

BCR GROUP DISCLOSURE REPORT H1 2025

*Pursuant to NBR
Regulation no.5/2013 on
prudential requirements
for credit institutions, as
further amended and
Part Eight of the Capital
Requirements
Regulation (EU) no.
575/2013 (CRR) on
prudential requirements
for credit institutions
and investment firms*

*Incorporated in
Romania*

*Trade Register
J1991000090407*

*Unique Registration
Code 361757*

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www.bcr.ro

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1 Introduction

The provisions of the NBR Regulation no. 5/2013 on prudential requirements for credit institutions, with subsequent amendments, and Regulation (EU) No 2024/1623 (CRR3), amending Regulation (EU) No 575/2013 (CRR), as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor, valid from January 1, 2025, apply to BCR Group, hereinafter referred to as BCR Group. This Report is prepared on a consolidated basis (IFRS) according to NBR's Regulations. All information herein is presented as of June 30th, 2025, unless otherwise stated.

Following an overall frequency assessment of all Pillar 3 disclosures this half-year Pillar 3 Report provides principally an update to the areas mentioned below, which are also in line with the recommendations provided by the European Banking Authority ("EBA") in its Final Report – Final draft implementing technical standards on public disclosures by institutions of the information referred to in titles II and III of Part Eight of Regulation (EU) No. 575/2013 (EBA/ITS/2024/05) and Regulation EU 2024/1623 of the European Parliament and of the Council of 31 May 2024.

Considering the above, areas which require semi-annual disclosures to be provided are as follows:

- Information on comparison of own funds and capital and leverage ratios
- Information on the overview of risk-weighted exposure amount
- Information on the institution key metrics
- Information on minimum requirement for own funds and eligible liabilities (MREL)
- Information on risk exposures and credit quality
- Information on exposures to counterparty credit risk
- Information on countercyclical capital buffers
- Information on the use of credit risk mitigation techniques
- Information on the use of the standardised approach
- Information on the use of the IRB approach to credit risk
- Information on market risk
- Information on the interest rate risks of non-trading book activities
- Information on the institution's LCR, its liquidity buffers, cash outflows, cash inflows and high-quality liquid assets, complemented by qualitative information
- Information on ESG Risks.

Apart from areas covered by Pillar 3 framework under EBA/ITS/2024/05, there are few additional areas which also require half-year disclosures to be provided, as follows:

- EBA/ITS/2021/07 – Final Report – Draft implementing standards amending Implementing Regulation (EU) No 637/2021 on disclosure of information on exposures to interest rate risk on positions not held in the trading book in accordance with art. 448 of Regulation (EU) No 575/2013.
- EBA/ITS/2022/01 – Final draft implementing technical standards on prudential disclosures on Environmental, Social and Governance risks (ESG) in accordance with Article 449a CRR. Such ITS was adopted by the European Commission and published on the Official Journal with the Implementing Regulation (EU) 2022/2453 of 30 November 2022, amending the Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (ESG).
- Art. 45i of the Directive (EU) 2019/879 (BRRD), as well as the requirements defined in the Commission Implementing Regulation (EU) 2021/763 ('Implementing technical standards (ITS) on disclosures and reporting on MREL and TLAC') amended by Commission Implementing Regulation (EU) 2024/1618.

For the full set of information please refer to "BCR GROUP DISCLOSURE REPORT 2024" which is available on the BCR Group website (<https://www.bcr.ro/en/investors/transparency-and-public-disclosure>).

Additional information on the financial and operational result of BCR Group is presented in the Interim Condensed Financial Statements Consolidated and Separate – Unaudited - 30 June 2025, hereinafter referred to as BCR Group Report. The BCR Group Report is available on the website of BCR Group (<https://www.bcr.ro/en/investors/financial-reports>).

2 Overview of non-applicable disclosures

The following table provides an overview of the CRR 3 Articles that are not covered by the Disclosure Report nor included in other reports as mentioned above, along with an explanation regarding the reason for their non-applicability.

1 Non-applicable CRR 3 articles

CRR article number	Article description	Reason for non-applicable disclosure	Non-applicable templates
453 (j)	IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques	Not applicable as BCR Group does not use credit derivatives as credit risk mitigation technique	Template EU CR7
438 (e)	Disclosure of specialised lending	BCR Group calculates the risk-weighted exposure amounts under Standardized approach for Specilized Lending	Template EU CR10
439 (j)	Disclosure of credit derivatives exposures	BCR Group has no credit derivatives in its portfolio.	Template EU CCR6
438 (h)	Disclosure of RWEA flow statements of CCR exposures under the IMM	Not applicable as BCR Group doesn't have CCR under IMM (Internal Model Method)	Template EU CCR7
439 (i)	Disclosure of exposure to counterparty credit risk - Exposures to CCPs	BCR Group does not have exposures towards central counterparties.	Template EU CCR8
449 (j-l)	Disclosure of exposures to securitisation positions	BCR Group does not have any exposure to securitisations in its portfolio.	Template EU SEC1 Template EU SEC2 Template EU SEC3 Template EU SEC4 Template EU SEC5
455 (d), (e), (g) and (h)	Market risk under the internal Model Approach (IMA)	Not applicable as BCR does not use IMA approach.	Template EU MR2-A Template EU MR2-B Template EU MR3 Template EU MR4
445 (1), (2) and (3)	Disclosure of the use of the standardised approach and of the alternative internal models for market risk	The templates remain delayed due to the postponed implementation of FRTB (Fundamental Review of the Trading Book).	EU MR1 - Market risk under the alternative standardised approach (ASA) EU MR2 - Market risk under the alternative internal model approach (AIMA) EU MR3 - Market risk under the simplified standardised approach (SSA)
438 (d) and (h), 445a	Disclosure of credit valuation adjustment risk under the Standardised Approach (SA)	Not applicable as BCR Group uses Reduced Basic Approach for CVA	Template EU CVA4

3 Own funds

DISCLOSURE REQUIREMENT COVERED BY: ART. 437 (a) CRR 3

For the disclosure of own funds, BCR Group follows the requirements under Article 437 CRR 3. Based on the requirements defined by the European Bank Authority in the Implementing Technical Standards, the following information must be provided:

- A full reconciliation of CET1 items, Additional Tier 1 (AT1) items, Tier 2 (T2) items and filters and deductions applied pursuant to Articles 32 to 36, 56, 66 and 79 to own funds of the institution's statement of the financial position in the unaudited financial statements in accordance with Article 437 (a) CRR 3.

