ANNUAL DISCLOSURES FOR 2025
ON AN UNCONSOLIDATED BASIS

ACCORDING TO THE REQUIREMENTS OF
REGULATION (EU) 575/2013 (ART. 431-455)

Contents

(All amounts are shown in BGN thousands unless otherwise stated)

I. Introduction – General Information

1. Corporate Information

Eurobank Bulgaria AD (the Bank or Postbank) was incorporated and is domiciled in Bulgaria. The Bank is a joint stock company (its shares are not traded publicly on any stock exchange) established in accordance with Bulgarian regulations. The Bank is a licensed credit institution and an investment intermediary providing retail, corporate and investment banking services in Bulgaria.
The activities of the Bank are governed by the applicable legislation regulating the credit institutions and the investment intermediaries. Its principal regulators are Bulgarian NationalBank (BNB) and the Financial Supervision Commission (FSC). Since 1 October 2020 Postbankis directly supervised by the European Central Bank (ECB) as part of the close cooperation process between the ECB and the BNB.

2. Pillar III Regulatory Framework

The Pillar III disclosures of the Bank (hereinafter “the Report” or “the Disclosures”) have been prepared in accordance with Regulation (EU) No 575/2013 (“CRR”) (as subsequently amended) and the Capital Requirements Directive 2013/36/EU (“CRD IV”) (as subsequently amended). It is noted that the term “CRR” and “CRD” is used consistently throughout the Disclosures and unless further specified it refers to the currently applicable version.

For the preparation of these Disclosures, the Bank has adopted the European Banking Authority (“EBA”) Guidelines on Pillar III disclosures requirements, where applicable, and the corresponding Commission Implementing Regulation (EU) 2024/3172, which is effective from 1st January 2025.

The CRR establishes the prudential requirements for capital, liquidity and leverage that credit institutions and large investment firms need to abide by and is immediately binding on all EU member states. The CRD governs access to deposit-taking activities, internal governance arrangements including remuneration, board composition and transparency, while it also sets out additional capital buffer requirements. The CRR introduced significant changes in the prudential regulatory regime applicable to banks including amended minimum capital adequacy ratios, changes to the definition of capital and the calculation of RWAs and the introduction of new measures relating to leverage, liquidity and funding. The CRR permitted a transitional period for certain of the enhanced capital requirements and certain other measures, such as the leverage ratio, which were largely effective by 2019, and some other transitional provisions with phase-in until 2029. The CRD IV, unlike the CRR, was transposed into national law by EU member states, and national regulators were allowed to impose additional capital buffer requirements.

In March 2018, the ECB published a non-performing exposures (“NPEs”) addendum which supplements the NPL Guidance by specifying the ECB’s supervisory expectations when assessing a bank’s levels of prudential provisions for non-performing exposures. The ECB, in this context, assesses, among other things, the length of time an exposure has been classified as non-performing (vintage) as well as the collateral held. In April 2019, Regulation (EU) 2019/630 was issued, as regards to the minimum loss coverage for non-performing exposures, with an immediate effective date, prescribing the minimum provision coverages based on vintage and collateral held, for loans that originated after 26 April 2019.

(All amounts are shown in BGN thousands unless otherwise stated)

In May 2019, the CRR II, which was applicable from 28 June 2021, amended significantly the CRR in several aspects such as the leverage ratio, the Net Stable Funding Ratio (NSFR), requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements. Also, in May 2019 the CRD V amended the CRD IV as regards to exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures. The CRD V was transposed into national law by EU member states.

In June 2024, Regulation (EU) 2024/1623 ("CRR III") and Directive (EU) 2024/1619 ("CRD VI") were published in the EU's Official Journal. These reflect the EU banking rules which implement, amongst other things, the finalisation of the Basel III framework The CRR III entered into force on 9 July 2024, and most amended provisions of the CRR III have become effective on 1 January 2025, while certain reforms are expected to be subject to transitional arrangements or to be phased-in over time. The CRR III amended Regulation (EU) No 575/2013 on requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor. The CRD VI entered into force on 9 July 2024, and EU member states are required to adopt and publish the laws, regulations, and administrative provisions necessary to comply with the CRD VI.

The Basel IV regulatory framework, as developed by the Basel Committee on Banking Supervision ("BCBS"), comprises of three Pillars:

- Pillar I sets out the guidelines for calculating the minimum regulatory capital requirements, including calculation of RWAs for credit risk, counterparty risk, market risk and operational risk. These requirements are covered by regulatory own funds as per the requirements of CRR.
- Pillar II covers the Supervisory Review and Evaluation Process ("SREP") which assesses the internal capital adequacy, risk management, governance, and overall financial resilience of credit institutions, and whether additional capital is required over and above the Pillar I and provides for the monitoring and self-assessment of a bank's capital adequacy and internal processes.
- Pillar III covers a set of external quantitative and qualitative disclosure requirements which allow market participants to assess key pieces of information on the scope of application, capital, risk exposures, risk assessment processes and hence the capital adequacy of credit institutions, in order to enhance market discipline. Basel IV further strengthens Pillar III by expanding transparency obligations enhancing comparability and accountability across institutions.

3. Basis of Preparation of Pillar III Disclosures

3.1 Scope of Pillar III Disclosures

These Pillar III Disclosures are published in accordance with Part Eight of the CRR, EBA Guidelines and ITS. The Disclosures are prepared in accordance with CRR Article 13 which allows limited disclosure of information, taking into account that the Bank is a large subsidiary of "Eurobank S.A.", as defined in CRR Article 4 (points 146 and 147), and considering that the Parent Entity prepares Consolidated Pillar 3 disclosures.

The information in the Disclosures is presented in thousands of BGN.

(All amounts are shown in BGN thousands unless otherwise stated)

The purpose of the Disclosures is to provide information on the Bank's risk management strategies, processes, policies and objectives, as well as governance arrangements, together with transparent information on regulatory capital and internal liquidity adequacy, in order to allow market participants to have a full picture of the risk profile of the institution.

These Disclosures consist of both quantitative and qualitative information. The corresponding Commission Implementing Regulation (EU) 2024/3172, which is effective from 1st January 2025, supplements the CRR specifies the templates and tables disclosed in this Report.

3.2 Scope of application

Eurobank Bulgaria AD reports on an unconsolidated basis.

3.3 Pillar III Disclosure Policy

According to CRR article 431(3), the Bank applies a formal "Pillar 3 Disclosure Policy" to ensure consistent and continuous compliance with the requirements of CRR Part Eight, EBA Guidelines and ITS on the Pillar 3 disclosure requirements.

3.4 Frequency of Disclosures

The Disclosures are published on an annual basis in electronic format.

3.5 Means and Location of Disclosures

The Pillar III disclosures are published as a standalone document and are available on a designated location on the Bank's official website.

3.6 EBA Pillar 3 Data Hub

The EBA Pillar 3 Data Hub (P3DH), established under CRR 3 (Regulation (EU) 2024/1623) and CRD 6 (Directive (EU) 2024/1619), constitutes a centralised digital platform aimed at enhancing the transparency, accessibility and comparability of prudential disclosures across EU credit institutions.

Following the launch of EBA Pillar 3 Data Hub ("P3DH") in January 2026, as the primary source of Pillar 3 information, the Bank submits to EBA in XBRL-CSV format the files which include quantitative data (figures are submitted in full precision) and separately a single comprehensive report in PDF format, that is human-readable and machine readable, which includes the qualitative information and required accompanying narratives under the Pillar 3 framework (including all relevant Pillar 3 disclosures – qualitative and quantitative).

(All amounts are shown in BGN thousands unless otherwise stated)

II. Key metrics and overview of risk-weighted exposure amounts

The year 2025 was yet another record year for Eurobank Bulgaria. Focus was placed on profitability and liquidity, rather than gaining market share in lending at any cost. Net profit for the year increased by 8% to 444 million leva. The return on equity was 15%, 1.7 pps. lower than in 2024, while the return on assets was 1.81% (2024: 2.02%).
As at 31.12.2025, the Bank is in full compliance with all regulatory requirements.

Template EU OV1 – Overview of total risk exposure amounts:

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31.12.2025	31.12.2024	31.12.2025
1	Credit risk (excluding CCR)	12 186 639	11 436 936	974 931
2	Of which the standardised approach	12 186 639	11 436 936	974 931
3	Of which the Foundation IRB (F-IRB) approach	0	0	0
4	Of which slotting approach	0	0	0
EU 4a	Of which equities under the simple risk weighted approach	0	0	0
5	Of which the Advanced IRB (A-IRB) approach	0	0	0
6	Counterparty credit risk - CCR	27 109	60 966	2 169
7	Of which the standardised approach	0	0	0
8	Of which internal model method (IMM)	0	0	0
EU 8a	Of which exposures to a CCP	0	0	0
9	Of which other CCR	27 109	60 966	2 169
10	Credit valuation adjustments risk - CVA risk	0	3 163	0
EU 10a	Of which the standardised approach (SA)	0	0	0
EU 10b	Of which the basic approach (F-BA and R-BA)	0	3 163	0
EU 10c	Of which the simplified approach	0	0	0
15	Settlement risk	0	0	0
16	Securitisation exposures in the non-trading book (after the cap)	32 396	40 117	2 592
17	Of which SEC-IRBA approach	0	0	0
18	Of which SEC-ERBA (including IAA)	32 396	40 117	2 592
19	Of which SEC-SA approach	0	0	0
EU 19a	Of which 1250% / deduction	0	0	0
20	Position, foreign exchange and commodities risks (Market risk)	7 113	187 438	569
21	Of which the Alternative standardised approach (A-SA)	0	0	0
EU 21a	Of which the Simplified standardised approach (S-SA)	7 113	187 438	569
22	Of which Alternative Internal Model Approach (A-IMA)	0	0	0
EU 22a	Large exposures	0	0	0
23	Reclassifications between the trading and non-trading books	0	0	0
24	Operational risk	1 013 575	1 408 125	81 086
25	Amounts below the thresholds for deduction (subject to 250% risk weight)	0	0	0
26	Output floor applied (%)	0.00%	0.00%	
27	Floor adjustment (before application of transitional cap)	0	0	
28	Floor adjustment (after application of transitional cap)	0	0	
29	**Total**	**13 266 832**	**13 136 745**	**1 061 347**

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU KM1 - Key metrics template:

		a	b	c	d	e
		31.12.2025	30.09.2025	30.06.2025	31.03.2025	31.12.2024
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	2 711 435	2 723 666	2 733 109	2 516 928	2 553 004
2	Tier 1 capital	2 711 435	2 723 666	2 733 109	2 516 928	2 553 004
3	Total capital	2 926 576	2 938 807	2 948 250	2 732 069	2 768 145
	Risk-weighted exposure amounts					
4	Total risk exposure amount	13 266 832	13 102 120	12 835 906	12 734 078	13 136 745
4a	Total risk exposure pre-floor	13 266 832	13 102 120	12 835 906	12 734 078	13 136 745
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	20.44%	20.79%	21.29%	19.77%	19.43%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	20.44%	20.79%	21.29%	19.77%	19.43%
6	Tier 1 ratio (%)	20.44%	20.79%	21.29%	19.77%	19.43%
6b	Tier 1 ratio considering unfloored TREA (%)	20.44%	20.79%	21.29%	19.77%	19.43%
7	Total capital ratio (%)	22.06%	22.43%	22.97%	21.45%	21.07%
7b	Total capital ratio considering unfloored TREA (%)	22.06%	22.43%	22.97%	21.45%	21.07%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.25%	1.25%	1.25%	1.25%	1.25%
EU 7e	of which: to be made up of CET1 capital (percentage points)	0.70%	0.70%	0.70%	0.70%	0.70%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	0.94%	0.94%	0.94%	0.94%	0.94%
EU 7g	Total SREP own funds requirements (%)	9.25%	9.25%	9.25%	9.25%	9.25%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	2.00%	2.00%	2.00%	2.00%	2.00%
EU 9a	Systemic risk buffer (%)	3.00%	3.00%	3.00%	3.00%	3.00%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	0.75%	0.75%	0.75%	0.75%	0.75%
11	Combined buffer requirement (%)	8.25%	8.25%	8.25%	8.25%	8.25%
EU 11a	Overall capital requirements (%)	17.50%	17.50%	17.50%	17.50%	17.50%
12	CET1 available after meeting the total SREP own funds requirements (%)	1 699 481	1 726 860	1 761 086	1 553 558	1 552 763
	Leverage ratio					
13	Total exposure measure	27 785 764	25 889 097	25 245 078	24 416 422	23 634 190
14	Leverage ratio (%)	9.76%	10.52%	10.83%	10.31%	10.80%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	4 902 447	4 378 529	4 184 774	4 094 650	4 110 179
EU 16a	Cash outflows - Total weighted value	3 823 470	3 630 098	3 478 491	3 353 605	3 254 460
EU 16b	Cash inflows - Total weighted value	1 479 402	1 464 777	1 370 376	1 251 385	1 168 059
16	Total net cash outflows (adjusted value)	2 344 069	2 165 321	2 108 115	2 102 220	2 086 401
17	Liquidity coverage ratio (%)	208.35%	202.06%	198.48%	194.84%	197.34%
	Net Stable Funding Ratio					
18	Total available stable funding	21 790 156	20 133 002	19 585 207	18 892 075	18 022 886
19	Total required stable funding	14 076 589	13 684 397	13 184 085	12 813 639	12 171 128
20	NSFR ratio (%)	154.80%	147.12%	148.55%	147.44%	148.08%

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Eurobank Bulgaria has nothing to disclose as of 31.12.2025 regarding Template EU INS1 - Insurance participations and Template EU INS2 - Financial conglomerates information on own funds and capital adequacy ratio.

III. Risk management objectives and policies

The Bank acknowledges that taking risks is an integral part of its business, as it is exposed to different types of risks (existing and emerging) due to the nature of its operations and its systemic role in the Bulgarian banking system. In this context, the Bank acknowledges the significance of acknowledging the material risks undertaken and sets appropriate mechanisms to identify, measure and monitor those risks at an early stage, as well as to control their potential impact and adverse effects on the achievement of the Bank's strategic and business objectives.

As economic, industry, regulatory and operating conditions/environment are changing, risk management mechanisms are set (and are prudently adjusted) by the Bank in a manner that enables it to identify and adequately deal with the risks associated with these changes/ developments. To this effect, the Bank has developed an overall strategic direction, addressing the core issues regarding its fundamental attitude towards risk and risk management, driven by business objectives and targeting the increase of shareholders' value.

The implementation of the Bank's business model requires an efficient framework for the identification, measurement, aggregation, and management of risks, as well as an appropriate allocation of capital to business lines and products. Risk and capital are managed via principles, governance arrangements, measurement and monitoring processes that drive the operations of the Bank's divisions and business units.

In particular:

- An integrated risk governance structure is in place, ensuring the determination of an appropriate risk appetite framework, the drafting of adequate risk management principles and policies, and the establishment of well-functioning risk management models, systems, and processes.
- A risk identification and risk management processes is in place ensuring that all material risks are promptly identified, measured, and managed in a coordinated manner.
- An appropriate capital planning process is in place.
- An appropriate stress testing framework is in place to assess the Bank's resilience under adverse but plausible stress scenarios.
- Recovery measures have been sufficiently considered and designed, aiming to restore the Bank's capital and liquidity condition to acceptable levels in case that specific conditions are triggered.

The Bank has clear risk management objectives and a well-established strategy to deliver them, through core risk management processes. At a strategic level, the risk management objectives are to:

- Identify and assess Eurobank Bulgaria's material risks, as well as potential emerging risks.
- Ensure that business plans and NPE's strategies are consistent with Eurobank Bulgaria's risk appetite.
- Optimize risk/ return decisions by taking them as closely as possible to the business, while establishing strong and independent review and challenge structures.

- Ensure that business growth plans are properly supported by effective risk infrastructure.
- Manage risk profile to ensure that specific financial deliverables remain possible under a range of adverse business conditions.
- Assist senior executives to improve the control and co-ordination of risk taking across the business.
- Embed risk management into the Bank's culture and existing processes and raise awareness of risk management throughout the Bank.
- Provide the framework, procedures and guidance to enable all employees to manage risk in their own areas and improve the control and co-ordination of risk taking across the business.
- Support Bank's business strategy by ensuring that business objectives are pursued in a risk-controlled manner in order to preserve earnings stability by protecting against unforeseen losses.
- Improve the use and allocation of capital and enhance risk adjusted return on capital at Bank level by incorporating risk into business performance measures.
- Facilitate the communication of risk across the Bank's stakeholders.
- Support the achievement of business and strategic objectives.
- Control and minimize the risks associated with new developments and activities, as well as any financial and negative consequences of losses.

Risk governance

Eurobank Bulgaria AD aims to adopt best practices regarding Risk governance, considering all relevant guidelines and regulatory requirements, as set by the Basel Committee on Banking Supervision, the European Central Bank, the European Banking Authority, the relevant EU legislative framework, the Bulgarian National Bank as well as any decisions of the competent authorities supervising the Bank.

The Bank's risk governance framework comprises several different constituents. In particular, the Supervisory Board has set up the Country Risk Committee mandated to oversee all risk management functions.

The Internal Audit function, which reports directly to the Supervisory Board, through the Audit Committee, complements the risk management framework acting as the independent review layer, focusing on the effectiveness of the risk management framework and control environment.

The Bank's risk management organization structure shall ensure the existence of clear lines of responsibility, the efficient segregation of duties and the prevention of conflicts of interest at all levels, including the Management Board, Senior Management, staff of any seniority involved in any way in lending as well as among its customers and any other stakeholders. Within the Bank, risk management activities broadly take place at the following levels:

- ✓ Strategic level – It encompasses risk management functions performed by the Supervisory Board and Management Board. These includes for example approval of Risk Strategy, Risk Appetite Framework and Risk Appetite Statement; Risk Identification and Materiality Assessment Framework
- ✓ Tactical level – It encompasses risk management functions performed by the Risk Committee, and by Management Committees, including Assets &

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Liabilities Committee and the Executive Committee. The functions of the Risk Committee include for example definition of the principles that govern risk management regarding the identification, forecasting, measurement, monitoring, control, and mitigations of risks; development and approval of a risk management framework. The committees at this level approve risk related policies and procedures, manuals for managing risks and establishing adequate systems and controls covering all material risk types following its scope and mandate;

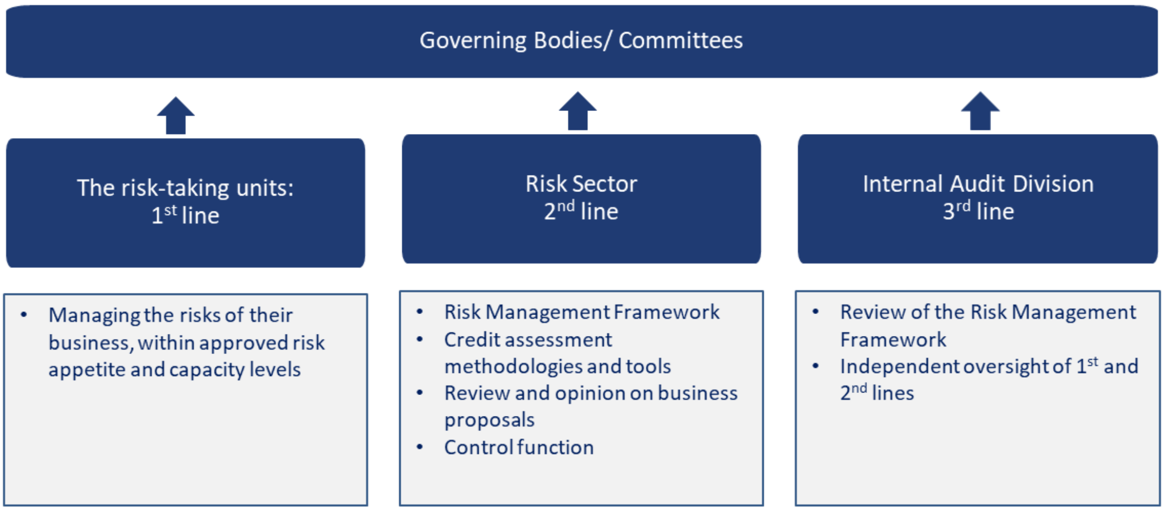
- ✓ Operational (business line) level – It involves management of risks at the point where they are actually created. The relevant activities are performed by individuals who undertake risk on the organization's behalf. Risk management at this level is implemented by means of appropriate controls incorporated into the relevant operational procedures and guidelines set by the Management. Business units and supporting units are responsible for complying with risk management policies, methodologies and limits at all times.

The Bank's risk governance model incorporates the three lines of defense approach. The model distinguishes among three groups involved in effective risk management as follows:

1. The risk-taking units (business units) are the 1st line of defence and business management is responsible for managing the risks of their business, within approved risk appetite and tolerance levels.

2. The risk management function (Risk Sector) is the 2nd line of defence. All Risk management functions within Risk Sector, coordinated by the Group Risk Management General Division, provide oversight over first line of defence (business management), risk taking activities, and develop and implement risk management frameworks, policies and procedures within their area of responsibility. Other internal control function of the Bank is Compliance; Legal is supporting function, also part of the second line of defence.

3. The audit function (3rd line of defence) performs regular independent reviews of the implementation of and adherence to the risk management framework and its supporting policies and processes, as well as the system of internal controls in place. This includes both business unit activities and risk management functions.



Eurobank Bulgaria is exposed to a variety of risks deriving from its activities, among which the most significant are the following:

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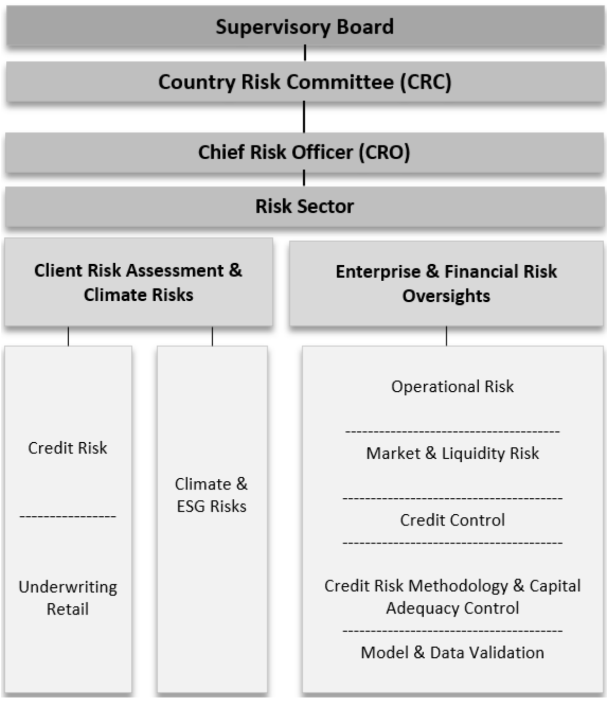
- ✓ Credit risk
- ✓ Market risk
- ✓ Liquidity risk
- ✓ Operational risk
- ✓ Climate risk.

