, depending on the client's payment behavior, the following categories can be assigned: cooperative, non-cooperative and average. The cooperative reflects the good payments behavior of the client for which high recovery rates are expected, whereas the non-cooperative reflects low recovery expectations.

Collective assessment

In addition to the standard SICR assessment, BCR applied a collective SICR assessment, under which exposures are transferred to Stage 2 based on predefined portfolio characteristics that capture emerging risks not adequately reflected in the standard models. Exemptions from the collective SICR assessment may be granted following an individual review and appropriate documentation.

In December 2025, BCR applied collective staging assessment (industry stage overlays), implemented in 2024, in case of industries selected in line with industry strategy to ensure that it reflects risks and changes in the risk assessment which our portfolio is exposed to. In addition to the industry selection, a probability-of-default threshold of 250 basis points is used to trigger transfer to Stage 2.

During 2025, several adjustments were made to the industry stage overlays in line with updates to the Erste Group risk strategy and observed portfolio developments:

September - following a review of the industry strategy, the Construction and Building Materials sub-industry was removed from the scope of industry stage overlays. This decision resulted in the decrease of allocated ECL of RON 3,333 thousand.

October - the Real Estate Developers sub-industry was excluded from the overlays due to stable portfolio performance. The removal of this overlay led to the decrease of RON 3,018 thousand in allocated ECL.

December - the Metals (Iron/Steel) industry category was added to the industry stage overlays following a change in the Erste Group risk strategy. This update resulted in a minor ECL increase of RON 5 thousand.

As of 31 December 2025, credit risk exposure of the portfolio subject to collective staging assessment (industry stage overlays) was RON 619,080 thousand. The related Stage 2 additional expected credit loss was RON 25,137 thousand.

Effect on Expected Credit Loss (ECL)

The analysis tables below present the effects of the portfolio overlays and FLI on both exposure migration to Stage 2 and the resulting increase of ECL. Additional sensitivities to the baseline, upside and downside scenarios are simulated.

Scenario simulation presents sensitivity analyses taking into consideration only changes due to the different values of PDs, if baseline, upside or downside FLI scenarios had 100% weight. Sensitivities of these scenarios are calculated in comparison to current production - weighted scenarios FLI shifted - PDs. Weights and scenarios are disclosed in the "Incorporation of forward-looking information" section. Both staging and resulting ECL were simulated with the scenario PDs.

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The incorporation of 100% upside scenario instead of the currently applied weighted scenario outcome would lead to a decrease of Stage 2 exposure by RON 768,000 thousands (2024: RON 1,589,000 thousands), resulting in a decrease in expected credit loss of RON 176,000 thousands (2024: RON 331,000 thousands).

The baseline scenario would lead to a decrease of Stage 2 exposure by RON 106,000 thousands (2024: RON 397,000 thousands), resulting in a decrease in expected credit loss of RON 17,000 thousands (2024: RON 82,000 thousands).

The downside scenario would lead to additional RON 1,223,000 thousands of exposure migration to Stage 2 in comparison with scenario weighted FLI (2024: RON 3,035,000 thousands), resulting in a increase in expected credit loss of RON 235,000 thousands (2024: RON 675,000 thousands).

For the ECL change a positive sign (+) equals a release while a negative sign (-) equals an allocation. Values presented sensitivities are results of internal simulations.

Impact on credit risk exposure

								31.12.2025	Bank
in RON thousands	Current status – parameters (FLI shifted)							Simulations - change of FLI shifts effect	
	Stage 1	Stage 2	Total	PI	Industry / Cyclical	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Romania	136,330,283	8,663,528	144,993,811	-	619,000	933,000	-768,000	-106,000	1,223,000
Total	136,330,283	8,663,528	144,993,811	-	619,000	933,000	-768,000	-106,000	1,223,000

								31.12.2024	Bank
in RON thousands	Current status – parameters (FLI shifted)							Simulations - change of FLI shifts effect	
	Stage 1	Stage 2	Total	PI	Industry / Cyclical	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Romania	121,606,427	11,401,338	133,007,765	-	2,336,000	1,481,000	-1,589,000	-397,000	3,035,000
Total	121,606,427	11,401,338	133,007,765	-	2,336,000	1,481,000	-1,589,000	-397,000	3,035,000

Impact on credit loss allowances

								31.12.2025	Bank
in RON thousands	Current status – parameters (FLI shifted)							Simulations - change of FLI shifts effect	
	Stage 1	Stage 2	Total	PI	Industry / Cyclical	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
Romania	-540,469	-814,358	-1,354,827	-	-25,000	-218,000	176,000	17,000	-235,000
Total	-540,469	-814,358	-1,354,827	-	-25,000	-218,000	176,000	17,000	-235,000

								31.12.2024	Bank
in RON thousands	Current status – parameters (FLI shifted)							Simulations - change of FLI shifts effect	
	Stage 1	Stage 2	Total	PI	Industry / Cyclical	FLI shifts	Upside scenario	Baseline scenario	Downside scenario
	Romania	-557,607	-1,172,564	-1,730,171	-	-54,000	-303,000	331,000	82,000
Total	-557,607	-1,172,564	-1,730,171	-	-54,000	-303,000	331,000	82,000	-675,000

Credit loss allowances and loss allowances for loan commitments and financial guarantees are computed based on IFRS 9 requirements, while provisions for other commitments are subject to IAS 37.

Restructuring and renegotiation

Business restructuring in the retail segment or Commercial renegotiation in the corporate segment is a potential and effective customer retention tool involving re-pricing or the offering of an additional loan or both in order to maintain the bank's valuable, good customers.

Forbearance

BCR's definition of 'forbearance' follows the EBA's Technical Standards on forbearance included in Regulation (EU) 2015/227. A restructuring is considered 'forbearance' if it entails a concession towards a customer facing or about to face financial difficulties in meeting their contractual financial commitments. A borrower is in financial difficulties if any of the following conditions are met:

- the customer has an active default event;
- the customer was more than 30 days past due in the past 3 months;
- the customer would be 30 days past due or more without receiving forbearance;
- the contract modification involves total or partial cancellation by write-off of the debt on any of the customer's credit obligations while at customer level open credit exposure still remains (only for retail clients);
- riskier ratings are assigned following a deterioration by minimum 2 points of the previous rating (applicable only for non-retail clients).

Forborne exposure is assessed at loan contract level and means only the exposure to which forbearance measures have been extended and excludes any other exposure the customer may have, as long as no forbearance was extended to these.

Concession means that any of the following conditions are met:

- modification/refinancing of the contract would not have been granted, had the customer not been in financial difficulty;
- there is a difference in favor of the customer between the modified/refinanced terms of the contract and the previous terms of the contract;
- the modified/refinanced contract includes more favorable terms than other customers with a similar risk profile would have obtained from the same institution.

Forbearance can be initiated by the Bank or by the customer (on account of loss of employment, illness etc.). Components of forbearance can be installment reduction, tenor extension, interest reduction or forgiveness, principal reduction or forgiveness, revolving exposure change to installment and/or others.

Forbearance measures are divided and reported as:

- performing forbearance (incl. performing forbearance under probation that was upgraded from non-performing forbearance);
- non-performing forbearance (incl. non-performing forbearance and defaulted/impaired forbearance); starting with May 2019 also the non-performing forbearance has assigned a default event.

Forborne exposures are considered performing when:

- the exposure did not have non-performing status at the time the extension of or application for forbearance was approved;
- granting the forbearance has not led to classifying the exposure as non-performing or default.

Performing forborne exposures become non-performing when one of the following forbearance classifications is fulfilled during the monitoring period of a minimum of two years:

- an additional forbearance measure is extended and in the past the customer was in the non-performing forbearance category;
- the customer becomes more than 30 days past due on forborne exposure and in the past the customer was in the non-performing forbearance category;

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- the customer meets any of the default event criteria defined in the default definition;
- for corporate customers, when a final restructuring agreement cannot be concluded within 18 months after the first forbearance measure.

The performing forbearance classification can be discontinued and the account can become a non-forborne account when all of the following conditions are met:

- a minimum of two years has passed from the date of classifying the exposure as performing forbearance (probation period);
- under the forborne payment plan, at least 50% of the original (pre-forbearance) installment has been regularly repaid at least during half of the probation period (in the case of retail customers);
- regular repayments in a significant amount during at least half of the probation period have been made (in the case of corporate customers);
- none of the exposure of the customer is more than 30 days past due at the end of the probation period.

An exposure is considered as non-performing forborne, if at the moment of forbearance measures implementation client meets at least one of the conditions mentioned below:

- the account/product is already classified as non-performing exposure;
- the account/product becomes non-performing after the concession implementation.

Nonperforming forbearance can be allocated as a result of a downgrade from a performing/ performing under probation forbearance status.

If for a performing forborne contract the customer meets any of the default event criteria defined in the Group internal default definition, the account will be classified as non-performing.

If for or a performing under probation contract at least one of the below triggers will take place, the account will be classified as non-performing:

- an additional forbearance measure is extended at account level, this being at least the 2nd restructuring measure at client level, in more than 2 years from receiving the last forbearance measure or
- the account has more than 30 days past due during the monitoring period, or
- the customer meets any of the default event criteria defined in the Group internal default definition.

The non-performing forbearance classification can be discontinued and reclassified as performing under probation when all of the following conditions are met:

- one year has passed from the date of classifying the exposure as non-performing forbearance;
- the forbearance has not led the exposure to be classified as non-performing;
- retail customers: the customer has demonstrated the ability to comply with the post-forbearance conditions by either of the following:
 - the customer has never been more than 30 days past due during the last 6 months and there is no delinquent amount;
 - the customer has repaid the full past due amount or the written-off amount (if there was any).
- corporate customers: analysis of financial development that leaves no concern about future compliance with post-forbearance terms and conditions. Furthermore, the customer has never been more than 30 days past due during the monitoring period and there is no delinquent amount.

In the corporate segment, recognition of forbearance measures typically leads to the involvement of the responsible local workout unit. The largest part of the forbearance measures are set and monitored within the responsibility of the local workout units according to the internal regulations and standards for the workout involvement. Forbearance measures are defined as qualitative trigger events in the SICR concept according to the internal regulations of the Bank.

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Credit risk exposure, forbearance exposure and credit loss allowances

	31.12.2025				Group
in RON thousands	Loans and advances	Debt securities	Other on- and off-balance-sheet positions	Loan commitments	Total
Gross exposure	81,199,786	36,288,512	11,145,857	26,412,722	155,046,877
thereof gross forborne exposure	1,318,141	-	-	32,190	1,350,331
Performing exposure	79,175,672	36,288,512	11,139,836	26,350,397	152,954,417
thereof performing forborne exposure	444,849	-	-	22,521	467,370
Credit loss allowances for performing exposure	-1,238,670	-15,805	-10,775	-177,134	-1,442,384
thereof credit loss allowances for performing forborne exposure	-70,327	-	-	-2,434	-72,761
Non-performing exposure	2,024,114	-	6,021	62,325	2,092,460
thereof non-performing forborne exposure	873,292	-	-	9,669	882,961
Credit loss allowances for non-performing exposure	-1,432,951	-	-745	-29,773	-1,463,469
thereof credit loss allowances for non-performing forborne exposure	-526,871	-	-	-2,972	-529,843

	31.12.2024				Group
in RON thousands	Loans and advances	Debt securities	Other on- and off-balance-sheet positions	Loan commitments	Total
Gross exposure	75,811,407	33,364,099	8,427,846	23,455,975	141,059,327
thereof gross forborne exposure	1,622,886	-	-	279,393	1,902,279
Performing exposure	73,990,813	33,364,099	8,426,502	23,341,866	139,123,280
thereof performing forborne exposure	979,807	-	-	276,596	1,256,403
Credit loss allowances for performing exposure	-1,553,285	-14,319	-14,704	-229,999	-1,812,307
thereof credit loss allowances for performing forborne exposure	-180,669	-	-	-29,198	-209,867
Non-performing exposure	1,820,594	-	1,344	114,109	1,936,047
thereof non-performing forborne exposure	643,079	-	-	2,797	645,876
Credit loss allowances for non-performing exposure	-1,518,975	-	-1,210	-70,501	-1,590,686
thereof credit loss allowances for non-performing forborne exposure	-512,860	-	-	-1,612	-514,472

	31.12.2025				Bank
in RON thousands	Loans and advances	Debt securities	Other on- and off-balance-sheet positions	Loan commitments	Total
Gross exposure	80,726,577	36,154,979	11,191,915	27,442,956	155,516,427
thereof gross forborne exposure	1,262,898	-	-	32,190	1,295,088
Performing exposure	78,872,671	36,154,979	11,185,894	27,380,849	153,594,393
thereof performing forborne exposure	423,480	-	-	22,521	446,001
Credit loss allowances for performing exposure	-1,153,934	-15,748	-10,803	-176,029	-1,356,514
thereof credit loss allowances for performing forborne exposure	-69,450	-	-	-2,434	-71,884
Non-performing exposure	1,853,906	-	6,021	62,107	1,922,034
thereof non-performing forborne exposure	839,418	-	-	9,669	849,087
Credit loss allowances for non-performing exposure	-1,352,075	-	-745	-29,646	-1,382,466
thereof credit loss allowances for non-performing forborne exposure	-511,333	-	-	-2,972	-514,305

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	31.12.2024				Bank
in RON thousands	Loans and advances	Debt securities	Other on- and off-balance-sheet positions	Loan commitments	Total
Gross exposure	75,390,724	33,237,784	8,590,179	23,684,971	140,903,658
thereof gross forbore exposure	1,553,682	-	-	279,393	1,833,075
Performing exposure	73,746,580	33,237,784	8,588,834	23,570,862	139,144,060
thereof performing forbore exposure	942,591	-	-	276,596	1,219,187
Credit loss allowances for performing exposure	-1,474,682	-14,265	-15,289	-228,490	-1,732,726
thereof credit loss allowances for performing forbore exposure	-178,917	-	-	-29,198	-208,115
Non-performing exposure	1,644,144	-	1,345	114,109	1,759,598
thereof non-performing forbore exposure	611,091	-	-	2,797	613,888
Credit loss allowances for non-performing exposure	-1,430,179	-	-1,210	-70,501	-1,501,890
thereof credit loss allowances for non-performing forbore exposure	-498,410	-	-	-1,612	-500,022

This section provides a comprehensive picture of the credit quality of the banks' assets per financial statements line - item. Total forbore exposure decreases with RON (551,948) thousand in case of Group, respectively by RON (537,987) thousands in case of Bank, noticeable in loans and advances and loan commitments.

Types of forbearance exposure

	Group					
in RON thousands	Gross forbore exposure	Modification in terms and conditions	Refinancing	Gross forbore exposure	Modification in terms and conditions	Refinancing
	31.12.2025			31.12.2024		
Loans and advances	1,318,141	1,261,886	56,255	1,622,886	1,581,334	41,552
Loan commitments	32,190	31,094	1,096	279,393	253,644	25,749
Total	1,350,331	1,292,980	57,351	1,902,279	1,834,978	67,301

	Bank					
in RON thousands	Gross forbore exposure	Modification in terms and conditions	Refinancing	Gross forbore exposure	Modification in terms and conditions	Refinancing
	31.12.2025			31.12.2024		
Loans and advances	1,262,898	1,206,643	56,255	1,553,682	1,512,130	41,552
Loan commitments	32,190	31,094	1,096	279,393	253,644	25,749
Total	1,295,088	1,237,737	57,351	1,833,075	1,765,774	67,301

Loans and advances figures include finance lease receivables and trade and other receivables.

Non-performing credit risk exposure and credit loss allowances

For the definition of credit risk exposure classified as non-performing, please refer to the description of risk categories in the subsection 'Internal rating system'. Credit risk provisions include specific and collective allowances and provisions for guarantees.

Credit loss allowances (all stages combined) covered 138.89% (2024: 175.77%) in case of Group and 142.52% (2024: 183.83%) in case of BCR of the reported non-performing on-balance and off-balance credit risk exposure as of 31 December 2025. For the portion of the non-performing credit risk exposure that is not covered by allowances, Group assumes there are sufficient levels of collateral and expected other recoveries.

Non-performing exposure reached RON 2,092,221 thousands as of December 2025 (2024: RON 1,936,047 thousands) in case of BCR Group and RON 1,921,796 thousands (2024: RON 1,759,598 thousands) in case of Bank.

The following tables show the coverage of the non-performing credit risk exposure by credit loss allowances (without taking into consideration the collateral) as of 31 December 2025 and 31 December 2024.

The non-performing exposure ratio (NPE ratio) is calculated as the non-performing credit risk exposure divided by total credit risk exposure while the NPE coverage ratio (excl. collateral) is calculated according to Group's internal definition by dividing total loss allowances by non-performing credit risk exposure. Collateral or other recoveries are not taken into account.

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Non-performing credit risk exposure by business segment and coverage by credit loss allowances and collateral

in RON thousands	31.12.2025 Group											
	Non-performing		Credit risk exposure		Credit loss allowances	Collateral for NPE		NPE ratio		NPE coverage (excl. collateral)	NPE collateralization ratio	
	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI
Retail	1,178,475	1,178,475	41,994,698	41,994,157	-1,690,559	406,770	406,770	2.81%	2.81%	143.45%	34.52%	34.52%
Corporates	913,473	913,234	60,706,917	55,838,179	-1,184,376	326,679	326,441	-	-	129.69%	-	-
Group Markets	-	-	11,056,867	7,466,113	-13,593	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	512	512	41,288,395	41,267,100	-17,323	146	146	-	-	3383.40%	28.52%	28.52%
Total	2,092,460	2,092,221	155,046,877	146,565,549	-2,905,851	733,595	733,357	1.35%	1.43%	138.89%	35.06%	35.05%

in RON thousands	31.12.2024 Group											
	Non-performing		Credit risk exposure		Credit loss allowances	Collateral for NPE		NPE ratio		NPE coverage (excl. collateral)	NPE collateralization ratio	
	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI
Retail	1,280,544	1,280,544	37,963,899	37,963,048	-1,945,130	407,745	407,745	3.37%	3.37%	151.90%	31.84%	31.84%
Corporates	655,296	655,298	55,126,999	51,088,526	-1,432,775	231,127	231,127	-	-	218.64%	-	-
Group Markets	-	-	9,723,507	7,842,680	-10,224	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	207	207	38,244,917	38,155,840	-14,864	-	-	-	-	7180.68%	-	-
Total	1,936,047	1,936,049	141,059,322	135,050,094	-3,402,993	638,872	638,872	1.37%	1.43%	175.77%	33.00%	33.00%

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Consolidated and Separate for the year ended 31 December 2025

31.12.2025												Bank
in RON thousands	Non-performing		Credit risk exposure		Credit loss allowances	Collateral for NPE		NPE ratio		NPE coverage (excl. collateral)	NPE collateralization ratio	
	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI
Retail	1,096,510	1,096,510	40,191,851	40,191,311	-1,611,790	364,390	364,390	2.73%	2.73%	146.99%	33.23%	33.23%
Corporates	825,012	824,773	57,035,916	52,167,178	-1,090,377	273,618	273,379	1.45%	1.58%	132.20%	33.17%	33.15%
Group Markets	-	-	11,061,867	7,466,113	-13,593	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	512	512	47,226,793	47,205,498	-23,221	146	146	-	-	4535.35%	28.52%	28.52%
Total	1,922,034	1,921,795	155,516,427	147,030,100	-2,738,981	638,154	637,915	1.24%	1.31%	142.52%	33.20%	33.19%

31.12.2024												Bank
in RON thousands	Non-performing		Credit risk exposure		Credit loss allowances	Collateral for NPE		NPE ratio		NPE coverage (excl. collateral)	NPE collateralization ratio	
	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI	Total	AC and FVOCI	AC and FVOCI	Total	AC and FVOCI
Retail	1,210,935	1,210,935	36,413,540	36,412,690	-1,872,875	367,619	367,619	3.33%	3.33%	154.66%	30.36%	30.36%
Corporates	546,086	546,086	51,826,915	47,788,444	-1,330,887	158,158	158,158	1.05%	1.14%	243.71%	28.96%	28.96%
Group Markets	-	-	9,737,266	7,844,461	-10,225	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	2,577	2,577	42,925,937	42,836,859	-20,630	-	-	0.01%	0.01%	800.54%	-	-
Total	1,759,598	1,759,598	140,903,658	134,882,454	-3,234,617	525,777	525,777	1.25%	1.30%	183.83%	29.88%	29.88%

NOTES TO THE FINANCIAL STATEMENTS
Consolidated and Separate for the year ended 31 December 2025

The tables on the following pages present the structure of the customer loan book, excluding loans to central banks and credit institutions broken down by different categories. Loans and advances to customers comprise:

- loans and advances to customers at AC;
- finance lease receivables;
- trade and other receivables.

Loans and advances to customers by currency

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
EUR	20,609,156	19,047,562	20,091,743	18,602,896
RON	54,740,717	50,338,505	54,790,155	50,406,413
USD	277,592	420,521	277,592	420,521
Other	16	27	16	27
Total	75,627,481	69,806,615	75,159,506	69,429,857

Loans to customers includes loans and advances, trade receivables and finance leases.