CRR Statement of financial position

Starting with 31.12.2024, BCR Group presents the same consolidation perimeter for both:

- Prudential consolidation perimeter in accordance with articles 18 and 19 from CRR 3 and
- Accounting consolidation perimeter in accordance with IFRS 10 Consolidated Financial Statements.

The table below presents the information regarding the consolidation method applied for each entity according to accounting and prudential perimeters:

2 Template EU LI3 – Outline of the differences in the scopes of consolidation (entity by entity)

a	b	c	d	e	f	g	h
Name of the entity	Method of accounting consolidation	Method of prudential consolidation				Deducted	Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted		
Banca Comerciala Romana	Full consolidation	X					Credit institution
BCR Banca pentru Locuinte	Full consolidation	X					Credit institution
BCR Leasing	Full consolidation	X					Other Financial Corporation - Finance Leasing
BCR Pensii	Full consolidation	X					Other Financial Corporation - Administrator of Pension Fund
Suport Colect	Full consolidation	X					Non Financial Corporation - ancillary services undertaking
BCR Payments Services	Full consolidation	X					Other Financial Corporation
BCR Fleet Management	Full consolidation	X					Other Financial Corporation - ancillary services undertaking
BCR Social Finance	Equity method			X			Other Financial Corporation
CIT ONE	Equity method			X			Non Financial Corporation - ancillary services undertaking

Consideration of consolidation methods for the calculation of consolidated own funds according to the CRR 3

The amounts that are used as the basis for the calculation of own funds are based on the definition of the regulatory scope of consolidation pursuant to the CRR 3. Amounts that relate to the own share as well as to the minority interest in fully consolidated entities are therefore determined based on the regulatory scope of consolidation according to CRR 3.

Consideration of non-consolidated financial sector entities and deferred tax assets that rely on future profitability arising from temporary differences within the calculation of consolidated common equity tier 1 of BCR Group

Carrying amounts representing the investments in financial sector entities have to be deducted from the own funds based on the requirements as defined in Articles 36 (1) (h), Article 45 and Article 46 CRR 3 for non-significant investments and Articles 36 (1) (i) CRR 3, Article 43 and Article 45 CRR 3 for significant investments. For these purposes, non-significant investments are defined as investments in financial sector entities in which the participation is equal to or less than 10% of common equity tier 1 (CET 1) of the relevant financial sector entities, while significant investments are defined as investments that are above 10% of the common equity (CET 1) of the relevant financial sector entities.

To determine the participation in the relevant financial sector entities, these participations are calculated based on the direct, indirect and synthetic holdings in the relevant entities.

According to Article 46 (1) CRR 3, holdings in non-significant investments have to be deducted only if the total amount for such investments exceeds a defined threshold of 10% in relation to CET1 of the reporting institution. Deduction shall be applied to the amount that exceeds the 10% threshold. Amounts that are equal to or less than 10% of the CET1 of the reporting institution are considered within the RWAs based on the requirements from art. 46 (4) CRR.

For the deduction of significant investments in the CET1 of financial sector entities, a threshold is defined in Article 48 (2) CRR 3. According to Article 48 (2) CRR 3, significant investments in the CET1 of financial sector entities shall only be deducted if they exceed 10% of the CET1 of the reporting institution. If the 10% threshold is exceeded, the deduction is limited to the amount by which the defined threshold is exceeded. The remaining amount has to be considered within the calculation of the RWAs. The risk weight (RW) is defined at 250% according to Article 48 (4) CRR 3.

A 10% threshold related to the CET1 capital of the reporting institution is applied for deferred tax assets that rely on future profitability arising from temporary differences according to Article 48 (3) CRR 3. In case the amount for deferred tax assets that rely on future profitability that arise from temporary differences exceeds the threshold of 10% of CET1 of the reporting institution the exceeding amount has to be deducted from the CET1 of the reporting institution. The amount that is equal to or less than the threshold as defined in Article 48 (3) CRR 3 has to be considered within the calculation of RWAs with a 250% RW according to Article 48 (4) CRR 3.

In addition to the aforementioned thresholds, a combined threshold for the deduction of significant investments according to Article 36 (1) (i) CRR 3 and for deferred tax assets that rely on future profitability and arise from temporary differences according to Article 36 (1) (c) CRR 3 as well as according to Article 38 CRR 3 is defined in Article 48 (2) CRR 3. The combined threshold according to Article 48 (2) CRR 3 is defined at 17.65% of the CET1 of the reporting institution. If the threshold is exceeded, the exceeding amount has to be deducted from the CET1 of the reporting institution. The remaining amount has to be considered within the RWAs. A 250% RW shall be applied for the amount not exceeding the 17.65% threshold according to Article 48 (4) CRR 3.

At the reporting date, June 30th, 2025, BCR Group did not exceed any of the thresholds. Hence, direct, indirect and synthetic investments in financial sector entities were not deducted from the consolidated own funds of BCR Group and therefore are considered in RWAs.

BCR Group does not apply the transitory measures described in article 473(a) relate to IFRS 9. The full impact related to credit risk provisions calculated in accordance with IFRS 9 requirements is considered in the calculation of own funds, capital ratio and leverage ratio.