The different types of risks are managed and controlled by specialized units in the Bank, following policies and procedures based on Eurobank Group Guidelines as well as the EU and Bulgarian legislation and regulations, ensuring that all aspects of risk are adequately covered, monitored, and controlled.

The Chief Risk Officer (CRO) has a dual reporting line to the Country Risk Committee (CRC) and the Chief Executive Officer, with direct access to the Chairperson of the Country Risk Committee, whenever the CRO considers necessary.

The Supervisory Board of the Bank (SB) has delegated to the CRC the role of approving all strategic risk management decisions. The Country Risk Committee oversees monitoring the quantitative and qualitative aspects of all material risks. In addition, Internal Audit is responsible for the independent review of risk management and the control environment.



Risk identification and risk management

The Group's RIMA Framework describes the overall process through which the Bank identifies the risks that is or might be exposed to (Risk Library) and assesses their relevance and materiality (Risk Inventory).

For risk identification, the Bank maintains Risk Identification Template (RIT), which contains risk information and the results of the risk identification process. It consolidates all Bank's risks, summarizes the information per risk type/subtype that is necessary for the risk

(All amounts are shown in BGN thousands unless otherwise stated)

identification process and presents the outcome in terms of relevance and materiality. RIT is reviewed and updated on an annual basis or ad-hoc, if deemed necessary. For all the risks assessed as material the RIT provides information regarding the key underlying drivers, the perimeter included in each risk sub-type, the materiality assessment approach and outcome, a short description of how the risks have been captured under the ICAAP Economic and Normative perspective and the Risk Appetite Statements selected for monitoring of the risk.

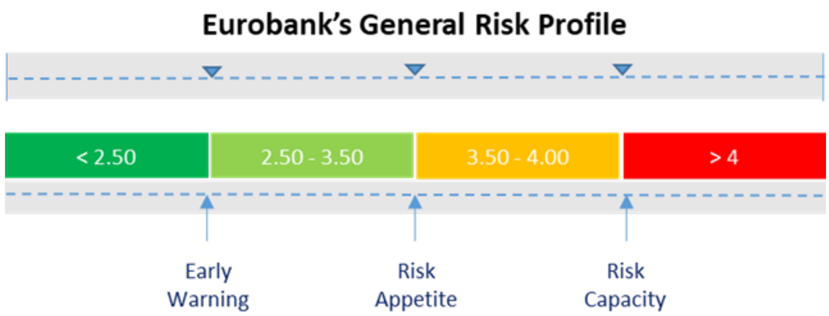
Risk materiality assessment allows the Bank to focus its resources and management attention on risks that could potentially threaten its business or capital standing while ensuring that all material risks are properly managed and monitored. The Bank prepared a Risk Identification and Materiality Assessment (RIMA) Report, following the Group approach and RIMA Framework. The document presents Bank's risk identification and materiality assessment results.

The determination of Risk Appetite aims to ensure that risk is proactively managed to the level desired and approved by the Bank's Senior management. The Bank's Risk Appetite is described in terms of several qualitative and quantitative statements per material risk type. Their primary objective is to set the maximum level of risk that the Bank is willing to undertake in order to achieve its strategic objectives, ensuring at the same time adherence to the regulatory requirements. Business, capital, and liquidity planning processes should always comply with the Bank's Risk Appetite statements (RAS).

The Risk Profile of the Bank is presented to the Country Risk Committee and Supervisory Board on a quarterly basis.

The Bank operates at its targeted business model when KRIs are better than the respective Risk Appetite levels. Revision and monitoring take place in a timely manner.

The indicators' levels are monitored based on a "RAG" status (Red, Amber, or Green) as it is presented hereafter:



The RAS are complemented by a set of Business Line Statements (BLS) which constitute operational metrics (and limits) at the level of business where the risks are undertaken.

<u>Stress testing framework</u>

In order to provide a forward-looking view of capital evolution under a number of different scenarios, the Bank has developed a comprehensive stress testing framework. This framework comprises a set of models and tools together with a transparent process and will be used as a steering tool from top management in key processes such as Capital, Strategic and Liquidity planning, and Risk Appetite thresholds under normal and stressed conditions.

(All amounts are shown in BGN thousands unless otherwise stated)

The stress testing process follows a comprehensive approach in order to forecast the Bank's profitability, capital and financial position under stressed scenarios. The Bank incorporates stress test results in a number of internal processes including capital planning, ILAAP, ICAAP, risk appetite threshold calibration.

The 2026 ICAAP indicates that the Bank maintains a sound and adequate capital position:

- to cover capital requirements for the material risks it is exposed to under the Economic perspective, with available internal capital sufficient to absorb these risks;
- to support the implementation of its business plan and strategic objectives under the Baseline scenario of the Normative perspective, while remaining within its risk appetite and regulatory capital requirements;
- to absorb potential losses under the Adverse scenario, while maintaining adequate capital levels and remaining within its risk appetite and regulatory requirements and
- to absorb potential losses under the Severe Adverse scenario, while maintaining resilience and remaining within its risk appetite and regulatory capital requirements over the full horizon of the exercise.

Finally, the Reverse Stress Test exercise conducted indicates that the probability of the materialization of such an extreme scenario is deemed too remote, given historical experience and experts' judgement.

Considering the above, as well as the overall risk assessment and capital management framework, the Management Board is confident that the Bank is sufficiently capitalized and that all necessary arrangements and processes are in place to ensure compliance with the regulatory requirements.

The list below shows the main sources for reference, related to Risk management, which have been updated in the beginning of 2026:

- Risk Appetite Methodology and Framework – it describes the Bank's Risk Appetite Framework (RAF). Compared to the prior year, the document was updated and aligned to the latest Group's document. Risk definitions were reviewed and updated, where needed. A KRI's Repository was also updated, covering the supporting IT infrastructure and MIS utilized per RAS.
- Risk Appetite Statements (RAS) - compared to the prior year, the document was updated and aligned to the latest Group's document. The limits were reviewed and updated.
- Business Line Statements (BLS) - the Bank updated the Business Line Statements (BLS) to cascade down the RAF to business segments and lines.
- Risk Identification Template (RIT) – compared to the prior year, the document was updated and aligned to the latest Group's file.
- RIMA Report - the Bank prepared Risk Identification and Materiality Assessment (RIMA) Report, following the Group's approach and RIMA Framework. The report outlines the Bank's risk identification process and materiality assessment results, ensuring alignment with Group standards and enhancing overall risk management practices.

(All amounts are shown in BGN thousands unless otherwise stated)

IV. Governance arrangements

Members of the Management Board:

As of 31 December 2025 the Management Board consist of the following members:

- Petia Dimitrova – Chief Executive Officer, Chairperson and Member of the Management Board;
- Dimitar Shoumarov - Deputy CEO, Chief Financial Officer and Member of the Management Board;
- Asen Yagodin – Deputy CEO and Member of the Management Board;
- Panagiotis Mavridis – Chief Operating Officer and Member of the Management Board;
- Angel Mateev – Executive Director Retail Banking and Member of the Management Board;
- Rumen Radushev – Chief Digital Transformation Officer and Member of the Management Board (appointed as of 04.02.2025);
- Iliya Karanikolov – Chief Risk Officer and Member of the Management Board (appointed as of 14.07.2025).

- **Petia Dimitrova**

Association of Banks in Bulgaria (non-profit legal entity) – Chairperson of the Management Board;
Foundation Atanas Bourov (non-profit legal entity) – Chairperson of the Management Board;
Association Endeavor Bulgaria – Member of the Management Board;
Association of the Canadian Commercial Chamber in Bulgaria – Member of the Management Board;
PB Personal Finance EAD – Chairperson of the Board of Directors;
Borika AD – Member of the Board of Directors.

- **Dimitar Shoumarov**

PB Personal Finance EAD – Vice Chairperson of the Board of Directors

- **Asen Yagodin**

Bulgarian Stock Exchange AD, Bulgaria – Member of the Board of Directors
Bulstrad Life Vienna Insurance Group JSC, Bulgaria – Independent Member of the Supervisory Board
Green Finance and energy center (GFEC) (non-profit legal entity) – Member of the Management Board
Dike – Imoti OOD – Partner

- **Panagiotis Mavridis**

Hellenic Business Council in Bulgaria – Chairperson of the Management Board and representative

- **Angel Mateev**

- **Rumen Radushev**

PB Personal Finance EAD – Chief Executive Officer of the Board of Directors

Members of the Supervisory Board:

(All amounts are shown in BGN thousands unless otherwise stated)

As at 31 December 2025 the members of the Supervisory Board are:

- Stavros Ioannou - Member of the Supervisory Board;
- John David Butts – Chairperson and Member of the Supervisory Board;
- Ivi Vigka - Member of the Supervisory Board;
- Raika Ontzova – Member of the Supervisory Board;
- Nikolaos Pavlidis – Member of the Supervisory Board;
- Georgios Oikonomidis – Member of the Supervisory Board (appointed as of 14.07.2025);
- Spyridon Pantelias – Member of the Supervisory Board (appointed as of 14.07.2025).

Members released in the calendar year 2025:

- Minko Gerdhizkov – Member of the Supervisory Board (released as of 31.03.2025)

- **Stavros Ioannou**

Eurobank S.A., Greece – Deputy Chief Executive Officer, Group Chief Operating Officer & International Activities, Executive Director and Member of the Board of Directors ;
BE – Business Exchanges S.A. of Business Exchanges Networks and Accounting and Tax Services, Greece – Chairperson of the Board of Directors;
Eurobank Cyprus Ltd, Cyprus – Vice Chairperson of the Board of Directors;
Eurobank rivate Bank Luxembourg, Luxembourg – Member of the Board of Directors;
Grivalia Management Company S.A., Greece - Member of the Board of Directors.

- **John David Butts**

Lex RX Bulgaria EOOD, Bulgaria – Sole owner and Managing Director;
Ubad - Toro OOD, Bulgaria – Partner;
Lex Rx Capital OOD, Bulgaria – Co-owner and Managing director

- **Raika Ontzova**

VPS Lilia & Ontzovi SD – Representative of General Partnership, Unlimited partner and Manager

- **Nikolaos Pavlidis**

NIKOS LAND EOOD – Sole Owner

Board Nomination Policy

Policy Statement:

The Board Nomination Policy (the “Policy”) sets out the guidelines and formal process for the identification, selection and nomination of candidates for the SB and MB (together; the “Boards”) of Eurobank Bulgaria.
The Policy ensures that such appointments are made: (a) in accordance with legal and regulatory requirements, taking also into account the ECB Guide to fit and proper assessments, which incorporated the Joint ESMA/EBA Guidelines on the “Assessment of the suitability of members of the management body and key function holders” (the “Joint ESMA/EBA Guidelines”); (b) with due regard to the

expectations of Bank's shareholders, and in consultation with International Activities; and (c) on the basis of individual merit and ability, following a best practice process.
The scope of the Policy focuses entirely on Eurobank Bulgaria Board appointments. It does not cover the procedures for the selection and appointment of the senior executives and/or the Key/Function Holders of the Bank, apart from their appointment as members of the MB. The procedures for the selection and appointment of the senior executives and/or the Key Function Holders of the Bank are covered in the Senior Management Selection and Appointment Policy and the Key Function Holders Selection and Appointment Policy, respectively.

Objectives of the Policy:

The primary objectives of the Policy are to:
1.1. Define the general principles that guide the Nomination and Corporate Governance Committee of Eurobank Bulgaria (the "NomCo") as it discharges its role across all stages of the nomination process.
1.2. Devise the specific criteria and requirements for Board nominees.
1.3. Establish a transparent, efficient and fit-for-purpose nomination process.
1.4. Ensure that the structure of the Boards (including succession planning) meets high ethical standards, has optimal balance of knowledge, skills and experience and is aligned with current legal and regulatory requirements.

Boards Diversity Policy

Policy Statement:

According to the Nomination Policy, the Board's diversity is one of the factors that the Nomination and Corporate Governance Committee ("Committee") shall consider when examining composition and structure of the Boards.
A diverse Board includes and makes good use of variety in the skills, educational and professional background, geographical provenance (nationality), gender, age, and other qualities of Directors. All Boards' appointments, including succession planning, shall ensure that the structure of the Board is aligned with regulatory requirements, has optimal balance of knowledge, skills, and experience, and meets high ethical standards; without discrimination based on gender, race, colour, ethnic or social origin, genetic features, religion or belief, membership of a national minority, property, birth, disability, age, or sexual orientation. In this context, the search for Board candidates is conducted, and appointments are made, on merit, against objective criteria1and with due regard to the benefits of diversity on the Boards.
According to the provisions of the Boards Evaluation Policy, the Committee has the overall responsibility to annually assess the structure, size, composition and performance of the Boards and make recommendations to the Boards with regard to any necessary changes. In assessing Boards' composition, the Committee shall consider the benefits of all aspects of diversity; including, but not limited to those described above, in order to maintain an appropriate range and balance of skills, experience and background on the Boards.

(All amounts are shown in BGN thousands unless otherwise stated)

V. Own funds

The Bank's objectives when managing the capital in respect to the requirements set in Regulation (EU) 1623/2024 on the Capital Adequacy of Credit Institutions are:

- ✓ to comply with the capital requirements set by the Regulator;
- ✓ to safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- ✓ to maintain a strong capital base to support the development of its business.

Capital adequacy and the use of regulatory capital are monitored by the Bank's management on a monthly basis, employing techniques based on the guidelines developed by the Basel Committee and the European Community Directives for supervisory purposes. The capital adequacy of the Bank is reported to the Bulgarian National Bank and respectively to the European Central Bank on a quarterly basis according to the rules set by Regulation (EU) 1623/2024.

Template EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments:

		a	a
		Qualitative or quantitative information - Free format	Qualitative or quantitative information - Free format
1	Issuer	Eurobank Bulgaria	Eurobank S.A
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	BG1100119053	N/A
2a	Public or private placement	Private	Private
3	Governing law(s) of the instrument	Bulgarian legislation	English legislation, Bulgarian legislation
3a	Contractual recognition of write down and conversion powers of resolution authorities	N/A	Yes
	Regulatory treatment		
4	Current treatment taking into account, where applicable, transitional CRR rules	CET 1 capital	Tier2
5	Post-transitional CRR rules	CET 1 capital	Tier2
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Solo and (Sub-) Consolidated	Solo
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares	Tier 2 Subordinated Capital Instrument (Art.63 of the CRR)
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	BGN 560 million	EUR 110 million, BGN 215 million
9	Nominal amount of instrument	BGN 1	EUR 110 million, BGN 215 million
EU-9a	Issue price	100%	100%
EU-9b	Redemption price	N/A	Redemption at par (100 per cent of nominal amount) together with interest accrued up to (but excluding) the date of redemption
10	Accounting classification	Shareholders' equity	Liability - amortised cost
11	Original date of issuance	15.05.1991	28.11.2022
12	Perpetual or dated	Perpetual	Dated
13	Original maturity date	without maturity	27.05.2033
14	Issuer call subject to prior supervisory approval	No	Yes
15	Optional call date, contingent call dates and redemption amount	N/A	29.05.2028
16	Subsequent call dates, if applicable	N/A	N/A
	Coupons / dividends		
17	Fixed or floating dividend/coupon	Floating	Floating
18	Coupon rate and any related index	N/A	5.25% + 6-month EURIBOR
19	Existence of a dividend stopper	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Convertible
24	If convertible, conversion trigger(s)	N/A	If the Regulator excludes the loan from Tier II capital
25	If convertible, fully or partially	N/A	Fully
26	If convertible, conversion rate	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	Mandatory
28	If convertible, specify instrument type convertible into	N/A	MREL - Eligible Liability Instrument
29	If convertible, specify issuer of instrument it converts into	N/A	Eurobank S.A
30	Write-down features	No	No
31	If write-down, write-down trigger(s)	N/A	N/A
32	If write-down, full or partial	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A

(All amounts are shown in BGN thousands unless otherwise stated)

34	If temporary write-down, description of write-up mechanism	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	N/A	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 1 - Ranking in insolvency (master scale)	Rank 3 - Ranking in insolvency (master scale)
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Additional Tier I	Immediately subordinate to the claims of Senior Creditors
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A	N/A
(1) Insert 'N/A' if the question is not applicable			

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CC1 - Composition of regulatory own funds:

		(a)	(b)
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	560 323	(h)
	of which: Instrument type 1	560 323	
	of which: Instrument type 2		
	of which: Instrument type 3		
2	Retained earnings	212 384	
3	Accumulated other comprehensive income (and other reserves)	2 160 030	
EU-3a	Funds for general banking risk	0	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	0	
5	Minority interests (amount allowed in consolidated CET1)	0	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	0	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**2 932 737**	
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amount)	-863	
8	Intangible assets (net of related tax liability) (negative amount)	-207 003	(a)minus (d)
9	Not applicable		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	0	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	0	
12	Negative amounts resulting from the calculation of expected loss amounts	0	
13	Any increase in equity that results from securitised assets (negative amount)	0	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	0	
15	Defined-benefit pension fund assets (negative amount)	0	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	0	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
20	Not applicable		
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	0	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	0	
EU-20c	of which: securitisation positions (negative amount)	0	
EU-20d	of which: free deliveries (negative amount)	0	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	0	
22	Amount exceeding the 17,65% threshold (negative amount)	0	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	0	
24	Not applicable		
25	of which: deferred tax assets arising from temporary differences	0	
EU-25a	Losses for the current financial year (negative amount)	0	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	0	
26	Not applicable		
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	0	
27a	Other regulatory adjustments	-13 436	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	-221 302	
29	**Common Equity Tier 1 (CET1) capital**	**2 711 435**	

(a)	(b)

(All amounts are shown in BGN thousands unless otherwise stated)

		Amounts	Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation
	Additional Tier 1 (AT1) capital: instruments		
30	Capital instruments and the related share premium accounts	0	(i)
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	0	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	0	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	0	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	0	
35	of which: instruments issued by subsidiaries subject to phase out	0	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**0**	
	Additional Tier 1 (AT1) capital: regulatory adjustments		
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	0	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0	
41	Not applicable		
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	0	
42a	Other regulatory adjustments to AT1 capital	0	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**0**	
44	**Additional Tier 1 (AT1) capital**	**0**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**2 711 435**	
	Tier 2 (T2) capital: instruments		
46	Capital instruments and the related share premium accounts	215 141	
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	0	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	0	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	0	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	0	
49	of which: instruments issued by subsidiaries subject to phase out	0	
50	Credit risk adjustments	0	
51	**Tier 2 (T2) capital before regulatory adjustments**	**215 141**	
	Tier 2 (T2) capital: regulatory adjustments		
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	0	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
54a	Not applicable		
55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0	
56	Not applicable		
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	**0**	
EU-56b	Other regulatory adjustments to T2 capital	**0**	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**0**	
58	**Tier 2 (T2) capital**	**215 141**	
59	**Total capital (TC = T1 + T2)**	**2 926 576**	
60	**Total Risk exposure amount**	**13 266 832**	

(All amounts are shown in BGN thousands unless otherwise stated)

		(a)	(b)
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	20.44%	
62	Tier 1 capital	20.44%	
63	Total capital	22.06%	
64	Institution CET1 overall capital requirements	13.45%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical capital buffer requirement	2.00%	
67	of which: systemic risk buffer requirement	3.00%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0.75%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.70%	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	12.81%	
National minima (if different from Basel III)			
69	Not applicable		
70	Not applicable		
71	Not applicable		
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	0	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	0	
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	0	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	0	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	0	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	0	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	0	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	0	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0	g
82	Current cap on AT1 instruments subject to phase out arrangements	0	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0	
84	Current cap on T2 instruments subject to phase out arrangements	0	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0	

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements:

There is no difference between Balance sheet as in published financial statements and Balance sheet under regulatory scope of consolidation as of 31.12.2025.

		a	b	c
		Balance sheet as in published financial statements	**Under regulatory scope of consolidation**	**Reference**
		As at period end	**As at period end**	
Assets - *Breakdown by asset clases according to the balance sheet in the published financial statements*				
1	Cash and balances with the Central Bank	3 366 920	3 366 920	
2	Loans and advances to banks	1 496 318	1 496 318	
3	Trading assets	4 584	4 584	
4	Derivative financial instruments	39 040	39 040	
5	Loans and advances to customers	16 926 239	16 926 239	
6	Investment securities	4 266 374	4 266 374	
7	Shares in subsidiary undertakings	1 000	1 000	
8	Deferred tax assets	0	0	
9	Current income tax recovereable	40 700	40 700	
10	Property, plant and equipment, including right of use assets	421 243	421 243	
11	Investment property	455	455	
12	Intangible assets and goodwill	218 226	218 226	
13	Other assets	182 444	182 444	
	Total assets	26 963 543	26 963 543	
Liabilities - *Breakdown by liability clases according to the balance sheet in the published financial statements*				
1	Deposits from banks	30 356	30 356	
2	Derivative financial instruments	38 661	38 661	
3	Due to customers	21 604 334	21 604 334	
4	Other borrowed funds	1 856 588	1 856 588	
5	Deferred income tax liabilities	4 273	4 273	
6	Current income tax payable	0	0	
7	Provisions for other liabilities and charges	17 609	17 609	
8	Retirement benefit obligations	4 955	4 955	
9	Other liabilities	242 599	242 599	
	Total liabilities	23 799 375	23 799 375	
Shareholders' Equity				
1	Share capital	560 323	560 323	
2	Statutory reserves	282 521	282 521	
3	Retained earnings and other reserves	2 321 324	2 321 324	
	Total shareholders' equity	3 164 168	3 164 168	

(All amounts are shown in BGN thousands unless otherwise stated)

VI. Countercyclical capital buffers

Capital buffers are maintained in addition to the capital requirements set in Regulation (EU) 1623/2024 and guarantee that the banks accumulate in periods of economic growth adequate capital to cover possible losses during unfavorable periods. In this regard BNB issued Ordinance No.8 on Banks' Capital Buffers.