Loans and advances to customers by business segment and risk category

in RON thousands	31.12.2025				Group
	Low risk	Management attention	Substandard	Non-performing	Total
Retail	30,898,008	4,798,209	1,924,605	1,166,516	38,787,338
Corporates	21,113,994	8,929,068	1,263,961	857,085	32,164,108
Group Markets	4,202,389	252,473	25,067	-	4,479,929
Asset/Liability Management and Local Corporate Center	191,428	3,416	750	512	196,106
Total	56,405,819	13,983,166	3,214,383	2,024,113	75,627,481

in RON thousands	31.12.2024				Group
	Low risk	Management attention	Substandard	Non-performing	Total
Retail	27,201,662	4,605,558	1,925,330	1,271,131	35,003,681
Corporates	18,907,383	9,266,707	1,568,495	549,257	30,291,842
Group Markets	4,015,018	31,117	25,211	-	4,071,346
Asset/Liability Management and Local Corporate Center	181,425	2,107	256,117	97	439,746
Total	50,305,488	13,905,489	3,775,153	1,820,485	69,806,615

in RON thousands	31.12.2025				Bank
	Low risk	Management attention	Substandard	Non-performing	Total
Retail	30,798,906	3,934,069	1,327,904	1,084,771	37,145,650
Corporates	20,049,419	6,802,577	949,464	768,624	28,570,084
Group Markets	4,202,389	252,473	25,067	-	4,479,929
Asset/Liability Management and Local Corporate Center	4,959,165	3,416	750	512	4,963,843
Total	60,009,879	10,992,535	2,303,185	1,853,907	75,159,506

in RON thousands	31.12.2024				Bank
	Low risk	Management attention	Substandard	Non-performing	Total
Retail	27,116,973	3,816,997	1,480,609	1,201,522	33,616,101
Corporates	18,034,474	7,070,700	1,428,425	440,045	26,973,644
Group Markets	4,015,018	31,117	25,211	-	4,071,346
Asset/Liability Management and Local Corporate Center	4,475,454	34,618	256,117	2,577	4,768,766
Total	53,641,919	10,953,432	3,190,362	1,644,144	69,429,857

NOTES TO THE FINANCIAL STATEMENTS**Consolidated and Separate for the year ended 31 December 2025**

In the following tables, the non-performing loans and advances to customers divided by segments are contrasted with allowances for customer loans (all allowances for loans and advances to customers within the scope of IFRS 9) and the collateral for non-performing loans (NPL). The NPL ratio, the NPL coverage ratio (excluding collateral), and the NPL collateralization ratio are also included.

The NPL ratio of loans and advances to customers is calculated by dividing the gross carrying amount of non-performing loans and advances to customers by the total gross carrying amount of loans and advances to customers. Consequently, it differs from the NPE ratio in section “Credit risk exposure”. Collaterals for non-performing loans mainly consist of real estates.

The NPL coverage ratio (excluding collateral) is calculated according to Group’s internal definition by dividing total loss allowances (calculated for both performing and non-performing loans and advances to customers) by the gross carrying amount of the non-performing loans and advances to customers. Collateral or other recoveries are not taken into account.

NOTES TO THE FINANCIAL STATEMENTS

Consolidated and Separate for the year ended 31 December 2025

Non-performing loans and advances to customers by business segment and coverage by loan loss allowances and collateral

in RON thousands	31.12.2025 Group											
	Non-performing		Gross customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage (exc collateral)	NPL collateralisation ratio	
	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Retail	1,166,516	1,166,516	38,787,338	38,787,338	-1,656,205	405,872	405,872	3.01%	3.01%	141.98%	34.79%	34.79%
Corporates	857,085	857,085	32,164,108	32,164,108	-1,002,192	312,853	312,853	-	-	116.93%	36.50%	36.50%
Group Markets	-	-	4,479,929	4,479,929	-12,080	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	512	512	196,106	196,106	-947	146	146	0.26%	0.26%	184.96%	28.52%	28.52%
Total	2,024,113	2,024,113	75,627,481	75,627,481	-2,671,424	718,871	718,871	2.68%	2.68%	131.98%	35.52%	35.52%

in RON thousands	31.12.2024 Group											
	Non-performing		Gross customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage (exc collateral)	NPL collateralisation ratio	
	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Retail	1,271,131	1,271,131	35,003,683	35,003,680	-1,909,293	406,557	406,557	3.63%	3.63%	150.20%	31.98%	31.98%
Corporates	549,257	549,257	30,291,729	30,291,842	-1,156,004	222,739	222,739	-	-	210.47%	-	-
Group Markets	-	-	4,071,347	4,071,347	-6,494	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	97	97	439,746	439,746	-411	-	-	0.02%	0.02%	423.71%	-	-
Total	1,820,485	1,820,485	69,806,505	69,806,615	-3,072,202	629,296	629,296	2.61%	2.61%	168.76%	34.57%	34.57%

in RON thousands	31.12.2025 Bank											
	Non-performing		Gross customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage (exc collateral)	NPL collateralisation ratio	
	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Retail	1,084,771	1,084,771	37,145,649	37,145,649	-1,578,035	363,645	363,645	2.92%	2.92%	145.47%	33.52%	33.52%
Corporates	768,624	768,624	28,570,085	28,570,085	-909,795	259,792	259,792	-	-	118.37%	33.80%	33.80%
Group Markets	-	-	4,479,929	4,479,929	-12,080	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	512	512	4,963,843	4,963,843	-5,903	146	146	0.01%	0.01%	1152.93%	28.52%	28.52%
Total	1,853,907	1,853,907	75,159,506	75,159,506	-2,505,813	623,583	623,583	2.47%	2.47%	135.16%	33.64%	33.64%

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in RON thousands	31.12.2024											Bank
	Non-performing		Gross customer loans		Loan loss allowances	Collateral for NPL		NPL ratio		NPL coverage (exc collateral)	NPL collateralisation ratio	
	Total	AC	Total	AC	AC	Total	AC	Total	AC	AC	Total	AC
Retail	1,201,522	1,201,522	33,616,102	33,616,101	-1,838,118	366,431	366,431	3.57%	3.57%	152.98%	30.50%	30.50%
Corporates	440,045	440,045	26,973,644	26,973,644	-1,054,691	149,770	149,770	-	-	239.68%	-	-
Group Markets	-	-	4,071,347	4,071,347	-6,494	-	-	-	-	-	-	-
Asset/Liability Management and Local Corporate Center	2,577	2,577	4,768,765	4,768,765	-5,516	-	-	0.05%	0.05%	214.05%	-	-
Total	1,644,144	1,644,144	69,429,858	69,429,857	-2,904,819	516,201	516,201	2.37%	2.37%	176.68%	31.40%	31.40%

Loans and advances to customers at AC and coverage by loan loss allowances by business segment and IFRS 9 treatment

in RON thousands	31.12.2025											Group
	Loans to customers				Loan loss allowances				Stage 2 coverage ratio	Stage 3 coverage ratio	POCI coverage ratio	
	Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI				
Retail	33,545,056	3,975,691	1,137,113	129,477	-241,785	-499,114	-900,411	-14,944	12.55%	79.18%	11.54%	
Corporates	27,428,310	3,870,558	742,690	122,550	-211,269	-272,267	-517,575	-1,080	7.03%	69.69%	0.88%	
Group Markets	4,136,944	342,986	-	-	-3,310	-8,769	-	-	2.56%	-	-	
Asset/Liability Management and Local Corporate Center	102,250	93,344	512	-	-209	-179	-512	-	0.19%	100.00%	-	
Total	65,212,560	8,282,579	1,880,315	252,027	-456,573	-780,329	-1,418,498	-16,024	9.42%	75.44%	6.36%	

in RON thousands	31.12.2024											Group
	Loans to customers				Loan loss allowances				Stage 2 coverage ratio	Stage 3 coverage ratio	POCI coverage ratio	
	Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI				
Retail	28,655,472	4,977,541	1,235,391	135,276	-211,782	-547,377	-1,123,406	-26,727	11.00%	90.94%	19.76%	
Corporates	24,448,761	5,284,797	536,814	21,469	-242,575	-542,259	-368,299	-2,871	10.26%	68.61%	13.37%	
Group Markets	4,045,514	25,833	-	-	-5,224	-1,270	-	-	4.92%	-	-	
Asset/Liability Management and Local Corporate Center	437,758	1,892	97	-	-294	-21	-97	-	1.11%	100.00%	-	
Total	57,587,505	10,290,063	1,772,302	156,745	-459,875	-1,090,927	-1,491,802	-29,598	10.60%	84.17%	18.88%	

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in RON thousands									31.12.2025			Bank
	Loans to customers				Loan loss allowances				Stage 2 coverage ratio	Stage 3 coverage ratio	POCI coverage ratio	
	Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI				
Retail	32,400,630	3,560,175	1,055,367	129,477	-221,770	-481,674	-859,647	-14,944	13.53%	81.45%	11.54%	
Corporates	24,590,109	3,203,196	654,764	122,015	-183,316	-247,936	-477,731	-812	7.74%	72.96%	0.67%	
Group Markets	4,136,944	342,986	-	-	-3,311	-8,769	-	-	2.56%	-	-	
Asset/Liability Management and Local Corporate Center	4,864,333	98,998	512	-	-5,164	-227	-512	-	0.23%	100.00%	-	
Total	65,992,016	7,205,355	1,710,643	251,492	-413,561	-738,606	-1,337,890	-15,756	10.25%	78.21%	6.27%	

in RON thousands									31.12.2024			Bank
	Loans to customers				Loan loss allowances				Stage 2 coverage ratio	Stage 3 coverage ratio	POCI coverage ratio	
	Stage 1	Stage 2	Stage 3	POCI	Stage 1	Stage 2	Stage 3	POCI				
Retail	27,752,701	4,562,344	1,165,782	135,276	-195,806	-527,812	-1,087,773	-26,727	11.57%	93.31%	19.76%	
Corporates	21,704,284	4,820,289	428,238	20,832	-213,431	-524,535	-314,175	-2,550	10.88%	73.36%	12.24%	
Group Markets	4,045,514	25,833	-	-	-5,224	-1,270	-	-	4.92%	-	-	
Asset/Liability Management and Local Corporate Center	4,763,899	2,289	2,466	110	-4,114	-24	-1,268	-110	1.05%	51.42%	100.00%	
Total	58,266,398	9,410,755	1,596,486	156,218	-418,575	-1,053,641	-1,403,216	-29,387	11.20%	87.89%	18.81%	

29. Market risk

Definition and overview

Market risk is the risk of loss that may arise due to adverse changes in market prices and to the parameters derived therefrom. These market value changes might appear in the profit and loss account or in the statements of other comprehensive income. Market risk is divided into interest rate risk, credit spread risk, currency risk, equity risk and commodity risk. This concerns both the trading and the banking book positions.

Methods and instruments employed

Potential losses from the trading book that may arise from market movements are assessed using the value at risk ('VaR'). The calculation is done according to the method of historic simulation with a one-sided confidence level of 99%, a holding period of one day and a simulation period of two years. The VaR describes what level of losses may be expected as a maximum at a defined probability – the confidence level – within a certain holding period of the positions under historically observed market conditions.

On the one hand, the confidence level is limited to 99%, and on the other hand, the model takes into account only those market scenarios observed in each case within the simulation period of two years and calculates the VaR for the current position of the bank on this basis. In order to investigate any extreme market situations beyond this, stress tests are conducted. These events include mainly market movements of low probability.

The Trading Book VaR model was approved by the Financial Market Authority ('FMA') as an internal market risk model to determine the own funds requirements of the trading book of Erste Group pursuant to the Austrian Banking Act.

For internal Pillar 2 capital purposes, the VaR confidence level is scaled to 99.92% and the holding period is extended to one year.

Methods and instruments of risk mitigation

Market risks are controlled in the trading book by setting several layers of limits. The overall limit on the basis of VaR for the trading book is allocated by the management board within the Risk Appetite Framework while taking into account the risk-bearing capacity and projected earnings. All market risk activities of the trading book are assigned risk limits that are consistent in their entirety with the VaR overall limit. The VaR limit is assigned in a top-down procedure to the individual trading units. Limit compliance is verified on a daily basis by the Market and Liquidity Risk unit. On demand limit reports can also be triggered by individual traders or chief traders on an ad hoc basis.

As an inherent part of its business, BCR is exposed to interest rate risk arising from the characteristics of assets, liabilities and off-balance sheet items as well as arising from the expected development of the balance sheet and banking activity.

In BCR the following methods which are used to measure interest rate risk in the banking book:

- Economic value measures (EVE) to assess the market value change under certain scenarios;
- Value at Risk based measures used for economic capital allocation under Pillar 2;
- Earnings at risk measure (NII sensitivity) to assess the impact on operating income of certain scenarios on BCR level. This also comprises valuation impacts on other comprehensive income (OCI);
- Sensitivity measures (BP01, CR01) to assess the market value sensitivity of certain portfolios;
- Credit Spread Risk indicators: EVE and NII credit spread sensitivities in relation to Tier 1 capital;
- Earnings at risk over mid-term horizons: NII sensitivity over different time horizons including market value.

BCR has in place strategies, policies and practices to manage interest rate risks in accordance with the risk tolerance. All internal and regulatory limits are monitored and reported to senior management.

The strategic steering of interest rate risk exposure is future oriented and based on the forecasted movements of the market variables (primarily interest rates) and business developments over a given – typically medium to long term - planning horizon.

Exchange rate risk

Risk from open foreign exchange positions is the risk related to exchange rates that derives from the mismatch between assets and liabilities, or from currency-related financial derivatives. These risks might originate from customer-related operations or proprietary trading and are monitored and managed on a daily basis.

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Principles of managing foreign exchange risk

The FX Risk shows the sensitivity of BCR's open FX position to FX rate fluctuations. For both Banking Book and Trading Book, the FX position in BCR is monitored and reported on a daily basis. An internal limit was established for the net open position as a percentage from own funds.

The FX risk from trading book portfolio is also monitored on a daily basis through the VaR FX component of the total VaR by the Market and Liquidity Risk unit.

Analysis of market risk

The open FX position for year end 2025 and the resulting sensitivities are immaterial.

Value at Risk of trading book

The following tables show the VaR amounts as of 31 December 2025 and 31 December 2024 using equally weighted market data and with a holding period of one year. The confidence level is 99.9%.

Bank					
in RON thousands	FX position	Fixed Income	Money Market	Equity	Total Trading Book
As at 31 December 2025	2	81,093	42,583	-	78,923
As at 31 December 2024	11	49,165	49,812	-	52,165

Interest rate risk of banking book

Interest rate risk is the risk of an adverse change in the fair value of financial instruments caused by a movement in market interest rates. This type of risk arises when mismatches exist between assets and liabilities, including derivatives, in respect of their maturities or of the timing of interest rate adjustments.

To identify interest rate risk, all financial instruments, including off-balance instruments are used to calculate the impact of certain interest rate scenarios on their economic value and net interest income. Limits and thresholds are implemented for both aspects of IRRBB, the change in economic value as well as the change in net interest income. Positions without contractually defined maturity or repricing structures, such as demand deposits or overdrafts are modelled accordingly. For positions where the customer has the right to prepay his debt prepayment models are applied.

The following table shows the potential impact on economic value of equity as of 31 December 2025 and 31 December 2024 for BCR Bank. A negative sign represents a negative impact on economic value of equity, while a positive sign shows a positive impact. The interest rate shocks used in the EVE calculation are based on the prescribed scenarios for Supervisory outlier test on EVE defined in EU Regulation 856/2024.

Bank					
Supervisory shock scenarios		Changes of the economic value of equity			
		Dec-2025		Dec-2024	
1	Parallel up		-927,046		-625,740
2	Parallel down		-52,318		105,393
3	Steepener		215,045		123,665
4	Flattener		-621,950		-355,924
5	Short rates up		-916,033		-575,726
6	Short rates down		299,355		215,144

The following table shows the changes in NII (Net Interest Income) for BCR Bank for a one year period and the impact on fair value reserve (equity) due to an instantaneous parallel shift of the yield curves with $\pm 2\%$, using supervisory outlier test methodology.

RON thousands			RON thousands		
31.12.2025			31.12.2024		
Shift	Sensitivity of Net Interest Income	Sensitivity of Fair Value reserve (Equity)	Shift	Sensitivity of Net Interest Income	Sensitivity of AFS reserve (equity)
2%	93,564	-490,877	2%	134,551	-566,165
-2%	-167,321	535,128	-2%	-278,449	619,520

30. Liquidity risk

Definition and overview

The liquidity risk is defined in the Group in line with the principles set out by the Basel Committee on Banking Supervision and the local regulator (National Bank of Romania). Accordingly, a distinction is made between market liquidity risk, which is the risk that the Group entities cannot easily offset or close a position at the market price because of inadequate market depth or market disruption, and funding liquidity risk, which is the risk that the banks in the Group will not be able to meet efficiently both expected and unexpected current and future cash flow and collateral needs without affecting either daily operations or the financial condition of the Group members.

Funding liquidity risk is further divided into insolvency risk and structural liquidity risk. The former is the short-term risk that current or future payment obligations cannot be met in full and on time in an economically justified manner, while structural liquidity risk is the long-term risk of losses due to a change in the Group's own refinancing cost or spread.

Liquidity strategy

The Liquidity Strategy is part of the Risk Strategy and was defined in accordance with the Group's risk appetite and it was compliant with internal and regulatory limits. The Liquidity Strategy contains developments, rules and targets including (but not limited to) regulatory requirements (e.g. LCR, NSFR), liquidity buffer, funding plan and maturity profile of issued debt and secured and unsecured interbank funding.

Methods and instruments employed

Short-term insolvency risk is monitored by calculating the survival period (SPA) for each significant currency and analysis of the total portfolio in the case of the Bank.

This analysis determines the maximum period during which the entity can survive a severe combined market and idiosyncratic crisis while relying on its pool of liquid assets. The chosen worst-case scenario simulates very limited money market and capital market access and at the same time significant client deposit outflow.

Furthermore, the simulation assumes increased drawdown on guarantees and loan commitments dependent on the type of the customer.

The SPA is covering a stress horizon of up to 12 months and covers the entire portfolio of the Bank.

The Bank monitors the Liquidity Coverage Ratio ('LCR') and Net Stable Funding Ratio ('NSFR') according to CRR at both entity and group level and has included the metrics in its internal Risk Appetite Statement.

Additionally, the traditional liquidity gaps (depicting the going concern maturity mismatches) of the subsidiaries and the group as a whole are reported and monitored regularly. Funding concentration risk is continuously analyzed in respect to counterparties. The Group's fund transfer pricing (FTP) system has also proven to be an efficient tool for structural liquidity risk management.

Methods and instruments of risk mitigation

Short-term liquidity risk is managed by limits resulting from the survival period model, internal stress testing and by internal LCR targets at both Bank and Group level. Limit breaches are reported to the Asset Liability Committee (ALCO). Another important instrument for managing the liquidity risk within the Group and in relation to its subsidiaries is the FTP system. As the process of planning funding needs provides important information for liquidity management, a detailed overview of funding needs is prepared on a quarterly basis for the planning horizon across the Group.

The Contingency Funding Plan of the Group ensures the necessary coordination of all parties involved in the liquidity management process in case of crisis and is reviewed on a regular basis. The contingency funding plans of the subsidiaries are coordinated as part of the plan for the Group.

Analysis of liquidity risk

Financial assets

Maturities of contractual undiscounted cash flows from financial assets as of 31 December 2025 and 31 December 2024 respectively for the Group were as follows:

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31.12.2025								Group
In RON thousands	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative assets	126,119,229	160,073,294	28,036,626	3,985,842	7,142,102	11,853,818	62,754,485	46,300,421
Cash and cash balances	11,440,918	11,440,918	11,440,918	-	-	-	-	-
Debt securities	39,771,868	47,242,742	1,191,173	471,503	3,276,754	4,358,644	27,711,954	10,232,714
Loans and advances to banks	5,572,108	5,553,881	4,359,350	327,494	509,850	-	357,187	-
Loans and advances to customers	69,334,335	95,835,753	11,045,185	3,186,845	3,355,498	7,495,174	34,685,344	36,067,707
Derivatives	102,599	12,207,282	3,595,518	2,047,995	5,107,058	490,781	772,653	193,277

31.12.2024								Group
In RON thousands	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative assets	115,185,583	145,976,217	26,686,175	4,985,516	4,390,494	12,071,782	56,303,198	41,539,052
Cash and cash balances	10,642,241	10,642,241	10,642,241	-	-	-	-	-
Debt securities	35,128,520	41,963,707	114,413	2,158,493	855,856	4,402,032	24,270,680	10,162,233
Loans and advances to banks	6,004,729	6,190,698	5,941,993	248,705	-	-	-	-
Loans and advances to customers	63,410,093	87,179,571	9,987,528	2,578,318	3,534,638	7,669,750	32,032,518	31,376,819
Derivatives	187,806	16,038,285	6,984,679	1,745,540	2,811,966	2,403,820	2,011,341	80,939

The financial assets as of 31 December 2025 and 31 December 2024 respectively for the Bank, were as follows:

31.12.2025								Bank
In RON thousands	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative assets	128,324,688	160,005,180	28,077,910	4,038,367	7,074,649	11,826,774	62,740,078	46,247,402
Cash and cash balances	11,435,554	11,435,554	11,435,554	-	-	-	-	-
Debt securities	39,638,391	47,242,742	1,191,173	471,503	3,276,754	4,358,644	27,711,954	10,232,714
Loans and advances to banks	5,566,874	5,553,881	4,359,350	327,494	509,850	-	357,187	-
Loans and advances to customers	71,683,869	95,773,003	11,091,833	3,239,370	3,288,045	7,468,130	34,670,937	36,014,688
Derivatives	102,599	12,207,282	3,595,518	2,047,995	5,107,058	490,781	772,653	193,277

31.12.2024								Bank
In RON thousands	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative assets	117,073,895	145,946,600	26,781,113	4,948,088	4,283,764	12,054,066	56,337,589	41,541,980
Cash and cash balances	10,596,154	10,596,154	10,596,154	-	-	-	-	-
Debt securities	35,002,258	41,963,707	114,413	2,158,493	855,856	4,402,032	24,270,680	10,162,233
Loans and advances to banks	5,960,826	6,190,698	5,941,993	248,705	-	-	-	-
Loans and advances to customers	65,514,657	87,196,041	10,128,553	2,540,890	3,427,908	7,652,034	32,066,909	31,379,747
Derivatives	187,806	16,038,285	6,984,679	1,745,540	2,811,966	2,403,820	2,011,341	80,939

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Financial liabilities

Maturities of contractual undiscounted cash flows from financial liabilities as of 31 December 2025 and 31 December 2024 for the Group, were as follows:

31.12.2025								Group
in thousands RON	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative liabilities	110,509,899	113,190,816	68,821,433	10,721,070	7,296,563	7,487,315	14,660,350	4,204,085
Deposits by banks	3,179,432	3,218,031	2,693,425	72,111	36,989	96,134	299,359	20,013
Customer deposits	93,084,106	93,742,727	66,109,580	10,622,702	6,881,538	6,398,770	3,340,638	389,499
Debt securities in issue	14,246,361	16,230,058	18,428	26,257	378,036	992,411	11,020,353	3,794,573
Contingent liabilities	21,922,802	21,922,802	21,922,802	-	-	-	-	-
Financial guarantees	-	2,544,993	2,544,993	-	-	-	-	-
Irrevocable commitments	-	19,377,809	19,377,809	-	-	-	-	-
Derivatives	165,342	12,270,685	3,600,942	2,067,168	5,143,213	500,091	765,962	193,309

31.12.2024								Group
in thousands RON	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative liabilities	103,122,864	105,284,656	66,259,512	10,529,434	6,885,532	6,046,244	15,200,949	362,985
Deposits by banks	1,707,994	1,760,945	1,170,174	40,323	35,274	82,173	401,745	31,256
Customer deposits	91,007,840	91,557,564	65,074,616	10,465,350	6,477,816	5,760,140	3,447,913	331,729
Debt securities in issue	10,407,030	11,966,147	14,722	23,761	372,442	203,931	11,351,291	-
Contingent liabilities	18,806,017	18,806,017	18,806,017	-	-	-	-	-
Financial guarantees	-	2,151,132	2,151,132	-	-	-	-	-
Irrevocable commitments	-	16,654,885	16,654,885	-	-	-	-	-
Derivatives	133,740	16,023,357	6,927,808	1,735,673	2,814,521	2,425,647	2,038,897	80,811

Maturities of contractual undiscounted cash flows from financial liabilities as of 31 December 2025 and 31 December 2024 respectively for the Bank were as follows:

31.12.2025								Bank
in thousands RON	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative liabilities	111,077,377	113,606,552	69,274,287	10,992,486	7,259,574	7,414,182	14,461,938	4,204,085
Deposits by banks	3,370,715	3,390,472	2,902,984	343,527	-	23,001	100,947	20,013
Customer deposits	93,460,301	93,986,022	66,352,875	10,622,702	6,881,538	6,398,770	3,340,638	389,499
Debt securities in issue	14,246,361	16,230,058	18,428	26,257	378,036	992,411	11,020,353	3,794,573
Contingent liabilities	21,825,727	21,825,727	21,825,727	-	-	-	-	-
Financial guarantees	-	2,586,700	2,586,700	-	-	-	-	-
Irrevocable commitments	-	19,239,027	19,239,027	-	-	-	-	-
Derivatives	165,342	12,270,685	3,600,942	2,067,168	5,143,213	500,091	765,962	193,309

31.12.2024								Bank
in thousands RON	Carrying amounts	Contractual cash flows	< 1 month	1-3 months	3-6 months	6-12 months	1-5 years	> 5 years
Non-derivative liabilities	103,501,744	105,472,960	66,877,066	10,502,804	6,850,258	5,976,664	14,903,183	362,985
Deposits by banks	1,813,319	1,832,878	1,671,357	13,693	-	12,593	103,979	31,256
Customer deposits	91,281,395	91,673,935	65,190,987	10,465,350	6,477,816	5,760,140	3,447,913	331,729
Debt securities in issue	10,407,030	11,966,147	14,722	23,761	372,442	203,931	11,351,291	-
Contingent liabilities	18,797,012	18,797,012	18,797,012	-	-	-	-	-
Financial guarantees	-	2,301,159	2,301,159	-	-	-	-	-
Irrevocable commitments	-	16,495,853	16,495,853	-	-	-	-	-
Derivatives	133,740	16,023,357	6,927,808	1,735,673	2,814,521	2,425,647	2,038,897	80,811

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As of year-end 2025, the currency composition of the deposits consisted of approximately 69.41% RON (66.91% RON as of year-end 2024), 27.34% EUR (28.70% as of year-end 2024), 2.94% USD (4.06% as of year-end 2024) and the rest 0.31% in other currencies.

The short-term liquidity gap for the Group was mitigated. For liquidity reporting purposes demand deposits and savings accounts are mapped to the first time bucket, without assuming any behavioral modelling. In reality demand deposits have empirically a long weighted average lifetime and there is no expectation of these significant transactional accounts outflowing overnight. Furthermore, the Bank has a significant liquidity buffer, amounting to 34% of Total Assets that can comfortably cover liquidity needs. The liquidity buffer was calculated in accordance with the requirements for the LCR HQLA which are defined in the Delegated Act regulation.

Chapter 8 – Non-current assets and other investments

31. Property, equipment and investment properties

Property and equipment

Depreciation of property and equipment is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

The estimated useful lives are as follows:

• Buildings	30 to 50 years (mainly 50 years)
• Office equipment	3 to 10 years
• Other furniture and equipment	3 to 10 years
• Investment properties	30 to 50 years.

Depreciation is recognised in the statements of profit or loss in the line item 'Depreciation and amortisation' and impairment in the line item 'Other operating result'.

Any impairment losses including their reversals and gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in 'Other operating result' in the statements of profit or loss in the year the asset are derecognized.

Investment properties

Investment property is property (land and buildings or part of a building or both) held for the purpose of earning rental income or for capital appreciation or both.

Investment property is presented in the statements of financial position in the line item 'Investment properties'.

An investment property is measured initially at its cost taking into account any expenditure directly attributable to the purchase (e.g. fees paid to the estate agent, notarial fees, property transfer taxes and fees).

After initial recognition an investment property is measured at cost (cost model) in accordance with IAS 16. Following that, an investment property is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the profit or loss in the period of derecognition.

Rental income is recognised in the statements of profit or loss in the line item 'Rental income from investment properties and other operating leases'. Depreciation is presented in the statements of profit or loss in the line item 'Depreciation and amortisation' using the straight-line method over an estimated useful life. Any impairment losses, as well as their reversals, are recognised under the line item 'Other operating result'.

Impairment

In order to determine the impairment of assets classified under IAS 16 "Property, plant and equipment", the Bank compares the recoverable amount of the Bank as a whole (higher of the Bank fair value less costs to sell and its value in use), from which the net book value of the assets which are not subject to impairment test are deducted, with the net book value of these tangible assets.

For assets classified under IAS 40 (which includes both rented buildings and vacant buildings), the impairment was assessed based on their fair value as established by an external valuation report.

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						Group
Property and equipment - Acquisition and production costs						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties
Balance as of 01.01.2024	318,312	436,411	244,994	266,526	1,266,243	269,411
Additions in current year (+)	41,765	43,208	45,465	6,627	137,065	-
Disposals and write off (-)	-57,945	-54,712	-38,268	-58,976	-209,901	-37,084
Reclassification between classes of tangible assets	-9,472	-783	33	-	-10,222	10,250
Reclassification (in)/from assets held for sale	-3,937	539	-	-	-3,398	-
Balance as of 31.12.2024	288,723	424,663	252,224	214,177	1,179,787	242,577
Balance as of 01.01.2025	288,723	424,663	252,224	214,177	1,179,787	242,577
Additions in current year (+)	52,581	51,561	63,014	-	167,156	-
Disposals and write off (-)	-16,411	-49,263	-9,596	-216,382	-291,652	-11,141
Reclassification between classes of tangible assets*	147,703	-2,459	-111	2,205	147,338	-147,895
Reclassification (in)/from assets held for sale	-10,182	-	-	-	-10,182	-54,303
Balance as of 31.12.2025	462,414	424,502	305,531	-	1,192,447	29,238

*In 2025, the Group lowered the threshold for classification of land and buildings based on the percentage of own use occupied space out of the total available area, which determined a reclassification out of investment property in amount of RON 147,703 thousands.

						Group
Property and equipment - Accumulated depreciation						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties
Balance as of 01.01.2024	-131,919	-248,912	-144,215	-174,043	-699,089	-136,376
Amortisation and depreciation (-)	-15,165	-31,502	-36,299	-5,114	-88,080	-5,127
Disposals (+)	39,932	53,528	37,726	9,870	141,056	17,557
Impairment (-)	-1,465	-2,836	-337	-17,763	-22,401	-4,718
Reversal of impairment (+)	1,893	23	-	44	1,960	2,560
Reclassification between classes of tangible assets (+/-)	4,275	16	9	-1,487	2,813	-4,275
Reclassification (in)/from assets held for sale	672	-	-	-	672	-
Currency translation (+/-)	-	8	-	-	8	-
Balance as of 31.12.2024	-101,777	-229,675	-143,116	-188,493	-663,061	-130,379
Balance as of 01.01.2025	-101,777	-229,675	-143,116	-188,493	-663,061	-130,379
Amortisation and depreciation (-)	-19,795	-34,286	-35,460	-1,297	-90,838	-4,768
Disposals (+)	14,374	48,244	9,400	185,107	257,125	4,818
Impairment (-)	-2,010	-2,377	-297	-4,552	-9,236	-1,244
Reversal of impairment (+)	139	412	-	531	1,082	1,600
Reclassification between classes of tangible assets (+/-)	-79,747	-8,703	-2	8,704	-79,748	79,747
Reclassification (in)/from assets held for sale	2,792	-	-	-	2,792	36,331
Balance as of 31.12.2025	-186,024	-226,385	-169,475	-	-581,884	-13,895

						Group
Property and equipment net						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties
Balance as of 31.12.2024	186,946	194,988	109,108	25,684	516,726	112,198
Balance as of 31.12.2025	276,390	198,117	136,056	-	610,563	15,343

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Rights of use property, equipment and investment properties

							Group
Right of use property and equipment - Acquisition costs							
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties	
Balance as of 01.01.2024	688,174	1,537	-	78,547	768,258	-	
Additions in current year (+)	106,329	1,829	-	59,024	167,182	-	
Disposals and write off (-)	-94,423	-	-	-12,129	-106,552	-	
Balance as of 31.12.2024	700,080	3,366	-	125,442	828,888	-	
Balance as of 01.01.2025	700,080	3,366	-	125,442	828,888	-	
Additions in current year (+)	206,519	621	-	1,437	208,577	-	
Disposals and write off (-)	-61,744	-	-	-78,976	-140,720	-	
Balance as of 31.12.2025	844,855	3,987	-	47,903	896,745	-	

							Group
Right of use Property and equipment - Accumulated depreciation							
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties	
Balance as of 01.01.2024	-297,968	-451	-	-11,063	-309,482	-	
Amortisation and depreciation (-)	-67,921	-542	-	-9,003	-77,466	-	
Disposals (+)	71,610	-	-	2,999	74,609	-	
Impairment (-)	-3,478	-	-	-	-3,478	-	
Reversal of impairment (+)	1	2	-	-	3	-	
Currency translation (+/-)	-3	-2	-	-	-5	-	
Balance as of 31.12.2024	-297,759	-993	-	-17,067	-315,819	-	
Balance as of 01.01.2025	-297,759	-993	-	-17,067	-315,819	-	
Amortisation and depreciation (-)	-68,390	-753	-	-10,447	-79,590	-	
Disposals (+)	14,446	-	-	9,285	23,731	-	
Impairment (-)	-79	-	-	-	-79	-	
Reversal of impairment (+)	13	2	-	-	15	-	
Reclassification between classes of tangible assets (+/-)	-78	-	-	78	-	-	
Currency translation (+/-)	-7	-2	-	-	-9	-	
Balance as of 31.12.2025	-351,854	-1,746	-	-18,151	-371,751	-	

							Group
Right of use Property and equipment net							
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties	
Balance as of 01.01.2025	402,321	2,373	-	108,375	513,069	-	
Balance as of 31.12.2025	493,001	2,241	-	29,752	524,994	-	

							Group
Total -Property and equipment net							
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties	
Balance as of 01.01.2025	589,267	197,361	109,108	134,059	1,029,795	112,198	
Balance as of 31.12.2025	769,391	200,358	136,056	29,752	1,135,557	15,343	

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						Bank
Property and equipment - Acquisition and production costs						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Total property and equipment	Investment properties	
Balance as of 01.01.2024	317,820	401,247	237,066	956,133	269,410	
Additions in current year (+)	41,765	41,809	44,486	128,060	-	
Disposals and write off (-)	-57,945	-53,773	-37,789	-149,507	-37,089	
Reclassification between classes of tangible assets	-9,472	-783	33	-10,222	10,250	
Reclassification (in)/from assets held for sale	-3,937	539	-	-3,398	-	
Balance as of 31.12.2024	288,231	389,039	243,796	921,066	242,571	
Balance as of 01.01.2025	288,231	389,039	243,796	921,066	242,571	
Additions in current year (+)	52,581	49,669	61,432	163,682	-	
Disposals and write off (-)	-16,411	-48,972	-9,556	-74,939	-11,145	
Reclassification between classes of intangible assets (+/-)	147,703	61	-102	147,662	-147,895	
Reclassification (in)/from assets held for sale	-10,182	-	-	-10,182	-54,303	
Balance as of 31.12.2025	461,922	389,797	295,570	1,147,289	29,228	

						Bank
Property and equipment - Accumulated depreciation						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Total property and equipment	Investment properties	
Balance as of 01.01.2024	-131,905	-229,412	-138,734	-500,051	-136,375	
Amortisation and depreciation (-)	-15,011	-30,898	-35,026	-80,935	-5,127	
Disposals (+)	39,932	53,162	37,697	130,791	17,560	
Impairment (-)	-1,465	-2,811	-337	-4,613	-4,716	
Reversal of impairment (+)	1,893	23	-	1,916	2,560	
Reclassification between classes of intangible assets (+/-)	4,275	-	-	4,275	-4,275	
Reclassification (in)/from assets held for sale	672	-	-	672	-	
Balance as of 31.12.2024	-101,609	-209,936	-136,400	-447,945	-130,373	
Balance as of 01.01.2025	-101,609	-209,936	-136,400	-447,945	-130,373	
Amortisation and depreciation (-)	-19,644	-33,415	-34,378	-87,437	-4,768	
Disposals (+)	14,374	47,811	9,376	71,561	4,821	
Impairment (-)	-2,010	-2,377	-296	-4,683	-1,244	
Reversal of impairment (+)	139	412	-	551	1,600	
Reclassification between classes of tangible assets (+/-)	-79,747	2	-2	-79,747	79,747	
Reclassification (in)/from assets held for sale	2,792	-	-	2,792	36,331	
Balance as of 31.12.2025	-185,705	-197,503	-161,700	-544,908	-13,886	

						Bank
Property and equipment net						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Total property and equipment	Investment properties	
Balance as of 31.12.2024	186,622	179,103	107,396	473,121	112,198	
Balance as of 31.12.2025	276,217	192,294	133,870	602,381	15,342	

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Rights of use property, equipment and investment properties

						Bank
Right of use property and equipment - Acquisition costs						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties
Balance as of 01.01.2024	672,864	1,536	-	12,352	686,752	-
Additions in current year (+)	105,787	1,829	-	42,883	150,499	-
Disposals and write off (-)	-94,389	-	-	-12,129	-106,518	-
Balance as of 31.12.2024	684,262	3,365	-	43,106	730,733	-
Balance as of 01.01.2025	684,262	3,365	-	43,106	730,733	-
Additions in current year (+)	196,671	621	-	1,443	198,735	-
Disposals and write off (-)	-61,744	-	-	-375	-62,119	-
Balance as of 31.12.2025	819,189	3,986	-	44,174	867,349	-

						Bank
Right of use Property and equipment - Accumulated depreciation						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties
Balance as of 01.01.2024	-295,968	-451	-	-2,496	-298,915	-
Amortisation and depreciation (-)	-66,007	-542	-	-6,808	-73,357	-
Disposals (+)	71,585	-	-	2,999	74,584	-
Reversal of impairment (+)	-3,480	-	-	-	-3,480	-
Balance as of 31.12.2024	-293,870	-993	-	-6,305	-301,168	-
Balance as of 01.01.2025	-293,870	-993	-	-6,305	-301,168	-
Amortisation and depreciation (-)	-65,444	-753	-	-9,634	-75,831	-
Disposals (+)	14,360	-	-	169	14,529	-
Impairment (-)	-78	-	-	-	-78	-
Balance as of 31.12.2025	-345,032	-1,746	-	-15,770	-362,548	-

						Bank
Right of use Property and equipment net						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties
Balance as of 31.12.2024	390,392	2,372	-	36,801	429,565	-
Balance as of 31.12.2025	474,157	2,240	-	28,404	504,801	-

						Bank
Total Property and equipment net						
in RON thousands	Land and buildings	Office and equipment / other fixed assets	IT assets (hardware)	Movable other property	Total property and equipment	Investment properties
Balance as of 31.12.2024	577,014	181,475	107,396	36,801	902,686	112,198
Balance as of 31.12.2025	750,374	194,534	133,870	28,404	1,107,182	15,342

There are no fixed assets pledged as collateral as at 31 December 2025 and 31 December 2024.

The total cost of the Group's property, plant and equipment in use and fully depreciated at the end of 2025 was RON 207,936 thousands (2024: RON 220,724 thousands). The total cost of the Bank's property, plant and equipment in use and fully depreciated at the end of 2025 was RON 202,015 thousands (2024: RON 214,859 thousands).

The investment properties are measured at cost. Fair values are determined based on an annual evaluation performed by an accredited external independent valuator. Please refer to note 32 for fair value disclosure.

Assets under construction are in amount of RON 155,582 thousands (2024: RON 104,097 thousands) for the Bank.

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Assets subject to operating lease:

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Land and buildings	25,375	3,632	25,599	3,973
Investment property	-	19,825	1,655	21,608
Movable other property	1,825	80,920	-	-
Total	27,200	104,377	27,254	25,581

32. Fair values of non-financial assets

The following table shows fair values and fair value hierarchy of non-financial instruments at the year-end 2025 and 2024:

	2025				
	Group				
in RON thousands	Carrying amount	Fair value	Quoted market prices in active markets Level 1	Marked to model based on observable market data Level 2	Marked to model based on non-observable inputs Level 3
Assets whose Fair Value is disclosed in the notes					
Investment properties	15,343	16,575	-	-	16,575
Assets whose Fair Value is presented in the Balance sheet					
Assets held for sale (IFRS 5)	15,204	20,207	-	-	20,207

	2024				
	Group				
in RON thousands	Carrying amount	Fair value	Quoted market prices in active markets Level 1	Marked to model based on observable market data Level 2	Marked to model based on non-observable inputs Level 3
Assets whose Fair Value is disclosed in the notes					
Investment properties	112,198	125,099	-	-	125,099
Assets whose Fair Value is presented in the Balance sheet					
Assets held for sale (IFRS 5)	729	865	-	-	865

	2025				
	Bank				
in RON thousands	Carrying amount	Fair value	Quoted market prices in active markets Level 1	Marked to model based on observable market data Level 2	Marked to model based on non-observable inputs Level 3
Assets whose Fair Value is disclosed in the notes					
Investment properties	15,342	16,575	-	-	16,575
Assets whose Fair Value is presented in the Balance sheet					
Assets held for sale (IFRS 5)	15,204	20,207	-	-	20,207

	2024				
	Bank				
in RON thousands	Carrying amount	Fair value	Quoted market prices in active markets Level 1	Marked to model based on observable market data Level 2	Marked to model based on non-observable inputs Level 3
Assets whose Fair Value is disclosed in the notes					
Investment properties	112,198	125,099	-	-	125,099
Assets whose Fair Value is presented in the Balance sheet					
Assets held for sale (IFRS 5)	729	865	-	-	865

The fair values of non-financial assets is determined by experts with recognized and relevant professional qualification.

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	2025					Group
in RON thousands	Fair value	Valuation technique	Inputs used	Range of inputs (weighted average)	Reasonable change	Sensitivity of fair value measurement
Investment properties	16,575	Market value	Market value	Comparable market data	10%	1,658
Assets held for sale (IFRS 5)	20,207	Market value	Market value	Comparable market data	10%	2,021
Total recurring fair value measurements at Level 3	36,782					3,679

	2024					Group
in RON thousands	Fair value	Valuation technique	Inputs used	Range of inputs (weighted average)	Reasonable change	Sensitivity of fair value measurement
Investment properties	125,099	Valori de piata	Valori de piata	Date de piata comparabile	10%	12,510
Assets held for sale (IFRS 5)	865	Valori de piata	Valori de piata	Date de piata comparabile	10%	87
Total recurring fair value measurements at Level 3	125,964					12,597

	2025					Bank
in RON thousands	Fair value	Valuation technique	Inputs used	Range of inputs (weighted average)	Reasonable change	Sensitivity of fair value measurement
Investment properties	16,575	Market value	Market value	Comparable market data	10%	1,658
Assets held for sale (IFRS 5)	20,207	Market value	Market value	Comparable market data	10%	2,021
Total recurring fair value measurements at Level 3	36,782					3,679

	2024					Bank
in RON thousands	Fair value	Valuation technique	Inputs used	Range of inputs (weighted average)	Reasonable change	Sensitivity of fair value measurement
Investment properties	125,099	Valori de piata	Valori de piata	Date de piata comparabile	10%	12,510
Assets held for sale (IFRS 5)	865	Valori de piata	Valori de piata	Date de piata comparabile	10%	87
Total recurring fair value measurements at Level 3	125,964					12,597

For non-financial assets owned by Group, the valuations are carried out mainly using the comparative and investment methods. Assessment is made on the basis of a comparison and analysis of appropriate comparable investment and rental transactions, together with evidence of demand within the vicinity of the relevant property. The characteristics of such similar transactions are then applied to the asset, taking into account size, location, terms, covenant and other material factors. Such measurements are presented in Level 3 of the fair value hierarchy.

33. Intangible assets

Intangible assets include the value of computer software and licenses.

The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortized over the useful economic life. Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives as follows:

- Computer software and licenses: 5-10 years. Intangible assets are reviewed annually in terms of useful life according with IAS 38.
- Licenses are amortized on the duration of the utilization.