Breakdown of the constituent elements of BCR Group own funds

3 Template EU CC1 - Composition of regulatory Own Funds

in RON million		a	b
		Amounts As at 30.06.2025	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	3,348.0	
	of which: Instrument type 1	3,348.0	a
	of which: Instrument type 2	-	
	of which: Instrument type 3	-	
2	Retained earnings	7,004.0	b
3	Accumulated other comprehensive income (and other reserves)	1,413.4	c
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	11,765.5	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(35.0)	
8	Intangible assets (net of related tax liability) (negative amount)	(259.1)	d
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)	-	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	-	
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitised assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	
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)	-	
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)	-	
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)	-	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	-	
EU-20c	of which: securitisation positions (negative amount)	-	
EU-20d	of which: free deliveries (negative amount)	-	
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)	-	
22	Amount exceeding the 17,65% threshold (negative amount)	-	
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	-	
25	of which: deferred tax assets arising from temporary differences	-	
EU-25a	Losses for the current financial year (negative amount)	-	
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)	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	(105.5)	
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	(399.6)	
29	Common Equity Tier 1 (CET1) capital	11,365.8	

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continued: Template EU CC1 - Composition of regulatory Own Funds

in RON million		Amounts As at 30.06.2025	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	2,482.0	f
31	of which: classified as equity under applicable accounting standards	2,482.0	
32	of which: classified as liabilities under applicable accounting standards	-	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	-	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-	
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	-	
35	of which: instruments issued by subsidiaries subject to phase out	-	
36	Additional Tier 1 (AT1) capital before regulatory adjustments	2,482.0	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-	
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)	-	
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)	-	
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)	-	
42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	
44	Additional Tier 1 (AT1) capital	2,482.0	
45	Tier 1 capital (T1 = CET1 + AT1)	13,847.9	
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	1,318.3	e
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	-	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	-	
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	-	
49	of which: instruments issued by subsidiaries subject to phase out	-	
50	Credit risk adjustments	-	
51	Tier 2 (T2) capital before regulatory adjustments	1,318.3	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
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)	-	
54	Direct and indirect 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)	-	
55	Direct and indirect 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)	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b	Other regulatory adjustments to T2 capital	-	
57	Total regulatory adjustments to Tier 2 (T2) capital	-	
58	Tier 2 (T2) capital	1,318.3	
59	Total capital (TC = T1 + T2)	15,166.2	
60	Total Risk exposure amount	66,829.4	

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continued: Template EU CC1 - Composition of regulatory Own Funds

in RON million		Amounts As at 30.06.2025	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	17.01%	
62	Tier 1	20.72%	
63	Total capital	22.69%	
64	Institution CET1 overall capital requirements	11.76%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical capital buffer requirement	1.00%	
67	of which: systemic risk buffer requirement	0.00%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	1.50%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	2.26%	
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	12.28%	
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)	71.0	
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)	43.6	
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)	41.1	
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)	-	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	
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	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	
Additional information about own funds positions:			
a	Share capital including share premium; in template EU CC2 the share premiums are disclosed in other reserves	-	
b	Retained earnings: for regulatory purpose the planned dividend and the current year profit or loss are deducted	-	
c	Accumulated other comprehensive income (OCI): different disclosure of other reserve (other than OCI) of the balance sheet and regulatory reporting	-	
d	Intangible assets after deduction of DTL's associated to other intangible assets	-	
e	T2 instruments: subordinated loans	-	

Compared to the first quarter, total own funds decreased by RON 98 mn mainly due to higher risk costs and from the decrease in the value of T2 instruments.

The below template presents the differences between the scope of accounting consolidation and the scope of regulatory consolidation and shows the link between BCR Group balance sheet in its published financial statements and the numbers that are used in the composition of own funds disclosure template (template EU CC1).

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

		a	b	c
in RON million		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Reference
		Jun-25	Jun-25	
Assets - Breakdown by asset clases according to the balance sheet in the published financial statements				
1	Cash and cash balances	13,835.9	13,835.9	
2	Financial assets held for trading	3,183.7	3,183.7	
3	Derivatives	146.7	146.7	
4	Other financial assets held for trading	3,037.0	3,037.0	
5	Non-trading financial assets mandatorily at fair value through profit or loss	98.4	89.8	
6	Equity instruments	85.6	77.0	
7	Debt securities	12.8	12.8	
8	Financial assets at fair value through other comprehensive income	14,054.9	14,054.9	
9	Debt securities	14,054.9	14,054.9	
10	thereof pledged as collateral	1,298.5	1,298.5	
11	Financial assets at amortised cost	84,200.2	84,200.2	
12	Debt securities	20,905.6	20,905.6	
13	thereof pledged as collateral	141.8	141.8	
14	Loans and advances to banks	441.7	441.7	
15	Loans and advances to customers	62,852.9	62,852.9	
16	Finance lease receivables	2,581.0	2,581.0	
17	Property and equipment	972.5	972.5	
18	Investment property	102.9	102.9	
19	Intangible assets	512.5	512.5	d
20	Investments in joint ventures and associates	43.6	52.2	
21	Current tax assets	0.2	0.2	
22	Deferred tax assets	63.6	63.6	
23	Assets held for sale	0.6	0.6	
24	Trade and other receivables	1,005.3	1,005.3	
25	Investments in subsidiaries	-	-	
26	Other assets	302.8	302.8	
	Total assets	120,958.0	120,958.0	
Liabilities - Breakdown by liability clases according to the balance sheet in the published financial statements				
1	Financial liabilities held for trading	182.6	182.6	
2	Derivatives	182.6	182.6	
3	Financial liabilities measured at amortised cost	102,576.9	102,576.8	
4	Deposits from banks	4,018.2	4,018.2	
5	Deposits from customers	86,255.9	86,255.9	
6	Debt securities issued	10,434.3	10,434.3	e
7	Other financial liabilities	1,868.5	1,868.5	
8	Finance lease liabilities	544.9	544.9	
9	Provisions	734.9	734.9	
10	Current tax liabilities	122.9	122.9	
11	Deferred tax liabilities	22.5	22.5	
12	Liabilities associated with assets held for sale	-	-	
13	Other liabilities	924.0	924.0	
	Total liabilities	105,108.6	105,108.6	
Shareholders' Equity				
1	Attributable to non-controlling interest	0.1	0.1	
2	Attributable to owners of the parent	15,849.3	15,849.3	
3	Share capital	2,952.6	2,952.6	a
4	Additional equity instruments	2,482.0	2,482.0	f
5	Retained earnings	8,477.4	8,477.4	b
6	Other reserves	1,937.3	1,937.3	c
7	Total shareholders' equity	15,849.4	15,849.4	
8	Total liabilities and equity	120,958.0	120,958.0	