Capital buffers are:

- ✓ the capital conservation buffer;
- ✓ the bank-specific countercyclical capital buffer;
- ✓ the buffer for global systemically important institutions (G-SIIs);
- ✓ the buffer for other systemically important institutions (O-SIIs);
- ✓ the systemic risk buffer.

The banks cover the capital buffers mainly with the core Tier 1 capital.
The capital conservation buffer is 2.5% of the total risk exposure amount of the Bank.
The countercyclical capital buffer is raised when it is estimated that the aggregated growth in loans leads to risk accumulation in the system and is used during unfavorable periods. As of 31.12.2025 it is 2% of the total risk exposure amount of the Bank.

Banks maintain a buffer for systemic risk in order to prevent and decrease the long-term non-cyclical systemic and macro prudential risks. As of 31.12.2025, the buffer for systemic risk is 3% of the total risk exposure amount of the Bank.

Banks that are defined as systemically important on a national or on a European level maintain additional capital buffer as the combined requirement for the capital buffers for a certain bank depends both on the concretely defined levels for each individual buffer and on the structure of the group and the defined buffers on a consolidated level.

Based on the criteria in art. 9, paragraph 7 of the BNB Ordinance № 8 on banks' capital buffers and the methodology described in the European Banking Authority Guidelines, the BNB Governing Council determines the Bulgarian banks that meet the requirements to be included as other systemically important institutions (O-SIIs) in accordance with art. 9, paragraph 1. Eurobank Bulgaria AD is among those banks in Bulgaria identified by the BNB Governing Council as other systemically important institutions (O-SIIs). Thus, the Bank must also maintain a capital buffer for O-SIIs. Its level for 2025 is 0.75% of the total risk exposure.

A bank that does not cover the required levels for capital buffers is a subject to restrictions regarding dividend payments, variable remuneration as well as payments on other capital instruments.

Eurobank Bulgaria meets, on an individual basis, a Pillar 2 additional own funds requirement of 1.25% which has to be held in the form of 56.25% of CET1 capital and 75% of Tier 1 capital, as a minimum. As a result of this requirement, the Bank allocated BGN 165,835 thousand as of 31.12.2025.

As of 31.12.2025 Eurobank Bulgaria AD allocated BGN 331,671 thousand as a capital conservation buffer, BGN 398,005 thousand as a buffer for systemic risk, BGN 99,501 thousand as O-SIIs buffer and BGN 265,337 as a countercyclical capital buffer. Thus, the total allocated amount for capital buffers by the Bank as of 31.12.2025 is BGN 1,094,514 thousand.

Eurobank Bulgaria AD is not defined as an institution of global systemic importance in accordance with Article 131 of Directive (EU)1619/2024.

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer:

		a	b	c	d	e	f	g	h	i	j	k	l	m
		General credit exposures		Relevant credit exposures – Market risk		Securitisation exposures Exposure value for non-trading book	Total exposure value	Own fund requirements				Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for SA	Value of trading book exposures for internal models			Relevant credit risk exposures - Credit risk	Relevant credit exposures – Market risk	Relevant credit exposures – Securitisation positions in the non-trading book	Total			
010	**Breakdown by country:**													
	Austria	6 675	0	0	0	0	6 675	53	0	0	53	663	0.01%	0.00%
	Belgium	19 016	0	0	0	0	19 016	172	0	0	172	2 150	0.02%	1.00%
	Bulgaria	18 398 830	0	143 935	0	86 893	18 629 658	904 110	449	1 390	905 949	11 324 363	99.07%	2.00%
	Denmark	9 087	0	0	0	0	9 087	73	0	0	73	913	0.01%	2.50%
	Estonia	3 884	0	0	0	0	3 884	31	0	0	31	388	0.00%	1.50%
	Spain	58 436	0	0	0	0	58 436	468	0	0	468	5 850	0.05%	0.50%
	Finland	19 514	0	0	0	0	19 514	156	0	0	156	1 950	0.02%	0.00%
	France	89 080	0	0	0	41 093	130 173	713	0	658	1 371	17 138	0.15%	1.00%
	Italy	79 567	0	0	0	0	79 567	637	0	0	637	7 963	0.07%	0.00%
	Netherlands	42 096	0	0	0	0	42 096	2 673	0	0	2 673	33 413	0.29%	2.00%
	Poland	9 850	0	0	0	0	9 850	79	0	0	79	988	0.01%	1.00%
	Portugal	20 011	0	0	0	0	20 011	160	0	0	160	2 000	0.02%	0.75%
	Sweden	38 300	0	0	0	0	38 300	306	0	0	306	3 825	0.03%	2.00%
	Slovakia	546	0	0	0	0	546	4	0	0	4	50	0.00%	1.50%
	USA	21 117	0	0	0	7 272	28 389	1 689	0	116	1 805	22 563	0.20%	0.00%
	Greece	0	0	682 933	0	94 621	777 554	0	120	0	120	1 500	0.01%	0.25%
	United Kingdom	0	0	0	0	26 721	26 721	0	0	428	428	5 350	0.05%	2.00%
020	Total	18 816 009	0	826 868	0	256 600	19 899 477	911 324	569	2 592	914 485	11 431 067	100.00%	-

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CCyB2 - Amount of institution-specific countercyclical capital buffer:

		a
1	Total risk exposure amount	13 266 832
2	Institution specific countercyclical capital buffer rate	2.00%
3	Institution specific countercyclical capital buffer requirement	265 337

VII. Use of the standardised approach

External Credit Assessment Institutions (ECAI) play a significant role in the standardised approach and securitisation framework of prudential regulation through the mapping of each of their credit assessments to the corresponding risk weights. The EBA has been assigned the task of providing an objective mapping across all ECAIs in order to promote a consistent implementation of CRR across the EU.

Eurobank Bulgaria AD uses credit assessments assigned by ECAIs in defining the risk weights of its exposures. Fitch, Moody’s and Standard & Poor’s are the three recognized ECAIs that the Bank uses. If credit assessments are available from two nominated ECAIs and they correspond to different risk weights for a rated item, the higher risk weight is assigned by the Bank. This means that in the cases where more than one rating is available, the second better rating is used. The credit quality step depends on the credit assessment. If there is a credit assessment both for an issuer of securities and the issue, the Bank uses the credit assessment of the issue in defining the credit quality step. If the issue has no credit assessment, the Bank uses the credit assessment of the issuer.

The exposure classes, for which an external credit assessment is used, are:

- Exposures to Central Governments and Central Banks;
- Exposures to public sector entities;
- Exposures to Institutions;
- Covered Bonds.
- Securitisation positions;
- Exposures in the form of units or shares in CIUs.

ECAIs are not used for loans' portfolios directly, but only in cases when they are guaranteed by central governments or institutions (risk substitution). In the case of corporate bond issues, the corresponding issue rating by the three agencies mentioned above is used.

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CR4 – standardised approach – Credit risk exposure and CRM effects:

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWEAs and RWEAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWEAs	RWEAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	5 830 514	6	6 059 912	2	283 721	5.00%
2	Non-central government public sector entities	55 566	37 551	0	0	0	0.00%
EU 2a	Regional governments or local authorities	0	0	0	0	0	0.00%
EU 2b	Public sector entities	55 566	37 551	0	0	0	0.00%
3	Multilateral development banks	17 377	0	283 066	21 992	0	0.00%
EU 3a	International organisations	0	0	0	0	0	0.00%
4	Institutions	1 524 619	134 813	1 571 785	81 337	538 471	33.00%
5	Covered bonds	363 334	0	363 334	0	36 333	10.00%
6	Corporates	2 379 532	1 040 288	2 122 597	366 434	2 410 125	97.00%
6.1	Of which: Specialised Lending	367 731	92 502	367 284	9 659	447 744	119.00%
7	Subordinated debt exposures and equity	38 600	0	38 600	0	38 600	100.00%
EU 7a	Subordinated debt exposures	0	0	0	0	0	0.00%
EU 7b	Equity	38 600	0	38 600	0	38 600	100.00%
8	Retail	4 381 642	1 329 819	4 284 331	50 255	3 181 510	73.00%
9	Secured by mortgages on immovable property and ADC exposures	9 954 723	1 115 656	9 891 893	275 742	4 903 788	48.00%
9.1	Secured by mortgages on residential immovable property - non IPRE	5 916 236	52 575	5 908 501	20 048	1 706 563	29.00%
9.2	Secured by mortgages on residential immovable property - IPRE	85 002	18 061	84 551	4 255	35 440	40.00%
9.3	Secured by mortgages on commercial immovable property - non IPRE	2 564 938	582 177	2 521 381	162 258	1 646 564	61.00%
9.4	Secured by mortgages on commercial immovable property - IPRE	889 548	128 016	885 936	12 998	663 660	74.00%
9.5	Acquisition, Development and Construction (ADC)	498 999	334 827	491 524	76 183	851 561	150.00%
10	Exposures in default	171 601	16 784	163 055	1 778	184 446	112.00%
EU 10a	Claims on institutions and corporates with a short-term credit assessment	0	0	0	0	0	0.00%
EU 10b	Collective investment undertakings (CIU)	0	0	0	0	0	0.00%
EU 10c	Other items	1 257 990	0	1 257 990	0	636 754	51.00%
11	not applicable	0	0	0	0	0	0.00%
12	**TOTAL**	25 975 498	3 674 917	26 036 563	797 540	12 213 748	46.00%

(All amounts are shown in BGN thousands unless otherwise stated)

VIII. Credit risk quality

Credit risk is the risk that a counterparty will cause a financial loss for the Bank by failing to fulfill an obligation. It is the most significant risk that the Bank is exposed to.

The credit process within Eurobank Bulgaria AD is based on a segregation of responsibility between the business origination and credit risk management functions.

The Bank employs the following credit risk management instruments in order to reach its defined credit risk targets:

Risk avoidance: in lending operations, the Bank rejects loan proposals with poor creditworthiness based on internal risk models and ratings, and by defining risk sensitive business focuses by means of specific exposure limits and target portfolio.

Risk mitigation/ limitation: The Bank demands collateral and applies credit risk mitigating techniques and adheres to defined credit risk limits as derived above.

Risk diversification: By diversifying its portfolio, the Bank hedges its dependence on specific developments and thus reduces the credit risk. Should the Bank's portfolio fall below the desired degree of diversification, the Bank will need to take suitable measures.

The fundamental principle of the credit approval process is the "four-eye principle" which requires the approvals of officers from both Business Units and Risk Sector (Credit Risk Department). This approach ensures segregation of duties between the two units and independence of the business decisions from the credit risk decisions. Participants in the credit approval process must act and take decisions in line with the Bank's credit policy, as well as in line with the applicable Bulgarian law and regulations. In their decisions for undertaking credit risk, they must exercise prudent and objective credit judgement and act in good faith in order to fully and effectively protect the interests of the Bank and its shareholders.

Risk exposure originates mainly as a result of granting loans to customers as well as investment activites related to debt and equity instruments in the Bank's portfolio. The off-balance exposures also bear credit risk as they represent the credit obligations of the Bank.

When evaluating credit risk on client level for loans and advances granted to clients, the Bank is considering the following components:

- Probability of default of the counterparty with respect to undertaken contractual obligations.
- The current exposure to the counterparty and future developments with respect to this client allow the bank to evaluate if the particular exposure is overdue.
- The potential percentage of loss in case of default (Loss given default).
- Customer payment behavior monitoring and analyses.
- Regular customer review as per the CPMs.

Apart from the quantitative criteria applied during the approval process, qualitative criteria are also taken into consideration. Every financing proposal must cover real financial needs in terms of purpose of the loan, amount, type, and tenor. Every disbursement should comply with the current legal, fiscal & regulatory framework and in principle should avoid sole lender position. Blanket Credit lines (i.e., open-ended lending agreements) when referring to unidentified assets' acquisition and / or unidentified revenue streams should be avoided. Eligible clients are

(All amounts are shown in BGN thousands unless otherwise stated)

only those trustworthy and creditworthy entities that operate in accordance with the prevailing legal, fiscal & regulatory environment in sectors that are acceptable to the Eurobank Group. New proposals to finance borrowers with a previous problematic relationship with the Bank and/or the Group are not recommended. Financing must be applied in a consistent manner to ensure it is only granted to solvent borrowers whilst avoiding unacceptable risk concentrations.

Regarding the securities, the Bank uses external rating companies such as Standard & Poor's, Moody's (currently CreditLens) and Fitch for managing exposures to credit risk. Investments in these securities are seen to improve the credit quality of the portfolio and at the same time to maintain liquidity sources to cover any cash requirements.

The credit process is within the responsibilities of the Business Units – Individual Banking Division, Small Business Banking Division, Corporate Banking Divisions and Trouble Asset Division. The respective credit approval departments are directly involved in the lending activities.

The independence of the Risk Sector from the business units in the Bank is completely ensured. Credit Control within Risk Sector facilitates the implementation of a sound credit risk management framework throughout Postbank and is responsible for identifying, monitoring, analysing, measuring, managing and reporting on credit risks and forming a holistic view on the credit risk profile. It challenges and assists in the implementation of risk management measures by Business units in order to ensure that the processes and controls in place at the first line of defence are properly designated and effective.

Credit Control is independent from the credit underwriting activity of the Bank. The Head of the Unit participates in Bank committees as provided in the appropriate Group governance documents.

Credit Risk Methodology and Capital Adequacy Control within Risk Sector main responsibility is to participate in development, maintain and monitor credit risk models (IFRS9, EWS, Scorecards and Credit rating); to measure the credit risk parameters (PD, LGD, EAD as applicable) for the loan portfolios and to participate in credit risk stress test activities. The unit participates in activities related to compliance and implementation of the EU and local regulatory credit risk management guidelines.

Credit Risk within Risk Sector main responsibility is the assessment and mitigation of the credit risk undertaken by the Bank, in alignment with the provisions of the Credit Policy Manual (CPM) and the Risk Appetite Framework (RAF). In particular, Credit Risk Department is responsible for the review and evaluation of credit limit applications of:

• large and medium performing corporate entities,

• specialized units, such as Greek International Desk, Project Finance,

• entities transferred in TAG Remedial,

• retail banking customers (small business and individual banking),

all the above, in accordance with thresholds determined by the Bank.

Depending on the loan portfolio and the loan request Credit Risk, proceeds with the issuance of an independent credit opinion for each credit application, which includes an assessment of the customer credit profile based on the risk factors identified, followed by a focused sector analysis - if possible -, and recommendations on the structure, so that to ensure a bankable, appropriately secured and well-controlled credit limit/ transaction.

(All amounts are shown in BGN thousands unless otherwise stated)

Credit Risk participates in Credit Committees /CC2, CC3, CCC, RCC, SHCIII, SHCII and SHCI/, as per the credit approval procedure.

The Credit Control, CRM&CAC and Credit Risk operate within the Risk Sector.

Credit Control and CRM&CAC are under the General Manager Enterprise & Financial Risk Oversights, whereas Credit Risk is under the General Manager Credit and ESG Risk.

Both positions report to the Chief Risk Officer, who maintains a direct reporting line to Group Risk Management. The units do not report to an executive member of management that is responsible for risk-taking activities, thus ensuring its independence from the business units undertaking exposures to market risks.

Credit risk related information is presented on a quarterly basis to the Country Risk Committee and Supervisory Board by the CRO.

The Bank is using a broad scope of policies and procedures (regularly reviewed and updated by the Bank) to manage the credit risk of loans and advances to clients and other banks in order to ensure that all aspects of credit risk are taken into consideration.

For the purpose of management and control of the credit risk, different structures and bodies are established with specific responsibilities:

- Country Risk Committee – for strategic decisions and country risk management.
- Different levels of Credit Committees depend on type and amount of exposure, including the Country Credit Committee and the Regional Credit Committee – for Credit Approval Process decisions.
- Special handling Committee I, II, III and IV – for credit approval process decisions for problematic customers.
- Special Handling Monitoring Committee – for monitoring of Corporate watch-listed, problematic and NP relationships.
- Troubled Assets Committee - for oversight and monitoring of troubled assets management.
- Products & Services Committee - for approval of loan products as well as risk parameters and criteria.

Default exposures play a key role in determining the credit quality of the bank's loan portfolio. Default exposures, in line with the regulatory definition of default as adopted by the Bank and consistent with the European Banking Authority (EBA) definition for non-performing exposure, include material exposures that are past due more than 90 days and exposures that are assessed by the Bank as unlikely to pay.

A financial asset becomes credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that exposure have occurred:

- The borrower faces a significant difficulty in meeting his financial obligations.
- There has been a breach of contract, such as a default or past due event.
- The Bank, for economic or contractual reasons relating to the borrower’s financial difficulty, has granted to the borrower a concession(s) that the Bank would not otherwise consider.
- There is a probability that the borrower will enter bankruptcy or other financial re-organization.
- For POCI asset, a purchase at a deep discount that reflects incurred credit losses is considered a detrimental event. The Bank assesses the deep discount criterion following

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a principle - based approach with the aim to incorporate all reasonable and supportable information which reflects market conditions that exist at the time of the assessment.

The Bank applies the past due criterion at a deal level for the Retail portfolio and at an obligor level for the Corporate portfolio. To specify the materiality of past due credit obligations, the Bank has determined and applies an absolute and a relative materiality threshold, which triggers the overdue event when both are simultaneously breached. For Retail portfolio, the absolute component threshold is set to EUR 100 and the relative threshold is set at 1% of the respective exposure's on-balance debt, while for Corporate portfolio the absolute component threshold is set to EUR 500 and the relative component threshold is set to 1% of the respective clients' exposure on-balance debt. The calculated days past due according to the Guidelines on the application of the definition of default in accordance with Article 178 CRR are used for both accounting and regulatory purposes, with only simple days past due being used for the purposes of reporting to Central Credit Register, in line with the requirement of the Bulgarian National Bank.

In line with regulatory requirements and technical standards, the Bank identifies cases where overdue events or default may occur because of certain errors or inefficiencies in data, IT systems or processes. These cases do not refer to the financial situation of the obligor and are excluded from the estimation of risk parameters. On exceptional cases, such adjustments may occur for reasons related to the below circumstances:

- Data or system errors (including manual errors).
- There is a time lag between the receipt of a payment and its allocation to the relevant account due to the nature of the transaction (i.e., the payment was made before the 90 days and the crediting in the client's account took place after the 90 days past due).
- Evidence of technical failure of the payment system.
- In the specific case of factoring arrangements where the purchased receivables are recorded on the balance sheet of the Bank and the materiality threshold is breached but none of the receivables to the obligor is past due more than 30 days.

The technical past due mechanism is applicable only to the Corporate portfolio, including Leasing and Factoring exposures. Any proposal for technical adjustments in days past due/ default should derive from the respective Business Unit. The proposal is submitted to the attention to Chief Risk Officer and Chief Financial Officer with a clear and pertinent justification. If approval is given both by the CRO and the CFO, the cases are marked as technical past due, and the needed corrections are done via a script in the core banking system.

As of 31 December 2025, the Bank does not have material exposures past due more than 90 days that are not considered defaulted or credit-impaired. Any cases of technical past due are not material and are treated in accordance with the Bank's internal policies, as described above.

The Bank recognizes allowance for expected credit losses (ECL) that reflect changes in credit quality since initial recognition to financial assets that are measured at AC and FVOCI, including loans, lease receivables, debt securities, financial guarantee contracts, and loan commitments. No ECL are recognized on equity investments. ECLs are a probability-weighted average estimate of credit losses that reflects the time value of money. Upon initial recognition of the financial instruments in scope of the impairment policy, the Bank records a loss allowance equal to 12-month ECL, being the ECL that result from default events that are possible within the next twelve months. Subsequently, for those financial instruments that have experienced a significant increase in credit risk (SICR) since initial recognition, a loss allowance equal to lifetime ECL is recognized, arising from default events that are possible over the expected life of the instrument. If upon initial recognition, the financial asset meets the

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definition of purchased or originated credit impaired (POCI), the loss allowance is based on the change in the ECL over the life of the asset.

The definition of restructured exposure is consistent with the definition of forborne exposure, defined in Annex V to Commission Implementing Regulation (EU) 680/2014.

More detailed information regarding the assessment of the asset's impairment, loans categorisation and the respective impairment amounts, in accordance with the applicable accounting standards, is available in the Annual Financial Statements of the Bank.

In December 2018, EBA published EBA/GL/2018/10 guidelines, which include enhanced disclosure formats for credit institutions for disclosures related to non-performing exposures, forborne exposures and foreclosed assets. Some templates are applicable to significant credit institutions that have a gross NPL ratio of 5% or above. Considering that Bank's NPEs ratio remained consistently below 5% for five consecutive quarters, templates CQ2, CQ6, CQ8 and CR2a of the EBA Disclosure ITS are not published from 31 December 2024 and onwards.