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				Group
Intangible assets - Acquisition and production costs				
in RON thousands	Software acquired	Self-developed software within the Group	Others (licenses, patents)	Total
Balance as of 01.01.2024	981,837	203,940	192,189	1,377,966
Additions in current year (+)	79,178	49,944	3,467	132,589
Disposals and write off (-)	-49,241	-12	-35,441	-84,694
Reclassification between classes of intangible assets (+/-)	42,744	-42,744	-27	-27
Balance as of 31.12.2024	1,054,518	211,128	160,188	1,425,834
Balance as of 01.01.2025	1,054,518	211,128	160,188	1,425,834
Additions in current year (+)	95,076	50,447	4,236	149,759
Disposals and write off (-)	-32,896	-58	-9,071	-42,025
Reclassification between classes of intangible assets (+/-)	26,744	-27,229	1,042	557
Balance as of 31.12.2025	1,143,442	234,288	156,395	1,534,125

				Group
Intangible assets - Accumulated amortisation				
in RON thousands	Software acquired	Self-developed software within the Group	Others (licenses, patents)	Total
Balance as of 01.01.2024	-617,152	-125,141	-181,416	-923,709
Amortisation and depreciation (-)	-73,502	-9,137	-5,793	-88,432
Disposals and write off (+)	47,573	12	35,441	83,026
Impairment (-)	-869	-12	-354	-1,235
Reclassification between classes of intangible assets (+/-)	1,462	-	-	1,462
Balance as of 31.12.2024	-642,488	-134,278	-152,122	-928,888
Balance as of 01.01.2025	-642,488	-134,278	-152,122	-928,888
Amortisation and depreciation (-)	-78,222	-12,210	-5,318	-95,750
Disposals and write off (+)	32,896	56	9,071	42,023
Impairment (-)	-200	-56	-1	-257
Reversal of impairment (+)	13	-	-	13
Balance as of 31.12.2025	-688,001	-146,488	-148,370	-982,859

				Group
Net intangible assets				
in RON thousands	Software acquired	Self-developed software within the Group	Others (licenses, patents)	Total
Balance as of 31.12.2024	412,030	76,850	8,066	496,946
Balance as of 31.12.2025	455,441	87,800	8,025	551,266

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				Bank
Intangible assets - Acquisition and production costs				
in RON thousands	Software acquired	Self-developed software within the Group	Others (licenses, patents)	Total
Balance as of 01.01.2024	924,722	203,940	191,808	1,320,470
Additions in current year (+)	67,933	49,944	3,449	121,326
Disposals and write off (-)	-41,524	-12	-35,441	-76,977
Reclassification between classes of intangible assets (+/-)	42,744	-42,744	-27	-27
Balance as of 31.12.2024	993,875	211,128	159,789	1,364,792
Balance as of 01.01.2025	993,875	211,128	159,789	1,364,792
Additions in current year (+)	82,144	50,447	4,232	136,823
Disposals and write off (-)	-32,569	-58	-9,062	-41,689
Reclassification between classes of intangible assets (+/-)	26,421	-27,229	1,041	233
Balance as of 31.12.2025	1,069,871	234,288	156,000	1,460,159

				Bank
Intangible assets - Accumulated amortisation				
in RON thousands	Software acquired	Self-developed software within the Group	Others (licenses, patents)	Total
Balance as of 01.01.2024	-583,486	-125,141	-181,045	-889,672
Amortisation and depreciation (-)	-67,459	-9,137	-5,782	-82,378
Disposals and write off (-)	41,524	12	35,441	76,977
Impairment (-)	-869	-12	-354	-1,235
Balance as of 31.12.2024	-610,290	-134,278	-151,740	-896,308
Balance as of 01.01.2025	-610,290	-134,278	-151,740	-896,308
Amortisation and depreciation (-)	-72,577	-12,210	-5,306	-90,093
Disposals and write off (-)	32,569	56	9,062	41,687
Impairment (-)	-200	-56	-1	-257
Reversal of impairment (+)	13	-	-	13
Balance as of 31.12.2025	-650,485	-146,488	-147,985	-944,958

				Bank
Net intangible assets				
in RON thousands	Software acquired	Self-developed software within the Group	Others (licenses, patents)	Total
Balance as of 31.12.2024	383,585	76,850	8,049	468,484
Balance as of 31.12.2025	419,386	87,800	8,015	515,201

Within the process of software development, there is internal effort allocated. The capitalization of the internal effort is done in Assets under construction (AUC) in the class related to internal effort (Self developed software). When the development is deployed into production environment, the put in function document (PIF) is reflected at the level of the application onto which the actual development took place (majority of internal allocated development effort is done on applications classified as Software acquired).

The total cost of the Group's intangible fixed assets in use and fully amortized at the end of 2025 was RON 309,886 thousands (2024: RON 319,388 thousands). The total cost of the Bank's intangible fixed assets in use and fully amortized at the end of 2025 was RON 287,598 thousands (2024: RON 298,576 thousands).

Assets under construction are in amount of RON 76,661 thousands (2024: RON 30,722 thousands) for the Group and the Bank and represent various software developments.

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34. Other assets and investment in subsidiaries

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Accrued income	87,517	65,741	76,838	54,524
Inventories (i)	22,675	31,078	1,643	4,185
Sundry assets (ii)	102,999	164,186	48,586	56,563
Other assets	213,191	261,005	127,067	115,272
Investment in subsidiaries (iii)	-	-	925,316	613,371
Total other assets and investments in subsidiaries	213,191	261,005	1,052,383	728,643

- (i) This position represents 'Repossessed Asset', for the Bank and for subsidiaries;
- (ii) The deviation versus December 2024 is mainly explained by variation of advances to suppliers for assets for acquiring assets to be subject of financial leasing in BCR Leasing;
- (iii) The deviation in Bank's net investments in subsidiaries and other companies is related to partial release in BCR Banca pentru Locuinte, as explained in Note 40. 2025: RON 925,316 thousands (2024: RON 613,371 thousands).

35. Leases

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

Leases where the Group is a lessor

Interest income on the receivable is reported in the statements of financial position in the line item 'Other similar income' under 'Net interest income'.

In the case of operating leases, which are leases other than finance leases, the leased asset is reported by the lessor in 'Property and equipment' or in 'Investment properties' and is depreciated in accordance with the principles applicable to the assets involved.

On the side of the lessor, a distinction is made between finance leases and operating leases. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. In the case of a finance lease, the Group reports a receivable from the lessee under the line item 'Finance lease receivables'. The receivable is equal to the present value of the contractually agreed payments taking into account any residual value. Interest income on the receivable is reported in the statements of profit or loss in the line item 'Other similar income' under 'Net interest income'.

Finance leases

The Group acts as a lessor under finance leases through the subsidiary BCR Leasing IFN SA, mainly on motor vehicles and equipment. The leases are mainly denominated in EUR and typically run for a period of between 1-5 years, with transfer of ownership of the financed asset at the end of the lease term. Interest is charged over the period of the lease based on fixed or variable (almost the entire portfolio is linked to EURIBOR+interest rate).

The receivables are secured by the underlying assets and by other collateral.

For finance lease receivables included in this item, the reconciliation of the gross investment in leases to the present value of outstanding lease payments is as follows:

	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Total amount of outstanding lease payments receivables	2,967,588	2,592,430	34,212	17,192
Gross investment	2,967,588	2,592,430	34,212	17,192
Total amount of related unearned finance income from lease agreements	-190,668	-187,241	-3,808	-962
Net investment	2,776,920	2,405,189	30,404	16,230
Present value of outstanding lease payments	2,776,920	2,405,189	30,404	16,230

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The residual maturity analysis of gross investment in leases and present values of outstanding lease payments under non-cancellable leases is as follows:

Group	Gross investment		Present value of outstanding lease payments	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
< 1 year	1,053,470	942,838	988,926	883,511
1-2 years	785,883	695,069	719,525	628,813
2-3 years	575,235	476,570	538,692	439,665
3-4 years	344,671	292,502	328,342	275,684
4-5 years	160,841	131,409	155,611	125,785
> 5 years	47,488	54,042	45,824	51,731
Total	2,967,588	2,592,430	2,776,920	2,405,189

Bank	Gross investment		Present value of outstanding lease payments	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
< 1 year	4,992	4,169	4,434	3,945
1-2 years	5,080	4,647	4,514	4,396
2-3 years	4,763	4,272	4,232	4,025
3-4 years	4,521	4,096	4,019	3,857
4-5 years	5,053	8	4,492	7
> 5 years	9,803	-	8,713	-
Total	34,212	17,192	30,404	16,230

Finance lease receivables

						31.12.2025					Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
General governments	1,056	384	-	-	1,440	-18	-29	-	-	-47	1,393
Credit institutions	-	74	-	-	74	-	-	-	-	-	74
Other financial corporations	42,776	9,433	85	-	52,294	-603	-333	-85	-	-1,021	51,273
Non-financial corporations	2,084,073	499,491	76,252	535	2,660,351	-23,804	-18,287	-35,655	-268	-78,014	2,582,337
Households	30,285	12,681	2,247	-	45,213	-442	-779	-888	-	-2,109	43,104
Total	2,158,190	522,063	78,584	535	2,759,372	-24,867	-19,428	-36,628	-268	-81,191	2,678,181

						31.12.2024					Group
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
General governments	1,160	359	-	-	1,519	-34	-47	-	-	-81	1,438
Other financial corporations	30,557	2,886	306	-	33,749	-510	-43	-159	-	-712	33,037
Non-financial corporations	1,762,043	472,035	95,698	637	2,330,413	-19,603	-18,442	-43,142	-320	-81,507	2,248,906
Households	31,150	6,816	1,542	-	39,508	-334	-517	-653	-	-1,504	38,004
Total	1,824,910	482,096	97,546	637	2,405,189	-20,481	-19,049	-43,954	-320	-83,804	2,321,385

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						31.12.2025					Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Credit institutions	-	1,840	-	-	1,840	-	-3	-	-	-3	1,837
Other financial corporations	24,364	3,136	-	-	27,500	-14	-6	-	-	-20	27,480
Non-financial corporations	748	315	-	-	1,063	-4	-1	-	-	-5	1,058
Total	25,112	5,291	-	-	30,403	-18	-10	-	-	-28	30,375

						31.12.2024					Bank
in RON thousands	Gross carrying amount					Credit loss allowances					Carrying amount
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total	
Credit institutions	-	-	2,369	-	2,369	-	-	-1,172	-	-1,172	1,197
Other financial corporations	11,421	1,631	-	-	13,052	-6	-2	-	-	-8	13,044
Non-financial corporations	411	397	-	-	808	-3	-3	-	-	-6	802
Total	11,832	2,028	2,369	-	16,229	-9	-5	-1,172	-	-1,186	15,043

The year-end total gross carrying amount of finance lease receivables that were initially recognized (purchased) during the reporting period and not fully derecognized by 31 December 2025 amounts to RON 1,189,014 thousands at Group level (2024: RON 1,185,846 thousands). The gross carrying amount of finance lease receivables that were held on 1 January 2025 and fully derecognized during the reporting period amounts to RON 266,693 thousands at Group level (2024: RON 26,513 thousands).

Operating leases

Under operating leases, BCR Group lease both real estate and movable property to other parties.

Minimum lease receivable from non-cancellable operating leases, from the view of BCR Group and Bank as lessor, were as follows:

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
< 1 year	5,095	22,485	5,127	4,256
1-2 years	2,163	5,615	2,036	3,563
2-3 years	1,038	1,829	1,139	1,306
3-4 years	917	521	977	536
4-5 years	456	134	502	149
> 5 years	14	163	14	163
Total	9,683	30,747	9,795	9,973

Leases where the Group is a lessee

Under IFRS 16, a lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

Lease term is considered as the non-cancellable period for which a lessee has the right to use an underlying asset together with both periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

In determining the lease term and assessing the length of the non-cancellable period of a lease, the Bank uses the contractual terms of the lease. The lease is no longer enforceable when the lessee and the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty.

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The right-of-use asset is depreciated to the earlier of the end of its useful life or the end of the lease term. The Group uses the straight-line method of depreciation. The right-of-use assets are presented in the statements of financial position as part of 'Property and equipment' or, if they are subleased to third parties, as part of 'Investment properties' and for finance leases as a 'Finance lease receivable'.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments also includes the exercise price under a purchase option and lease payments in an optional renewal period are considered if the lessee is reasonably certain to exercise the options.

Subsequently, the carrying amount of the lease liability is increased by interest accrued using the applicable discount rate, reduced by lease payments made and remeasured to reflect any reassessment or lease modification. In the statements of financial position the lease liabilities are presented in the line item 'Lease liabilities'.

Undiscounted maturity analysis of lease liability, from the view of the Group and Bank as lessee, were as follows:

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
< 1 month	10,507	10,671	10,449	10,602
1-3 months	16,823	18,095	16,707	17,956
3-6 months	24,986	25,878	24,839	25,670
6-12 months	44,506	43,907	44,218	43,535
1-5 years	401,797	434,000	400,884	432,525
> 5 years	219,336	112,041	219,336	112,041
Total	717,955	644,592	716,433	642,329

During 2025, interest expenses on lease liabilities were recognised in the amount of RON 20,342 thousand (2024: RON 18,814 thousands) at Group level and RON 19,922 thousand (2024: RON 18,449 thousands) for the Bank. Expenses relating to leases of low value items for which the recognition exemption is applied and relating to short term leases for which the recognition exemption is applied were in amount of RON 9,196 thousand (2024: RON 11,984 thousand) at Group level and RON 8,799 thousand (2024: RON 11,622 thousand) for the Bank.

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Chapter 9 – Other liabilities and provisions

36. Other liabilities

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Payables related to employee cost	290,991	306,811	272,165	289,749
Taxes payable other than on income	130,507	56,189	129,896	55,658
Sundry creditors	66,236	71,799	44,461	41,369
Deferred income	96,851	87,106	96,848	87,046
Other liabilities (i)	7,990	397,452	3,970	1,517
Total	592,575	919,357	547,340	475,339

(i) Variation on other liabilities related to budgetary obligation of BPL reversed in 2025, in amount of RON 388,919 thousands.

37. Provisions

In the Statements of financial position, provisions are reported under the line item 'Provisions'. They include mainly credit risk loss provisions (particularly for financial guarantees and loan commitments) as well as provisions for litigations. Expenses or income related to provisions for loan commitments and financial guarantees are reported in the statements of profit or loss under the line item 'Net impairment loss on financial instruments'.

Expenses or income related to other provisions are reported in the statements of profit or loss under the line item 'Other operating result'.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities as well as contingent assets are monitored and revalued on a continuous basis in order to ensure that all subsequent to initial recognition developments have been considered and a provision will be recognized, if the case.

	Group		Bank	
in RON thousands	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Long-term employee provisions	90,762	70,308	89,881	69,929
Pending legal issues (i)	171,546	391,903	161,436	372,972
Loan commitments given (ii)	206,907	300,500	205,675	298,990
Provisions for commitments given in Stage 1	105,647	116,849	104,853	115,085
Provisions for commitments given in Stage 2	71,369	113,020	71,058	113,274
Provisions for commitments given - Defaulted	29,891	70,631	29,764	70,631
Provisions for commitments given in Stage 3	29,763	70,365	29,636	70,365
Provisions for commitments given - POCI	128	266	128	266
Financial Guarantees given	10,981	15,671	11,010	16,340
Provisions for financial guarantees in Stage 1	5,874	8,862	5,903	9,531
Provisions for financial guarantees in Stage 2	4,362	5,599	4,362	5,599
Provisions for financial guarantees - Defaulted	745	1,210	745	1,210
Provisions for financial guarantees in Stage 3	745	1,210	745	1,210
Other provisions	9,852	9,931	9,505	9,931
Restructuring	337	-	-	-
Other	9,515	9,931	9,505	9,931
Provisions	490,048	788,313	477,507	768,162

(i) The reduction in provisions in pending legal issues is related to favorable ANPC case court ruling. (Further details are presented in Note 38).

(ii) The reduction in provisions for loan commitments is attributable to the recalibration of risk parameters and credit ratings, combined with healings and lower undrawn balances on credit facilities.

Long term employee provisions

The Bank's net obligation in respect of long-term service benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. On the basis of the Collective Labour Agreement, the Bank has a contractual obligation to make a one-off payment of up to four gross monthly salaries to retiring employees on the date of retiring. The defined benefit obligations are calculated by a qualified actuary taking into account the estimated salary at the date of retirement and the number of years served by each individual.

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Movement in long term employee provisions

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Opening defined benefit obligation	70,308	72,127	69,929	72,127
Interest cost	5,026	4,599	5,002	4,572
Current service cost	5,755	6,295	5,690	6,173
Past service cost	-4,941	-5,709	-4,941	-6,139
Benefits paid	-2,582	-1,282	-2,582	-1,269
Actuarial (gains)/loss on obligations	17,503	-5,314	17,089	-5,179
effect of experience adjustments	4,057	1,149	4,005	1,195
effect of demographic assumptions	13,446	-6,463	13,084	-6,374
Settlements gain	-307	-408	-306	-356
Total	90,762	70,308	89,881	69,929

The principal assumptions used in determining the defined benefit obligation of the Group's plan are shown below:

	2025	2024
	%	%
Discount rate	6.77%	7.35%
Future salary increases	6.00%	5.00%
Mortality rates	ROM-Anul2013	ROM-Anul2013
Disability rates	ETTL-PAGLER	ETTL-PAGLER

The following table presents a sensitivity analysis for each significant actuarial assumptions showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the balance sheet.

Sensitivity analysis	Group		Bank	
	2025	2024	2025	2024
Sensitivity - Discount rate +/- %	0.50%	0.50%	0.50%	0.50%
Impact on DBO: Discount rate decrease -	5,709	3,891	4,828	3,512
Impact on DBO: Discount rate increase +	-5,328	-3,627	-4,447	-3,248
Sensitivity - Salary increase rate +/- %	0.50%	0.50%	0.50%	0.50%
Impact on DBO: Salary decrease rate -	-3,618	-2,954	-4,499	-3,333
Impact on DBO: Salary increase rate +	3,960	3,197	4,841	3,576

The remaining average duration of the defined benefit obligation at the end of the reporting period is 13.92 years (2024: 14.10 years).

The expected service cost for 2025 is RON 5,690 thousands for the Bank (2024: RON 6,173 thousands).

According to the collective labor agreement, employees are entitled to one lump sum payment on the date of normal age retirement/termination due to disability, of up to 4 gross monthly salaries (the Bank), depending on seniority (their past period of employment with the Bank). It is also included a lump sum payment in case of death amounting to 3 gross monthly salaries irrespective of the period of service or for early retirement, a lump sum of up to 6 gross monthly salaries, depending on the number of years remaining until normal age retirement.

This is a defined benefit plan that defines three independent benefits that an employee is entitled to receive on the date of normal age retirement/termination due to disability/death, dependent on one or more factors such as age, years of service and salary.

A full actuarial valuation by a qualified independent actuary is carried out every year.

The plan liability is measured on an actuarial basis using the projected unit credit method. The defined benefit plan liability is discounted using rates equivalent to the market yields at the balance sheet date of government bonds that are denominated in the currency in which benefits will be paid and that have a maturity approximating to the terms of the related liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the statements of changes in equity.

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Provisions for allegedly abusive clauses

Starting with the enactment of Government Emergency Ordinance no.50/2010 on loan agreements for private individuals, as subsequently modified ('Ordinance 50'), the Bank was involved in consumer litigations with certain financial implications.

However, clients have continued to take court actions against the Bank on the grounds of Law no.193/2000 on unfair terms in contracts with consumers, as subsequently modified, that transposes into national law the Directive no. 1993/13/EC on unfair terms in consumer contracts.

Apart from individual litigations (clients taking court actions against the Bank on the grounds of Law no.193/2000 on unfair terms in contracts with consumers) - BCR has faced a number of litigations with ANPC (National Authority for Consumers Protection), having as grounds the interpretations over Law 193/2000 featuring potential cross portfolio contamination effects. According to the amendments brought to Law 193 in 2013, whenever the National Consumer Protection Agency or a consumer association asks the court to qualify a clause as abusive, should the judge consider it so, that clause has to be removed from all the ongoing contracts. Also, in the second half of 2024 BCR challenged in court an ANPC thematic control report regarding the recalculation of the variable interest rates and fees for loans granted in the period 2004-2010, which are active or have been closed in the last 6 months prior to the report, including the loans declared as early maturity or assigned to third parties.

By applying the principles of IAS 37, the Bank has recognized collectively assessed provisions for its probable obligation to reimburse the customers counterparty in contracts with allegedly abusive clauses similar to those subject to the litigations opened by ANPC and for the loans falling under the thematic control report's subject. Taking into consideration that all cross-portfolio litigations have been closed (the last one as of September 29, 2025, when the dead line for ANPC for filing an extraordinary appeal expired), remaining ongoing only the challenge against ANPC thematic control report from 2024, at the end of November 2025, the bank approved (i) the release of RON 301.55 mil of collective provisions for loans with allegedly abusive cases relating to ANPC cross-portfolio litigations and (ii) the allocation of RON 97.21 mil equivalent of provision for the loans that fall under the scope of the ANPC's thematic control report, for which the bank's challenge is on-going. In the first instance, in January 2026, the ruling was favorable to the bank, the decision being subject of appeal and based only on the form not merits of the case.

The amount of the provision is reviewed semi-annually by the Bank in order to take account of the new court resolutions for litigations with clients for contracts which contain allegedly abusive clauses (of ANPC type or not) and changes in the relevant legislation.

According to the approval above mentioned, as of November 2025, the Group recorded provisions for allegedly unfair terms included in contracts which are not yet subject to an individual litigation, but are falling under the scope of the ANPC's above mentioned thematic control report, in total amount of RON 97.21 mil equivalent (December 2024: RON 289.91 mil, including the amount of the provisions for the loans in scope of the cross-portfolio cases).

Apart from the above-mentioned provision, the Group established a provision for all pending cases having as object individual clients claims regarding allegedly abusive clauses.

For individual claims, as of December 2025, the Group has established a provision of RON 20.5 mil (December 2024: RON 20.6 mil).

Starting 2025, the calculation methodology was modified following the thematic control, and the provision is calculated based on the amount received from ANPC.

For 2024, the provisions were calculated for the portfolios at risk based on expected values, using statistical methods, separately for active loans, closed loans and loans sold for which the Bank has retained continuing involvement. The key parameters used are the following: the potential allegedly abusive amount, the show up rate (percentage of clients that would open litigation) and the loss probability.