4 Key metrics and overview of risk-weighted exposure amounts

DISCLOSURE REQUIREMENT COVERED BY: ART. 438 (b), (d) and ART 447 CRR 3

As stated above, BCR Group currently computes its regulatory capital adequacy ratio based on Regulation (EU) No 575/2013 (CRR) with all subsequent amendments (CRR3), on a quarterly basis for both the Bank Standalone and BCR Group level (IFRS standards).

The regulatory capital requirements computed as of June 30th, 2025, for the credit risk, market risk and operational risk were as follows:

5 Template EU OV1 - Overview of risk weighted exposure amounts

in RON million	a		b		c	
	Total risk exposure amounts (TREA)		Total own funds requirements			
	06/30/25	03/31/25	06/30/25	03/31/25	06/30/25	03/31/25
1 Credit risk (excluding CCR)	59,201.2	55,992.6	4,736.1	4,736.1	4,736.1	4,736.1
2 Of which the standardised approach	22,824.2	21,521.1	1,825.9	1,825.9	1,825.9	1,825.9
3 Of which the Foundation IRB (F-IRB) approach	11,402.5	11,149.8	-	-	-	-
4 Of which slotting approach	-	-	-	-	-	-
EU 4a Of which equities under the simple risk weighted approach	-	-	-	-	-	-
5 Of which the Advanced IRB (A-IRB) approach	23,644.9	21,989.4	-	-	-	-
6 Counterparty credit risk - CCR	304.4	283.3	24.3	24.3	24.3	24.3
7 Of which the standardised approach	289.7	257.9	23.2	23.2	23.2	23.2
8 Of which internal model method (IMM)	10.6	10.1	0.9	0.9	0.9	0.9
EU 8a Of which exposures to a CCP	-	-	-	-	-	-
9 Of which other CCR	4.0	15.3	0.3	0.3	0.3	0.3
10 Credit valuation adjustments risk - CVA risk	207.7	192.8	16.6	16.6	16.6	16.6
EU 10a Of which the standardised approach (SA)	-	-	-	-	-	-
EU 10b Of which the basic approach (F-BA and R-BA)	207.7	192.8	-	-	-	-
EU 10c Of which the simplified approach	-	-	-	-	-	-
15 Settlement risk	-	0.0	-	-	-	-
16 Securitisation exposures in the non-trading book (after the cap)	-	-	-	-	-	-
17 Of which SEC-IRBA approach	-	-	-	-	-	-
18 Of which SEC-ERBA (including IAA)	-	-	-	-	-	-
19 Of which SEC-SA approach	-	-	-	-	-	-
EU 19a Of which 1250% / deduction	-	-	-	-	-	-
20 Position, foreign exchange and commodities risks (Market risk)	379.9	436.8	30.4	30.4	30.4	30.4
21 Of which the Alternative standardised approach (A-SA)	379.9	436.8	30.4	30.4	30.4	30.4
EU 21a Of which the Simplified standardised approach (S-SA)	-	-	-	-	-	-
22 Of which Alternative Internal Model Approach (A-IMA)	-	-	-	-	-	-
EU 22a Large exposures	-	-	-	-	-	-
23 Reclassifications between trading and non-trading books	-	-	-	-	-	-
24 Operational risk	6,736.3	6,736.3	538.9	538.9	538.9	538.9
EU 24a Exposures to crypto-assets	-	-	-	-	-	-
25 Amounts below the thresholds for deduction (subject to 250% risk weight)	102.8	173.9	8.2	8.2	8.2	8.2
26 Output floor applied (%)	0.5	0.5				
27 Floor adjustment (before application of transitional cap)	-	-				
28 Floor adjustment (after application of transitional cap)	-	-				
29 Total	66,829.4	63,641.8	5,346.4	5,346.4	5,346.4	5,346.4

As of June 30th, 2025, the total RWA for BCR Group was 66,829.4 mn RON, with 3,187.6 mn RON higher as compared to March 31st, 2025 (63,641.8 mn RON). The increase in credit risk RWA (including counterparty credit risk) of 3,229.6 mn RON was due to the increase in volume of retail unsecured and corporate loans. The decrease in RWA for market risk with 56.9 mn RON as compared to the previous quarter was due to decrease in TDI (Traded debt instruments) position.

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Starting February 2025, in order to determine Risk Weighted Assets for Credit Risk, BCR switched from Standardized approach (STD) to Internal Rating Based approach (IRB) according to the approval received from the regulator, for certain portfolios: Private Individuals, Micro, Standard Corporate and Sovereign. In the following sections, EU CMS1 and EU CMS2 templates are presented, offering a detailed comparison of the risk-weighted exposure amounts. These forms compare the results obtained using the Internal Ratings-Based (IRB) approach with those obtained using the Standardized Approach, at the risk level (EU CMS1) and at the asset class level (EU CMS2).