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CR1: Performing and non-performing exposures and related provisions:

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	Cash balances at central banks and other demand deposits	2 965 720	2 965 720	0	0	0	0	-8	-8	0	0	0	0	0	0	0
010	Loans and advances	17 998 311	16 494 666	1 504 633	406 683	0	406 683	-148 433	-54 056	-94 381	-235 920	0	-235 920	-6 035	10 840 122	100 728
020	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
030	*General governments*	55 653	55 653	0	0	0	0	-87	-87	0	0	0	0	0	44 428	0
040	*Credit institutions*	1 254 918	1 254 918	0	0	0	0	-15	-15	0	0	0	0	0	0	0
050	*Other financial corporations*	95 261	88 398	6 863	95	0	95	-729	-727	-2	-17	0	-17	0	83 923	77
060	*Non-financial corporations*	6 682 438	6 067 606	614 913	185 948	0	185 948	-34 920	-22 969	-11 952	-106 716	0	-106 716	-3 629	4 876 112	68 719
070	*Of which SMEs*	4 275 534	3 777 955	497 660	143 875	0	143 875	-23 108	-12 216	-10 893	-71 113	0	-71 113	-3 629	3 423 263	59 472
080	*Households*	9 910 041	9 028 091	882 857	220 640	0	220 640	-112 682	-30 258	-82 427	-129 187	0	-129 187	-2 406	5 835 659	31 932
090	Debt securities	4 393 798	4 393 798	0	1 409	0	1 409	-4 549	-4 549	0	-1 384	0	-1 384	0	94 621	0
100	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
110	*General governments*	3 037 981	3 037 981	0	0	0	0	-1 898	-1 898	0	0	0	0	0	0	0
120	*Credit institutions*	938 488	938 488	0	0	0	0	-2 397	-2 397	0	0	0	0	0	0	0
130	*Other financial corporations*	289 204	289 204	0	0	0	0	-151	-151	0	0	0	0	0	94 621	0
140	*Non-financial corporations*	128 125	128 125	0	1 409	0	1 409	-103	-103	0	-1 384	0	-1 384	0	0	0
150	Off-balance-sheet exposures	3 660 025	3 533 538	125 817	17 610	0	17 610	-837	-775	-62	-13	0	-13		1 176 838	2 646
160	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0		0	0
170	*General governments*	54 594	54 594	0	0	0	0	-127	-127	0	0	0	0		76 469	0
180	*Credit institutions*	134 961	134 961	0	0	0	0	-60	-60	0	0	0	0		0	0
190	*Other financial corporations*	3 466	3 464	2	0	0	0	-3	-3	0	0	0	0		1 837	0
200	*Non-financial corporations*	2 299 044	2 233 383	65 690	10 832	0	10 832	-647	-585	-62	-13	0	-13		1 072 855	2 634
210	*Households*	1 167 960	1 107 136	60 125	6 778	0	6 778	0	0	0	0	0	0		25 677	12
220	***Total***	29 017 854	27 387 722	1 630 450	425 702	0	425 702	-153 827	-59 388	-94 443	-237 317	0	-237 317	-6 035	12 111 581	103 374

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CR1-A: Maturity of exposures:

		a	b	c	d	e	f
		Net exposure value					
		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	3 262 740	3 432 237	3 645 928	11 356 521	0	21 697 426
2	Debt securities	0	110 848	2 526 781	1 008 065	0	3 645 694
3	***Total***	3 262 740	3 543 085	6 172 709	12 364 586	0	25 343 120

Template EU CR2: Changes in the stock of non-performing loans and advances

		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	374 913
020	Inflows to non-performing portfolios	229 242
030	Outflows from non-performing portfolios	-197 472
040	Outflows due to write-offs	-72 408
050	Outflow due to other situations	-125 064
060	**Final stock of non-performing loans and advances**	406 683

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CQ1: Credit quality of forborne exposures:

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
005	Cash balances at central banks and other demand deposits	0	0	0	0	0	0	0	0
010	Loans and advances	290 000	150 972	150 972	150 972	-17 263	-60 850	243 204	63 113
020	*Central banks*	0	0	0	0	0	0	0	0
030	*General governments*	0	0	0	0	0	0	0	0
040	*Credit institutions*	0	0	0	0	0	0	0	0
050	*Other financial corporations*	6 863	0	0	0	-2	0	6 861	0
060	*Non-financial corporations*	194 221	78 061	78 061	78 061	-2 802	-30 530	212 937	46 514
070	*Households*	88 916	72 911	72 911	72 911	-14 459	-30 320	23 406	16 599
080	Debt Securities	0	0	0	0	0	0	0	0
090	Loan commitments given	5 456	1 388	1 388	1 388	0	0	3 154	0
100	***Total***	295 456	152 360	152 360	152 360	-17 263	-60 850	246 358	63 113

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CQ3: Credit quality of performing and non-performing exposures by past due days:

		a	b	c	d	e	f	g	h	i	j	k	l
		Gross carrying amount/nominal amount											
		Performing exposures			Non-performing exposures								
			Not past due or past due ≤ 30 days	Past due > 30 days ≤ 90 days		Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days ≤ 180 days	Past due > 180 days ≤ 1 year	Past due > 1 year ≤ 2 years	Past due > 2 years ≤ 5 years	Past due > 5 years ≤ 7 years	Past due > 7 years	Of which defaulted
005	Cash balances at central banks and other demand deposits	2 965 720	2 965 720	0	0	0	0	0	0	0	0	0	0
010	Loans and advances	17 998 311	17 866 527	131 784	406 683	177 803	57 781	68 406	58 894	18 214	6 178	19 407	406 683
020	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0
030	*General governments*	55 653	55 653	0	0	0	0	0	0	0	0	0	0
040	*Credit institutions*	1 254 918	1 254 918	0	0	0	0	0	0	0	0	0	0
050	*Other financial corporations*	95 261	95 261	0	95	88	0	7	0	0	0	0	95
060	*Non-financial corporations*	6 682 438	6 625 903	56 535	185 948	93 975	10 130	23 210	43 289	10 520	2 242	2 582	185 948
070	*Of which SMEs*	4 275 534	4 242 617	32 917	143 875	66 268	10 130	8 844	43 289	10 520	2 242	2 582	143 875
080	*Households*	9 910 041	9 834 792	75 249	220 640	83 740	47 651	45 189	15 605	7 694	3 936	16 825	220 640
090	Debt securities	4 393 798	4 393 798	0	1 409	1 409	0	0	0	0	0	0	1 409
100	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0
110	*General governments*	3 037 981	3 037 981	0	0	0	0	0	0	0	0	0	0
120	*Credit institutions*	938 488	938 488	0	0	0	0	0	0	0	0	0	0
130	*Other financial corporations*	289 204	289 204	0	0	0	0	0	0	0	0	0	0
140	*Non-financial corporations*	128 125	128 125	0	1 409	1 409	0	0	0	0	0	0	1 409
150	Off-balance-sheet exposures	3 660 025			17 610								17 610
160	*Central banks*	0			0								0
170	*General governments*	54 594			0								0
180	*Credit institutions*	134 961			0								0
190	*Other financial corporations*	3 466			0								0
200	*Non-financial corporations*	2 299 044			10 832								10 832
210	*Households*	1 167 960			6 778								6 778
220	***Total***	29 017 854	25 226 045	131 784	425 702	179 212	57 781	68 406	58 894	18 214	6 178	19 407	425 702

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CQ4: Quality of non-performing exposures by geography:

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which subject to impairment			
				Of which defaulted				
010	***On-balance-sheet exposures***	***25 768 941***	***408 092***	***408 092***	***25 765 921***	***-390 258***		***0***
020	*Bulgaria*	21 231 336	408 092	408 092	21 228 316	-385 475		0
030	*Greece*	978 279	0	0	978 279	-2 115		0
040	*Rest of Europe**	3 149 737	0	0	3 149 737	-2 448		0
050	*Other countries***	409 589	0	0	409 589	-220		0
060	***Off-balance-sheet exposures***	***3 656 317***	***17 610***	***17 610***			***1 027***	
070	*Bulgaria*	3 597 622	17 610	17 610			850	
080	*Greece*	0	0	0			0	
090	*Rest of Europe****	58 675	0	0			0	
100	*Other countries*	20	0	0			0	
110	***Total***	***29 425 258***	***425 702***	***425 702***	***25 765 921***	***-390 258***	***1 027***	***0***

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CQ5: Credit quality of loans and advances to non-financial corporations by industry:

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
				Of which defaulted			
010	Agriculture, forestry and fishing	162 607	3 402	3 402	162 607	-3 842	0
020	Mining and quarrying	3 410	368	368	3 410	-385	0
030	Manufacturing	1 390 642	27 031	27 031	1 390 642	-20 816	0
040	Electricity, gas, steam and air conditioning supply	468 182	0	0	468 182	-5 501	0
050	Water supply	18 994	106	106	18 994	-219	0
060	Construction	506 093	6 166	6 166	506 093	-8 280	0
070	Wholesale and retail trade	1 767 538	86 413	86 413	1 767 538	-67 802	0
080	Transport and storage	240 141	8 266	8 266	240 141	-6 666	0
090	Accommodation and food service activities	625 763	4 415	4 415	625 763	-4 663	0
100	Information and communication	29 419	469	469	29 419	-659	0
110	Financial and insurance actvities	740	0	0	740	0	0
120	Real estate activities	1 340 863	3 413	3 413	1 340 863	-7 226	0
130	Professional, scientific and technical activities	158 932	44 549	44 549	158 932	-14 177	0
140	Administrative and support service activities	61 201	612	612	61 201	-723	0
150	Public administration and defense, compulsory social security	0	0	0	0	0	0
160	Education	3 886	0	0	3 886	-16	0
170	Human health services and social work activities	30 360	188	188	30 360	-272	0
180	Arts, entertainment and recreation	35 074	1	1	35 074	-59	0
190	Other services	24 541	549	549	24 541	-330	0
200	***Total***	***6 868 386***	***185 948***	***185 948***	***6 868 386***	***-141 636***	***0***

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU CQ7: Collateral obtained by taking possession and execution processes:

		Collateral obtained by taking possession	
		a Value at initial recognition	b Accumulated negative changes
		0010	0020
010 Property, plant and equipment (PP&E)	0010	0	0
020 Other than PP&E	0020	16 994	- 9 370
030 Residential immovable property	0030	6 746	- 5 145
040 Commercial Immovable property	0040	10 248	- 4 225
050 Movable property (auto, shipping, etc.)	0050	-	-
060 Equity and debt instruments	0060	-	-
070 Other collateral	0070	-	-
080 Total	0080	16 994	- 9 370

(All amounts are shown in BGN thousands unless otherwise stated)

IX. Use of credit risk mitigation techniques

Effective credit risk mitigation is essential for enhancing portfolio resilience and safeguarding the Bank's capital. To optimize risk-adjusted returns, the Bank employs a comprehensive suite of credit risk mitigation techniques, ensuring compliance with regulatory requirements and internal risk management procedures.

Key methodologies include collateralization, where high-quality assets such as real estate, financial instruments, or guarantees are utilized to secure exposures. The Bank rigorously assesses collateral eligibility, valuation methodologies, and enforceability in alignment regulatory requirements, Group standards and internal risk governance frameworks.

Collaterals can be divided into two main categories: collaterals upon assets (tangible) which provide the Bank with rights over a third party's asset for securing the repayment of a loan and non-tangible (contractual) where is provided by an individual (personal guarantee) or legal entity (corporate guarantee) and is a legal promise to repay the loan to the Bank. Typically, the guarantor is liable in full for the whole debt unless otherwise specifically stated.

Details regarding collateralization can be found within the Bank's Collateral Valuation Policy, which outlines the principles, methodologies, and governance framework for collateral assessment, valuation, and risk mitigation.

By implementing a disciplined approach to credit risk mitigation, the Bank strengthens its resilience, preserves asset quality, and upholds regulatory and stakeholder expectations. To optimize credit exposure management and ensure proactive risk containment and enhanced credit portfolio stability, the Bank also integrates the following arrangements:

- The Bank manages limits and controls concentrations of credit risk wherever they are identified to individual counterparties/ groups and to industries.
- The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers and industry segments. The monitoring of the limits towards single borrowers or groups of borrowers is done on an annual basis or more frequently following the lending policies of the Bank.
- The Bank intends to support all economic sectors, however, Eurobank Bulgaria AD will be very cautious in taking exposure on the real estate, independent insurance companies, leasing and factoring companies and other finance entities. Depending on the market situation and obvious warning signals for certain economic sectors, additional restrictions can be imposed. In addition, the limitations imposed by the Bank's Environmental and Social Policy apply.
- The Bank's policy is to avoid extending credit facilities to entities involved in the production and trade of military weapons, religious organizations, gambling industry, media sector, political parties, public educational institutions, sports clubs, etc.
- The Country Risk Committee will monitor and periodically adjust specific limits corresponding to each economic sector as defined in the Bank's ICAAP report.
- The Bank is cautious regarding its exposure to Leverage transactions (LT). Leverage transactions should be regularly defined and reviewed since being classified "high risk" exposures. "Highly Leveraged Transactions", where ratio of Total Debt to EBITDA exceeds 6.0 times at deal inception, should remain exceptional (and a potential exception should be duly justified) and be part of the credit delegation and risk management escalation framework of Eurobank Bulgaria.

(All amounts are shown in BGN thousands unless otherwise stated)

- LT portfolio is subject of regular monitoring and control.
- The sectoral limits are monitored on a monthly basis through calculation of sectoral and individual concentration risk. The concentration risk is presented to the Country Risk Committee and Supervisory Board on a quarterly basis. The sectoral limits are reviewed at least on an annual basis. During 2025 there was no breach of the sectoral limits set as well as customer limits.
- In addition to the sectoral and individual concentration risk assessment, the Bank also monitors concentration risk related to credit risk mitigation techniques, including exposures towards collateral provider.
- The exposure to any borrower, including banks and non-banking financial institutions, is further restricted by sub-limits covering on- and off-balance sheet exposures, as well as settlement risk limits. Off-balance sheet facilities include derivatives, letters of credit, guarantees, repurchase agreements and other instruments. Overall customer exposure is aggregated and monitored on a daily basis.

  The Bank does not make material use of balance sheet netting for credit risk mitigation purposes. However, for derivative and securities financing transactions, risk mitigation is achieved through contractual netting and collateral arrangements under standard agreements such as ISDA/CSA and GMRA, including close-out netting and daily margining practices.

- Credit protection is primarily obtained through personal and corporate guarantees, assessed in accordance with the Bank's internal policies. The Bank does not make material use of credit derivatives for credit risk mitigation purposes.

Template EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques:

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	10 045 503	10 940 850	10 382 664	558 186	0
2	Debt securities	4 294 653	94 621	0	94 621	
3	Total	14 340 156	11 035 471	10 382 664	652 807	0
4	*Of which non-performing exposures*	70 035	100 728	95 575	5 153	0
EU-5	*Of which defaulted*	70 035	100 728	95 575	5 153	0

(All amounts are shown in BGN thousands unless otherwise stated)

X. Use of the IRB approach to credit risk

Eurobank Bulgaria AD does not apply Internal Rating Based Approach to credit risk as of 31 December 2025.

XI. Market risk

1 Definition and policies

1.1 Risk strategy

Objectives for market and counterparty risk control and supervision

Risk is at the core of the Bank's business. The objectives for the Bank's market and counterparty risk control and supervision are to:

- ✓ protect the Bank against unforeseen market and counterparty related losses and contribute to earnings stability through the independent identification, assessment and understanding of the market risks inherent in the business;
- ✓ help align the Bank's organisational structure and management processes with regulatory requirements and international best practices;
- ✓ set minimum standards for controlling market and counterparty risks;
- ✓ develop transparent, objective and consistent market and counterparty risk information as a basis for sound decision making;
- ✓ establish a structure that will allow the Bank to link business strategy and operations with the objectives for risk control and supervision;
- ✓ safeguard adherence to the Bank's Risk Appetite limits.

The Bank and the Group are developing processes to measure performance on a risk-adjusted basis and allocate capital accordingly with the objective to maximize earnings potential.

Risk Definitions

Sources of market and counterparty risks

Market risk is the risk of potential financial loss due to an adverse change in market variables. The Bank is currently exposed to four types of market risk:

- ✓ Interest-rate and credit spread risk;
- ✓ Equity price risk;
- ✓ Foreign exchange risk;
- ✓ Implied Volatilities of the above.

Counterparty risk is the risk of potential financial loss stemming from a counterparty's inability to meet its financial obligations in the context of a market instrument. It includes:

(All amounts are shown in BGN thousands unless otherwise stated)

- ✓ Issuer risk for debt securities traded in the financial markets;
- ✓ Counterparty credit risk for derivatives (interbank and corporate);
- ✓ Counterparty credit risk for on balance sheet interbank activities (placings, repos, etc).

Effects of market and counterparty risks

The Bank is potentially exposed to market risks through all of its assets, liabilities and off-balance sheet positions, in both Treasury and all other portfolios.

Changes in market variables can affect the Bank's financial condition in three ways:

- ✓ the earnings effect - the impact of changes in market rates on cash flows;
- ✓ the economic value, or net worth, of Eurobank Bulgaria, which is equal to the present value of all of its expected net future cash flows discounted to their present value to reflect market rates. Changes in market variables will impact the economic value of the Bank's assets, liabilities and off-balance sheet positions and therefore its economic value;
- ✓ the Potential Future Exposure (PFE) effect – the impact of changes in market risk variables to counterparty exposure and subsequent increase of counterparty credit risk faced by the Bank.

The purpose of the Bank's market risk control and supervision structure is to control and monitor the effect of market risks on earnings, economic value and potential future exposure.

Similarly, the Bank is potentially exposed to counterparty risks through all of its assets and off-balance sheet positions, in both Treasury and all other portfolios. Counterparty creditworthiness affects the economic value, or net worth, of Eurobank Bulgaria, which is equal to the present value of all of its expected net future cash flows discounted to their present value to reflect market rates.

1.2 Market and Counterparty Risk Governance Structure

Risk Committee (RC)

The Bank's Risk Committee is a committee of the SB, and its purpose is to assist the SB in discharging its oversight responsibility relating to Credit, Market, Operational and other non-financial risks.

In the context of market and counterparty risks, the RC:

- ✓ Ensures that the Bank has a well-defined market and counterparty risk strategy and risk appetite in line with its business plan, and that the risk appetite in question is articulated in a set of qualitative and quantitative statements, limits, and an appropriate measurement methodology;
- ✓ Ensures that the Bank has developed an appropriate market and counterparty risk

(All amounts are shown in BGN thousands unless otherwise stated)

management framework which is embedded in the decision-making process (e.g. new products introduction, risk adjusted pricing, risk adjusted performance measures and capital allocation) throughout the organization and its subsidiaries;

- ✓ Reviews and approves relevant policies, procedures and overall control structure;
- ✓ Ensures that the Bank has the appropriate modelling tools, data sources and sufficient and competent staff needed to identify, assess, monitor and mitigate risks;
- ✓ Reviews on a regular basis of the adequacy of relevant measures and controls;
- ✓ Reviews and assesses through regular reporting by Market & Liquidity Risk Department, the Bank's market risk profile and strategy and the effectiveness of the risk management policies, identifying and assessing significant risks;
- ✓ Monitors the compliance with and implementation of Group policies and procedures;
- ✓ Ensures that appropriate stress tests are performed, at least on an annual basis, in relation to all major Bank risks;
- ✓ Approves market risk appetite, limits, underlying measurement methodology and risk assessment models;
- ✓ Provides a point of escalation in case of relevant limit breaches.

Market & Liquidity Risk Department (MLR)

Market & Liquidity Risk Department is an independent unit under the General Manager Enterprise & Financial Risk Oversights and Deputy CRO, responsible for independent market risk identification, assessment, measurement, monitoring, reporting and control. The department's responsibilities include:

- ✓ independent market risk identification, assessment, monitoring and control;
- ✓ independent reporting to senior management at local and Group level;
- ✓ maintenance and implementation of market risk policies and procedures;
- ✓ compliance with Group market risk policies and procedures;
- ✓ identifying and assessing all market and counterparty risks on the Bank's balance sheet;
- ✓ monitoring Capital Markets' and other key Business Unit activities from market risk perspective;
- ✓ ensuring compliance with regulatory requirements as they relate to market and counterparty risk;
- ✓ ensuring compliance with the risk limits and appetite set by the Management;
- ✓ valuation of the Bank's derivatives and securities portfolios;
- ✓ reviewing new products from market and counterparty risk perspective.

1.3 Risk Measurement and Reporting

Market and counterparty risk measurement

This section defines the scope of the risk measurement systems, in terms of positions and risk factors and sets out the standards by which market and counterparty risks are measured.

Scope of risk measurement system

The Bank ensures that all material positions that are exposed to market and counterparty risks are included within the market risk measurement system. The scope of the application encompasses all units of the Bank with significant market risk exposure, including other Bulgarian subsidiaries of ERB Group.

Regarding market risk, the risk measurement system measures risk in the valuation of all of the Bank's positions (securities, derivatives, core banking items) regardless of accounting treatment, arising from exposure to the following market risk factors:

- ✓ FX rates – risk measurement methods should incorporate risk factors corresponding to the individual foreign currencies in which the Bank has material positions;
- ✓ interest rates – including credit spreads – risk measurement methods should include a set of risk factors corresponding to interest rates in each of the currencies in which the Bank has material interest rate sensitive positions; for each currency the yield curve is divided into a number of maturity segments in order to capture the variation in volatility of interest rates at different points on the yield curve;
- ✓ equity prices – risk measurement methods should include risk factors corresponding to each of the national markets in which the Bank holds material positions (at present only the Bulgarian Stock Exchange);
- ✓ market implied volatilities of the above.

Regarding counterparty risk, the risk measurement system compares notional amounts for each counterparty classification with the established limits and aggregation rules.

Risk measures

The Bank

- ✓ uses risk measures that enable them to monitor compliance with limits agreed at Bank and Group level;
- ✓ assesses the validity of assumptions used and exactness of the underlying methodologies in terms of the usefulness of the resulting risk measures for risk control and ultimately performance measurement;
- ✓ documents the methodologies and assumptions used.

The Bank has in place a number of market and counterparty risk measures, to ensure that it is protected in both "normal" and "stressed" market conditions. These measures are monitored by MLR.

The list of applicable risk measures, monitored by MLR is as follows:

- ✓ Stress testing, historical and sensitivity analysis;
- ✓ Net Interest Income (NII) and EVE sensitivity and other IRRBB and CSRBB related metrics;
- ✓ Foreign Exchange equivalent positions;
- ✓ Potential Future Exposure;

- ✓ Exposure to the Bulgarian Sovereign State;
- ✓ Total Country Exposure;
- ✓ Exposure to Financial Institutions;
- ✓ Exposure to non-financial corporates (international) and ABSs;
- ✓ Exposure to non-financial corporates (domestic).

2 Standardized approach for market risk

The criteria for assigning positions and activities to the trading or banking books are specified in the Bank's IRRBB & CSRBB Policy. The valuation methodologies and assumptions on the pricing of securities and derivatives are documented in the Bank's Market & Counterparty Risk Policy. To ensure the tradability of positions included in the trading book, the Bank performs annual aging analysis of bond and equity positions. If any material such position has not been traded in the respective timeframe, the reasons for this are subject to additional analysis. The Bank also has in place a procedure to check and ensure that no transfers of risk positions between trading and banking books have taken place.