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Movement in provisions (other than long term employee provisions)

	2025						Group
in RON thousands	Opening balance	Additions, includ. increases in exist. provisions (+)	Amounts used (-)	Unused amounts reversed during the period (-)	Changes in discounted amount	Exchange-rate and other changes (+/-)	Closing Balance
Pending legal issues	391,903	104,459	-	-325,769	-	953	171,546
Other provisions	9,931	60,003	-58,262	-1,927	-	107	9,852
Total provisions less long-term employee provisions	401,834	164,462	-58,262	-327,696	-	1,060	181,398

	2024						Group
in RON thousands	Opening balance	Additions, includ. increases in exist. provisions (+)	Amounts used (-)	Unused amounts reversed during the period (-)	Changes in discounted amount	Exchange-rate and other changes (+/-)	Closing Balance
Pending legal issues	405,858	29,680	-	-43,646	-	11	391,903
Other provisions	124,867	52,425	-160,015	-7,345	-	-1	9,931
Total provisions less long-term employee provisions	530,725	82,105	-160,015	-50,991	-	10	401,834

	2025						Bank
in RON thousands	Opening balance	Additions, includ. increases in exist. provisions (+)	Amounts used (-)	Unused amounts reversed during the period (-)	Changes in discounted amount	Exchange-rate and other changes (+/-)	Closing Balance
Pending legal issues	372,972	104,194	-	-316,683	-	953	161,436
Other provisions	9,931	58,693	-57,299	-1,927	-	107	9,505
Total provisions less long-term employee provisions	382,903	162,887	-57,299	-318,610	-	1,060	170,941

	2024						Bank
in RON thousands	Opening balance	Additions, includ. increases in exist. provisions (+)	Amounts used (-)	Unused amounts reversed during the period (-)	Changes in discounted amount	Exchange-rate and other changes (+/-)	Closing Balance
Pending legal issues	389,543	24,609	-	-41,191	-	11	372,972
Other provisions	11,087	52,009	-46,964	-6,200	-	-1	9,931
Total provisions less long-term employee provisions	400,630	76,618	-46,964	-47,391	-	10	382,903

Loans commitments and financial guarantees

In the ordinary course of business, the Group issues financial guarantees, consisting of letters of credit, guarantees and acceptances. Financial guarantees are initially recognized in the financial statements at fair value, in 'Other liabilities', being the premium received. Subsequent to initial recognition, the Group financial guarantees are measured at the higher of the amount of the loss allowance determined as expected credit loss under IFRS 9 and the amount initially recognized less any cumulative amortization recognized in line with IFRS 15.

Any increase in the liability relating to financial guarantees is taken to the statements of profit or loss and expenses in 'Net impairment loss from financial instruments' and in the statements of financial position in 'Provisions'. The premium received is recognized in the statements of other comprehensive income in 'Net fees and commission income' on a straight line basis over the life of the guarantee.

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Letters of guarantee which do not meet the definition of a financial guarantee (performance guarantees, advance payment guarantees, bid guarantees, etc.) are treated as loan commitments under the measurement scope of IFRS 9. Therefore, the measurement requirements of IFRS 9 for commitment fees that are not integral part of EIR are applied for the premiums received, recognized in the statements of other comprehensive income in 'Net fees and commission income' on time proportionate basis over the commitment period.

38. Litigations and contingent liabilities

Undrawn loan commitments

Undrawn loan commitments represent contractual commitments to grant loans and revolving credits. Commitments generally have fixed expiry dates or other termination clauses. Since commitments may expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements.

At the same time, the potential credit loss is less than the total unused commitments since most commitments to extend credit are contingent until the customers maintain specific standards. The Group monitors the maturity of credit commitments as longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

In the case of irrevocable commitments, the Bank undertakes to make available to the client, at any time during the contract period, the amount mentioned in the contract.

Legal claims

As of 31 December 2025, the Bank was involved in the normal course of its business in a number of 1,756 litigations as defendant (31 December 2024: 1,627).

In the opinion of management, after taking appropriate legal advice, the outcome of these legal claims will not give rise to any significant loss beyond the amount provided at 31 December 2025.

Settlement of the litigations between BCR Banca pentru Locuinte (BCR BpL) and Ministry of Development

In 2015, the Romanian Court of Accounts (hereinafter referred to as "the CoA") conducted a control mission at BCR BpL on the subject of allocated state premium. Following this control mission, CoA issued the Decision no. 17 on 10 December 2015 ("Decision 17") which has been contested by BCR BpL, but the bank lost the case at High Court of Justice on 21st of June 2019.

On 21 January 2022, BCR BpL paid to the Ministry of Development the undue state premium considered by CoA as damage in amount of RON 432,699 thousand. As such, BCR BpL has fully implemented the measures imposed by CoA Decision no.17, as maintained by HCCJ Decision of 21 June 2019.

Following the payment on 21 January 2022 of the principal obligation and based on the special provisions of Government Emergency Ordinance no. 69/2020 on several fiscal measures, extension of certain deadlines, introduction of certain tax incentives and amendment of certain regulatory acts ("OUG no. 69/2020"), BCR BpL has also initiated legal actions to benefit from the cancellation of accessory budgetary obligations (i.e. interest and penalties accrued to the principal obligation for the period elapsed between date when the state premiums were cashed in and the date when BCR BpL reimbursed the state premium to MoD). Due to the refusal of MoD and the fact that the MoD has requested the payment of the accessories, the bank initiated the legal actions against the MoD.

On 5 December 2022, MoD communicated to BCR BpL a distinct decision to pay the accessory obligations, which were set in the amount of RON 388,919 thousand. According to the MoD Ancillary Decision, BCR BpL had the obligation to pay this amount within 30 days of receipt of the MoD Decision, i.e. by 5 January 2023. Failure to pay the amount within the deadline being likely to lead to the initiation of enforcement by ANAF - General Division for the Administration of Large Taxpayers.

Therefore, the value of the tax obligation, communicated through MoD Ancillary Decision in the amount of RON 388,919 thousand was reflected in the 2022 financial statements of BCR BpL as a definite liability.

Considering the refusal of MoD to grant amnesty on the basis of GEO 69/2020 as unjustified, BCR BpL took all legal action to obtain the amnesty / cancellation of the accessories, and also to obtain the annulment of MoD Ancillary Decision.

In the main litigation, the court ordered MoD to review and to settle the amnesty application on the merits, decision which became final on 18 April 2024 when HCCJ rejected MoD recourse. BCR BpL finally won both cases, obtaining in 2025 also the annulment of MoD Ancillary Decision.

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Following the favorable HCCJ ruling and a subsequent review of BCR BpL's amnesty application, MoD has issued the amnesty decision, received by BpL at the end of September 2024.

Subsequently, as of the end of September 2025 there were no longer any reasons for maintaining the liability for penalties amounting to RON 388.9 million. Therefore, the derecognition of the above-mentioned liability against other operating income has been approved, with the application of the 2% supplementary tax on turnover due by credit institution.

BFP Litigation

On 23 December 2016, the BFP has received a request filed by City Hall Bucharest to International Court of Arbitration of the International Chamber of Commerce, consisting of amounts due under the joint venture contract for the period from 2001 to 2013.

In November 2019, the International Court of Arbitration rejected the request submitted by the City Hall. Following this decision, the claimant initiated an action for annulment, which was subsequently dismissed on October 12, 2020. The amount claimed is EUR 30.24 million (RON equivalent 151.2 million). Against this ruling, the claimant lodged a second appeal. The High Court of Justice has suspended the proceedings pending the final decision of the Constitutional Court regarding an exception of unconstitutionality raised by the City Hall.

Up to the date of publishing these financial statements, there were no other significant updates for the year ended - December 2025.

Case corporate client vs. BCR

The plaintiff is a former guarantor for a corporate loan granted by BCR. After insolvency proceedings were initiated, BCR was registered as a creditor with the right to recover the full loan amount of EUR 15.5 million. The plaintiff's mortgaged and unmortgaged assets were sold, and the proceeds were distributed to creditors, including BCR. Subsequently, the plaintiff's main shareholder obtained a court decision annulling a suretyship clause inserted in the mortgage contract.

As a consequence, the plaintiff and its main shareholder filed several court actions, seeking to reverse the measures already taken in the insolvency proceedings. In three of the initiated disputes, it requested that the bank be ordered to pay certain amounts:

(i) In one case, it requested that the Bank be ordered to pay EUR 33.7 million in damages (RON equivalent 167.2 million), claiming in essence that, based on the suretyship clause later annulled by the court, BCR had significantly influenced its insolvency proceedings. The request was dismissed in first instance, as unfounded. On February 4, 2026, the Court of Appeal rejected the plaintiff's appeal, upheld BCR's appeal and rejected the plaintiff's request as time barred. The solution is not final.

(ii) In another file, as a consequence of the annulment of the suretyship clause, it requested the bank together with the assignees of the bank's claim and the borrower to be obliged to reimburse the amount of RON 24.5 million. The request was rejected as inadmissible. The solution became final on January 27, 2026.

In December 2023, a provision in amount of RON 24.5 million has been established by BCR for these disputes. As of 31 December 2025, there have been no changes in this respect.

(iii) In a third file, received in December 2025, the claimant seeks the cancellation of the distribution, in its insolvency procedure, of the amount of RON 24.5 million to the assignee of the bank's claim and the repayment of these amount. The file is pending before the first court.

In what concern the other files in which the plaintiff or its main shareholder are seeking, in essence, to reverse the measures already taken in the insolvency proceedings, two files regarding the partial annulment of the assignments contracts were definitively resolved in favor of the bank and the other litigations are suspended or pending in different procedural stages.

Tax related litigation

Transfer Pricing and related withholding tax

The litigations initiated by the Bank following the results of the tax audit for the period 2012 -2015 are still on going, no decision being rendered on the merits, neither in the national suits nor in the EUAC proceedings.

Impairment of shares held in subsidiaries

During the 2017 tax audit, the Bank requested the deductibility of expenses arising from the impairment of investments in subsidiaries recorded between 2012 and 2015, in line with the tax legislation applicable to those periods. The tax authorities rejected this position, concluding that such impairment-related expenses were not deductible.

In 2017, the Bank contested the tax authorities' decision in court, and the litigation remains ongoing as of December 2025. Based on the assessment of external legal counsel and the analyses available, Management considers that a favorable outcome is more likely than not.

Chapter 10 – Capital instruments, equity and reserves

39. Total equity

The statutory share capital of the Bank as at 31 December 2025 is represented by 16,253,416,254 ordinary shares (equal voting rights) of RON 0.10 each (31 December 2024: 16,253,416,254 ordinary shares of RON 0.10 each). The shareholders of the Bank are as follows:

	2025		2024	
	Number of shares	Percentage holding (%)	Number of shares	Percentage holding (%)
Erste Group Bank AG	16,235,800,479	99.891618%	16,235,553,342	99.890097%
SC Actinvest SA	226,802	0.001395%	226,802	0.001395%
FDI Certinvest Dinamic	13,699	0.000084%	13,699	0.000084%
BCR Leasing SA	109	0.000001%	109	0.000001%
Individuals	17,375,165	0.106902%	17,622,302	0.108422%
Total	16,253,416,254	100.00%	16,253,416,254	100.00%

The effect of hyperinflation on the share capital of the Bank is presented below:

in RON thousands	2025	2024
Share capital before the effect of hyperinflation	1,625,342	1,625,342
IAS 29 hyperinflation adjustment recorded in prior years (i.e. until 31 December 2003)	1,327,223	1,327,223
Share capital	2,952,565	2,952,565

Additional equity instruments

BCR issued Additional Tier 1 notes (AT1 bonds) in September 2022, with a volume of EUR 150 mil and in January 2025 a new series of AT1 bonds were issued, with a volume of EUR 350 million (RON 1,740,480 thousands). AT1 bonds are unsecured and subordinated bonds, they are perpetual and can be cancelled only by the issuer at predetermined dates. AT1 bonds include discretionary non-cumulative coupon payments, which allows them to be classified as equity under IFRS. The AT1 balance for 2025 RON 2,482,035 thousands (2024: RON 741,555 thousands).

If common equity tier 1 ratio of BCR Group or BCR falls below 7.00% (i.e. a trigger event occurs) the principal amount will be written down on a temporary basis. The issuer may, at its sole discretion, write up the amount (fully or partially) provided a positive profit has been recorded and the trigger event no longer exists.

Other reserve

The legal reserves require the transfer in a reserve fund of 5% of the net profit of the Bank up to minimum 20% of the Bank's share capital. As of 31.12.2025, the legal reserve was in amount of RON 569,355 thousands.

The reserve representing the fund for the general banking risks was allocated from the pre-tax accounting profit of the Bank starting with financial year 2004 until the end of financial year 2006 calculated as 1% of the banking risk assets. As of 31.12.2025, the general banking risk reserve was in amount of RON 267,673 thousands.

The general reserve for credit risk was allocated from the pre-tax accounting profit of the Bank until the end of financial year 2004 until it reached the level 2% from the balance of the loans granted. As of 31.12.2025, the general reserve for credit risk was in amount of RON 162,935 thousands.

Other reserves are in amount of RON 404,534 thousands. In the statements of financial position, the share premiums are presented in the line 'Other reserves' together with the above reserves.

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Chapter 11 – Scope of consolidation

40. Subsidiaries

All entities directly or indirectly controlled by Banca Comercială Română SA are consolidated in the Group financial statements on the basis of their annual accounts as of year-end. The financial statements of the subsidiaries are prepared for the same reporting year as for the Bank, using consistent accounting policies.

The Bank measures investments in subsidiaries at cost.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full as well as unrealized gains and losses and dividends are eliminated. Subsidiaries are fully consolidated from the date on which control is transferred to the Bank until the date when control is lost. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power to direct the relevant activities of the investee.

Relevant activities are those which most significantly affect the variable returns of an entity.

The Bank has the following entities consolidated in the financial statements of the Group as at 31 December 2025:

Company's name	Country of incorporation	Nature of the business	Shareholding		Gross Book Value	Net Book Value	Impairment
			2025	2024			
BCR Leasing IFN SA	Romania	Financial leasing	99.97%	99.97%	389,491	389,491	-
BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA	Romania	Pension Fund	99.99%	99.99%	229,484	198,125	31,359
BCR Banca pentru Locuinte SA	Romania	Banking	99.99%	99.99%	948,578	335,800	612,778
Suport Colect SRL	Romania	Workout	72.87%	99.99%	983,047	-	983,047
BCR Payments Services SRL	Romania	Payments transactions	99.99%	99.99%	1,900	1,900	-
BCR Fleet Management SRL (i)	Romania	Operational leasing	-	99.97%	-	-	-
Total					2,552,500	925,316	1,627,184

(i) During 2025 BCR Fleet Management was merged in Suport Colect SRL, after that BCR Fleet Management SRL being deregistered.

Impairment of subsidiaries

The Bank reviews its holdings in subsidiaries at each reporting date and whenever a trigger of impairment has appeared, in order to assess whether there is objective evidence that the investment in the subsidiary is impaired. If there is such evidence, the Bank calculates the amount of impairment as the difference between the recoverable amount of the subsidiary and its carrying value (higher of fair value less costs to sell and value in use), then, recognizes the loss under Other Operating Result in the statements of profit or loss.

Based on business specifics, specific valuation methods are applied for each subsidiary, such as Dividend Discount Model, Discounted Cash Flows model. The calculation of Fair Value and Value in Use for subsidiaries is most sensitive to discount rates and financial projections (budgets) used.

The movement in Subsidiaries' net book value is presented below:

	Bank
in RON thousands	
Balance as of 01.01.2024	588,105
Net impairment of subsidiaries	25,266
Balance as of 31.12.2024	613,371
Balance as of 01.01.2025	613,371
Net impairment of subsidiaries	352,282
Capital repayment	-40,337
Balance as of 31.12.2025	925,316

At 31 December 2025, the release of impairment for investments in subsidiaries was in amount of RON 335,800 thousand for BCR Banca pentru Locuinte SA and RON 16,481 thousand for BCR Pensii.

NOTES TO THE FINANCIAL STATEMENTS

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The release of impairment for BCR Pensii is due mainly to increase of future estimated profits, due both to the increase in volume of managed assets, and especially to the increase in commission percentages charged as a result of the improvement in the ratio between investment performance and inflation, thus a higher recoverable amount is obtained using compared to last year estimation.

The existing impairment booked at the Bank level for Subsidiaries is presented below:

in RON thousands	2025	2024
Suport Colect SRL	-983,047	-983,047
BCR Banca pentru Locuinte SA	-612,778	-948,578
BCR Fond de Pensii	-31,359	-47,841
Total	-1,627,184	-1,979,466

The recoverable amount of the subsidiaries has been determined as the higher of fair value (FV) less costs of sale and value in use (ViU), generally using long term financial projections. In accordance with IAS 36 par 50, the ViU was calculated on a pre-tax basis (before corporate taxes).

Based on current business specifics, simplified income approach method was applied.

The calculation of FV and ViU for subsidiaries is most sensitive to discount rates and financial projections (budgets) used and zero growth rate considered.

Discount rates

The discount rates used were determined based on specific parameters (e.g. risk free rate, market risk premium, country risk premium, BETA rates, inflation spread) estimated for commercial banking industry and other financial services based on industry research.

The projected inflation rates are based on published industry research (median values of three sources of research).

Cost of equity (CoE) / Weighted average cost of capital (WACC)	Value in use 2025	Value in use 2024
Local subsidiaries - Other financial corporation	12.97%	13.18%
Local subsidiaries - Credit institutions	12.54%	n/a

Financial Projections

The financial projections are based on financial budgets, covering a five-year period.

For companies operating in a tight regulatory environment regarding capital adequacy (i.e. banks and leasing companies), the distributions resulting from the financial projections were adjusted in order to take into account the maximum capital distributions allowed in order to keep the targeted solvency position.

Sensitivity to changes in assumptions at Bank's level for all subsidiaries

in RON thousands	2025	2024
Impact in the Statements of Comprehensive Income: income/ (expense)		
Cost of equity/ Weighted average cost of capital increases by 10%	-59,351	-53,453
Cost of equity/ Weighted average cost of capital decreases by 10%	71,461	64,897
Net cash-flows increase by 10%	98,284	61,283
Net cash flows decrease by 10%	-98,284	-61,283

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BCR Banca pentru Locuinte

In accordance with IAS 1 "Presentation of financial statements", paragraph 25, when preparing financial statements, management should perform an assessment of an entity's ability to continue as a going concern.

As of 31 December 2025, the management of BCR BpL assessed that the going concern assumption remains not appropriate, considering all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

As a result of this assessment the management concluded that the financial statements as of 31 December 2025 should be prepared under the non-going concern assumption due to the following events and reasons that have an irreversible impact on the Bank's activity:

BCR BpL was determined to make the decision, based on the 2015 Court of Accounts report, and subsequently on the 2019 ICCJ decision, to suspend the sale of savings-lending contracts starting in March 2016, and stop granting "Fix pentru Casa," "Intermediar," and "Anticipat" loans starting September 2019.

BCR BpL has completed the legal proceedings (based on the special provisions of Government Emergency Ordinance No. 69/2020 on certain fiscal measures, the extension of certain deadlines, the establishment of certain tax facilities, and the amendment of certain normative acts ("GEO No. 69/2020"), with the court ruling in favor of BCR BpL in the litigation against the Ministry of Development. The completion of the legal proceedings is presented in the Financial Statements in Note 38 Litigation and contingent liabilities.

The downward trend in customers' Deposits is irreversible, from RON 88,599 thousand, as of 31 December 2024 to RON 34,592 thousand, as of 31 December 2025, this decline being explained by the fact that BCR BpL has not signed new saving-credit contracts since 2016, the minimum saving period of 5 years for the saving deposits has already passed and the saving-credit contracts remaining in the portfolio continues to close at clients' initiative or due non-compliance with existing terms and conditions. The 2026 budget and 2027-2028 forecast are structured on a declining trend, so that in 2026 the saving deposits portfolio will be depleted, the clients having a period of maximum 2 years timeframe for justifying the state premium received from the state; prudential indicators such as own funds, solvency ratio and liquidity ratio calculated as of 31 December 2025, as well as the budgeted ones for 2026 indicates full compliance with regulatory thresholds imposed by the NBR.

BCR BpL has therefore founded its non-going concern assessment for the preparation of the financial statements as of 31 December 2025 on the significantly limitation of the operations, significant downward trend of the deposits' portfolio, which will continue until 2026.

Net assets of the company as of 31st December 2025 is RON 466,774 thousand (2024: RON 73,134 thousand).

Suport Colect SRL

By end of 2025, Suport Colect SRL merged by absorption with BCR Fleet Management SRL, acting as absorbing entity. The Management has evaluated the overall situation of the company and concluded that it is appropriate to maintain the same approach as in the previous years and to prepare its financial statements for 2025 on a non-going concern basis.

The main arguments taken into consideration are as follows:

- the entity has no new business for some time and has no intention to acquire any, moreover no new business will be generated following the merger, the only activity relates to receivables acquired in the past and monetising of the fixed assets stock (i.e., "cease trading" condition in IAS 10.14 is fulfilled);
- there is an obvious intention of the management to liquidate the company in the future proved by the approved budgets which no longer considered the company from 2027 onwards (IAS 1.25).

Net asset of the company as of 31st December 2025 is RON 68,048 thousands (2024: RON 42,482 thousands).

41. Investments in joint ventures and associates

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method, an interest in an associate or joint venture is recognised on the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of the net assets of the entity. The Group's share of the associate's or joint venture's result is recognised in the consolidated statements of profit or loss in line item Net result from equity method investments. The line item contains the result from associates and joint ventures recorded by applying the equity method (measured as the investor's share of profit or loss in the associates and joint ventures). However, impairment losses, reversal of impairment

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losses and realized gains and losses on investments in associates or joint ventures accounted for using the equity method are reported under the line item 'Other operating result'.

In the case of BCR Group, all equity method investments are direct or indirect investments in associates and joint ventures over which the Group exercises significant influence or joint control stemming from voting power greater than 20% up to 50%.