6 Template EU CMS1 – Comparison of modelled and standardised risk weighted exposure amounts at risk level

in RON million	a	b	c	d	EU d
	Risk weighted exposure amounts (RWEAs)				
	RWEAs for modelled approaches that banks have supervisory approval to use	RWEAs for portfolios where standardised approaches are used	Total actual RWEAs (a + b)	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1 Credit risk (excluding counterparty credit risk)	36,377.0	22,824.2	59,201.2	48,280.8	48,270.6
2 Counterparty credit risk	10.6	293.7	304.4	302.8	302.8
3 Credit valuation adjustment		207.7	207.7	207.7	207.7
4 Securitisation exposures in the banking book	-		-		
5 Market risk	-	379.9	379.9	379.9	379.9
6 Operational risk		6,736.3	6,736.3	6,736.3	6,736.3
7 Other risk weighted exposure amounts		-	-	-	-
8 Total	36,387.7	30,441.7	66,829.4	55,907.4	55,897.3

7 Template EU CMS2 – Comparison of modelled and standardised risk weighted exposure amounts for credit risk at asset class level

in RON million		a	b	c	d	EU d
		Risk weighted exposure amounts (RWEAs)				
		RWEAs for modelled approaches that institutions have supervisory approval to use	RWEAs for column (a) if re-computed using the standardised approach	Total actual RWEAs	RWEAs calculated using full standardised approach	RWEAs that is the base of the output floor
1	Central governments and central banks	2,883.9	1,597.9	2,905.7	1,619.7	1,619.7
EU 1a	Regional governments or local authorities	-	-	1,444.3	1,444.3	1,444.3
EU 1b	Public sector entities	-	-	113.3	113.3	113.3
EU 1c	Categorised as Multilateral Development Banks in SA	-	-	-	-	-
EU 1d	Categorised as International organisations in SA	-	-	-	-	-
2	Institutions	-	0.0	575.2	575.2	575.2
3	Equity	-	-	355.0	355.0	355.0
4	Not applicable					
5	Corporates	8,518.6	3,522.0	21,261.1	16,274.6	16,264.5
5.1	Of which: F-IRB is applied	8,518.6	6,707.1	8,518.6	6,717.2	6,707.1
5.2	Of which: A-IRB is applied	-	-	-	-	-
EU 5a	Of which: Corporates - General	8,434.4	3,522.0	19,994.4	3,532.1	3,522.0
EU 5b	Of which: Corporates - Specialised lending	-	-	1,182.5	1,139.5	1,139.5
EU 5c	Of which: Corporates - Purchased receivables	84.2	54.5	84.2	54.5	54.5
6	Retail	23,644.9	11,362.8	24,415.7	12,133.6	12,133.6
6.1	Of which: Retail - Qualifying revolving	-	-	-	-	-
EU 6.1a	Of which: Retail - Purchased receivables	0.0	0.0	0.0	0.0	0.0
EU 6.1b	Of which: Retail - Other	15,391.3	-	15,391.3	11,362.8	11,362.8
6.2	Of which: Retail - Secured by residential real estate	8,253.5	-	8,253.5	-	-
7	Not applicable					
EU 7a	Categorised as secured by immovable properties and ADC exposures in SA	-	7,383.0	6,313.2	7,383.0	7,383.0
EU 7b	Collective investment undertakings (CIU)	-	-	-	-	-
EU 7c	Categorised as exposures in default in SA	-	251.2	277.4	528.6	528.6
EU 7d	Categorised as subordinated debt exposures in SA	-	-	-	-	-
EU 7e	Categorised as covered bonds in SA	-	-	-	-	-
EU 7f	Categorised as claims on institutions and corporates with a short-term credit assessment in SA	-	-	-	-	-
8	Other non-credit obligation assets	1,329.6	1,329.6	1,540.1	1,540.1	1,540.1
9	Total	36,377.0	25,446.5	59,201.2	41,967.5	41,957.4

Additional disclosure of equity exposure

DISCLOSURE REQUIREMENT COVERED BY: ART. 438 (e)

8 Template EU CR10.5 Equity exposures

in RON million			
Equity exposures under Articles 133 (3) to (6) and 495a(3) CRR			
Equity exposures	On-balancesheet exposure	Off-balancesheet exposure	Risk weighted exposure amount
	a	b	c
Total	142.0	-	355.0

Exposures arising from equity securities are classified under Article 133(3) of the CRR and receive a risk weight of 250%. For specialized lending exposures, temporary partial use treatment is applied.

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A summary of the main prudential and regulatory information and ratios of BCR Group is presented in the below table.