The Bank calculates capital requirements for market risk in the trading book using the standardized approach.

Eurobank Bulgaria AD does not apply internal models for market risk as of 31 December 2025.

XII. Interest Rate Risk in the Banking Book (IRRBB)

With regards to the estimation of the IRRBB, the Bank uses methodologies for the estimation of risk from positions at fair value, along with methodologies for the estimation of risk on EVE (Economic Value of Equity) and on NII (Net Interest Income), taking into account Banking Book positions (including portfolios measured at amortized cost).

The Bank uses internal reports for the monitoring of the IRRBB taking into account FVOCI and AC portfolios (loans, deposits, debt securities, derivatives used for hedging, etc.), including: Interest rate gap report with limits set on the 1Y and 10Y duration-equivalent positions, interest rate repricing analysis, sensitivity of NII and sensitivity of Bank's EVE on multiple scenarios of interest rates. For the calculation of these sensitivities, specific assumptions are made regarding the applicable duration (for EVE delta calculations) and pass-through rate (for NII delta calculations) on specific parts of the Bank's Balance Sheet (for example Non-Maturing Deposits). These assumptions are based on historical observations, processed using statistical analysis.

The sensitivities to the Supervisory Shock scenarios are calculated as defined in EBA/GL/2022/14 which came into force on the 30th of June 2023. The specification of supervisory scenarios and the measurement of Economic value of Equity and of Net Interest Income is based on the Commission Delegated Regulation (EU) 2024/856. The application of Article 3 paragraph 8 of the Commission Delegated Regulation (EU) 2024/856 contributes to the asymmetry of the results. The IRRBB analysis takes into account all assets, liabilities and off-balance sheet items, which are sensitive to interest rates.

(All amounts are shown in BGN thousands unless otherwise stated)

It is worth noting, that the Bank, in response to the regulatory developments and requirements (EBA/GL/2022/14), has further enhanced its infrastructure, governance and limit structure accordingly, so as to measure and monitor its Credit Spread Risk in the Banking Book. Furthermore, the Bank's IRRBB & CSRBB management policy is also in alignment with the respective Group policy.

XIII. Counterparty Risk

Definition

Counterparty credit risk (CCR) is the risk that a counterparty in an off-balance sheet transaction (i.e. derivative transaction) defaults prior to maturity and the Bank has a claim over the counterparty (the market value of the contract is positive for the Bank).

Mitigation of counterparty risk

To reduce the exposure towards single counterparties, risk mitigation techniques are used. The most common is the use of closeout netting agreements (usually based on standardised International Swaps and Derivatives Association - ISDA contracts), which allow the Bank to net positive and negative replacement values in the event of default of the counterparty.

Furthermore, the Bank also applies margin agreements (CSAs) in case of counterparties. Thus, collateral is paid or received on a daily basis to cover current exposure. In case of repos and reverse repos, the Bank applies netting and daily margining using standardised Global Master Repurchase Agreement (GMRA) contracts, while securities lending transactions are covered by GMSLA contracts.

Counterparty risk monitoring

The Bank monitors the counterparty risk arising from derivatives and secured financing transactions and assesses the impact of netting and collateral on current exposures and own funds requirements. Monitoring includes, among other things, breakdown of exposures per counterparty type and exposure class, analysis of collateral quality and composition and review of counterparty creditworthiness. The Bank does not currently maintain any exposure to central counterparties (CCPs).

The Bank and the Group set credit limits in order to control credit risk exposure. The limits are set per counterparty group, per counterparty and per product and tenor. Credit limits are approved as per the Group's Credit Approval Policy. The counterparty credit risk and its utilization is monitored on a daily basis. At any point of time, the overall approved credit limits of the Bank with a counterparty or counterparty group should not exceed 25% of the Bank's Tier1 capital. Counterparty limits are also set in compliance with available country limits. Adequate country limits to cover exposure (direct and indirect) with any particular country should be maintained at any time. Any counterparty or country limit excesses are brought to the attention of the respective management bodies in accordance with the escalation levels set out in the Bank's Market & Counterparty Risk Policy, and prompt measures are undertaken for their resolution. Whenever there is limit excess, explanation and justification for the excess is requested from the Business Unit that has caused it and a recommendation for the elimination of the excess is issued.

(All amounts are shown in BGN thousands unless otherwise stated)

Wrong way risk

Wrong-way risk in a derivative or a secured funding transaction (SFT) exposure arises when there is significant correlation between the underlying asset and the counterparty, which in the event of default would lead to a significant MtM loss to the counterparty. The Bank avoids the initiation of derivative transactions or SFTs in cases that the value of the underlying instrument is highly correlated with the credit quality of the counterparty. However, in case of any transactions entailing wrong way risk, the additional risk will be reflected in the exposure to the counterparty and monitored.

Implications under rating downgrade

The Bank's current financial collateral agreements (CSAs covering derivative transactions) with other banks do not contain rating triggers.

Credit derivatives

The Bank has not used any credit derivatives up to date.

CVA capital charge

The regulatory credit valuation adjustment (CVA) charge as of 31 December 2025 is zero as all outstanding transactions, mostly intragroup, are eligible for exclusion from the own funds requirements for CVA risk.

Counterparty risk based on the calculation methodology employed

Throughout 2025, the Bank continued to meet the conditions set out in Article 273a (2) to apply the Original Exposure Method for derivatives.

XIV. Non-Financial Risk Management

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes legal risk and excludes strategic and reputational risk and constitutes a subset of the Group's non-financial risks.
Operational risk is embedded in all business activities. The objective of operational risk management is to support the achievement of business objectives, protect customers and stakeholders, strengthen operational resilience and maintain exposures within approved risk appetite.
Operational risk governance at Eurobank Bulgaria comprises the following bodies/officers: Management Board, Country Risk Committee, Product and Service Committee, Business Units (BU) Managers, Retail Operational Risk Management Unit, Corporate Banking Operational Risk Management Unit, Operational Risk Partners for all the BUs, Chief Risk Officer, Operational Risk Department, and Internal Audit Division.

Responsibilities of the Management Board are to:

- ✓ Develop a clear, effective, and robust governance structure with well-defined, transparent and consistent lines of responsibility;
- ✓ Ensure the identification and assessment of operational risk intrinsic in all material products, activities, processes, and systems to make sure the inherent risks are well understood;

(All amounts are shown in BGN thousands unless otherwise stated)

- ✓ Ensure effective policies and processes for managing operational risk are in place for all of material products, activities, and systems, consistent with the risk appetite and tolerance;
- ✓ Implement a process for regular monitoring of the operational risk profile and material exposures to losses, through reporting mechanisms at the senior management, and business unit levels that support proactive management of operational risk.

Responsibilities of the Bank as a whole are to:

- ✓ Implement a strong control environment that utilizes policies, processes and systems; appropriate internal controls; and proper risk mitigation and/or transfer strategies;
- ✓ Implement business resiliency and continuity plans to ensure an ability to operate on an ongoing basis and limit losses in the event of severe business disruption;
- ✓ Ensure that the Bank's public disclosures allow stakeholders to assess its approach to operational risk management

The Board approves the framework, while the Country Risk Committee and the Audit Committee oversee the operational risk profile and internal control environment.

The Chief Risk Officer is responsible for the operational risk related initiatives and ensures implementation of the Non-Financial Risk Management Framework as well as the Risk Strategy as approved by the Management Board, Risk Committee.

The Operational Risk Committee (ORC) acts to provide oversight and management of the actual operational risk exposures as well as of the processes implemented to assess, monitor and mitigate operational risks in all business activities of the Bank. ORC is a management committee, drawing its powers from the Executive Committee of Eurobank Bulgaria.

The Product and Service Committee (PSC) is responsible for approving requests for the introduction of new, significant modifications to existing product and services as well as for the monitoring of all products and services and their termination.

Business Units Management is responsible for the operative implementation of the Non-financial Risk Management Framework and to manage inherent operational risks throughout their respective business units as well as for ensuring that all staff understand its respective roles and responsibilities.

The Bank's strategy for managing operational risk is based on a structured approach to identifying, assessing, monitoring and reporting risks, complemented by maintaining a sound control environment, integrating risk considerations into decision-making and managing exposures within the defined risk appetite. This approach is complemented by a comprehensive set of policies and guidelines, including those covering risk governance, risk appetite, operational resilience and outsourcing. The Bank promotes a strong risk culture emphasizing accountability, transparency and timely escalation of risks.

The Non-financial Risk Management Framework is designed to:

- ✓ Align Bank's organization and processes with best international banking practices;
- ✓ Introduce risk identification, quantification and monitoring processes such as risk and control self-assessment, key risk indicators, historic risk events collection, and scenario analysis;

- ✓ Establish common definition and consistent approach for non-financial risks to enable common identification and aggregation of operational risk across the Bank;
- ✓ Establish a proactive non-financial risk management culture across our business, linking business operations with the objectives of risk control;
- ✓ Establish comprehensive and integrated operational risk reporting;
- ✓ Adhere to the internal guidelines and meet regulatory requirements and practices relating to non-financial risks;
- ✓ Achieve a competitive advantage in terms of non-financial risk management through risk-based decision making; and
- ✓ Leverage international knowledge and good practices on non-financial risks management thus promoting an open risk culture to support trust and confidence.

Operational risk management is implemented through the Three Lines of Defence model. The first line of defence owns and manages risks and controls within business and support units. The second line of defence, including Risk management, Compliance and other control functions, establishes policies, performs oversight and independent challenge, and monitors adherence to risk appetite. Internal Audit, as the third line of defence, provides independent assurance.

Organizational Structures deployed for operational risk management and relationship between the bodies:

- ✓ **Business Entities –** responsible to manage its operational risks on a daily basis. Each business entity assigns experienced staff to support and coordinate operational risk management in the respective unit and acts as a liaison to Operational risk Department, where these officers shall be referred to as Operational risk Partners;
- ✓ **Specialist Entities –** the Retail Operational Risk and Control Department (RORCD) and Corporate Operational Risk Unit (CORU), which are specialized units established in the areas exposed to operational risk. RORCD and CORU oversee the deployment of Non-Financial Risk Management Framework throughout the Retail and Wholesale Banking respectively and are focal points for all operational risk matters. They provide dedicated and full-time management of operational risk in the Business Area they are assigned to, in accordance with their roles and responsibilities;
- ✓ **Operational Risk Department – as a unit within the Risk Sector** reports to the Chief Risk Officer and Risk Committee on operational risk in order to assist it in its risk supervision duty. Monitors Non-financial Risks (including operational) and controls in support of Executive Management, providing oversight, challenge, advice and direction on Non-financial (including operational risk) risks matters.As a centralized Unit, it has a principal aim to support the Bank to implement an effective Non-financial Risk Management Framework, which is aligned with the Group's one, to provide reliable information on the most significant non-financial risks (including operational risks) , to measure and monitor the operational risk exposure undertaken by the Bank thus adding value through increased effectiveness in risk management, and acknowledgement and accountability of risks;
- ✓ **Internal Audit Function –** provides an independent evaluation and assurance on the effectiveness of the Non-Financial Risk Management Framework and its application. Performs regular reviews of the implementation of and adherence to the Non-Financial Risk Management Framework and its supporting policies, instructions and processes. Internal Audit may be used as validator for activities resulting from the Non-Financial

Risk Management Framework. Additionally, it may act as a major contributor in the investigation of significant operational risk events.

- ✓ Operational Risk Processes consist of:
  - ✓ **Risk Identification**, aiming to develop a comprehensive list of operational risks (and/or events) that might have an impact in the achievement of Bank's objectives;
  - ✓ **Risk Assessment, Valuation and/or Measurement**, aiming to assess/valuate or measure operational risk exposures as well as to rank the inventory of operational risks, which Eurobank Bulgaria AD is facing;
  - ✓ **Control Management and Risk Mitigation,** aiming to identify means for risk mitigation (where necessary) by applying or modifying existing controls and/or utilize officially approved techniques for risk sharing or transfer;
  - ✓ **Consolidation, Reporting and Performance Improvement**, aiming to inform management and to propose performance improvement actions.

Operational risk management in Eurobank Bulgaria is based on the following operational risk tools/methods:

1. **Operational Risk Culture.** Operational Risk Culture encompasses risk awareness of the employees as well as their attitude and behavior to the risk taking and their adherence to the rules and procedures. A strong operational risk culture underpins all operational risk management activity. The Bank continuously seeks to improve its Operational Risk Culture;
2. **Non-financial (including Operational Risk) Management and Mitigation.** The primary strategy utilized by the Bank to control its exposure to Non-financial (operational) risk is the maintenance of an adequate framework for its management. The Bank has in place adequate policies and processes to evaluate and manage the exposure to operational risk, including low-frequency high-severity events. In addition, the Bank implements specific risk mitigation activities for key Non-financial risks, including fraud risk, outsourcing risk, compliance risk, cyber risk and business disruption risks as well as maintains and regularly updates contingency and business continuity plans in order to ensure its ability to operate on an ongoing basis and limit losses in the event of severe business disruption. Finally, risk transfer mechanisms are in place in the form of the Group's insurance policies, bought through the London Market;
3. **Operational Risk Events** – Involves capturing, management, monitoring and reporting of all operational risk events identified throughout the Bank with their owner, cause, risk category, impact, business functions and business line, analysis of root causes, and mitigation measures;
4. **Key Risk Indicators (KRIs) (BLS)** – KRIs are metrics relevant to specific and measurable activities indicating Non-Financial risk exposures. KRIs are quantifiable and expressed as an amount, a percentage or a ratio, assigned to particular Non-Financial risks and linked with risk tolerance; This year for the first time KRIs were recalibrated resulting from the Non-Financial risks deployment in order to reflect the new holistic approach in measurement, monitoring and reporting of two main types of KRIs – Top-down and Bottom-Up.
5. **Risk & Control Self-Assessment (RCSA)** – RCSA is a team-based technique aiming to identify, assess and ultimately mitigate Non-Financial (including

operational) risk. Its outcome is a portfolio of Non-Financial risks per business unit, summarized into operational risk profiles. Business units assess Non-Financial risks, evaluate the effectiveness of controls in place, assess whether identified risks are within business risk appetite and tolerance levels, and establish specific action plans to mitigate the assessed exposure, as appropriate. A real time RCSA was introduced in 2022. It allows Operational risk Partners to timely update the risks they are facing with risk drivers and mitigating actions undertaken;

6. **Non- financial Risk Scenarios.** Non-Financial Risk Scenario analysis assesses the exposure to a range of significant operational risks through the examination of severe yet plausible future events. Scenarios take into account the current and projected business, economic, social and geo-political environment;
7. **Operational Risk Reporting.** Operational Risk reports are produced for internal and regulatory purposes;
8. **Fraud Risk Management.** Fraud risk management constitutes a major commitment of the Group to mitigate fraud risk and reduce fraud losses.
9. **BG Top 10 Risks.** The annual "Top Ten Non-Financial Risks" exercise for the identification of the Top Ten Non-Financial Risks faced by the Bank, related risk drivers and control initiatives thereon, as voted by the Bank's senior executives and heads of internal control functions. The Program increases risk awareness and facilitates the effective ongoing monitoring of the relevant risks.

The Bank calculates own funds requirements for operational risk using the Business Indicator Component (BIC), in accordance with the applicable regulatory framework.

Integration of Environmental Factors in Our Non-Financial Risk Management Framework

The Bank has implemented policies and processes to evaluate and manage its exposure to operational risk events deriving from environmental risk. In particular, the Bank considers how its business continuity could be adversely impacted due to environmental events, as well as whether its activities could bring about reputational damage and liability risks (e.g., as a consequence of cooperation with counterparties associated with environmental controversies and/or owing to inappropriate business practices such as "greenwashing").

There is infrastructure in the Operational Risk Events Database to identify, record and report on the events deriving from CR&E (climate-related and environmental) risk-related drivers.

RCSA takes into account quality, environmental and social criteria, among others, in order to effectively manage operational risk in all the activity sectors of the Bank. The aim is the ongoing improvement in the quality of products and services provided by the Bank with the purpose of safeguarding its customer relations and achieving high performance standards.

In addition, climate-related and environmental drivers are included in the Bank's operational risk scenario assessment, to the extent they affect the traditional Non-Financial risk scenarios.

In the event of an emergency, including environmental incidents, the Bank implements a Business Continuity Plan, which includes planning and preparations to ensure that the Bank can continue to operate in the event of a serious incident or disaster, and that it will be in a position to restore normal operations within a reasonably short time when responding to typical disastrous events involved in ongoing business activity (natural disasters such as fires or flooding, accidents, server crashes or virus infections, insolvent key suppliers, negative media campaigns, market disruptions and others). The plan includes organizational and technical measures to ensure the continuation of key business operations, and progressively all business operations.

Further, the Bank aims to maintain business continuity, as well as assessing the risks undertaken in the context of outsourcing services and IT activities (e.g., exposure of service providers to environmental vulnerabilities). The Bank identifies and evaluates inherent risks related in each outsourcing arrangement via a standardized template. Regarding environmental factors, the focus of the outsourcing risk assessment is on the following areas:

- ✓ Business continuity & operational resilience risk not-related to IT risk (i.e. business disruption due to natural disasters such as earthquakes, floods, pandemics etc.);
- ✓ Environmental sustainability and climate risks.

The Bank calculates own funds requirements for operational risk using the Business Indicator Component (BIC) in accordance with the applicable regulatory framework and uses an internal economic capital model for Pillar 2 purposes.

A combination of qualitative and quantitative methodologies is applied to identify, assess and monitor operational risk exposures, including internal loss data, risk assessments, Key Risk Indicators and scenario analysis. These methodologies are supported by dedicated systems and are applied consistently across the Bank, providing a centralised source of operational risk information and supporting the assessment of exposures and the estimation of regulatory capital requirements.

(All amounts are shown in BGN thousands unless otherwise stated)

XV. Liquidity Risk

Definition

Liquidity risk is the risk that the Bank will be unable to fund increase in assets or meet obligations at a reasonable cost or at all; for financial assets the risk is that an instrument cannot be sold or otherwise exchanged for its full market value. Prudent liquidity risk management and appropriate supervision and control are essential elements for the effective management of the Bank. The Bank must ensure that it will always be in a strong liquidity position to meet all obligations to repay, at call or maturity, at a reasonable cost, even under adverse market conditions, in the context of the policies and directives established by regulators and Eurobank Group. The Bank aims to manage effectively its liquidity risks and maintain sufficient liquidity to withstand potential stress events.

To ensure prudent liquidity management, the Bank has its own liquidity risk management policy in alignment with the relevant Group policy. The Policy outlines in an aggregated manner the principles, governance framework, and processes through which the Bank identifies, measures, monitors, manages, and reports liquidity risk in a prudent and forward-looking manner. The document defines the Bank’s liquidity risk appetite, internal limits system, stress-testing methodology, contingency funding planning, and escalation procedures ensuring effective oversight and resilience under both normal and stressed market conditions.

The Bank’s liquidity management rules aim at ensuring that:

- ✓ the necessary liquidity policies and procedures are in place and followed;
- ✓ sufficient liquid assets and adequate liquidity are maintained in order to conduct business in a prudent manner and to be able to meet obligations as they arise;
- ✓ high quality liquid assets are kept to be in position to successfully face a liquidity crisis;
- ✓ the liquidity position is monitored closely on a daily basis and continuously throughout the dealing operations;
- ✓ stress tests and scenarios are performed and analyzed to assess the adequacy of the Bank’s liquidity to meet crisis situations;
- ✓ regulatory requirements are met.

Liquidity risk management is a key component of the Bank’s overall risk strategy. Eurobank Bulgaria continues to proactively manage its liquidity position, leveraging on extensive experience obtained after dealing in the past with challenging environment at both solo and Group levels.

The Bank is exposed to daily calls on its available cash resources due to deposits withdrawals, maturity of medium or long-term funding and maturity of secured or unsecured funding (interbank repos and money market takings), loan drawdowns and forfeiture of guarantees. Furthermore, margin calls on secured funding transactions and on risk mitigation contracts (Credit Support Annex - CSAs, GMRAs) also result in liquidity exposure. The Bank maintains cash resources to meet all of these needs. The Risk Committee sets liquidity limits to ensure that sufficient funds are available to meet such contingencies.

(All amounts are shown in BGN thousands unless otherwise stated)

Past experience shows that liquidity requirements to support calls under guarantees and standby letters of credit are considerably less than the amount of the commitment. This is also the case with credit commitments where the outstanding contractual amount to extend credit does not necessarily represent future cash requirements, as many of these commitments will expire or terminate without being funded.

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities is fundamental to the management of the Bank and the Group. It is unusual for banks to be completely matched, as transacted business is often of uncertain term and of different types. An unmatched position potentially enhances profitability but also increases the risk of losses.

The maturities of assets and liabilities and the ability to replace, at an acceptable cost, interest bearing liabilities as they mature are important factors in assessing the liquidity of the Bank.

Liquidity Risk Management Framework

The Bank has established a robust internal governance framework in order to ensure that business operations relating to liquidity risk management include a clear and adequate organizational structure in accordance with the institution's risk profile. Key functions / units and Management Committees responsible for the policymaking, management, control, monitoring and reporting of liquidity and funding risks include the Assets and Liabilities Committee (ALCO), Markets Sector, Finance Sector and Risk Sector (Market and Liquidity Risk Dept.).

The Bank's Liquidity Risk Policy defines the following supervisory and control structure:

(a) The Supervisory Board (SB) has the ultimate supervision / oversight of the liquidity risk management framework;

(b) Risk Committee's (RC) role is to approve all strategic liquidity risk management decisions and monitor the quantitative and qualitative aspects of liquidity risk;

(c) ALCO has the mandate from the Management Board (MB) to form and implement the liquidity policies and guidelines in conformity with the Bank's and Group's risk appetite and to review at least monthly the overall liquidity position of the Bank;

(d) Markets Sector is responsible for the implementation of the Bank's liquidity strategy, taking into account the latest funding plan and for the daily management of the Bank's liquidity;

(e) Market and Liquidity Risk Dept. is responsible for measuring, controlling, monitoring and reporting the liquidity risks of the Bank;

(f) Regulatory Reporting and Methodology Dept. (Finance Sector) prepares regulatory liquidity reports and monitors the compliance with regulatory thresholds. Controlling and Planning Division also prepares various liquidity reports that are submitted to the management of the Bank and responsible units within Eurobank Group and implements the Bank's FTP Policy.