The Bank has a 49% interest in BCR Social Finance IFN SA whose main role is to provide loans to customers, acquired in 2019. On 30 September 2020, the Bank entered with other investors into a transaction involving the share capital increase of CIT One S.R.L. ('CIT One'), pursuant to which the other investors become shareholders in CIT One, with equal shareholding of 33.33%, maintaining the same activity, cash processing and transportation.

The Bank's interest in these two companies is accounted for using the equity method in the consolidated financial statements. There is no quoted market price for these investments.

The below table presents the book value at Group level of investment in associates and joint ventures.

in RON thousands	Group	
	2025	2024
Other financial corporations	15,874	13,307
Non-financial corporations	18,725	25,531
Total	34,599	38,838

The table below shows the aggregated financial information of entities measured at equity method:

in RON thousands	BCR Social Finance IFN		CIT One	
	2025	2024	2025	2024
Total assets	387,662	280,758	191,255	155,287
Total liabilities	355,266	253,601	135,083	78,694
Total equity	32,396	27,157	56,172	76,593
Proportional of the Group's ownership	49.00%	49.00%	33.33%	33.33%
Carrying amount of the investment	15,874	13,307	18,725	25,531

in RON thousands				
Income	67,474	50,568	336,072	317,473
Expenses	-61,227	-45,021	-350,871	-291,557
Profit before tax	6,247	5,547	-14,799	25,916
Income tax expenses	-1,009	-809	-5,622	-6,387
Profit/loss	5,238	4,738	-20,421	19,529
Proportional of the Group's ownership	49.00%	49.00%	33.33%	33.33%
Carrying amount of the investment	2,567	2,322	-6,806	6,509

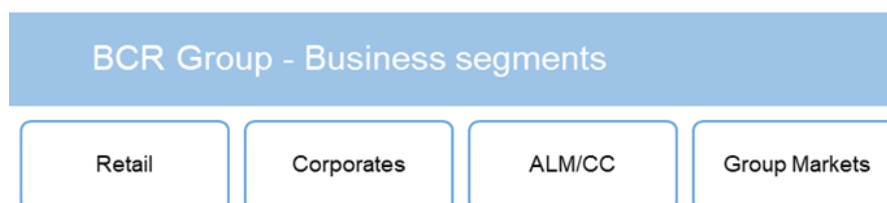
Chapter 12 – Other disclosure matters

42. Segment reporting

BCR Group segment reporting is based on IFRS 8 Operating Segments, which adopts the management approach. Accordingly, segment information is prepared based on internal management reporting that is regularly reviewed by the chief operating decision maker to assess the performance of the segments and make decisions regarding the allocation of resources. Within BCR Group the function of the chief operating decision maker is exercised by the Management Board.

Business segmentation

BCR Group segment reporting comprises four Group operating segments reflecting BCR Group's management structure.



Retail. The Retail segment comprises the business activities which are in the responsibility of account managers in the Retail network. Targeted customers are mainly privates, micros, and free professionals. This business is mainly operated by BCR parent bank in cooperation with its subsidiaries such as Leasing, Asset Management with the focus on simple products ranged from loans, investment products, current accounts, savings products, to credit cards and cross selling products such as leasing, insurance, building society products.

Corporates. The Corporates segment comprises business done with corporate customers of different turnover size (small and medium-sized enterprises and Large Corporate customers) as well as commercial real estate and public sector business.

Group Markets. The Group Markets (GM) segment comprises trading and markets services as well as customer business with financial institutions. It includes all activities related to the trading books of BCR Group, including the execution of trade, market making and short-term liquidity management. In addition, it comprises business connected with servicing financial institutions as clients.

Asset/Liability Management & Corporate Centre. The Asset/Liability Management & Corporate Centre (ALM & CC) segment includes all asset/liability management functions – as well as the corporate center which comprises all non-core banking business, intragroup eliminations within BCR partial group, dividends, refinancing costs of participations, all non-banking balance sheet positions which cannot be allocated to other business segments as well as the profit and loss positions resulting from these balance sheet items. Apart from that the Corporate Centre includes the reconciliations to the accounting result. This segment comprises also free capital which is defined as the difference of the total average IFRS equity and the average economical equity allocated to all operating segments.

Measurement

The profit and loss statements of the BCR Segment report is based on the measures reported to the Management Board for the purpose of allocating resources to the segments and assessing their performance.

Capital consumption per segment is regularly reviewed by the management of BCR Group to assess the performance of the segments. The average allocated capital is determined by the credit risk, market risk, operational risk, and business strategic risk.

According to the regular internal reporting to Management Board, total assets, and total liabilities as well as risk weighted assets and allocated capital are disclosed per segment.

For measuring and assessing the profitability of segments within BCR Group, such key measures as return on allocated capital and cost/income ratio are used.

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Return on allocated capital is defined as net result for the period before minorities in relation to the average allocated capital of the respective segment. Cost/income ratio is defined as operating expenses (general administrative expenses) in relation to operating income (total of net interest income, net fee and commission income, dividend income, net trading result, gains/losses from financial instruments measured at fair value through profit or loss, net result from equity method investments, rental income from investment properties and other operating lease).

In order to split the Group results on business lines the following subsidiaries are allocated entirely on Retail segment: BCR Pensii SAFPP, Banca pentru Locuinte, Suport Colect and some of the consolidation adjustments; starting 2023, BCR Leasing is allocated on business segments in accordance with clients' profit centres (Corporate segments account around 70% while retail segment 30%). Intragroup eliminations and the rest of the consolidation adjustments are allocated on Local Corporate Centre. In 2025, the Group decided to change the presentation for leasing portfolio, by splitting between retail and corporate segments; 2024 information was aligned with this presentation in order to enhance comparability.

	2025				
in RON thousands	Group	Retail	Corporates	ALM & Local Corporate Centre	GM
Net interest income	4,746,338	2,194,202	1,226,742	1,170,616	154,778
Net fee and commission income	1,214,169	815,525	342,899	-13,656	69,401
Dividend income	6,581	3,974	-	2,607	-
Net trading result	544,422	221,649	158,540	43,316	120,917
Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss	19,736	9,701	-	10,035	-
Foreign currency translation	-8,723	-	-	-8,723	-
Net result from equity method investments	-4,240	-	-	-4,240	-
Rental income from investment properties and other operating leases	14,237	9,378	292	4,567	-
General administrative expenses	-2,395,484	-1,830,792	-478,239	-31,704	-54,749
Gains/(losses) from derecognition of financial assets measured at amortized cost	-	-	-	-	-
Other gains/(losses) from derecognition of financial instruments not measured at fair value through profit or loss	-1,307	-	-	-1,307	-
Gains/losses from reclassification from amortized cost to fair value through profit or loss	-	-	-	-	-
Net impairment gain/ (losses) on financial instruments	-252,408	327	-243,030	-4,561	-5,144
Other operating result	60,533	422,414	-136,404	-214,930	-10,547
Pre-tax result from continuing operations	3,943,854	1,846,378	870,800	952,020	274,656
Net profit of the year	3,943,854	1,846,378	870,800	952,020	274,656
Taxes on income	-623,763	-233,622	-139,328	-206,868	-43,945
Net result for the year	3,320,091	1,612,756	731,472	745,152	230,711
Net result attributable to non-controlling interests	20	-	-	20	-
Net result attributable to owners of the parent	3,320,071	1,612,756	731,472	745,132	230,711
Operating Income	6,532,520	3,254,428	1,728,473	1,204,523	345,096
Operating Expense	-2,395,484	-1,830,792	-478,239	-31,704	-54,749
Operating Result	4,137,036	1,423,636	1,250,234	1,172,819	290,347
Cost Income Ratio	36.67 %	56.26 %	27.67 %	2.63 %	15.86 %

* All intercompany eliminations are included in the Local Corporate Centre

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					2024
in RON thousands	Group	Retail	Corporates	ALM & Local Corporate Center	GM
Net interest income	4,400,976	2,075,816	1,274,190	970,000	80,969
Net fee and commission income	1,128,180	780,410	302,134	-13,085	58,722
Dividend income	6,192	3,889	-	2,303	-
Net trading result	483,295	185,628	140,983	11,094	145,591
Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss	24,723	7,482	-	17,241	-
Foreign currency translation	8,991	-	-	8,991	-
Net result from equity method investments	8,831	-	-	8,831	-
Rental income from investment properties and other operating leases	34,543	-	28,925	5,618	-
General administrative expenses	-2,270,848	-	-3,170	-23,711	-
Gains/(losses) from derecognition of financial assets measured at amortized cost	-26,881	-	-3,170	-23,711	-
Other gains/(losses) from derecognition of financial instruments not measured at fair value through profit or loss	-4,127	-	-	-4,127	-
Net impairment gain/ (losses) on financial instruments	-106,342	-128,808	1,435	11,690	9,341
Other operating result	-400,038	-96,837	-108,026	-189,535	-5,640
Pre-tax result from continuing operations	3,287,495	1,073,585	1,200,477	771,227	242,206
Net profit of the year	3,287,495	1,073,585	1,200,477	771,227	242,206
Taxes on income	-520,072	-171,424	-193,236	-116,659	-38,753
Net result for the year	2,767,423	902,161	1,007,241	654,568	203,453
Net result attributable to non-controlling interests	7	-	-	7	-
Net result attributable to owners of the parent	2,767,416	902,161	1,007,241	654,561	203,453
Operating Income	6,095,731	3,053,225	1,746,232	1,010,993	285,282
Operating Expense	-2,270,848	-1,753,995	-435,993	-34,084	-46,777
Operating Result	3,824,883	1,299,230	1,310,238	976,909	238,505
Cost Income Ratio	37.25 %	57.45 %	24.97 %	3.37 %	16.40 %

* All intercompany eliminations are included in the Local Corporate Centre

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	2025				
in RON thousands	Group	Retail	Corporates	ALM & Local Corporate Center	GM
Assets					
Cash and cash equivalents	11,440,918	3,816,662	-	7,624,256	-
Financial assets held for trading	3,329,764	-	-	1,646	3,328,118
Derivative financial instruments held for trading	102,599	-	-	1,646	100,953
Debt securities held for trading	3,227,165	-	-	-	3,227,165
Non-trading financial assets mandatorily at fair value through profit or loss	97,614	42,084	-	55,530	-
Equity instruments	92,124	42,084	-	50,040	-
Debt securities	5,490	-	-	5,490	-
Financial assets at fair value through other comprehensive income	13,290,491	-	-	13,290,491	-
Debt securities	13,290,491	-	-	13,290,491	-
Financial assets at amortized cost	98,155,165	37,235,066	28,659,887	27,291,825	4,968,387
Debt securities	23,248,722	133,477	72,683	23,042,562	-
Loans and advances to banks	5,572,108	622,817	-	4,164,643	784,648
Loans and advances to customers	69,334,335	36,478,772	28,587,204	84,620	4,183,739
Finance lease receivables	2,678,181	632,395	2,035,683	10,103	-
Property and equipment	1,135,557	11,452	-	1,124,105	-
Investment property	15,343	-	-	15,343	-
Intangible assets	551,266	5,854	-	545,412	-
Investments in joint ventures and associates	34,599	-	-	34,599	-
Current tax assets	1,068	993	-	75	-
Deferred tax assets	2,445	343	-	2,102	-
Assets held for sale and disposal group	15,204	-	-	15,204	-
Trade and other receivables	943,541	19,711	551,026	92,067	280,737
Other assets	213,191	66,684	367	125,087	21,053
Total assets	131,904,347	41,831,243	31,246,964	50,227,845	8,598,295
Liabilities and Equity					
Financial liabilities held for trading	165,342	-	-	6,631	158,711
Derivative financial instruments held for trading	165,342	-	-	6,631	158,711
Financial liabilities measured at amortized cost	112,153,887	57,851,115	37,948,990	11,454,317	4,899,465
Deposits from banks	2,740,235	1,567,188	3,509,654	-4,102,342	1,765,735
Borrowings and financing lines	439,197	-	-	439,197	-
Deposits from customers	93,084,106	55,823,909	34,361,670	26,650	2,871,877
Debt securities issued	14,246,361	-	-	14,246,361	-
Other financial liabilities	1,643,988	460,017	77,665	844,453	261,853
Lease liabilities	591,782	-	-	591,782	-
Provisions	490,048	161,574	208,408	118,736	1,330
Current tax liabilities	58,994	3,564	-	55,430	-
Deferred tax liabilities	22,130	-	-	22,130	-
Other liabilities	592,575	16,998	63,893	508,468	3,216
Total equity	17,829,589	3,595,488	3,068,477	10,819,427	346,197
Total liabilities and equity	131,904,347	61,628,738	41,289,767	23,576,923	5,408,919

* All intercompany eliminations are included in the Local Corporate Centre

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					2024
in RON thousands	Group	Retail	Corporates	ALM & Local Corporate Center	GM
Assets					
Cash and cash equivalents	10,642,241	3,166,089	16,520	7,259,698	199,934
Financial assets held for trading	1,912,779	-	-	57,910	1,854,869
Derivative financial instruments held for trading	187,806	-	-	57,910	129,896
Debt securities held for trading	1,724,973	-	-	-	1,724,973
Non-trading financial assets mandatorily at fair value through profit or loss	87,862	30,964	-	56,898	-
Equity instruments	75,345	30,964	-	44,381	-
Debt securities	12,517	-	-	12,517	-
Financial assets at fair value through other comprehensive income	12,767,715	-	-	12,767,715	-
Debt securities	12,767,715	-	-	12,767,715	-
Financial assets at amortized cost	90,038,137	33,343,608	26,972,339	24,324,095	5,398,096
Debt securities	20,623,315	126,262	111,420	20,385,633	-
Loans and advances to banks	6,004,729	649,451	-	3,833,969	1,521,309
Loans and advances to customers	63,410,093	32,567,894	26,860,919	104,493	3,876,787
Finance lease receivables	2,321,385	506,041	1,867,333	-51,989	-
Property and equipment	1,029,795	6,649	88,314	934,832	-
Investment property	112,198	-	-	112,198	-
Intangible assets	496,946	5,564	-	491,382	-
Investments in joint ventures and associates	38,838	-	-	38,838	-
Current tax assets	139	-	139	-	-
Deferred tax assets	92,230	435	-	91,795	-
Assets held for sale and disposal group	729	-	-	729	-
Trade and other receivables	1,002,936	16,859	473,352	327,695	185,030
Other assets	261,005	67,784	5,024	188,123	74
Total assets	120,804,935	37,143,994	29,423,021	46,599,919	7,638,002
Liabilities and Equity					
Financial liabilities held for trading	133,740	-	-	6,071	127,669
Derivative financial instruments held for trading	133,740	-	-	6,071	127,669
Financial liabilities measured at amortized cost	104,405,296	55,508,058	38,422,625	7,502,627	2,971,986
Deposits from banks	1,174,726	1,343,435	3,377,040	-4,261,488	715,739
Borrowings and financing lines	533,268	-	-	533,268	-
Deposits from customers	91,007,840	53,973,592	34,950,925	-57,535	2,140,859
Debt securities issued	10,407,030	-	-	10,407,030	-
Other financial liabilities	1,282,432	191,032	94,661	881,351	115,389
Lease liabilities	500,390	-	-	500,390	-
Provisions	788,313	371,946	303,943	108,795	3,629
Current tax liabilities	42,508	2,803	-	39,705	-
Deferred tax liabilities	25,177	-	-	25,177	-
Other liabilities	919,357	403,937	51,455	459,916	4,049
Total equity	13,990,154	3,290,902	3,426,100	6,921,957	351,195
Total liabilities and equity	120,804,935	59,577,646	42,204,123	15,564,638	3,458,528

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	2025				
in RON thousands	Bank	Retail	Corporates	ALM & Local Corporate Center	GM
Net interest income	4,549,187	2,102,374	1,124,912	1,167,123	154,778
Net fee and commission income	1,148,886	763,195	324,083	-7,793	69,401
Dividend income	10,124	3,974	-	6,150	-
Net trading result	544,422	218,217	149,422	55,866	120,917
Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss	19,736	9,701	-	10,035	-
Foreign currency translation	-21,254	-	-	-21,254	-
Rental income from investment properties and other operating leases	5,266	-	-	5,266	-
General administrative expenses	-2,298,296	-1,764,332	-441,045	-38,170	-54,749
Gains/(losses) from derecognition of financial assets measured at amortized cost	-	-	-	-	-
Other gains/(losses) from derecognition of financial instruments not measured at fair value through profit or loss	-1,307	-	-	-1,307	-
Net impairment gain/ (losses) on financial instruments	-215,199	8,521	-215,540	-3,036	-5,144
Other operating result	54,159	55,159	-136,404	145,951	-10,547
Pre-tax result from continuing operations	3,795,724	1,396,807	805,428	1,318,833	274,656
Net profit of the year	3,795,724	1,396,807	805,428	1,318,833	274,656
Taxes on income	-612,089	-223,489	-128,868	-215,787	-43,945
Net result for the year	3,183,635	1,173,318	676,560	1,103,046	230,711
Net result attributable to owners of the parent	3,183,635	1,173,318	676,560	1,103,046	230,711
Operating Income	6,256,367	3,097,460	1,598,417	1,215,394	345,096
Operating Expense	-2,298,296	-1,764,332	-441,045	-38,170	-54,749
Operating Result	3,958,071	1,333,128	1,157,372	1,177,224	290,347
Cost Income Ratio	36.74 %	56.96 %	27.59 %	3.14 %	15.86 %

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	2024				
in RON thousands	Bank	Retail	Corporates	ALM & Local Corporate Center	GM
Net interest income	4,253,358	1,999,068	1,201,113	972,208	80,969
Net fee and commission income	1,071,921	737,565	284,300	-8,666	58,722
Dividend income	74,078	3,889	-	70,189	-
Net trading result	487,871	183,760	136,371	22,149	145,591
Gains/(losses) from non-trading financial instruments mandatorily measured at fair value through profit or loss	24,723	7,482	-	17,241	-
Foreign currency translation	-2,074	-	-	-2,074	-
Rental income from investment properties and other operating leases	5,346	-	-	5,346	-
General administrative expenses	-2,179,452	-1,695,739	-394,567	-42,369	-46,777
Gains/(losses) from derecognition of financial assets measured at amortized cost	-26,881	-	-3,170	-23,711	-
Other gains/(losses) from derecognition of financial instruments not measured at fair value through profit or loss	-4,127	-	-	-4,127	-
Net impairment gain/ (losses) on financial instruments	-66,482	-121,808	30,724	15,261	9,341
Other operating result	-354,175	-107,062	-89,910	-151,563	-5,640
Pre-tax result from continuing operations	3,284,106	1,007,155	1,164,861	869,884	242,206
Net profit of the year	3,284,106	1,007,155	1,164,861	869,884	242,206
Taxes on income	-502,354	-161,145	-186,378	-116,078	-38,753
Net result for the year	2,781,752	846,010	978,483	753,806	203,453
Net result attributable to owners of the parent	2,781,752	846,010	978,483	753,806	203,453
Operating Income	5,915,223	2,931,764	1,621,784	1,076,393	285,282
Operating Expense	-2,179,452	-1,695,739	-394,567	-42,369	-46,777
Operating Result	3,735,771	1,236,025	1,227,217	1,034,024	238,505
Cost Income Ratio	36.84 %	57.84 %	24.33 %	3.94 %	16.40 %

NOTES TO THE FINANCIAL STATEMENTS
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	2025				
in RON thousands	Bank	Retail	Corporates	ALM & Local Corporate Center	GM
Assets					
Cash and cash equivalents	11,435,554	3,778,145	-	7,657,409	-
Financial assets held for trading	3,329,764	-	-	1,646	3,328,118
Derivative financial instruments held for trading	102,599	-	-	1,646	100,953
Debt securities held for trading	3,227,165	-	-	-	3,227,165
Non-trading financial assets mandatorily at fair value through profit or loss	97,614	42,084	-	55,530	-
Equity instruments	92,124	42,084	-	50,040	-
Debt securities	5,490	-	-	5,490	-
Financial assets at fair value through other comprehensive income	13,290,491	-	-	13,290,491	-
Debt securities	13,290,491	-	-	13,290,491	-
Financial assets at amortized cost	100,365,988	35,558,482	27,189,449	32,649,670	4,968,387
Debt securities	23,115,245	-	72,683	23,042,562	-
Loans and advances to banks	5,566,874	-	-	4,782,226	784,648
Loans and advances to customers	71,683,869	35,558,482	27,116,766	4,824,882	4,183,739
Finance lease receivables	30,375	-	-	30,375	-
Property and equipment	1,107,182	-	-	1,107,182	-
Investment property	15,342	-	-	15,342	-
Intangible assets	515,201	-	-	515,201	-
Investments in joint ventures and associates	25,961	-	-	25,961	-
Deferred tax assets	394	-	-	394	-
Assets held for sale and disposal group	15,204	-	-	15,204	-
Trade and other receivables	939,449	9,134	543,523	106,055	280,737
Investments in subsidiaries	925,316	-	-	925,316	-
Other assets	127,067	37,237	367	68,410	21,053
Total assets	132,220,902	39,425,082	27,733,339	56,464,186	8,598,295
Liabilities and Equity					
Financial liabilities held for trading	165,342	-	-	6,631	158,711
Derivative financial instruments held for trading	165,342	-	-	6,631	158,711
Financial liabilities measured at amortized cost	112,668,813	56,225,831	34,439,335	17,104,182	4,899,465
Deposits from banks	3,262,252	33	-	1,496,484	1,765,735
Borrowings and financing lines	108,463	-	-	108,463	-
Deposits from customers	93,460,301	55,789,317	34,361,670	437,437	2,871,877
Debt securities issued	14,246,361	-	-	14,246,361	-
Other financial liabilities	1,591,436	436,480	77,665	815,438	261,853
Lease liabilities	590,344	-	-	590,344	-
Provisions	477,507	151,736	208,408	116,033	1,330
Current tax liabilities	54,373	-	-	54,373	-
Other liabilities	547,340	4,701	63,893	475,530	3,216
Total equity	17,717,183	3,281,572	2,860,923	11,228,491	346,197
Total liabilities and equity	132,220,902	59,663,839	37,572,559	29,575,585	5,408,919

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	2024				
in RON thousands	Bank	Retail	Corporates	ALM & Local Corporate Center	GM
Assets					
Cash and cash equivalents	10,596,154	3,116,586	-	7,279,634	199,934
Financial assets held for trading	1,912,779	-	-	57,910	1,854,869
Derivative financial instruments held for trading	187,806	-	-	57,910	129,896
Debt securities held for trading	1,724,973	-	-	-	1,724,973
Non-trading financial assets mandatorily at fair value through profit or loss	87,862	30,964	-	56,898	-
Equity instruments	75,345	30,964	-	44,381	-
Debt securities	12,517	-	-	12,517	-
Financial assets at fair value through other comprehensive income	12,767,715	-	-	12,767,715	-
Debt securities	12,767,715	-	-	12,767,715	-
Financial assets at amortized cost	91,972,536	31,770,189	25,565,872	29,238,379	5,398,096
Debt securities	20,497,053	-	111,420	20,385,633	-
Loans and advances to banks	5,960,826	-	-	4,439,517	1,521,309
Loans and advances to customers	65,514,657	31,770,189	25,454,452	4,413,229	3,876,787
Finance lease receivables	15,043	-	-	15,043	-
Property and equipment	902,686	-	-	902,686	-
Investment property	112,198	-	-	112,198	-
Intangible assets	468,484	-	-	468,484	-
Investments in joint ventures and associates	25,961	-	-	25,961	-
Deferred tax assets	90,567	-	-	90,567	-
Assets held for sale and disposal group	729	-	-	729	-
Trade and other receivables	995,338	7,778	464,460	338,070	185,030
Investments in subsidiaries	613,371	-	-	613,371	-
Other assets	115,272	38,323	466	76,409	74
Total assets	120,676,695	34,963,840	26,030,798	52,044,054	7,638,003
Liabilities and Equity					
Financial liabilities held for trading	133,740	-	-	6,071	127,669
Derivative financial instruments held for trading	133,740	-	-	6,071	127,669
Financial liabilities measured at amortized cost	104,748,753	54,072,056	35,045,338	12,659,372	2,971,987
Deposits from banks	1,686,012	33	279	969,961	715,739
Borrowings and financing lines	127,307	-	-	127,307	-
Deposits from customers	91,281,395	53,884,993	34,950,870	304,673	2,140,859
Debt securities issued	10,407,030	-	-	10,407,030	-
Other financial liabilities	1,247,009	187,030	94,189	850,401	115,389
Lease liabilities	498,276	-	-	498,276	-
Provisions	768,162	359,741	303,943	100,849	3,629
Current tax liabilities	38,260	-	-	38,260	-
Other liabilities	475,339	4,085	50,454	416,751	4,049
Total equity	14,014,165	2,927,703	3,231,498	7,503,769	351,195
Total liabilities and equity	120,676,695	57,363,585	38,631,233	21,223,348	3,458,529

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43. Return on assets and turnover information

The Bank applies the stipulations of NBR Regulation 5/2013 regarding prudential requirements for credit institutions.