9 Template EU KM1 - Key metrics

in RON million		a	b	c	d	e
		06/30/25	03/31/25	12/31/24	09/30/24	06/30/24
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	11,365.8	11,434.8	11,498.4	10,253.2	10,040.9
2	Tier 1 capital	13,847.9	13,916.8	12,240.0	10,994.7	10,782.5
3	Total capital	15,166.2	15,264.6	13,442.6	12,221.4	12,026.8
Risk-weighted exposure amounts						
4	Total risk exposure amount	66,829.4	63,641.8	57,165.8	55,092.9	56,776.8
4a	Total risk exposure pre-floor	66,829.4	63,641.8	-	-	-
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	17.01%	17.97%	20.11%	18.61%	17.68%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	17.01%	17.97%	-	-	-
6	Tier 1 ratio (%)	20.72%	21.87%	21.41%	19.96%	18.99%
6b	Tier 1 ratio considering unfloored TREA (%)	20.72%	21.87%	-	-	-
7	Total capital ratio (%)	22.69%	23.99%	23.52%	22.18%	21.18%
7b	Total capital ratio considering unfloored TREA (%)	22.69%	23.99%	-	-	-
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 (%)	4.02%	4.02%	4.01%	4.01%	4.01%
EU 7e	of which: to be made up of CET1 capital (percentage points)	2.26%	2.26%	2.26%	2.26%	2.26%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	3.02%	3.02%	3.01%	3.01%	3.01%
EU 7g	Total SREP own funds requirements (%)	12.02%	12.02%	12.01%	12.01%	12.01%
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 (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.00%	1.00%	1.00%	1.00%	0.99%
EU 9a	Systemic risk buffer (%)	-	-	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer (%)	1.50%	1.50%	1.50%	1.50%	1.50%
11	Combined buffer requirement (%)	5.00%	5.00%	5.00%	5.00%	4.99%
EU 11a	Overall capital requirements (%)	17.02%	17.02%	17.01%	17.01%	17.00%
12	CET1 available after meeting the total SREP own funds requirements (%)	12.28%	13.24%	15.39%	13.89%	12.96%
Leverage ratio						
13	Total exposure measure	128,624.0	130,141.0	129,376.2	125,744.5	118,720.1
14	Leverage ratio (%)	10.77%	10.69%	9.46%	8.74%	9.08%
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 (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
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 (%)	-	-	-	-	-
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)	41,264.4	41,011.4	41,302.4	40,976.6	40,052.3
EU 16a	Cash outflows - Total weighted value	24,835.3	24,184.6	23,757.5	22,976.7	22,725.9
EU 16b	Cash inflows - Total weighted value	6,056.0	5,432.0	4,714.4	4,062.0	4,006.4
16	Total net cash outflows (adjusted value)	18,779.3	18,752.6	19,043.1	18,914.7	18,719.4
17	Liquidity coverage ratio (%)	219.73%	218.70%	216.89%	216.64%	213.96%
Net Stable Funding Ratio						
18	Total available stable funding	90,560.0	91,674.2	91,287.7	88,283.5	84,540.8
19	Total required stable funding	53,694.1	53,005.2	52,673.8	49,735.7	49,260.4
20	NSFR ratio (%)	168.66%	172.95%	173.31%	177.51%	171.62%

Disclosure of minimum requirement for own funds and eligible liabilities (MREL)

For the disclosure of own funds and eligible liabilities, BCR follows the requirements according to Art. 45i BRRD, as well as the requirements defined in the Commission Implementing Regulation (EU) 2021/763 ('Implementing technical standards (ITS) on disclosures and reporting on MREL and TLAC') amended by Commission Implementing Regulation (EU) 2024/1618 and pertain to the Romanian Resolution Group.

Erste Group's preferred resolution strategy has been determined to be Multiple Point of Entry (MPE). There are seven resolution groups defined within Erste Group, namely the Austrian, Slovakian, Croatian and Slovenian covered by the Single Resolution Board, as well as the Czech, Romanian and Hungarian resolution groups covered by the respective National Resolution Authority.

The scope of the Romanian Resolution Group coincides entirely with the local prudential consolidation scope. Based on the applicable MREL reporting guidelines, Own Funds, TEM and TREA are reported at the sub-consolidated level of the Romanian Resolution Group, while only liabilities issued by the resolution entity of the Romanian Resolution Group, namely Banca Comerciala Romana SA, are reported as Eligible Liabilities. Based on the requirements defined in the BRRD and ITS, the following information is disclosed:

- Semi-annual disclosure of key metrics on own funds and eligible liabilities and the requirements for own funds and eligible liabilities on the level of Romanian Resolution Group in accordance with the template EU KM2
- Annual disclosure of composition of own funds and eligible liabilities on the level of Romanian Resolution Group in accordance with the template EU TLAC1
- Annual disclosure of creditor ranking on the level of resolution entity of the Romanian Resolution Group (Banca Comerciala Romana SA) in accordance with the template EU TLAC3b

10 Template EU KM2: Key metrics - MREL and, where applicable, G-SII requirement for own funds and eligible liabilities

in RON million		a	b	c	d	e	f
		Minimum requirement for own funds and eligible liabilities (MREL)	G-SII Requirement for own funds and eligible liabilities (TLAC)				
		30.06.2025	30.06.2025	31.03.2025	31.12.2024	30.09.2024	30.06.2024
Own funds and eligible liabilities, ratios and components							
1	Own funds and eligible liabilities	24,329.4					
EU-1a	Of which own funds and subordinated liabilities	23,711.7					
2	Total risk exposure amount of the resolution group (TREA)	66,829.4					
3	Own funds and eligible liabilities as a percentage of the TREA	36.41%					
EU-3a	Of which own funds and subordinated liabilities	35.48%					
4	Total exposure measure (TEM) of the resolution group	128,624.0					
5	Own funds and eligible liabilities as percentage of the TEM	18.92%					
EU-5a	Of which own funds or subordinated liabilities	18.43%					
6a	Does the subordination exemption in Article 72b(4) of Regulation (EU) No 575/2013 apply? (5% exemption)						
6b	Aggregate amount of permitted non-subordinated eligible liabilities instruments if the subordination discretion in accordance with Article 72b(3) of Regulation (EU) No 575/2013 is applied (max 3.5% exemption)						
6c	If a capped subordination exemption applies in accordance with Article 72b (3) of Regulation (EU) No 575/2013, the amount of funding issued that ranks <i>pari passu</i> with excluded liabilities and that is recognised under row 1, divided by funding issued that ranks <i>pari passu</i> with excluded liabilities and that would be recognised under row 1 if no cap was applied (%)						
Minimum requirement for own funds and eligible liabilities (MREL)							
EU-7	MREL expressed as a percentage of the TREA	26.72%					
EU-8	Of which to be met with own funds or subordinated liabilities	23.22%					
EU-9	MREL expressed as a percentage of the TEM	5.90%					
EU-10	Of which to be met with own funds or subordinated liabilities	5.90%					

As of the report's reference date the Romanian Resolution Group is compliant with MREL and subordination requirements on both TREA and TEM-basis and including the applicable Combined Buffer Requirement.