The Bank, as per ECB, EBA & BNB directives, applies risk management policies, processes and controls regarding Asset Encumbrance / Liquidity Buffers and Collateral Management, Contingency Funding Plan (CFP), Intraday Liquidity Risk Management and Liquidity Stress Tests. These policies, processes and controls along with the liquidity risk governance are described in the ILAAP (Internal Liquidity Adequacy Assessment Process). These policies, processes and controls are applicable in the specific Bulgarian macro-economic environment, Bank's business model and market conditions on funding.

(All amounts are shown in BGN thousands unless otherwise stated)

The Bank's SB (supported by the RC) has the ultimate responsibility for the ILAAP, and the MB is also responsible for the ILAAP in terms of both its design and its results. The RC also ensures that the Bank has a well-defined risk and capital strategy and risk appetite. The maximum amount of risk that the Bank is willing to assume in the pursuit of its strategic objectives is articulated via a set of quantitative and qualitative statements for specific risk types, as described in the Risk Appetite Framework. The RC assesses the Bank's risk profile and monitors compliance with the approved risk appetite and risk capacity levels. It also ensures that material risks are identified and promptly escalated and that the necessary policies and procedures are in place to prudently manage risk and to comply with the regulatory requirements. As part of its mandate, the RC reviews the Bank's risk profile against its declared risk appetite and examines any proposed modifications to the risk appetite. In addition, the RC reviews and approves the methodology, the parameters and the results of the Bank's ILAAP.

The responsibility for liquidity management has been assigned by the MB to the ALCO. ALCO is the primary responsible body with the mandate to implement the strategic management of assets and liabilities, aiming to effectively manage the liquidity risks of the Bank and to ensure regular and timely meeting of current and future obligations, both under normal circumstances and in crisis situations.

ALCO regularly reviews the liquidity and funding profile of the Bank: the key liquidity ratios; liquidity buffers and counterbalancing capacity; sources and uses of liquidity and liquidity projections; the deposit base and wholesale funding; the cost of funding; the local and international markets and macroeconomic outlooks; lending portfolio volumes and rates evolution; stress test results and other important data. Within its authority is to take all the necessary decisions regarding the interest rate policy, the liquidity and assets and liabilities management and to set the target parameters of potential external funding. Under normal circumstances ALCO meets at least once a month and duly reports any significant issues to the MB. ALCO is also responsible for initiating the Bank's Contingency Funding Plan (CFP).

The operational management of the Bank's assets and liabilities and the execution of ALCO decisions regarding liquidity are assigned to the Head of Markets Sector. If necessary, ALCO can be directly engaged in the liquidity management via activating all resources of the Bank to meet all payment obligations. Daily monitoring of cash flows is the responsibility of Markets Sector. Liquidity management is also coordinated with Group Treasury (Markets International).

Liquidity target ratios and threshold levels are set and approved by the Risk Committee. Independent liquidity risk control function with a dual reporting line to the management of the Bank and to the management at Group level is performed by Market & Liquidity Risk Department. The latter monitors and reports the liquidity ratios, buffer levels and sensitivities compared with the approved targets, escalating any excesses to the respective management bodies, as well as produces the Bank's internal liquidity gap reports and stress tests for liquidity risk on a monthly basis.

The Bank's liquidity risk management framework is well integrated within the liquidity risk management framework of the Group. Group ALCO (G-ALCO) has the ultimate responsibility for setting up the strategic liquidity management framework for the Group and on international subsidiaries' level. G-ALCO reviews the overall liquidity positions and developments on a Group and country level. In that context, local ALCO should also report any material developments and decisions (reflected in the local ALCO minutes) to G-ALCO, including regulatory authorities' instructions/guidelines.

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Group Treasury and Markets International (MI) have a key role acting as liaison between G-ALCO and international subsidiaries' ALCO and Markets Sectors by communicating G-ALCO strategy and decisions and guide the implementation of those decisions.

The Group Market & Counterparty Risk Unit (GMCRU) is involved in setting up appropriate liquidity management practices with respect to subsidiaries and giving the necessary guidelines for the implementation / submission of the various regulatory reports.

Finally, it should be noted that the Internal Audit Division reviews the ILAAP framework and processes and provides comments and recommendations. Specifically, the Internal Audit reviews the governance, procedures, relevant policies, IT systems and the reporting framework regarding liquidity risk.

During 2025, no changes to the liquidity governance structure were made and there are also no such changes planned for 2026.

Liquidity Risk Measurement

Eurobank Bulgaria prepares a large number of reports which measure the funding and liquidity of the Bank, and which are presented to the management on an intraday, daily, weekly, monthly or quarterly basis. The liquidity reporting and measurement system covers all on- and off-balance sheet assets and liabilities that are exposed to liquidity risk. For the purposes of liquidity reporting and monitoring the Bank uses information from various data sources including the core banking system, Treasury front-office and back-office systems and MIS data warehouse. The main data source regarding liquidity reporting is the core banking system from which information about interest rates, deposit and loan volumes, maturities and repayment plans is loaded into the MIS data warehouse. The data from the core banking system is also imported into the ERP system of the Bank and is monitored and reconciled on a daily basis. In case of a disaster the Bank has secured the continuous functioning of its operations by maintaining back-up servers and data archives in different locations.

Liquidity and Funding Strategy

Eurobank Bulgaria applies the following targets/limitations at all times with respect to its liquidity and funding:

- ✓ The Bank aims to always have an adequate liquidity buffer to cover a set of liquidity stress scenarios;
- ✓ The Bank aims to keep a buffer that contains a well-diversified set of instruments;
- ✓ The Bank aims to use a well-diversified set of funding sources;
- ✓ The Bank aims to optimize its funding;
- ✓ The Bank aims to maintain a balanced maturity profile of its liabilities spread across the maturity time-bands without significant peaks and concentrations;
- ✓ The Bank aims to maintain its options for secured and unsecured wholesale funding;
- ✓ The Bank aims to be compliant with all regulatory ratios at all times;
- ✓ The Bank takes into account any cost considerations and net interest income targets in its short or long term strategy regarding the liquidity buffer and funding sources.

The Bank has developed a Funding Strategy, approved, reviewed and updated by ALCO, with the aim to set up a target structure of the funding base, i.e. target mix of deposits by business lines (retail, corporate and institutional) and wholesale funding, to set up 'tenor' targets, so that the funding base is well balanced across maturity buckets, to set up currency structure of the funding base in order to ensure asset/liability matching by currency and to introduce target cost

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of funds levels by business lines which reflect the market environment. In adherence to the Funding Strategy, the Bank has built a strong and well-diversified funding base formed predominantly of retail and corporate deposits with no dependence on wholesale funding, balanced across currencies and maturity buckets and with cost of funds maintained in line with the market. The implementation of the Funding Strategy has also allowed the Bank to increase over the years its market share of the deposit market. The indicators on the funding base structure and the strategy going forward are discussed at each ALCO meeting and an annual review of the implementation of the Funding Strategy is presented at ALCO. The funding strategy is also reflected in the Bank's funding plans.

The liquidity of the Bank is monitored per each major currency in which the Bank operates. The Bank had concentrated its assets and liabilities in only two currencies: Bulgarian Lev (converted to Euro from 01/01/2026) and the Euro, with assets and liabilities in other currencies representing well below 10%. Nevertheless, the Bank aims to maintain sufficient liquidity in the major foreign currencies it operates in, to minimize the risk related to inability to renew or replace funding in these currencies. Besides BGN/EUR, the Bank has small loan portfolios in USD and CHF. In both of these currencies, the net loan portfolio is fully covered by stable funding in the form of customer deposits.

Liquidity Buffer

The Bank holds a diversified portfolio of cash and highly liquid assets to support payment obligations and contingent deposit withdrawals in a stressed market environment. The Bank's assets held for managing liquidity risk comprise of:

(a) Cash and balances with central banks;

(b) Eligible bonds and other financial assets that can be used for collateral in secured funding transactions;

(c) Current accounts with banks and interbank placings maturing within one month.

The Bank defines its liquidity buffer as the available liquidity composed by cash and other core assets that are central bank eligible and/or highly liquid in private markets, covering the additional needs due to outflows that may arise over a period of one month under stress conditions. The internal definition of liquidity buffer is wider than the regulatory definition of high-quality liquid assets (HQLAs). The Bank aims to maintain a liquidity buffer without any significant concentration on any particular asset type or issuer. The most significant part of the buffer should include assets eligible for secured funding from both central banks and wholesale market counterparties. The cash value of the assets is being taken into account for the quantification of the buffer (market value after the application of haircuts), and any restrictions of a legal, regulatory, geographical, operational or other nature that would make liquidation impossible or possible only to a limited extent or after delay are also taken into account for any asset in the buffer. The vast majority of these assets could be immediately transformed into cash and cover the various liquidity needs of the Bank. The minimum level of liquid assets that has to be maintained is determined by the internal thresholds on the liquidity KRIs and the regulatory ratios and requirements. The Bank aims to maintain such levels of liquid assets that all ratios are met at any time.

Liquidity Risk Stress-Testing Framework

Liquidity risk measurement should include assessment of the risk under normal market conditions and under stress scenarios. For that reason, the Bank has a comprehensive stress

testing framework and performs stress tests and scenario analysis on a regular monthly basis. The results of these stress tests play an important role in the development of the contingency funding plans and are also used for the calibration of the threshold levels of KRIs. Stress tests analyse the adequacy of the Bank’s liquidity to meet crisis situations (e.g., significant deposit and other outflows, tightening of credit lines, decrease in the value of liquid assets, etc.) and the impact from stress scenarios on its liquidity buffer and KRIs. The Bank’s stress testing framework contains four types of short-term (1-month) scenarios, two 3-month scenarios (mild and adverse) and one medium-term scenario (12-month). The scenarios and assumptions used are reviewed and approved by ALCO. The stress tests analyse the ability of the Bank to weather severe but plausible liquidity shocks as going concern. The stress scenarios also incorporate certain market risk effects on the Bank’s liquidity standing. The Bank uses a conservative approach in setting the stress test scenario assumptions. Factors in the exercises consider not only the past (historical events and experience) but also make use of hypotheses based on expert judgment and on the current and future market environment and idiosyncratic factors.
The quantitative results from the stress tests show that the Bank has sufficient amount of liquid assets to meet the potential outflows in all these negative scenarios. The results are presented to the management (ALCO and Risk Committee) on a regular basis and are part of the overall liquidity management strategy. The Bank evaluates on a continuous basis the quantitative results of the liquidity stress tests and in case when the results of one or more of the aforementioned scenarios lead to a substantial deterioration of the liquidity buffer or to a significant decrease of the regulatory liquidity ratios (e.g. LCR), ALCO assesses the situation immediately, taking also into account all the available management actions.

Liquidity Risk Mitigation

The Bank mitigates liquidity risk by maintaining liquidity ratios and buffers well in excess of internal and regulatory requirements. The liquidity buffers are well diversified and consist of high-quality liquid assets that can be promptly converted into cash. The buffer levels are also aimed to be sufficient to cover net outflows in adverse scenarios measured quantitatively by the Bank's liquidity risk stress testing framework. The Bank also maintains a diversified deposit base and low levels of wholesale funding and asset encumbrance, which would allow it to obtain secured funding if needed.

Contingency Funding Plan (CFP)

The Contingency Funding Plan (CFP) is an important component of the Bank’s liquidity risk management framework. Contingency risk management aims to ensure that the Bank is able to generate sufficient liquidity to withstand a short or longer-term liquidity crisis arising in the event of a bank-specific, general market or combined stress event. The CFP sets out the policies, procedures and action plan for responding to potential severe disruptions to the institution’s ability to fund itself during emergency and/or unexpected situations for a period of one month. It is activated by ALCO decision in case the liquidity position is threatened, evidenced by a trigger of any of the specifically monitored daily quantitative indicators, or if there are strong indications that liquidity stress is imminent, as suggested by the qualitative indicators. The plan describes the roles and responsibilities of different stakeholders and the specific actions planned are also closely related to the outcome and assumptions of the stress testing exercises. The main options for attracting additional liquidity in contingency are also detailed in the Bank’s Recovery Plan and their feasibility, any operational or time constraints are analysed in depth.

Liquidity Risk Assessment

(All amounts are shown in BGN thousands unless otherwise stated)

The Management of the Bank recognizes that during 2025, the Bank continued to demonstrate very solid liquidity adequacy levels and funding position. While registering record deposit growth levels during the year, the Bank continued to make deliberate efforts to utilize excess liquidity and support the Bank's NII and business growth in an optimal way, maintaining all liquidity risk indicators significantly above any internal or regulatory threshold levels and well within the respective risk appetite.

The Bank acknowledges that taking risks is an integral part of its business. Within this context, it sets mechanisms to identify those risks at an early stage and assesses their potential impact towards the achievement of its objectives. Due to the dynamic nature of the economic, industry, regulatory and operating landscape, risk management mechanisms are established and evolve in a proactive manner to enable the Bank to identify and deal with the risks associated with the aforementioned changes. The Risk Appetite Framework constitutes a focal driver supporting the Bank in the implementation of its overall business strategy and objectives, under both normal and adverse economic conditions. It is communicated to all relevant units and is approved and regularly updated by the Management.

The risk appetite is described in terms of a number of qualitative and quantitative statements per material risk type. Their primary objective is to set the maximum level of risk that the Bank is willing to undertake in order to achieve its strategic objectives, ensuring at the same time adherence to regulatory requirements. Business, capital and liquidity planning processes should comply with the Bank's risk appetite statements at all times. Risk appetite statements account also for additional goals, helping to drive day-to-day decisions and to serve as a basis for cascading risk limits down to Business Units.

The Risk Appetite Framework is approved by the Risk Committee and is reviewed at each meeting. The indicators used, as well as their respective thresholds and limits, are updated at a minimum on an annual basis and more frequently when deemed necessary.

The Bank aims to maintain strong liquidity position with liquidity ratios and buffer levels well in excess of regulatory requirements, which will allow it to implement its business strategy.

Among its key liquidity metrics, along with the LCR and NSFR, the Bank also monitors the following:

- ✓ Total client loans to total client deposits (the ratio of total client loans net of provisions to total client deposits);
- ✓ Group funding concentration (the ratio of net funding received from Group entities to total liabilities);
- ✓ Top 10 funding concentration (the ratio of the funds received from the 10 largest depositors to total liabilities).

Most of these indicators are calculated based on the Bank's liquidity gap report, representing a maturity schedule of the balance sheet and relevant off-balance sheet items broken down into maturity buckets, with items without contractual maturity distributed based on specific assumptions aligned with Group Risk Management.

The Bank has set early warning, risk appetite and risk capacity levels for these indicators. During 2025, all indicators for liquidity risk have remained within their targeted business levels, well clear of the established early warning thresholds and fully in line with the Bank's business strategy and liquidity risk appetite.

The Management of the Bank considers that the Bank maintains adequate liquidity that is more than sufficient to cover all material risks it has undertaken. The Bank is self-funded and relies almost entirely on customer deposits to fund its activities. MREL-eligible instruments have

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been issued in order to meet the required MREL ratio levels. The volume of the Bank's liquidity buffer practically doubled in 2025 as the Bank invested most of the attracted during the year record liquidity in HQLAs, continuing to maintain high liquidity ratios. The liquidity buffer of the Bank is projected to remain well in excess of required levels under both baseline and adverse funding plan projections, maintaining additional cushion to cover any additional risks or adverse conditions.

The Bank has sound ILAAP process that demonstrates it has efficient mechanisms and controls for monitoring and management of its liquidity. The intraday, daily, weekly and monthly reports on liquidity and funding allow every deviation and unfavourable development to be promptly identified and, if necessary, corrective measures to be taken. The ILAAP covers all material risks to liquidity and funding, to which the Bank is exposed, and is aligned with the Bank's strategy. At YE2025, the amount of the liquidity buffers is well in excess of the regulatory requirements and internal threshold levels and these buffers are composed of high-quality liquid assets. The composition of the buffers is in line with the Bank's targets and strategy. The results from the Bank's liquidity risk stress-testing framework also demonstrate quantitatively that it has sufficient liquidity and buffers to meet the possible outflows in these negative scenarios, withstand severe levels of stress and continue to operate in the foreseeable future.

Following its investment plan during the last several years, the Bank built a high-quality fixed income portfolio, diversified across asset classes, durations, countries and issuers. The fixed income portfolio is highly liquid, both on the cash market and on the secured funding market as it is composed of ECB and/or third-party repo-eligible bonds.

During 2025 the average cost on deposits for the Bank remained practically flat. For 2026, the Bank does not project material changes in deposit costs, while wholesale funding retains relatively small share in the Bank's overall funding and thus any potential negative impact from it on the cost of funds will be limited.

A key project for the Bank in 2025 was the preparation for and the successful completion of the Euro adoption, ensuring a smooth conversion for all clients. The adoption of the euro brings benefits for the Bank, with the significant decrease in the amount of minimum required reserves and direct access to ECB funding being key elements from liquidity perspective. A strategic priority for the Bank going forward in this regard will remain the optimal utilization of the surplus liquidity.

Another important project completed successfully in 2025 was the issuance of a retained covered bond, which provided a significant additional boost to the Bank's liquidity buffer and further diversification of funding sources through mobilization of collateral. The €500m bond was issued in July 2025, initially rated Aa2 by Moody's and later upgraded to Aa1 in December 2025, while ECB-eligibility status was confirmed in September 2025. The issued bond, demonstrating the Bank's ability to mobilize collateral, will provide additional opportunities for attracting liquidity through secured funding transactions, or to boost interest income through securities lending transactions.

In October 2023 Eurobank Bulgaria obtained investment grade rating by Moody's. The Bank was assigned its first-time ratings - Baa3 long-term deposit rating with positive outlook and Baa2 long-term counterparty risk rating. The rating has been confirmation of the Bank's strong financial standing and positive trend in its development. In its rationale Moody's outlined the robust capital position, strong recurring profitability and the stable deposit funding base as key factors for the rating. The steady improvement of the asset quality in recent years and the conservative risk appetite of the Bank have also been acknowledged by Moody's. In 2024, the Bank experienced two credit rating upgrades and reached Baa1 long-term deposit rating and Baa3 long-term issuer rating, while in 2025 further upgrades to A3 long-term deposit rating and

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Baa2 issuer rating were made with a stable outlook. The Bank's robust capitalization and a predominantly deposit-based funding structure were among the key factors for the upgrades.

The continuing and intensifying geopolitical tensions, as well as the high levels of macroeconomic uncertainty, remain the main sources of risk in the current environment. Economic slowdown and the increased risk of recession continue to be major risk factors for the Bank's liquidity and funding. Nevertheless, the Bank remains well prepared to face any adverse scenarios.

The Management of the Bank does not plan any material changes to the liquidity risk management framework, the risk appetite framework, the business model or the strategy based on the ILAAP results.

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Template EU LIQ1 - Quantitative information of LCR

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	31 12 2025	30 09 2025	30 06 2025	31 03 2025	31 12 2025	30 09 2025	30 06 2025	31 03 2025
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					4 902 447	4 378 529	4 184 774	4 094 650
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	13 533 941	13 002 431	12 605 397	12 232 772	971 350	933 795	905 130	876 953
3	*Stable deposits*	8 579 132	8 222 685	7 912 462	7 628 375	428 957	411 134	395 623	381 419
4	*Less stable deposits*	4 761 614	4 608 404	4 505 523	4 399 983	542 393	522 661	509 507	495 534
5	Unsecured wholesale funding	5 349 172	5 064 876	4 834 696	4 676 155	2 495 773	2 356 206	2 253 621	2 172 711
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	841 210	782 316	750 677	699 627	210 054	195 328	187 425	174 697
7	*Non-operational deposits (all counterparties)*	4 507 962	4 282 561	4 084 020	3 976 528	2 285 719	2 160 879	2 066 196	1 998 013
8	*Unsecured debt*	0	0	0	0	0	0	0	0
9	*Secured wholesale funding*					0	0	0	0
10	Additional requirements	3 581 386	3 484 341	3 342 258	3 191 515	351 684	337 561	319 740	303 942
11	*Outflows related to derivative exposures and other collateral requirements*	31 725	31 000	30 957	30 180	31 725	31 000	30 957	30 180
12	*Outflows related to loss of funding on debt products*	0	0	0	0	0	0	0	0
13	*Credit and liquidity facilities*	3 549 661	3 453 341	3 311 300	3 161 335	319 959	306 562	288 783	273 762
14	Other contractual funding obligations	32 942	31 321	28 796	28 683	4 664	2 535	0	0
15	Other contingent funding obligations	0	0	0	0	0	0	0	0
16	TOTAL CASH OUTFLOWS					3 823 470	3 630 098	3 478 491	3 353 605
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	59 899	0	0	1 322	0	0	0	0
18	Inflows from fully performing exposures	1 630 298	1 601 001	1 493 638	1 372 028	1 470 984	1 444 640	1 340 039	1 220 622
19	Other cash inflows	8 418	20 138	30 337	30 763	8 418	20 138	30 337	30 763
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	TOTAL CASH INFLOWS	1 698 614	1 621 138	1 523 975	1 404 113	1 479 402	1 464 777	1 370 376	1 251 385
EU-20a	*Fully exempt inflows*	0	0	0	0	0	0	0	0
EU-20b	*Inflows subject to 90% cap*	0	0	0	0	0	0	0	0
EU-20c	*Inflows subject to 75% cap*	1 698 614	1 621 138	1 523 975	1 404 113	1 479 402	1 464 777	1 370 376	1 251 385
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					4 902 447	4 378 529	4 184 774	4 094 650
22	TOTAL NET CASH OUTFLOWS					2 344 069	2 165 321	2 108 115	2 102 220
23	LIQUIDITY COVERAGE RATIO					208.35%	202.06%	198.48%	194.84%

Liquidity Coverage Ratio (LCR) Calculations

(All amounts are shown in BGN thousands unless otherwise stated)

As of 31.12.2025, the high-quality liquid assets of the Bank in accordance with Regulation (EU) 2015/61 consist of coins and banknotes, withdrawable central bank reserves, central government assets and high-quality covered bonds. The liquidity buffer for the purposes of the Regulation does not include nostro accounts, overnight placements and reverse repo deals with other institutions, as these are reported in the inflows section. The total value of the liquidity buffer as of 31.12.2025 is BGN 7,127,284 thousand.