Return on assets (net profit for the year divided by average total assets) was:

	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Return on assets	2.67%	2.42%	2.57%	2.46%

The return on assets is calculated based on monthly average total assets and presented in accordance with Article 645 of the above mentioned regulation.

The consolidated revenues from current activity for the financial exercise ended 31 December 2025 amounts to RON 10,422,604 thousands (31 December 2024: RON 9,272,775 thousands).

The Bank revenues from current activity for the financial exercise ended 31 December 2025 amounts to RON 9,768,225 thousands (31 December 2024: RON 9,085,103 thousands).

Revenues from current activity are presented in compliance with Article 644 of the above mentioned regulation and are calculated according to National Romanian Bank Order 8/2024 and the components are described in Note 12 section Tax on Bank revenue.

44. Related-party transactions and principal shareholders

The nature of the related party relationships for those related parties with whom the Group entered into significant transactions or had significant balances outstanding at 31 December 2025 and 2024 are detailed below. Transactions were entered into with related parties during the course of business at market rates.

Principal shareholder

All transactions were carried out at market conditions.

Transactions with management

The Group entered into a number of banking transactions with the management in the normal course of business.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. This includes the members of the Supervisory Board, Executive Committee and executive management.

Remuneration paid related to key management personnel is presented in Note 6.

Transactions with subsidiaries

The Bank holds investments in subsidiaries with whom it entered into a number of banking transactions in the normal course of business. These transactions were carried out on commercial terms and conditions and at market rates.

Transactions with other related parties

The Group considers the following additional related parties: entities in which the Group owns participations, entities in which the parent or other controlling entities either have control or have participations, companies in which key management personnel have direct or indirect interests, and close family members of key management personnel.

Terms and conditions

In relation to related parties, the accounts have the following characteristics:

Current accounts were opened between September 2006 and December 2025 and the interest rate is 0%.

Loans and advances accounts were opened between September 2005 and December 2025, maturing between January 2026 and September 2046. The interest rates for corporate are between 2.63% - 8.09% depending on maturity and currency of loan. For retail interest rates are between 3.04-6.79% for fixed interest and between 8.36-15.05% variable interest for loans. Credit cards interest rates are 5.29%-28% fixed interest and 9.03 -21.01% variable interest.

Term deposits were opened between September 2009 and December 2025, maturing between January 2026 and January 2027, and the interest rate is fixed between 0.7%-6.3% depending on the currency and maturity of the deposit.

Loans commitments, financial guarantees and other commitments given includes revocable and irrevocable letters of guarantee, undrawn commitments for loans and credit cards granted in RON or EUR.

Loan commitments, financial guarantees and other commitments received include loan commitment from parent company.

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The following transactions were carried out with related parties:

Balances and Off-balance exposures with related parties								Group
in RON thousands	2025				2024			
	Parent	Joint ventures and associates	Key management personnel	Other related parties	Parent	Joint ventures and associates	Key management personnel	Other related parties
Total assets	1,064,797	108,786	16,089	138,979	3,163,163	129,808	6,520	118,212
Cash and cash equivalents	22,593	-	-	-	40,468	-	-	-
Derivative financial instruments held for trading	85,120	-	-	-	97,288	-	-	-
Equity investments	-	25,961	-	42,084	-	25,961	-	30,964
Loans and advances	867,534	82,794	16,088	19,412	2,945,020	103,820	6,520	21,003
Loans and advances to banks	867,534	-	-	-	2,945,020	-	-	-
Loans and advances to customers	-	82,794	16,088	19,412	-	103,820	6,520	21,003
Finance lease receivables	-	-	-	6,551	-	-	-	1,648
Trade and other receivables	82,296	31	-	33,610	69,637	27	-	57,211
Other assets	7,254	-	1	37,322	10,750	-	-	7,386
Total liabilities	2,220,734	32,193	20,734	383,979	2,049,401	16,063	8,940	350,879
Financial liabilities measured at amortized cost	2,126,333	32,193	20,719	328,454	1,947,758	16,063	8,940	302,095
Deposits from banks	646,969	-	-	1,446	540,851	-	-	3,054
Deposits from customers	-	32,193	20,719	327,008	-	16,063	8,940	299,041
Borrowings and financing lines	108,463	-	-	-	127,307	-	-	-
Debt securities issued	1,370,901	-	-	-	1,279,600	-	-	-
Lease liabilities	83,827	-	-	-	51,452	-	-	-
Other liabilities	10,574	-	15	55,525	50,191	-	-	48,784
Additional equity instruments	2,482,035	-	-	-	741,555	-	-	-
Loans commitments, financial guarantees and other commitments given [notional amount]	128,407	110,032	1,307	332,108	44,080	63,369	773	269,995
Loan commitments, financial guarantees and other commitments received	254,925	-	-	-	248,705	-	-	-
Derivatives [notional amount]	13,998,882	-	-	-	12,880,768	-	-	-

Related parties: expenses and income generated by transactions with related parties								Group
in RON thousands	2025				2024			
	Parent	Joint ventures and associates	Key management personnel	Other related parties	Parent	Joint ventures and associates	Key management personnel	Other related parties
Interest income	116,844	10,984	597	3,201	90,181	6,528	248	2,508
Interest expenses	-221,308	-1,785	-292	-9,207	-111,770	-774	-315	-6,595
Dividend income	-	-	-	4,075	-	-	-	4,054
Fee and commission income	3,226	375	81	121,917	3,280	390	50	120,377
Fee and commission expense	-6,040	-	-1	-5,031	-5,802	-	-	-5,000
Net impairment gain/ (losses) on financial instruments	-306	-69	12	897	2,669	218	-7	295
Net trading result income/(expense)	150,912	514	174	13,632	131,005	7	104	9,645
Other operating income	2	1	-	87	-	1	-	296
Other operating expense	-	-	-111	-5,437	-	-	-	-14,066
Profit before tax income/(expense)	43,330	10,020	460	124,134	109,563	6,370	80	111,514

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Balances and Off-balance exposures with related parties						Bank				
in RON thousands	2025					2024				
	Parent	Investment in subsidiaries	Joint ventures and associates	Key management personnel	Other related parties	Parent	Investment in subsidiaries	Joint ventures and associates	Key management personnel	Other related parties
Total assets	1,064,797	5,698,866	108,786	16,089	121,986	3,163,163	4,947,361	129,808	6,520	110,111
Cash and cash equivalents	22,593	-	-	-	-	40,468	-	-	-	-
Derivative financial instruments held for trading	85,120	-	-	-	-	97,288	-	-	-	-
Equity investments	-	933,923	25,961	-	42,084	-	623,371	25,961	-	30,964
Loans and advances	867,534	4,741,340	82,794	16,088	19,412	2,945,020	4,310,531	103,820	6,520	21,003
Loans and advances to banks	867,534	-	-	-	-	2,945,020	-	-	-	-
Loans and advances to customers	-	4,741,340	82,794	16,088	19,412	-	4,310,531	103,820	6,520	21,003
Finance lease receivables	-	19,929	-	-	6,551	-	11,352	-	-	1,648
Trade and other receivables	82,296	3,674	31	-	33,610	69,637	2,106	27	-	57,205
Other assets	7,254	-	-	1	20,329	10,750	1	-	-	-709
Total liabilities	2,220,734	935,948	32,193	20,734	367,812	2,049,401	881,257	16,063	8,940	343,211
Financial liabilities measured at amortized cost	2,126,333	934,678	32,193	20,719	328,454	1,947,758	879,448	16,063	8,940	302,095
Deposits from banks	646,969	522,017	-	-	1,446	540,851	511,308	-	-	3,054
Deposits from customers	-	412,661	32,193	20,719	327,008	-	368,140	16,063	8,940	299,041
Borrowings and financing lines	108,463	-	-	-	-	127,307	-	-	-	-
Debt securities issued	1,370,901	-	-	-	-	1,279,600	-	-	-	-
Derivative financial instruments held for trading	83,827	-	-	-	-	51,452	-	-	-	-
Other liabilities	10,574	1,270	-	15	39,358	50,191	1,809	-	-	41,116
Additional equity instruments	2,482,035	-	-	-	-	741,555	-	-	-	-
Loans commitments, financial guarantees and other commitments given [notional amount]	128,407	1,217,928	110,032	1,307	332,108	44,080	556,750	63,369	773	269,995
Loan commitments, financial guarantees and other commitments received	254,925	-	-	-	-	248,705	-	-	-	-
Derivatives [notional amount]	13,998,882	-	-	-	-	12,880,768	-	-	-	-
Accumulated impairment for non-performing exposures	-	-	-	-	-	-	1,282	-	-	-

Related parties: expenses and income generated by transactions with related parties						Bank				
in RON thousands	2025					2024				
	Parent	Investment in subsidiaries	Joint ventures and associates	Key management personnel	Other related parties	Parent	Investment in subsidiaries	Joint ventures and associates	Key management personnel	Other related parties
Interest income	116,844	153,975	10,984	597	3,201	90,181	197,260	6,528	248	2,508
Interest expenses	-221,308	-43,333	-1,785	-292	-9,207	-111,742	-40,392	-774	-315	-6,595
Dividend income	-	3,543	-	-	4,075	-	67,886	-	-	4,054
Fee and commission income	3,226	1,704	375	81	118,751	3,280	2,401	390	50	113,688
Fee and commission expense	-6,040	-	-	-1	-5,031	-5,802	-	-	-	-5,000
Net impairment of subsidiaries	-	25,264	-	-	-	-	25,264	-	-	-
Net impairment gain/ (losses) on financial instruments	-306	-31	-69	12	897	2,669	2,877	218	-7	295
Net trading result income/(expense)	150,912	-	514	174	13,632	131,005	81	7	104	9,645
Other operating income	2	5,510	1	-	87	-	5,143	1	-	175
Other operating expense	-	-222	-	-111	-4,418	-	-83	-	-	-11,982
Profit before tax income/(expense)	43,330	146,410	10,020	460	121,987	109,591	260,437	6,370	80	106,788

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45. Audit fees and other services

The following table contains audit fees and other consulting fees charged by the auditors in the financial years 2025 and 2024:

in RON thousands	Group		Bank	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Fees for the audit of the financial statements	4,444	3,370	3,862	2,755
Other services involving the issuance of a report	2,343	2,781	2,160	2,757
Total	6,787	6,151	6,022	5,512

During the period from 1 January 2026 to 27 March 2026 when the statutory audit report for the Bank was signed, the financial auditor and its related network firms rendered the following services: (i) for the purpose of Erste Group Bank AG consolidation as of 31 December 2025, group audit reporting, group regulatory questionnaire reporting and Sustainable Bond Allocation Reporting and (ii) for BCR local purposes, reporting on the compliance of the presentation of consolidated and separate financial statements with the requirements of the European Single Electronic Format (“ESEF”) and limited assurance report on BCR SA’s consolidated sustainability statement.

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46. Split between current and non-current assets and liabilities

Expected remaining maturities of assets and liabilities:

in RON thousands	31.12.2025		31.12.2024	
	Current	Non - current	Current	Non - current
Cash and cash equivalents	11,440,918	-	10,642,241	-
Financial assets held for trading	3,248,826	80,938	1,806,792	105,987
Derivative financial instruments held for trading	21,661	80,938	81,819	105,987
Debt securities held for trading	3,227,165	-	1,724,973	-
Financial assets designated at fair value through profit or loss	-	97,614	-	87,862
Equity instruments	-	92,124	-	75,345
Debt securities	-	5,490	-	12,517
Financial assets at fair value through other comprehensive income	4,285,692	9,004,799	2,463,929	10,303,786
Debt securities	4,285,692	9,004,799	2,463,929	10,303,786
Financial assets at amortized cost	27,557,480	70,597,685	29,043,719	60,994,418
Debt securities	939,139	22,309,583	2,608,602	18,014,713
Loans and advances to banks	5,214,881	357,227	6,004,729	-
Loans and advances to customers	21,403,460	47,930,875	20,430,388	42,979,705
Finance lease receivables	890,187	1,787,994	904,680	1,416,705
Property and equipment	-	1,135,557	-	1,029,795
Investment property	-	15,343	-	112,198
Intangible assets	-	551,266	-	496,946
Investments in joint ventures and associates	-	34,599	-	38,838
Current tax assets	1,068	-	139	-
Deferred tax assets	-	2,445	-	92,230
Assets held for sale and disposal group	15,204	-	729	-
Trade and other receivables	531,751	411,790	684,608	318,328
Other assets	184,367	28,824	236,915	24,090
Total assets	48,155,493	83,748,854	45,783,752	75,021,183
Financial liabilities held for trading	85,416	79,926	34,892	98,848
Derivative financial instruments held for trading	85,416	79,926	34,892	98,848
Financial liabilities measured at amortized cost	68,410,976	43,742,911	64,369,773	40,035,523
Deposits from banks	2,874,314	305,118	1,378,230	329,764
Deposits from customers*	63,322,146	29,761,960	61,734,646	29,273,194
Debt securities issued	601,407	13,644,954	-	10,407,030
Other financial liabilities	1,613,109	30,879	1,256,897	25,535
Lease liabilities	79,842	511,940	76,561	423,829
Provisions	9,838	480,210	12,205	776,108
Current tax liabilities	58,994	-	42,508	-
Deferred tax liabilities	-	22,130	-	25,177
Other liabilities	592,575	-	919,357	-
Total liabilities	69,237,641	44,837,117	65,455,296	41,359,485

*For Deposits from customers the amounts were broken down into the columns '< 1 year' and '> 1 year' on the following basis. For non-maturing deposits such as current accounts and savings deposits, the liquidity model used for interest rate risk in the banking book was applied. Core deposits, which are assumed to remain with the bank over a longer horizon, are allocated to the '> 1 year' bucket. Non-core deposits are expected to flow out within 1 year are therefore included in the '< 1 year' bucket. All deposits with a given maturity structure, such as term deposits, are allocated according to their remaining contractual maturity. To comply with the change presented above, the prior-year figure was adjusted as to enhance comparability.

The amounts over one year related to the derivatives classified in the category 'held for trading' are hedging instruments from an economic but not from accounting point of view.

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Expected remaining maturities of assets and liabilities:

in RON thousands	31.12.2025		31.12.2024	
	Current	Non - current	Current	Non - current
Cash and cash equivalents	11,435,554	-	10,596,154	-
Financial assets held for trading	3,248,827	80,937	1,806,792	105,987
Derivative financial instruments held for trading	21,662	80,937	81,819	105,987
Debt securities held for trading	3,227,165	-	1,724,973	-
Financial assets designated at fair value through profit or loss	-	97,614	-	87,862
Equity instruments	-	92,124	-	75,345
Debt securities	-	5,490	-	12,517
Financial assets at fair value through other comprehensive income	4,285,692	9,004,799	2,463,929	10,303,786
Debt securities	4,285,692	9,004,799	2,463,929	10,303,786
Financial assets at amortized cost	28,209,601	72,156,387	29,651,866	62,320,670
Debt securities	907,457	22,207,788	2,608,602	17,888,451
Loans and advances to banks	5,209,647	357,227	5,960,826	-
Loans and advances to customers	22,092,497	49,591,372	21,082,438	44,432,219
Finance lease receivables	4,408	25,967	4,132	10,911
Property and equipment	-	1,107,182	-	902,686
Investment property	-	15,342	-	112,198
Intangible assets	-	515,201	-	468,484
Investments in joint ventures and associates	-	25,961	-	25,961
Deferred tax assets	-	394	-	90,567
Assets held for sale and disposal group	15,204	-	729	-
Trade and other receivables	527,659	411,790	677,010	318,328
Investments in subsidiaries	-	925,316	-	613,371
Other assets	127,067	-	115,272	-
Total assets	47,854,012	84,366,890	45,315,884	75,360,811
Financial liabilities held for trading	85,416	79,926	34,892	98,848
Derivative financial instruments held for trading	85,416	79,926	34,892	98,848
Financial liabilities measured at amortized cost	68,997,925	43,670,888	64,831,678	39,917,075
Deposits from banks	3,257,864	112,851	1,689,918	123,401
Deposits from customers*	63,578,059	29,882,242	61,920,211	29,361,184
Debt securities issued	601,407	13,644,954	-	10,407,030
Other financial liabilities	1,560,595	30,841	1,221,549	25,460
Lease liabilities	79,280	511,064	75,838	422,438
Provisions	-	477,507	-	768,162
Current tax liabilities	54,373	-	38,260	-
Other liabilities	547,340	-	475,339	-
Total liabilities	69,764,334	44,739,385	65,456,007	41,206,523

* For Deposits from customers the amounts were broken down into the columns '< 1 year' and '> 1 year' on the following basis. For non-maturing deposits such as current accounts and savings deposits, the liquidity model used for interest rate risk in the banking book was applied. Core deposits, which are assumed to remain with the bank over a longer horizon, are allocated to the '> 1 year' bucket. Non-core deposits are expected to flow out within 1 year are therefore included in the '< 1 year' bucket. All deposits with a given maturity structure, such as term deposits, are allocated according to their remaining contractual maturity. To comply with the change presented above, the prior-year figure was adjusted as to enhance comparability.

The amounts over one year related to the derivatives classified in the category 'held for trading' are hedging instruments from an economic, but not from accounting point of view.

47. Events after the balance sheet date

On 28 February 2026, military attacks occurred in Iran, followed by regional responses that significantly heightened geopolitical tensions across the Middle East. These developments triggered substantial volatility in oil and gas prices, impacting international energy markets and causing disruptions to air and maritime transportation in the region.

Although this situation remains ongoing at the date of issuance of these financial statements and no impact on the Group's operations has been identified to date, its future effects cannot be reliably estimated. Management will continue to closely monitor the potential implications and will implement appropriate measures to mitigate any associated risks. This event is considered a non-adjusting subsequent event after the balance sheet date.

AUTHORIZED PERSON,

Signature

Executive Vice-President,

Elke Meier



AUTHORIZED PERSON,

Signature

Director Accounting Division,

Gina Badea





Independent Auditor's Report

To the Shareholders of Banca Comercială Română S.A.

Report on the audit of the consolidated and separate financial statements

Our opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of Banca Comercială Română S.A. (the "Bank") and its subsidiaries (together - the "Group") as at 31 December 2025, and the Group's and Bank's consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the National Bank of Romania (NBR) Order no. 27/2010 for approving accounting Regulations in accordance with International Financial Reporting Standards, republished, and subsequent amendments (the "NBR Order 27/2010").

Our opinion is consistent with our additional report to the Audit Committee dated 27 March 2026.

What we have audited

The Group's and the Bank's consolidated and separate financial statements comprise:

- the consolidated and separate statements of profit or loss for the year ended 31 December 2025;
- the consolidated and separate statements of comprehensive income for the year ended 31 December 2025;
- the consolidated and separate statements of financial position as at 31 December 2025;
- the consolidated and separate statements of changes in equity for the year ended 31 December 2025;
- the consolidated and separate statements of cash flows for the year ended 31 December 2025; and
- the notes to the consolidated and separate financial statements, comprising material accounting policy information and other explanatory information.