5 Credit Risk

DISCLOSURE REQUIREMENTS COVERED: ART. 435(1) CRR 3

Credit risk management strategies and processes

BCR Group has in place strategies, policies and processes for the identification, measuring, monitoring, control and reporting of credit risk. The main types of credit risks that BCR is exposed to are default risk, migration risk, residual risk, FX induced credit risk and concentration risk.

Credit risk is governed by BCR Group's Principles for managing credit risk. These define the principles for managing credit risk and govern the loan policies and procedures of BCR Group.

BCR Group strategic goals with respect to credit risk are set through the BCR Group Risk Strategy and are in line with BCR Group's Risk Appetite Statement, and address the following:

- BCR's credit risk profile, defined based on the Risk Materiality Assessment Process
- BCR's strategic objectives regarding the management of credit risk, in accordance with the Group's risk tolerance and regulatory requirements.

Key principles and strategies for the management of credit risk are as follows:

- BCR Group only does business that it fully understands and that its clients fully understand. The ownership structure and economic reasoning for any transaction is fully transparent before approving it. No transaction can be executed without a risk opinion issued by risk management if the procedures require and explicitly delegated authorities.
- Collaterals and other credit enhancements have to be evaluated according to internally defined rules. BCR Group has a standardized structure for a collateral catalogue as well as evaluation and revaluation rules and appraisal regulations. Credit enhancements can be used to reduce the possibility of loss given defaults for selected customer segments. Depending on rating grade, purpose and tenor, risk bearing products are protected against losses by stipulating adequate collaterals fully, indisputable, legally enforceable and sufficiently documented for the Bank. Collaterals and other credit enhancements can never substitute repayment capability.
- BCR Group lends only if the integrity of the client is unquestionable. Furthermore, principles of responsible financing are implemented which govern corporate banking business with regard to transactions in sensitive industry sectors to protect the bank's reputation.
- Active portfolio screening, including the use of an early warning framework, allows early identification of negative developments in order to implement timely and adequate risk mitigating actions.
- A comprehensive limit framework is used in order to manage portfolio concentration.

Credit risk management structure and organization

Risk Management units in BCR Group report directly to the Risk Executive Vice-President (Chief Risk Officer - CRO). BCR regulatory framework utilizes "the four eyes principle" to critically assess and control credit risk. Management activities are fully segregated from business originators and decision makers.

Credit risk reporting, monitoring and mitigation

Based on an appropriate reporting framework and IT system, BCR has the ability to identify and measure credit risk, in line with its size, complexity, risk tolerance and risk-taking capacity.

BCR has a comprehensive reporting framework for credit risk management, approved by the Management Board, which includes the scope, manner and frequency of credit risk reporting, and which also designates the entity responsible for preparing the reports. The specific reports and documentation containing comprehensive and easily accessible information on credit risk are submitted regularly to the management body.

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Regular credit risk reporting contains information concerning the development of credit risk exposures in each key segment, the evolution of the quality of the portfolio, provisions, cost of risk, risk rates (NPL rate, NPL coverage ratio with provisions), as well as capital adequacy.

The Group has implemented a wide framework of risk limits in order to mitigate all types of related credit risks. In the day-to-day process of lending BCR implemented dedicated policies which are meant to filter the loans granted through the underwriting criteria. Furthermore, the Group has a clear and robust system for managing the credit risk mitigation techniques, governing the entire process for evaluation, monitoring and management of collaterals.

6 Credit Risk Adjustments

DISCLOSURE REQUIREMENT COVERED BY: ART. 442 (c), (e), (f) and (g) CRR 3

In order to present the clear view of the credit risk in the following tables, loans and advances, finance lease receivables, trade and other receivables and debt securities are presented, as well as cash balances with central banks and other demand deposits where relevant. On top of the asset relevant positions, off-balance items are included.

The following table shows the credit quality by financial instrument of forbore exposures.

The share of forbore non-performing loans and advances in total forbore exposures as of 30th June, 2025 was 60% (34% at 31st December, 2024). The increase was influenced by clients from the agriculture sector.

11 Template EU CQ1: Credit quality of forbore exposures

in RON million	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 forbore exposures	
	Performing forbore	Non-performing forbore			On performing forbore exposures	On non-performing forbore 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	-	-	-	-	-	-	-	-
010 Loans and advances	538.6	1,103.3	1,103.3	1,103.3	(90.8)	(730.7)	288.6	124.4
020 Central banks	-	-	-	-	-	-	-	-
030 General governments	47.1	-	-	-	(4.8)	-	-	-
040 Credit institutions	-	-	-	-	-	-	-	-
050 Other financial corporations	-	-	-	-	-	-	-	-
060 Non-financial corporations	384.2	727.2	727.2	727.2	(75.0)	(395.7)	226.4	93.6
070 Households	107.3	376.0	376.0	376.0	(11.0)	(335.0)	62.2	30.8
080 Debt Securities	-	-	-	-	-	-	-	-
090 Loan commitments given	202.5	5.6	5.6	5.6	(8.8)	(2.9)	7.6	1.1
100 Total	741.1	1,108.8	1,108.8	1,108.8	(99.6)	(733.6)	296.2	125.4

The table below shows performing and non-performing exposure broken down by past due age structure and default status, financial instrument and counterparty.