The main funding outflows of Eurobank Bulgaria consist of withdrawals from sight and term deposits, together with loan drawdowns. As of 31.12.2025, the potential stressed 30-day outflows of the Bank calculated in the LCR report are BGN 4,346,393 thousand (partially counterbalanced by BGN 1,226,774 thousand inflows). The inflows consist of monies due from clients from performing exposures. As of 31.12.2025 the biggest contributor to the inflows was monies due from financial customers to the amount of BGN 963,398 thousand or 79% of all inflows projected.

The average LCR ratio for 2025 stands at 208%. During 2025 the LCR liquidity buffer increased by 79%, mainly due to an increase in government bonds in the bank portfolio, while on the other hand net outflows increased by 27% mainly due to an increase in outflows from non-operational deposits from wholesale customers.

The main source of funding for the Bank remains retail deposits – 71% of total funding due to customers. There is a relatively low concentration in the deposit base, as the ten largest depositors (companies) comprise around 7% of all deposits as of 31.12.2025. As of 31.12.2025 the biggest source of potential outflows consists of non-operational deposits – 58% of total outflows, followed by retail deposits – 27%. The potential outflow from operational deposits is 6%. The remaining projected potential outflows include outflows from committed facilities and derivatives.

As of 31.12.2025 the currency allocation of the liquidity buffer assets is the following: 56% in EUR, 37% in BGN, 7% in USD and an insignificant amount of 0.4% in other currencies.

The top three countries in the country allocation of the liquidity buffer are Bulgaria – 60%, Italy 6% and European Union (bonds) – 6%.

The biggest exposures are towards the Bulgarian National Bank – 47% of the liquidity buffer, the government of Bulgaria – 13% and the European Union – 6%. All securities within the liquidity buffer are investment grade bonds.

Outflows related to derivative exposures do not represent a material outflow source for the Bank and include net outflows related to FX transactions – FX swaps and not yet settled FX spot transactions, with netting of inflows and outflows at counterparty level, and the estimated impact of an adverse market scenario on derivatives transactions.

Following the Bank’s aim of having a well-diversified liquidity buffer, there is no currency mismatch within the LCR framework.

Net Stable Funding Ratio (NSFR) Calculations

The NSFR requires banks to maintain a stable funding profile in relation to its on- and off-balance sheet activities. The ratio is defined as the amount of available stable funding (the portion of capital and liabilities expected to be a stable source of funding), relative to the amount of required stable funding (a function of the liquidity characteristics of various assets held).

The NSFR as of 31.12.2025 stands at 155%, or BGN 7,713,567 thousand in excess over the regulatory minimum of 100%, as compared to 148% as of 31.12.2024. The increase was primarily driven by an increase in deposits from retail customers during 2025.

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU LIQ2: Net Stable Funding Ratio – Quarter 31.03.2025:

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**2 710 439**	**0**	**0**	**215 141**	**2 925 580**
2	*Own funds*	2 710 439	0	0	215 141	2 925 580
3	*Other capital instruments*		0	0	0	0
4	Retail deposits		**11 907 289**	**645 426**	**385 710**	**12 087 834**
5	*Stable deposits*		7 848 758	244 851	206 280	7 895 209
6	*Less stable deposits*		4 058 531	400 575	179 430	4 192 625
7	Wholesale funding:		**5 390 671**	**225 952**	**1 630 916**	**3 805 863**
8	*Operational deposits*		769 015	0	0	384 508
9	*Other wholesale funding*		4 621 656	225 952	1 630 916	3 421 356
10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**248**	**264 607**	**4 082**	**70 757**	**72 798**
12	*NSFR derivative liabilities*	248				
13	*All other liabilities and capital instruments not included in the above categories*		264 607	4 082	70 757	72 798
14	**Total available stable funding (ASF)**					**18 892 075**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**189 948**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**0**	**0**	**1 973**	**1 677**
16	Deposits held at other financial institutions for operational purposes		**266 538**	**0**	**0**	**133 269**
17	Performing loans and securities:		**3 541 000**	**1 801 408**	**11 839 705**	**11 365 537**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		0	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		1 013 182	12 381	158 746	266 255
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		1 721 468	1 540 726	6 059 272	6 753 312
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		58 865	137 148	142 346	190 531
22	*Performing residential mortgages, of which:*		241 793	192 540	4 881 149	3 592 338
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		129 984	119 436	3 869 026	2 639 577
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		564 557	55 761	740 538	753 632
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**94 598**	**26 275**	**870 568**	**939 288**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*				0	0
29	*NSFR derivative assets*				0	0
30	*NSFR derivative liabilities before deduction of variation margin posted*				47 806	2 390
31	*All other assets not included in the above categories*		46 792	26 275	870 568	936 898
32	Off-balance sheet items		**1 612 810**	**777 753**	**981 278**	**183 920**
33	**Total RSF**					**12 813 639**
34	**Net Stable Funding Ratio (%)**					147.44%

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU LIQ2: Net Stable Funding Ratio – Quarter 30.06.2025:

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**2 928 673**	**0**	**0**	**215 141**	**3 143 814**
2	*Own funds*	2 928 673	0	0	215 141	3 143 814
3	*Other capital instruments*		0	0	0	0
4	Retail deposits		**12 084 454**	**849 189**	**322 098**	**12 382 671**
5	*Stable deposits*		8 085 360	320 537	201 962	8 187 564
6	*Less stable deposits*		3 999 094	528 652	120 136	4 195 107
7	Wholesale funding:		**5 574 114**	**385 065**	**1 638 402**	**3 985 924**
8	*Operational deposits*		827 137	0	0	413 569
9	*Other wholesale funding*		4 746 977	385 065	1 638 402	3 572 356
10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**4 314**	**202 517**	**4 082**	**70 757**	**72 798**
12	*NSFR derivative liabilities*	4 314				
13	*All other liabilities and capital instruments not included in the above categories*		202 517	4 082	70 757	72 798
14	**Total available stable funding (ASF)**					**19 585 207**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**200 923**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**0**	**0**	**548**	**466**
16	Deposits held at other financial institutions for operational purposes		**218 555**	**0**	**0**	**109 278**
17	Performing loans and securities:		**3 774 752**	**1 498 403**	**12 390 093**	**11 644 405**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		0	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		943 451	9 553	71 798	170 920
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		1 922 326	1 218 823	6 334 855	6 925 111
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		150 496	51 884	150 453	198 984
22	*Performing residential mortgages, of which:*		268 835	179 445	5 289 795	3 810 455
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		150 242	140 114	4 550 052	3 102 712
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		640 140	90 582	693 645	737 919
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**117 643**	**20 157**	**926 265**	**1 008 518**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*				0	0
29	*NSFR derivative assets*				0	0
30	*NSFR derivative liabilities before deduction of variation margin posted*				51 633	2 582
31	*All other assets not included in the above categories*		66 010	20 157	926 265	1 005 936
32	Off-balance sheet items		**1 654 054**	**931 455**	**971 717**	**220 495**
33	**Total RSF**					**13 184 085**
34	**Net Stable Funding Ratio (%)**					148.55%

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU LIQ2: Net Stable Funding Ratio – Quarter 30.09.2025:

		a	b	c	d	e
	(in currency amount)	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**2 930 598**	**0**	**0**	**215 141**	**3 145 739**
2	*Own funds*	2 930 598	0	0	215 141	3 145 739
3	*Other capital instruments*		0	0	0	0
4	Retail deposits		**12 648 679**	**845 203**	**322 868**	**12 902 936**
5	*Stable deposits*		8 439 429	272 048	200 843	8 476 746
6	*Less stable deposits*		4 209 250	573 155	122 025	4 426 190
7	Wholesale funding:		**5 434 652**	**487 077**	**1 595 704**	**4 011 529**
8	*Operational deposits*		706 535	0	0	353 268
9	*Other wholesale funding*		4 728 117	487 077	1 595 704	3 658 262
10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**0**	**209 003**	**4 082**	**70 757**	**72 798**
12	*NSFR derivative liabilities*	0				
13	*All other liabilities and capital instruments not included in the above categories*		209 003	4 082	70 757	72 798
14	**Total available stable funding (ASF)**					**20 133 002**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**280 817**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**9 783**	**0**	**0**	**8 316**
16	Deposits held at other financial institutions for operational purposes		**197 731**	**0**	**0**	**98 866**
17	Performing loans and securities:		**3 556 862**	**1 527 071**	**12 984 211**	**12 041 233**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		0	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		1 024 561	13 476	81 955	191 149
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		1 695 561	1 246 413	6 725 549	7 144 970
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		143 581	63 796	213 673	242 576
22	*Performing residential mortgages, of which:*		256 434	207 460	5 512 123	4 030 358
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		145 198	144 480	4 434 466	3 027 242
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		580 306	59 722	664 584	674 756
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**100 180**	**16 268**	**951 961**	**1 038 712**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*				0	0
29	*NSFR derivative assets*				321	321
30	*NSFR derivative liabilities before deduction of variation margin posted*				26 997	1 350
31	*All other assets not included in the above categories*		72 862	16 268	951 961	1 037 041
32	Off-balance sheet items		**1 875 713**	**869 903**	**960 714**	**216 453**
33	**Total RSF**					**13 684 397**
34	**Net Stable Funding Ratio (%)**					147.12%

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU LIQ2: Net Stable Funding Ratio – Quarter 31.12.2025:

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**2 932 737**	**0**	**0**	**215 141**	**3 147 878**
2	*Own funds*	2 932 737	0	0	215 141	3 147 878
3	*Other capital instruments*		0	0	0	0
4	Retail deposits		**12 809 911**	**1 557 009**	**895 027**	**14 286 850**
5	*Stable deposits*		8 464 548	767 364	604 656	9 374 972
6	*Less stable deposits*		4 345 363	789 645	290 371	4 911 878
7	Wholesale funding:		**6 085 398**	**352 667**	**1 576 124**	**4 296 278**
8	*Operational deposits*		1 185 285	0	0	592 643
9	*Other wholesale funding*		4 900 113	352 667	1 576 124	3 703 636
10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**20 471**	**206 592**	**7 392**	**55 454**	**59 150**
12	*NSFR derivative liabilities*	20 471				
13	*All other liabilities and capital instruments not included in the above categories*		206 592	7 392	55 454	59 150
14	**Total available stable funding (ASF)**					**21 790 156**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**268 352**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**9 784**	**0**	**0**	**8 316**
16	Deposits held at other financial institutions for operational purposes		**241 416**	**0**	**0**	**120 708**
17	Performing loans and securities:		**3 443 203**	**1 777 071**	**13 602 031**	**12 437 462**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		523 153	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		732 900	11 764	71 289	150 461
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		1 319 352	1 518 420	6 802 720	7 158 972
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		59 490	132 490	211 131	233 225
22	*Performing residential mortgages, of which:*		245 163	231 765	5 848 764	4 270 041
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		151 463	148 250	4 699 361	3 204 441
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		622 635	15 122	879 258	857 988
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**89 875**	**18 155**	**962 461**	**1 032 803**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*				0	0
29	*NSFR derivative assets*				0	0
30	*NSFR derivative liabilities before deduction of variation margin posted*				35 659	1 783
31	*All other assets not included in the above categories*		54 216	18 155	962 461	1 031 020
32	Off-balance sheet items		**1 446 405**	**891 879**	**1 339 351**	**208 948**
33	**Total RSF**					**14 076 589**
34	**Net Stable Funding Ratio (%)**					154.80%

(All amounts are shown in BGN thousands unless otherwise stated)

XVI. Exposures to securitisation positions

All investments are traditional securitisation and are in line with the Group's investment strategy.

The issuers of all of them are securitisation SPVs, registered in Dublin, Ireland. Except for the Cairo III securitization, Eurobank Bulgaria uses the SEC-ERBA approach for their assessment. The Group has also invested in these securitizations.

Eurobank Bulgaria benefits from the HAPS (Hellenic Asset Protection Scheme) Guarantee for its Cairo III securitization investment. The Bank has invested only in Senior (A) notes under the Cairo III project, which means that it can fully benefit from the HAPS Guarantee provided by the Greek state. The Hellenic asset protection scheme (HAPS) is established by a decision of the European Commission and regulated by the Greek Law 4649/2019. This guarantee covers the entire Cairo III exposure of the Bank and makes it risk-free.

The remaining Eurobank Bulgaria's investments in securitizations are Senior AAA notes, EUR-denominated, assessed with the highest degree of credit quality, which gives them 20% risk weight under the SEC-ERBA approach. This targeted investment is part of the Bank's excess liquidity optimization plan and has been prioritized by the local and Group's top management from a limited list of feasible investment alternatives. It also conforms to the targets for diversification and enhancement of the profitability sources.

(All amounts are shown in BGN thousands unless otherwise stated)

XVII. Leverage ratio

The leverage ratio is defined as Tier 1 capital divided by the total exposure measure and is expressed as a percentage. Total exposure measure includes all assets and off-balance sheet items not deducted from the calculation of Tier I capital. The leverage ratio should not be less than 3%. The bank submits to the regulatory authorities the leverage ratio on quarterly basis and monitors the level and the factors that affect the ratio. The level of the leverage ratio as of 31.12.2025 on individual basis significantly exceeds the 3% minimum threshold applied by the competent authorities.

The Bank has policies and procedures in place for the identification, management and monitoring of the risk of excessive leverage. Risk of excessive leverage means the risk resulting from an institution's vulnerability due to leverage or contingent leverage that may require unintended corrective measures to its business plan, including distressed selling of assets which might result in losses or in valuation adjustments to its remaining assets.

The following parameters are most important in monitoring the risk of excessive leverage:

- Value of the leverage ratio;
- The amount of Tier 1 capital and the total exposure measure;
- Threshold of the risk of excessive leverage;
- Deviation of the leverage ratio from forecasts.

The values are monitored on a quarterly basis and the risk of excessive leverage is again reported on quarterly basis. The receivers of reports on the risk of excessive leverage are the Risk Committee, the Management Board and the Supervisory Board. Reports include, among others, information on the value of leverage ratio, the threshold values for excessive leverage risk and a forecast of the risk of excessive leverage.

The leverage ratio of Eurobank Bulgaria as of 31.12.2025 is slightly lower compared to 31.12.2024, but much higher than the minimum requirement of 3%, which indicates the stability of the Bank.

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures:

		a
		Applicable amount
1	Total assets as per published financial statements	26 963 543
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	0
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	0
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	0
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	0
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	0
7	Adjustment for eligible cash pooling transactions	0
8	Adjustment for derivative financial instruments	-4 042
9	Adjustment for securities financing transactions (SFTs)	5 469
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	1 028 660
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	0
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	0
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	0
12	Other adjustments	-207 866
13	**Total exposure measure**	27 785 764

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU LR2 - LRCom: Leverage ratio common disclosure:

		CRR leverage ratio exposures	
		a	b
		31.12.2025	31.12.2024
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	26 401 351	22 524 522
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	0	0
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	0	0
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	0	0
5	(General credit risk adjustments to on-balance sheet items)	0	0
6	(Asset amounts deducted in determining Tier 1 capital)	-207 866	-152 760
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	26 193 485	22 371 762
	Derivative exposures		
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	0	0
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	0	0
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	0	0
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	0	0
EU-9b	Exposure determined under Original Exposure Method	34 997	26 696
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	0	0
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	0	0
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	0	0
11	Adjusted effective notional amount of written credit derivatives	0	0
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	0
13	**Total derivatives exposures**	34 997	26 696
	Securities financing transaction (SFT) exposures		
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	523 153	0
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
16	Counterparty credit risk exposure for SFT assets	5 469	121 914
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	0	0
17	Agent transaction exposures	0	0
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	0	0
18	**Total securities financing transaction exposures**	528 622	121 914
	Other off-balance sheet exposures		
19	Off-balance sheet exposures at gross notional amount	3 677 635	3 338 787
20	(Adjustments for conversion to credit equivalent amounts)	-2 648 975	-2 224 969
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated associated with off-balance sheet exposures)	0	0
22	**Off-balance sheet exposures**	1 028 660	1 113 818
	Excluded exposures		
EU-22a	(Exposures excluded from the ~~leverage ratio~~ total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	0	0
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	0	0
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	0	0
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	0	0
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	0	0
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	0	0
EU-22g	(Excluded excess collateral deposited at triparty agents)	0	0
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	0	0
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	0	0
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	0	0
EU-22k	(Excluded exposures to shareholders according to Article 429a (1), point (da) CRR)	0	0
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	0	0
EU-22m	(Total exempted exposures)	0	0

(All amounts are shown in BGN thousands unless otherwise stated)

		CRR leverage ratio exposures	
		a	b
		31.12.2025	31.12.2024
Capital and total exposure measure			
23	**Tier 1 capital**	2 711 435	2 553 004
24	**Total exposure measure**	27 785 764	23 634 190
Leverage ratio			
25	Leverage ratio (%)	9.76%	10.80%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	9.76%	10.80%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	9.76%	10.80%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0	0
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	Fully loaded	Transitional
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	31 942	0
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	523 153	0
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	27 294 553	23 634 190
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	27 294 553	23 634 190
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.93%	10.80%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.93%	10.80%

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures):

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	26 401 351
EU-2	Trading book exposures	4 584
EU-3	Banking book exposures, of which:	26 396 767
EU-4	Covered bonds	363 334
EU-5	Exposures treated as sovereigns	5 830 514
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	72 943
EU-7	Institutions	1 499 051
EU-8	Secured by mortgages of immovable properties	9 954 701
EU-9	Retail exposures	4 381 623
EU-10	Corporates	2 362 820
EU-11	Exposures in default	171 588
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	1 760 193

XVIII. Encumbered and unencumbered assets

An asset is considered encumbered if it has been pledged or if it is subject to any form of arrangement to secure, collateralize or credit enhance any transaction from which it cannot be freely withdrawn and used for funding purposes. The Bank utilizes liquid assets in the form of pledge or collateral for the following activities:

1. *To secure the state-budget organization deposits with the Bank:*

The Bank attracts deposits from central government entities and municipalities and fulfills the corresponding obligations for securing the funds with government securities.

2. *As credit enhancement on derivatives transactions with international counterparties under ISDA/CSA agreements:*

The Bank has established lines with international counterparties for derivative instruments, under ISDA (International Swaps and Derivatives Association) and CSA (Credit Support Annex) agreements, where the Bank may pledge cash collateral. Globally, the derivatives markets are governed by ISDA, the association that sets best practices, promotes effective and secure derivatives markets facilitating effective risk management for all participants. The association has proven to be a source of robust and safe documentation, which greatly reduces the legal and credit risks through the principles of netting and collateralization.

3. *Under interbank repo transactions:*

The Bank is also participating in the collateralized interbank deposit market and utilizes repo instruments for attracting or providing liquidity against securities collateral. The repo deals volume, where securities are exchanged for funds, is set in consideration of the counterparty limits available, the acceptable leverage levels and the current liquidity strategy and needs of the Bank. The securities utilized for repo remain in the Bank's balance sheet while being blocked in the corresponding portfolio.

(All amounts are shown in BGN thousands unless otherwise stated)

4. *Under securities lending transactions with international counterparties:*

The Bank lends on a limited basis fixed income securities to international counterparties in order to generate extra income and improve profitability. Securities lent are retained on the bank's financial statements, as the Bank retains all the risks and rewards of the ownership. The eligible counterparties for securities lending are authorized via credit limit establishment by the Financial Institutions Credit Risk unit of the Group. Transactions are executed under Global Master Securities Lending Agreement framework signed with the counterparties.

5. *Under wholesale funding transactions as credit enhancement:*

The Bank is a partner institution to local and international financial institutions (EBRD, EIF, IFC, BDB, NGF, etc.) in the implementation of various on-lending and risk-sharing programs. In some specific programs the Bank may have a contractual obligation to pledge the loans from the created portfolio in favor of the financing institution or may elect to pledge collateral in the form of government securities to obtain better terms on the transaction.

The Bulgarian banking system and Eurobank Bulgaria in particular is characterized by a very low level of asset encumbrance. As of 31.12.2025 the encumbered assets represent 2,30 % of total assets of the Bank. During the following three-year period the Bank does not plan significant changes in the ratio of encumbered assets to total assets.

The Bank's guideline on encumbrance risks, which forms a separate chapter within the Bank's overall liquidity guideline framework, defines the asset encumbrance limit (target range) and the related strategy as follows:

AE % = (Encumbered assets and collateral received and reused) / (Total assets and collateral received) ≤ 15%

This ratio represents the core metric for measuring the level of asset encumbrance and is defined in Commission Implementing Regulation (EU) No 2015/79.

In addition to its liquid assets, the Bank mobilized part of its illiquid mortgage loan portfolio as coverage for its first covered bond issued in Q3 2025. The bond is rated Aa1 by Moody's, is ECB-eligible and has further strengthened the Bank's liquidity buffer.

In compliance with EU regulatory and reporting framework, the cover pool portfolio will not be reported as encumbered as long as the bond is retained by the Bank and is not pledged.

XIX. Remuneration policy

Eurobank Bulgaria AD, as part of Eurobank S.A. Group, has established a Remuneration Policy that is applicable to all Bank employees and covers their total remuneration. The Remuneration Policy forms an integral part of the Bank's corporate governance practice and is developed in accordance to its operational model, business strategy, objectives and long-term interests of the Bank as well as the long-term value creation for shareholders and incorporate measures to avoid conflict of interest.

Also, the Remuneration Policy promotes sound and effective risk management and is consistent with the objectives of the Bank's business and risk strategy, corporate culture and values, risk culture, with regard to environmental, social and governance (ESG) risk factors, including long term interests of the Bank and the measures used to avoid conflicts of interest and should not encourage excessive risk-taking on behalf of the Bank.

Changes of such objectives and measures are considered when updating the Remuneration Policy. The Bank ensures, that remuneration practices are aligned with their overall risk appetite, considering all risks, including climate-related & environmental risks reputational

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risks as well as risks resulting from the mis-selling of products or services. The Bank also considers the long-term interests of shareholders.

Accordingly, the operating standards and mechanisms which have been adopted ensure that the levels of remuneration are directly linked to results and desired behaviours.