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Ana Tower, 24/3 floor, 1A Poligrafiei Blvd, District 1
013704 Bucharest, Romania
+40 21 225 3000

The consolidated and separate financial statements as at 31 December 2025 are identified as follows:

- Total consolidated equity: RON 17,829,589 thousand;
- Consolidated net result for the year: RON 3,320,091 thousand.
- Total separate equity: RON 17,717,183 thousand;
- Separate net result for the year: RON 3,183,635 thousand.

The Bank's registered office is in Orhideelor, no. 15D, 2nd floor, Building The Bridge 1, Bucharest, district 6 and its unique fiscal registration code is RO361757.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation EU No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the "Regulation 537/2014") and Law 162/2017 regarding statutory audit of annual financial statements and annual consolidated financial statements and regarding changes to other regulations and subsequent amendments (the "Law 162/2017"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report.

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

Independence

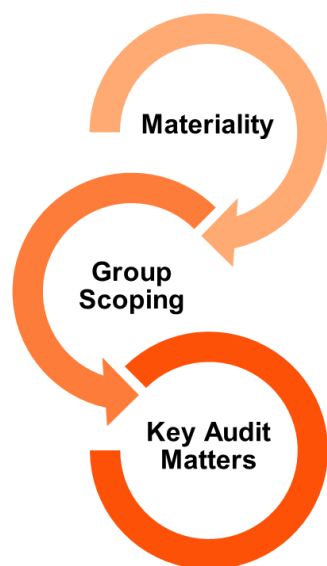
We are independent of the Group and the Bank in accordance with the ethical requirements of Regulation 537/2014 that are relevant to audits of financial statements of public interest entities, the ethical requirements of Law 162/2017 that are relevant to audits of financial statements in Romania and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Regulation 537/2014, the ethical requirements of the Law 162/2017 and the IESBA Code.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Bank and its controlled entities within the European Union are in accordance with the applicable law and regulations in Romania and that we have not provided non-audit services that are prohibited under Article 5(1) of the Regulation 537/2014.

The non-audit services that we have provided to the Bank and its controlled entities in the period from 1 January 2025 to the date of issuing this report, are disclosed in Note 45 “Audit fees and other services” to the consolidated and separate financial statements.

Our audit approach

Overview



Overall materiality for the consolidated financial statements of the Group: RON 178,136 thousand, which represents 5% of Pre-tax result from continuing operations from the Group's consolidated statement of profit or loss for the year ended 31 December 2025, adjusted for release of RON 388,919 thousand from other liabilities following a favourable completion of a litigation and considering the related impact on the specific supplementary tax for credit institutions

Overall materiality for the separate financial statements of the Bank: RON 172,996 thousand, which represents 5% of Pre-tax result from continuing operations from the Bank's separate statement of profit or loss for the year ended 31 December 2025, adjusted for release of RON 335,800 thousand from impairment of investments in subsidiaries following favourable completion of a subsidiary's litigation as indicated above

We planned and scoped our audit of the Group for the financial year 2025 taking under consideration the Group's current structure whereby the Bank represents a very significant part of the Group's assets, liabilities, revenue and pre-tax result from continuing operations. Hence, we defined the Bank as the sole significant component within the Group and so it was subject to a full scope audit of its financial information.

Application of IFRS 9 in the calculation of expected credit losses for loans and advances to customers (“ECL”)

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and separate financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated and separate financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated and separate financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Group and Bank materiality for the consolidated and separate financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to

evaluate the effect of misstatements, both individually and in aggregate on the consolidated and separate financial statements as a whole.

Overall Group and Bank materiality	Group: RON 178,136 thousand Bank: RON 172,996 thousand
How we determined it	Group: 5% of Pre-tax result from continuing operations from the Group's consolidated statement of profit or loss for the year ended 31 December 2025, adjusted for release of RON 388,919 thousand from other liabilities following a favourable completion of a litigation and considering the related impact on the specific supplementary tax for credit institutions Bank: 5% of Pre-tax result from continuing operations from the Bank's separate statement of profit or loss for the year ended 31 December 2025, adjusted for release of RON 335,800 thousand from impairment of investments in subsidiaries following favourable completion of a subsidiary's litigation as indicated above
Rationale for the materiality benchmark benchmarks applied	We chose pre-tax result from continuing operations adjusted as explained above as those releases were not considered relevant for establishing materiality thresholds for the Group and Bank. Pre-tax result from continuing operations benchmark was selected because, in our view, it is the benchmark against which the performance of the Group and Bank is most commonly measured by its stakeholders, and it is a generally accepted benchmark. We chose 5% which is consistent with quantitative materiality thresholds used for profit-oriented entities in this sector.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above RON 8,907 thousand for the Group and RON 8,650 thousand for the Bank as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Application of IFRS 9 in the calculation of expected credit losses for loans and advances to customers ("ECL")	In relation to the application of the ECL statistical models, we assessed the compliance of the key methodologies and models with the IFRS 9 requirements. We engaged our credit risk modelling specialists to assist us in undertaking this assessment.

Key audit matter

based on 12-month expected credit losses. If the credit risk has increased significantly since initial recognition (Stage 2) or if the loan is 'credit impaired' (Stage 3), IFRS 9 requires allowances based on lifetime expected credit losses.

The calculation of ECL allowance for Stage 1, Stage 2 and non-significant loans and advances to customers in Stage 3 is performed collectively on the basis of common risk characteristics. The key parameters used in this calculation include the probability of a loan falling into arrears and subsequently entering into default ("PD"), criteria for identifying significant increase in credit risk ("SICR"), the estimated exposure at the moment of default ("EAD") and the estimated loss from defaulted loans ("LGD"). These parameters are based on statistical historical data as well as assumptions about future developments. Statistical models are used for determining the key assumptions for incorporating forward-looking information ("FLI"). The FLI assessment considers a baseline forecast and two alternative scenarios (upside and downside) for selected macroeconomic variables.

For significant loans and advances in Stage 3, the ECL allowance is calculated individually based on probability weighted scenarios of cash flow forecasts. The key assumptions are the timing and amount of the expected cash flows (from both operating cash flows and recoveries from collateral) and the probability weighting attached to the different scenarios.

The uncertainty inherent in the estimation of the ECL allowance for loans and advances could be impacted by the geopolitical developments, which have worsened current and forecasted economic conditions and related macroeconomic scenarios, potentially having a significant impact on specific industry sectors.

Management addressed these uncertainties by regular updates during the year of the FLI and related scenarios weights and, where applicable, usage of overlays, calculated as post-model adjustments. Management performs an annual update of key risk parameters and, as required, updates the macro models used in the calculation of the FLI estimates.

Based on the analysis above, and taking into account that "Loans and advances to customers" are the most significant financial statement line item in the total assets, we have determined the estimation of the expected credit losses for loans and advances to customers as a key audit matter.

"Chapter 1 - Material accounting policies information", Note 15 "Financial assets at amortized cost" and Note 28 "Credit risk" to the consolidated and separate financial statements provide detailed information on the ECL for loans and advances to customers.

How our audit addressed the key audit matter

We also assessed the changes in the ECL methodology including the updated macroeconomic model for retail loan portfolio.

We also assessed the reasonableness of selecting and using multiple macroeconomic scenarios, including the latest macroeconomic forecasts as well as the severity and weights of modelled scenarios.

We familiarized ourselves with the key ECL methodological changes in the year and assessed them against the internal IFRS 9 ECL models validation results performed by the Bank.

We tested, on a sample basis, the key internal controls over the inputs of critical data which impacts the probability of default, loss given default and application of FLI into the source systems and the flow and transformation of data from the source systems to the ECL calculation engine.

We performed detailed risk assessment analytics over the Bank's loan portfolio to identify possible areas of risk and better calibrate our audit procedures described below.

We performed substantive testing over the critical data (cash repayments, forbearance and default status, valuation of collateral) used in the ECL calculation as of 31 December 2025.

We tested a sample of the statistical models used by the management to determine the key assumptions (probability of default, loss given default and exposure at default) to assess whether the calculation process was consistent with the IFRS 9 requirements and the Bank's own ECL methodology.

We verified that the key assumptions (EAD, PD, LGD) resulting from the statistical estimation models and approved by management were the same as the ones effectively implemented in the system and used for the ECL automated calculation.

We reconciled the output from the automated ECL calculation engine with the relevant information in the audited consolidated and separate financial statements.

With regards to significant exposures of loans and advances to customers within Stage 3, for which ECL is assessed individually, we tested the management approval of the key inputs, assumptions and discounted cash-flows from both operating cash flows and recoveries from collateral that are used in the ECL calculation.

We tested the application of SICR criteria and default definition used for stage allocation of loans and advances to customers.

We inspected the management approvals for the updated post model adjustments (overlays) including the criteria used for transferring exposures from Stage 1 to Stage 2.

We have selected, based on risk criteria, a representative sample of (i) individually analysed exposures and (ii) collectively assessed (performing) debtors for the purpose of testing ECL stage allocation and timely identification of SICR or impairment indicators and for testing the valuation of ECL allowance for significant impaired loans and advances to clients.

How we tailored our Group audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated and separate financial statements as a whole, taking into account the structure of the Group and the Bank, the accounting processes and controls, and the industry in which the Group and the Bank operate.

We planned and scoped our audit for the year 2025 reflecting the Group's current structure whereby the Bank represents the vast majority of the Group's assets (95%), liabilities (96%) and pre-tax result from continuing operations (88%) of all the consolidated Group subsidiaries before consolidation eliminations. Hence, we defined the Bank as the sole significant component within the Group and so the Bank was subject to an audit of its complete financial information. We applied analytical procedures to the financial information of the three largest subsidiaries of the Group (BCR Banca pentru Locuinte, BCR Leasing IFN SA and BCR Pensii, Societate de Administrare a Fondurilor de Pensii Private SA) and other audit procedures on their material balances and transactions and on the remaining components no procedures were considered necessary.

Reporting on other information including the Consolidated and Separate Administrators' Report

Administrators are responsible for the other information. The other information comprises the Consolidated and Separate Administrators' Report and the Consolidated Sustainability Statement, which is part of the Consolidated and Separate Administrators' Report, but does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information, including the Consolidated and Separate Administrators' Report.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Consolidated and Separate Administrators' Report, we considered whether the Consolidated and Separate Administrators' Report is consistent with the consolidated and separate financial statements and whether the Consolidated and Separate Administrators' Report includes the disclosures required by NBR Order 27/2010 points 32-34.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Consolidated and Separate Administrators' Report for the financial year for which the consolidated and separate financial statements are prepared is consistent with the

consolidated and separate financial statements; and

- the Consolidated and Separate Administrators' Report, excluding the Consolidated Sustainability Statement, has been prepared in accordance with NBR Order 27/2010 points 32, 33-34.

In addition, in light of the knowledge and understanding of the Group and the Bank and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Consolidated and Separate Administrators' Report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated and separate financial statements

Management is responsible for the preparation of the consolidated and separate financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and NBR Order 27/2010, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank'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 management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate 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 the Group's or the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 the Group's and the Bank'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 consolidated and separate 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 Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current

period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Reporting on report regarding information related to income tax

In accordance with NBR Order 27/2010, point 57¹⁶, in connection with the audit of the consolidated and separate financial statements for the financial year ended as at 31 December 2025, our responsibility is to state if, for the previous financial year ended as at 31 December 2024, the Bank had the obligation, in accordance with points 57⁴ - 57¹⁰ of NBR Order 27/2010, to publish a report regarding information related to income tax for the financial year ended 31 December 2024 and if this is the case, whether such report was published in accordance with point 57¹⁴ of NBR Order 27/2010.

The Bank did not have the obligation to publish the report regarding information related to income tax.

Report on the compliance of the presentation of consolidated and separate financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged as part of our audit engagement letter by the management of the Bank to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the presentation of the consolidated and separate financial statements of Banca Comercială Română S.A.'s Group for the year ended 31 December 2025 in the digital files bcr-2025-12-31-0-ro (the "Presentation of the Consolidated and Separate Financial Statements").

Description of a subject matter and applicable criteria

The Presentation of the Consolidated and Separate Financial Statements has been applied by the management of the Bank to comply with the requirements of art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format and subsequent amendments (the "ESEF Regulation"). The applicable requirements regarding the Presentation of the Consolidated and Separate Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Presentation of the Consolidated and Separate Financial Statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the management and those charged with governance

The management of the Bank is responsible for the Presentation of the Consolidated and Separate Financial Statements that complies with the requirements of the ESEF Regulation.

This responsibility includes the selection and application of appropriate markups in XBRL using ESEF taxonomy and designing, implementing and maintaining internal controls relevant for the preparation of the Presentation of the Consolidated and Separate Financial Statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process, which should also be understood as the preparation of consolidated and separate financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Presentation of the Consolidated and Separate Financial Statements complies, in all material respects, with the ESEF Regulation.

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (R) - 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (ISAE 3000(R)). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Presentation of the Consolidated and Separate Financial Statements complies, in all material aspects, with the applicable requirements. Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance with ISAE 3000 (R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Quality management requirements and professional ethics

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Presentation of the Consolidated and Separate Financial Statements complies, in all material aspects,

with the applicable requirements and such compliance is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the single electronic reporting format of the Consolidated and Separate Financial Statements, including the preparation of the XHTML format and marking up the consolidated financial statements;
- verification whether the XHTML format was applied properly;
- evaluating the completeness of marking up the consolidated financial statements using the XBRL markup language according to the requirements of the implementation of electronic format as described in the ESEF Regulation;
- evaluating the appropriateness of the Group's' use of XBRL markups selected from the ESEF taxonomy and the creation of extension markups where no suitable element in the ESEF taxonomy has been identified;
- evaluating the appropriateness of anchoring of the extension elements to the ESEF taxonomy; and
- evaluating the consistency between the digital information from the Presentation of Consolidated and Separate Financial Statements, visible for the human reader, with the signed and audited consolidated and separate financial statements.

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

Conclusion

In our opinion, based on the procedures performed, the Presentation of the Consolidated and Separate Financial Statements complies, in all material respects, with the ESEF Regulation.

Appointment

We were first appointed as auditors of Banca Comercială Română S.A. by the Ordinary General Shareholders Meeting on 27 January 2017. Our appointment has been renewed annually by the Ordinary General Shareholders Meeting representing a total period of uninterrupted engagement appointment of 9 years, covering the financial years ended 31 December 2017 up to 31 December 2025. Our appointment

for the year ended 31 December 2025 was approved by the Ordinary General Shareholders Meeting on 27 January 2025.

The financial auditor responsible for carrying out the audit resulting in this independent auditor's report is Victor Sasu.

On behalf of

PricewaterhouseCoopers Audit S.R.L.

Audit firm

registered with the Public Electronic Register of financial auditors and audit firms under no. FA6

**Refer to the original signed
Romanian version**

Victor Sasu

Financial Auditor

registered with the Public Electronic Register of financial auditors and audit firms under no. AF4097

Thomas Magill

Representative

Bucharest, 27 March 2026



Independent auditor's limited assurance report on Banca Comercială Română SA's Consolidated Sustainability Statement

To the Shareholders of Banca Comercială Română SA

Limited assurance conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Banca Comercială Română SA (the "Bank"), included in Consolidated Sustainability Statement of the Consolidated and Separate Administrators' Report (the "Consolidated Sustainability Statement"), as at 31 December 2025 and for the year then ended.

The Bank's registered office is in Romania, Bucharest, district 6 Orhideelor, no. 15D, 2nd floor, Building The Bridge 1, and its unique fiscal registration code is RO361757.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Consolidated Sustainability Statement is not prepared, in all material respects, in accordance with the provisions of point 33 of National Bank of Romania (NBR) Order no. 27/2010 for approving accounting Regulations in accordance with International Financial Reporting Standards, republished, with subsequent amendments (the "NBR Order 27/2010") implementing Article 29(a) of EU Directive 2013/34/EU, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Bank to identify the information reported in the Consolidated Sustainability Statement (the "Process") is in accordance with the description set out in note IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities; and
- compliance of the disclosures in subsection 12.2.1 EU Taxonomy Disclosures within the 12.2 Environmental information section of the Consolidated Sustainability Statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of

PricewaterhouseCoopers Audit S.R.L.
Ana Tower, 24/3 floor, 1A Poligrafiei Blvd, District 1
013704 Bucharest, Romania
+40 21 225 3000

historical financial information (“ISAE 3000 (Revised)”), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the Auditor’s responsibilities section of our report.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and of the requirements relevant in Romania, including Law 162/2017 regarding statutory audit of annual financial statements and annual consolidated financial statements and regarding changes to other regulations and subsequent amendments (“Law 162/2017”).

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities for the Consolidated Sustainability Statement

The Administrators of the Bank are responsible for designing and implementing a process to identify the information reported in the Consolidated Sustainability Statement in accordance with the ESRS and for disclosing this Process in note IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities of the Consolidated Sustainability Statement. This responsibility includes:

- understanding the context in which the Group’s activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group’s financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

The Administrators of the Bank are further responsible for the preparation of the Consolidated Sustainability Statement, in accordance with the provisions of point 33 of NBR Order 27/2010 implementing Article 29(a) of EU Directive 2013/34/EU, including:

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- compliance with the ESRS;
- preparing the disclosures in subsection 12.2.1 EU Taxonomy Disclosures within the 12.2 Environmental information section of the Consolidated Sustainability Statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that the Administrators of the Bank determine is necessary to enable the preparation of the Consolidated Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Group's sustainability reporting process.

Inherent limitations in preparing the Consolidated Sustainability Statement

In reporting forward-looking information in accordance with ESRS, the Administrators of the Bank are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Reporting on sustainability matters in accordance with the ESRS requires the use of information from the Group's value chain, which is only available to a limited extent. As described in note BP-2 – Disclosures in relation to specific circumstances, paragraph 'Estimation uncertainty and assumptions' of the Consolidated Sustainability Statement, the Administrators of the Bank must therefore rely on third-party data and information, and make assumptions and estimates to determine the sustainability information disclosed in the Consolidated Sustainability Statement. The completeness and accuracy of such sustainability information is therefore subject to significant inherent uncertainties.

Auditor's responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Consolidated Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Consolidated Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Consolidated Sustainability Statement, in relation to the Process, include:

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- obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- designing and performing procedures to evaluate whether the Process is consistent with the Bank's description of its Process set out in note IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities.

Our other responsibilities in respect of the Consolidated Sustainability Statement include:

- identifying where material misstatements are likely to arise, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the Consolidated Sustainability Statement. 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.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the Consolidated Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Consolidated Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- obtained an understanding of the Process by:
 - performing inquiries to understand the sources of the information used by the Administrators of the Bank (e.g., stakeholder engagement, business plans and strategy documents); and
 - reviewing the Bank's internal documentation of its Process;
- evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Bank was consistent with the description of the Process set out in note IRO-1 – Description of the process to identify and assess material impacts, risks and opportunities.

In conducting our limited assurance engagement, with respect to the Consolidated Sustainability Statement, we:

- obtained an understanding of the Group's reporting processes relevant to the preparation of its Consolidated Sustainability Statement by obtaining an understanding of the Group's control environment, processes and information system relevant to the preparation of the Consolidated Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control.
- evaluated whether the information identified by the Process is included in the Consolidated Sustainability Statement;
- evaluated whether the structure and the presentation of the Consolidated Sustainability Statement is in accordance with the ESRS;
- performed inquiries of relevant personnel and analytical procedures on selected information in the Consolidated Sustainability Statement;
- performed substantive assurance procedures on selected information in the Consolidated Sustainability Statement;
- where applicable, compared disclosures in the Consolidated Sustainability Statement with the corresponding disclosures in the consolidated and separate financial statements and Consolidated and Separate Administrators' Report;
- evaluated the methods, assumptions and data used by the Bank for developing estimates and forward-looking information;
- obtained an understanding of the Bank's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Consolidated Sustainability Statement.

On behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered with the Public Electronic Register of financial auditors and audit firms under no. FA6

**Refer to the original
signed Romanian version**

Victor Sasu

Financial auditor

registered with the Public Electronic Register of financial auditors and audit firms under no. AF4097

Thomas Magill

Representative

Bucharest, 27 March 2026



Banca Comercială Română S.A.
Societate administrată în sistem
dualist
www.bcr.ro

Șoseaua Orhideelor nr. 15D, Clădirea
The Bridge 1, etajul 2, Sector 6,
București, cod poștal 060071

contact.center@bcr.ro
Sună la BCR: *2227 apelabil din orice
rețea din România;
+ 4021.407.42.00, apelabil din orice
rețea din România sau din străinătate

Înmatriculată la Registrul Comerțului:
J40/90/1991
Înmatriculată la Registrul
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RO 361757
Capital Social:
1.625.341.625,40 lei
SWIFT: RNCB RO BU

STATEMENT

According to the articles 30 and 31 of the Accounting Law no. 82/1991

The "Separate and Consolidated Financial Statements" as at December 31st, 2025 for the Group Banca Comercială Română (the Group) and for the bank individually (Bank) have been prepared in accordance with National Bank of Romania Order no. 27/2010 for the approval of the Accounting Regulations compliant to International Financial Reporting Standards, applicable to credit institutions, as subsequently amended and supplemented.

We, Sergiu Cristian Manea as Executive President and Elke Meier as Executive Vicepresident of Banca Comercială Română SA, undertake the responsibility for the preparation of the Separate and Consolidated Financial Statements as at 31.12.2025 and we confirm the following:

- a) The accounting policies applied for the preparation of the separate and consolidated financial statements for the year ended 2025 are in accordance with accounting regulations applicable to credit institutions, correspondingly in accordance with the NBR's Order no. 27/2010;
- b) The Annual Separate and Consolidated Financial Statements reflect a true and fair view of the financial position, financial performance and further information related to the activity of the Bank and the Group;
- c) Banca Comercială Română SA prepared its Financial Statements and carry on their business on a going concern basis.
- d) The Consolidated and Separate Administrators' Report includes an analysis of the development, performance and risks related to the Group's and the Bank's activity. The Consolidated Sustainability Statement is an integral part of the Administrators' Report and was prepared in accordance with Order 1/2024 on the amendment and completion of Order 27/2010.

Executive President,
Sergiu Cristian Manea

Executive Vicepresident,
Elke Meier