The Remuneration Policy has been drafted and is being implemented in accordance with Ordinance No. 4 of 21 December 2010 on the Requirements for Remunerations in Banks, issued by Bulgarian National Bank, as in force, EBA Guidelines (EBA/2021/04) on sound Remuneration Policies under Directive 2013/36/EU and Commission Delegated Regulation (EU) 2021/923.

Employees falling within the scope of the Remuneration Policy:

- The individuals who have a material impact on the Bank's risk profile ("Identified Staff" / "MRTs"); and
- All other staff (included in payroll)

Furthermore, the general principles of sound remuneration practices apply to the remuneration for persons working on behalf of Bank (e.g., affiliated representatives). Should the Bank appoint such persons, the general principles of the remuneration policy will apply, ensuring that the payments made are not providing any incentive for excessive risk taking or the mis-selling of products.

Related policies and procedures linked to the remuneration process:

- Performance Management Policy
- Variable Remuneration Framework
- MRTs' Identification Procedure
- Remuneration Disclosures Instructions
- Benefits and Business-Related Components Policy Framework

The Supervisory Board approves and periodically reviews the Remuneration Policy and is responsible for overseeing its implementation.

The governance framework includes, in addition to the Remuneration Committee and Supervisory Board, the active involvement of the Risk Committee, Human Resources, Risk Management and Compliance functions, ensuring alignment with the Bank's risk profile, capital and liquidity position.

The Remuneration Committee assists the Supervisory Board regarding the drafting, revision and implementation of the Remuneration Policy and makes relevant recommendations.

The Remuneration Committee is established in such a way as to be able to offer specialized and independent advice regarding the Remuneration Policy and its implementation and the incentives created for managing risk, capital and liquidity. To this end, the Bank's Remuneration Committee consists of 3 Supervisory Board members. During 2025, the Remuneration Committee consisting of two Independent Members of the Supervisory Board and Deputy CEO of Eurobank Group held five meetings.

The implementation of the Remuneration Policy is subject to annual internal audit review from the Internal Audit Unit and Eurobank Group Internal Audit. Internal Audit's findings and proposals for potential revision of the Remuneration Policy are reported to the Remuneration Committee.

This Remuneration Policy of the Bank has established a competitive remuneration framework in order to attract, engage and retain its employees. Its basic principles are to:

- ✓ The Remuneration policy is gender neutral and non-discriminatory in any aspect of its implementation.
- ✓ Safeguard that remuneration is sufficient to retain and attract executives with appropriate skill and experience.

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- ✓ Monitor that internal equity between all Units is applied.
- ✓ Avoid excessive risk taking.
- ✓ Link remuneration with long-term performance.

The continuous monitoring of market trends and best practices at a domestic and global level, ensures a competitive Remuneration Policy that is governed by transparency and internal equity.

The Bank has adopted a remuneration framework based on a two-dimensional banding structure for each position:

- ✓ Career Family, depending on the nature of business (for example IT, Finance).
- ✓ Band, which is linked to position requirements, range of responsibilities and professional experience.

The Bank performs an annual gender pay gap analysis across staff categories, the results of which are reviewed by the Remuneration Committee and appropriate actions are taken where required.

Remuneration policy covers all levels of the organization and all categories of employees of the Bank, in compliance with Ordinance №4 of the Bulgarian National Bank and complies with all the principles regarding this Ordinance. In this respect, Remuneration policy is accessible to all employees. Every newly appointed employee gets acquainted with the criteria for appraisal and their connection with remuneration during their initial Induction Training Course.

The employees who have a material impact on the Bank's risk profile according to the EU Regulation 604/2014 are the following:

(I) <u>Qualitative Criteria</u>

1. Member of the management body in its supervisory function.
2. Member of the management body in its management.
3. Member of the senior management.
4. Employees with managerial responsibility for the activities of the independent risk management function, compliance function or internal audit function.
5. Employees with managerial responsibility over the Bank's material business unit or with a significant impact on the risk profile of a material business unit.
6. Employees with managerial responsibility for:
   - (i) legal affairs;
   - (ii) the soundness of accounting policies and procedures;
   - (iii) finance, including taxation and budgeting;
   - (iv) performing economic analysis;
   - (v) the prevention of money laundering and terrorist financing;
   - (vi) human resources;
   - (vii) the development or implementation of the remuneration policy;
   - (viii) information technology;
   - (ix) information security;
   - (x) managing outsourcing arrangements of critical or important functions as referred to in Article 30(1) of Commission Delegated Regulation (EU) 2017/565(7);
7. Employees who are responsible for, or are members of Committees responsible for the management of a risk category:
   - (i) Credit and counterparty risk;
   - (ii) Residual Risk;
   - (iii) Concentration Risk;
   - (iv) Securitization Risk;
   - (v) Market risk;
   - (vi) Interest Risk arising from non – trading book activities;

(vii) Non-financial risk (i.e., operational risk, conduct risk etc.);
(viii) Liquidity Risk Operational Risk;
(ix) Risk of excessive leverage;
(x) Climate-related and environmental risk;
(xi) Compliance and AML risk;

8. With regard to credit risk exposures of a nominal amount per transaction which represents 0.5% of the Bank's Common Equity Tier 1 capital and at least € 5 million:
   (i) Employees who have the authority to take, approve or veto decisions on such credit risk exposures;
   (ii) Employees who are voting members of a committee which has the authority to take the decisions as referred to in point (i) of this point (8);
9. Employees who individually or, as members of Committees, have authority to take, approve or veto a decision on transactions on the trading book which in aggregate meet one of the following thresholds:
   (i) where the standardized approach is used, an own funds requirement for market risks which represents 0.5% or more of the Bank's Common Equity Tier 1 capital; or
   (ii) where an internal model-based approach is approved for regulatory purposes, 5% or more of the Bank's internal value-at-risk limit for trading book exposures at a 99% ;
10. Employees who head a group of staff who have individual authorities to commit the Bank to transactions and either of the following conditions is met:
   (i) the sum of those authorities equals or exceeds the threshold referred to in point (8)(i) or in point (9)(i);
   (ii) where an internal model-based approach is approved for regulatory purposes, those authorities amount to 5 % or more of the Bank's internal value-at-risk limit for trading book exposures at a 99th percentile (one-tailed confidence interval level); where the Bank does not calculate a value-at-risk at the level of that employee, the value-at-risk limits of staff under the management of this employee shall be added up;
11. Employees meet either of the following criteria with regard to decision on approving or vetoing the introduction of new products:
   (i) Employees have authority to take such decisions;
   (ii) Employees have a voting member of a committee that has authority to take such decisions.
12. All employees equivalent to "Band E+" - The criterion is an internally defined criterion

(II) Quantitative Criteria

1. Employees' total remuneration is equal to or greater than € 750,000 (on an solo level and consolidated basis);
2. Employees' total remuneration is within the 0.3% of the employees, rounded up to the next integer, who have been awarded the highest total remuneration in the preceding financial year (on an solo basis);
3. Employees' total remuneration is equal to or greater than € 500,000 and equal to or greater than the average total remuneration of of all members of the MB/SB and senior management;
4. Employees were awarded total remuneration of € 1,000,000 or more in or for the preceding financial year.

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Fixed Remuneration General Principles

Fixed remuneration is gender neutral, permanent, predetermined, non-discretionary, transparent and non-revocable. Fixed remuneration reflects primarily the relevant professional experience of the employee taking into account the educational level, experience, the degree of seniority, the level of expertise and skills, the constraints (e.g. social, economic, cultural or other relevant factors) the nature of the employment contract (e.g. temporary or with an indefinite period) and the position's functional requirements. In addition, fixed remuneration does not provide incentives for risk assumption and it is not subject to malus and clawback arrangements.

Benefits and Business-Related Components.

The Bank may offer various benefits and allowances to its employees and their families in line with the approved Benefits' Framework. Benefits are the types of compensation provided to employees to ensure market competitiveness in accordance with local market practice (e.g., pensions, medical insurance, life insurance).

The Benefits and Business-Related Components Framework (types of benefits, coverage, etc.) is approved by Remuneration Committee following proposal by Human Resources.

The benefits and allowance offered to employees are assimilated to the fixed component of remuneration as they are linked to the job / role description and not to the performance of the employee. They include the following types of financial and non-financial benefits:

- Benefits subject to Collective Labor Agreements.
- Allowances stemming from the local labor laws; and
- Business Related Benefits (treated as expenses, to support the employees in the carry-out of their business responsibilities).

The benefits / allowances remuneration package for all employees is in line with the approved annual staff costs budget under the responsibility of Human Resources. Some benefits / allowances are considered expenses for the Bank, not part of the payroll process and therefore, are excluded from the overall calculation of the fixed part of remuneration and excluded from the calculation of the ratio between fixed and variable remuneration for staff.

Variable Remuneration General Principles

The Bank may provide variable remuneration in order to reward employee performance in alignment with unit and / or Bank performance taking into consideration the general principles set below.

Variable remuneration includes both standard and non-standard components, such as retention awards and severance payments, applied in line with regulatory requirements and risk alignment principles.

The amount of variable remuneration awarded appropriately reflects changes of the performance of the employees, the business unit and the Bank overall. In such variable remuneration schemes, the Bank specifies how the variable remuneration reacts to performance changes and the performance levels. This also includes performance levels where variable remuneration decreases down to zero.

As a result, it is upon Bank's discretion to award variable remuneration to employees as long as financial sustainability is maintained. The Bank has the right to partly or fully revoke the distribution of variable remuneration to its employees.

The total variable remuneration pool, as well as, the distribution parameters used for its allocation among different business units, should be determined after taking into consideration the following parameters:

- ➢ Eurobank's, the Bank's and business units' profitability.

(All amounts are shown in BGN thousands unless otherwise stated)

➢ The cost of tied-up capital which is associated to risks undertaken (credit, market, operational, liquidity, reputational and other risk) spread over a period of time, and is calculated based on the existing regulatory framework.

➢ Key developments in terms of credit risk, liquidity risk and market risk which further adjust the Bank's total variable remuneration pool.

➢ Additional criteria for measuring the effectiveness and efficiency of employees which include qualitative factors (qualifications, skills, compliance with Bank's policies, contribution to the unit's performance, and personal competencies such as continuous improvement, customer orientation, team spirit, change leadership and people management) as well as factors related to the management of risks undertaken.

The variable remuneration pool allocated to each business unit, should be further adjusted through additional unit specific risk parameters (such as provisions from nonperforming loans, Value at Risk, credit, market & liquidity risk, losses incurred by fraud, etc.) thus stressing the importance of the prudent management of such risks.

In case that the Bank grants variable remuneration to its employees the appropriate risk alignment process should be followed as per the respective EBA Guidelines (EBA/2021/04) on sound Remuneration Policies under Directive 2013/36/EU. The Bank reserves the right to apply malus or clawback arrangements to the variable remuneration awarded to employees.

The remuneration guidelines differentiate between the requirements applicable to all employees and requirements applicable to identified employees. As identified employees have a higher impact on the risk profile it is appropriate that more stringent remuneration policies are applied. Consequently, in cases where variable remuneration is awarded to identified employees, according to the EU Regulation 923/2021 additional requirements are applied to the variable remuneration amounts (as described in Section "Variable Remuneration for Identified Staff").

At Bank level, the following types of variable remuneration have been defined:

Variable remuneration components	Timeframe
Incentive Schemes	Short term
Annual bonus	Medium term
Long Term Incentive Plan (LTIP)	Long term
Non-standard components	Specific conditions

Ratios

Provided that variable remuneration is awarded to identified staff, the following rules should apply:

➢ The variable component cannot exceed 100% of the fixed component of the total remuneration.

➢ The Bank's Annual General Meeting may approve a higher maximum level of the ratio between the fixed and variable components of remuneration provided the overall level of the variable component shall not exceed 200% of the fixed component of the total remuneration for each individual and according to the process described under the applicable principles and practices of the Group as well as under Art. 3a of Ordinance No. 4 of 21 December 2010 on the Requirements for Remunerations in Banks issued by the governor of Bulgarian National Bank.

➢ Currently the Bank uses the same ratio for all categories of employees (100%). If different ratios will be used for different categories of employees (but below the overall ratio approved by shareholders' meeting), the management body in its supervisory function (Non-Executive Directors of the Board) should approve this.

The competent authority will be informed about the increase (higher than 100% level) / reduction of the higher maximum ratio, without delay (within five working days) also

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considering the necessary documentation needed for submission to the competent authority.

➢ The effective ratio is calculated as the sum of all variable components of remuneration that have been awarded for the last performance year as set out in this Remuneration Policy divided by the sum of fixed elements of remuneration awarded for the same performance year.

➢The employee benefits and business-related components, which are considered as fixed remuneration, are not included in the overall ratio calculation, (pursuant to Art. 207 of the EBA Guidelines EBA/GL/2021/04).

➢The Bank currently uses a yearly performance accrual period. Should multi-year accrual periods be implemented, the Bank should obtain the Remuneration Committee' approval and will take into account in each year of the performance period the maximum amount of variable remuneration that is awarded at the end of the performance period divided by the number of years of the performance period.

➢ The ratio between the variable and fixed remuneration components is set independent of any potential future ex post risk adjustments or fluctuation in the price of instruments. If the notional discount will be used, the implementation will consider the local laws provisions, including Art. 212 of the EBA Guidelines EBA/GL/2021/04.

The variable component is subject to deferral in accordance with principles set in the Remuneration policy.

The Bank has developed a remuneration framework that is based on total remuneration ranges that differ among hierarchical levels and nature of business. Total remuneration ranges are reviewed annually taking into consideration market trends and current legal requirements.

Additionally, the Bank has in place incentive schemes addressed to employees aiming at:

➢ Supporting the goals of the organization by aligning employee goals with them;

➢ Motivating employees to increase individual / Unit performance;

➢ Improving retention; and

➢ Emphasizing the importance of teamwork in achieving Group goals

➢ Motivation of professional behavior and individual influence on the final results, measured by the following behaviors:

- ✓ learn & self-improve with every opportunity
- ✓ bring high impact results
- ✓ build mutually beneficial relationships when I interact with clients or colleagues
- ✓ bring people around to my idea, solution or direction
- ✓ develop future proof solutions, minimize complexity
- ✓ gain other people's trust.

It should be noted that incentive schemes parameters ensure that employees are not rewarded in a way that constitutes a conflict to the Bank's Policy to protect its customers. More specifically, incentive schemes are designed to discourage risk taking that exceeds the tolerated risk of the Bank. Employees are not provided with incentives that would encourage them to propose to customers specific financial instruments instead of other instruments that would best serve the customers' needs.

The Incentive Schemes' payouts are directly linked to the Business Units' profitability results (for example lending balances and profitability, liquidity, portfolio quality) or NPE's reduction as well as operating expenses' containment cascading down to the individuals' targets and in line with the Bank's principles on variable remuneration as stated in this document.

(All amounts are shown in BGN thousands unless otherwise stated)

It should be noted that an important part of our newly prepared Variable Remuneration Framework contains a large section with instructions and best practices for creating appropriate measurements and performance criteria.

It should be noted that employees engaged in control functions are independent from the business units they oversee, have appropriate authority, and are remunerated in accordance with the achievement of the objectives linked to their functions, independent of the performance of the business areas they control.

In order to ensure adequate transparency to the market of the remuneration structures and the associated risks, the Bank discloses the remuneration policies and practices. For reasons of confidentiality, the Bank delivers aggregated amounts for those members of the management body, whose professional activities have a material impact on the risk profile of the Bank.

In general, the Policy is in line with the business strategy and risk tolerance of the Bank and Eurobank Group, their objectives, values and long-term interests, as well as with all indicated norms and rules of the Bulgarian National Bank and the European structures concerning local remuneration policies.

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU REM1 - Remuneration awarded for the financial year:

			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	7	7	16	29
2		Total fixed remuneration	698	3 123	3 527	3 778
3		Of which: cash-based	698	2 906	3 295	3 528
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests	0	0	0	
5		Of which: share-linked instruments or equivalent non-cash instruments	0	0	0	
EU-5x		Of which: other instruments	0	0	0	
6		(Not applicable in the EU)				
7		Of which: other forms	0	217	232	250
8		(Not applicable in the EU)				
9	Variable remuneration	Number of identified staff	0	7	16	22
10		Total variable remuneration	0	3 775	2 484	915
11		Of which: cash-based	0	1 887	1 242	715
12		Of which: deferred	0	1 132	621	100
EU-13a		Of which: shares or equivalent ownership interests	0	0	0	0
EU-14a		Of which: deferred	0	0	0	0
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments	0	1 887	1 242	200
EU-14b		Of which: deferred	0	1 132	621	100
EU-14x		Of which: other instruments	0	0	0	0
EU-14y		Of which: deferred	0	0	0	0
15		Of which: other forms	0	0	0	0
16		Of which: deferred	0	0	0	0
17	Total remuneration (2 + 10)		698	6 898	6 011	4 693

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff):

		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff	0	0	0	0
2	Guaranteed variable remuneration awards -Total amount	0	0	0	0
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff	0	0	0	0
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	0	0	0	0
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff	0	0	0	0
7	Severance payments awarded during the financial year - Total amount	0	0	0	0
8	Of which paid during the financial year	0	0	0	0
9	Of which deferred	0	0	0	0
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap	0	0	0	0
11	Of which highest payment that has been awarded to a single person	0	0	0	0

(All amounts are shown in BGN thousands unless otherwise stated)

Template EU REM3 - Deferred remuneration:

		a	b	c	d	e	f	EU - g	EU - h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function						-		
2	Cash-based						-		
3	Shares or equivalent ownership interests						-		
4	Share-linked instruments or equivalent non-cash instruments						-		
5	Other instruments						-		
6	Other forms						-		
7	MB Management function	3 227	795	2 431	0	0	694	627	232
8	Cash-based	1 258	283	975	0	0	0	283	0
9	Shares or equivalent ownership interests	1 806	413	1 392	0	0	694	245	168
10	Share-linked instruments or equivalent non-cash instruments	163	99	63	0	0	0	99	63
11	Other instruments	0	0	0	0	0	0	0	0
12	Other forms	0	0	0	0	0	0	0	0
13	Other senior management	394	106	288	0	0	60	71	35
14	Cash-based	197	52	145	0	0		52	0
15	Shares or equivalent ownership interests	197	54	143	0	0	60	19	35
16	Share-linked instruments or equivalent non-cash instruments	0	0	0	0	0	0	0	0
17	Other instruments	0	0	0	0	0	0	0	0
18	Other forms	0	0	0	0	0	0	0	0
19	Other identified staff	0	0	0	0	0	0	0	0
20	Cash-based	0	0	0	0	0	0	0	0
21	Shares or equivalent ownership interests	0	0	0	0	0	0	0	0
22	Share-linked instruments or equivalent non-cash instruments	0	0	0	0	0	0	0	0
23	Other instruments	0	0	0	0	0	0	0	0
24	Other forms	0	0	0	0	0	0	0	0
25	Total amount	3 621	902	2 719	0	0	755	698	267

Template EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff):

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			**Business areas**						-
		MB Supervisory function	**MB Management function**	**Total MB**	**Investment banking**	**Retail banking**	**Asset management**	**Corporate functions**	**Independent internal control functions**	**All other**	**Total**
1	**Total number of identified staff**										59
2	**Of which: members of the MB**	7	7	14							
3	**Of which: other senior management**				1	5	0	9	1	0	
4	**Of which: other identified staff**				2	5	0	7	15	0	
5	**Total remuneration of identified staff**	698	6 898	7 595	727	3 113	0	4 100	2 762	0	
6	**Of which: variable remuneration**	0	3 775	3 775	313	1 044	0	1 467	574	0	
7	**Of which: fixed remuneration**	698	3 123	3 821	414	2 069	0	2 633	2 188	0	

(All amounts are shown in BGN thousands unless otherwise stated)

XX. Internal Capital Adequacy Acessment Process (ICAAP)

In the context of the ICAAP performed at Eurobank Bulgaria, the objective is to identify and assess risks that are inherent in the Bank's business model, determine their materiality and allocation, evaluate risk monitoring and risk mitigation processes and quantify the relevant internal capital charge where appropriate so as to ensure the ongoing capital adequacy of the Bank versus its risk profile.

In order to accomplish these objectives, the ICAAP leverages upon and integrates the Bank's well-established activities on risk, capital and performance management, including in particular planning and monitoring, while also continuously refining its approach to ensure high standards of capital assessment and management.

The Bank's Management Board has the ultimate responsibility for the ICAAP both in terms of its design and its results. The ICAAP is also presented to the Risk Committee and the Supervisory Board. The Risk Committee also ensures that the Bank has a well- defined Risk Strategy and Risk Appetite Framework. Prior to its approval, the Management Board and the senior management discuss and challenge the ICAAP in an effective way.

Moreover, acting as an evaluation mechanism of the Bank's entire risk management framework, an integral component of ICAAP is the identification, assessment and quantification of current and emerging risks in terms of their materiality for the Bank, thus allowing the organization to focus its resources and management attention to those risks that could potentially threaten its business or capital standing and ensuring that all material risks are properly managed and monitored.

Material risks are evaluated qualitatively and quantitatively, as appropriate. The aggregation of the individual capital charges comprises the Bank's total internal capital requirement, meaning the amount of capital the Bank needs to hold for the purpose of absorbing unexpected losses deriving from its risk profile.

All categories of material risks are appropriately managed and the relevant frameworks are regularly evaluated in order to identify ways of strengthening the risk management structure, enhance existing policies, establish new mitigation techniques and improve the internal calculation of capital requirements. Risk and capital management responsibility, including compliance with regulatory requirements and corporate policies, lies with the Bank's senior management.

The Bank uses the regulatory capital requirements as a starting point for the internal determination of its capital requirements ("internal capital"), adjusting for additional capital where appropriate. Compared to regulatory capital requirements, "internal capital" takes into account a wider range of risks and utilizes more sophisticated calculation approaches.

All key risks are captured within the ICAAP and provide sufficient information for the review, adjustment and development of the appropriate policies, controls, methodologies, monitoring and governance frameworks.

Regular scenario-based simulations and stress tests are also used in order to assess specific risks as well as the overall risk profile.

(All amounts are shown in BGN thousands unless otherwise stated)

XXI. Appendices

1. Index of EBA Templates