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

in RON million	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	10,435.8	10,435.8	-	-	-	-	-	-	-	-	-	-
010 Loans and advances	67,627.0	67,410.1	216.9	2,452.5	1,249.3	195.9	240.9	435.5	249.1	46.6	35.3	2,452.5
020 Central banks	-	-	-	-	-	-	-	-	-	-	-	-
030 General governments	6,176.3	6,168.5	7.8	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2
040 Credit institutions	562.4	562.4	-	-	-	-	-	-	-	-	-	-
050 Other financial corporations	1,723.5	1,723.2	0.3	0.9	0.3	0.1	0.3	0.0	0.0	0.1	-	0.9
060 Non-financial corporations	26,278.5	26,239.2	39.4	1,312.0	743.5	84.0	102.0	301.9	58.9	11.0	10.8	1,312.0
070 Of which SMEs	13,022.2	12,982.8	39.4	825.7	371.1	70.4	78.3	229.0	55.4	10.7	10.8	825.7
080 Households	32,886.3	32,716.9	169.4	1,139.4	505.6	111.9	138.5	133.6	190.2	35.4	24.3	1,139.4
090 Debt securities	34,988.2	34,988.2	-	-	-	-	-	-	-	-	-	-
100 Central banks	-	-	-	-	-	-	-	-	-	-	-	-
110 General governments	34,005.9	34,005.9	-	-	-	-	-	-	-	-	-	-
120 Credit institutions	969.6	969.6	-	-	-	-	-	-	-	-	-	-
130 Other financial corporations	12.8	12.8	-	-	-	-	-	-	-	-	-	-
140 Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-
150 Off-balance-sheet exposures	31,977.5			122.4								122.4
160 Central banks	-			-								-
170 General governments	2,897.7			0.0								0.0
180 Credit institutions	2,128.3			-								-
190 Other financial corporations	604.2			-								-
200 Non-financial corporations	24,139.3			114.1								114.1
210 Households	2,208.0			8.2								8.2
220 Total	145,028.5	112,834.2	216.9	2,574.9	1,249.3	195.9	240.9	435.5	249.1	46.6	35.3	2,574.9

As of 30th June, 2025, total BCR Group NPL ratio (taking into account on and off-balance sheet exposure) was 1.7% and NPL ratio pertaining to loans and advances was 3.6%.

In the following table, detailed split of gross credit exposure, accumulated impairment, write-offs and allocated collateral are presented, by financial instrument and counterparty. The figures are also broken down by IFRS stages.

13 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
in RON million		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	10,435.8	10,434.0	1.8	-	-	-	(1.7)	(1.4)	(0.3)	-	-	-	-	-	-	-
010	Loans and advances	67,627.0	59,879.3	7,635.9	2,452.5	-	2,386.2	(1,300.8)	(520.2)	(778.8)	(1,897.9)	-	(1,876.1)	(168.2)	27,883.5	276.2	
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	6,176.3	5,971.4	199.9	0.2	-	0.2	(10.9)	(4.2)	(6.7)	(0.2)	-	(0.2)	-	119.8	-	
040	Credit institutions	562.4	562.3	0.1	-	-	-	(0.2)	(0.2)	(0.0)	-	-	-	-	424.1	-	
050	Other financial corporations	1,723.5	1,500.3	223.2	0.9	-	0.9	(18.3)	(8.0)	(10.3)	(0.7)	-	(0.7)	-	132.7	0.1	
060	Non-financial corporations	26,278.5	22,103.8	4,170.9	1,312.0	-	1,276.3	(761.0)	(300.1)	(460.8)	(846.4)	-	(845.0)	(148.2)	9,681.3	203.9	
070	Of which SMEs	13,022.2	10,098.2	2,923.6	825.7	-	793.7	(514.5)	(167.9)	(346.6)	(574.0)	-	(572.9)	(38.2)	6,606.2	163.4	
080	Households	32,886.3	29,741.6	3,041.9	1,139.4	-	1,108.8	(510.4)	(207.7)	(301.1)	(1,050.6)	-	(1,030.1)	(20.0)	17,525.6	72.1	
090	Debt securities	34,988.2	34,974.9	0.5	-	-	-	(15.0)	(15.0)	(0.0)	-	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	34,005.9	34,005.3	0.5	-	-	-	(14.6)	(14.6)	(0.0)	-	-	-	-	-	-	-
120	Credit institutions	969.6	969.6	-	-	-	-	(0.4)	(0.4)	-	-	-	-	-	-	-	-
130	Other financial corporations	12.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
140	Non-financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance-sheet exposures	31,977.5	24,885.7	1,718.6	122.4	-	121.4	(198.3)	(123.4)	(74.9)	(75.7)	-	(75.3)		6,136.7	14.7	
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-	-
170	General governments	2,897.7	2,041.3	59.5	0.0	-	0.0	(1.2)	(0.9)	(0.3)	(0.0)	-	(0.0)		750.6	-	
180	Credit institutions	2,128.3	1,919.3	5.0	-	-	-	(2.4)	(1.3)	(1.1)	-	-	-		1,560.1	-	
190	Other financial corporations	604.2	444.1	13.9	-	-	-	(1.3)	(0.7)	(0.6)	-	-	-		144.9	-	
200	Non-financial corporations	24,139.3	18,393.9	1,525.9	114.1	-	113.4	(184.3)	(116.2)	(68.1)	(73.3)	-	(73.0)		3,665.6	14.6	
210	Households	2,208.0	2,087.1	114.4	8.2	-	8.1	(9.1)	(4.3)	(4.7)	(2.4)	-	(2.3)		15.5	0.1	
220	Total	145,028.5	130,174.0	9,356.9	2,574.9	-	2,507.6	(1,515.8)	(659.9)	(854.0)	(1,973.6)	-	(1,951.4)	(168.2)	34,020.2	291.0	

Credit loss allowances (all stages combined) covered 135.5% of the reported non-performing on-balance and off-balance credit risk exposure as of 30th June, 2025.

Table below presents on-balance, off-balance sheet exposures, accumulated impairment and related provisions on off-balance-sheet commitments and financial guarantees given by significant geographical areas based on country of residence of the counterparty.

Geographical areas are defined by the operating country markets based on locations of the banking and other financial institution participations.

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

in RON million		a	b	c	d	e	f	g
		Gross carrying/nominal amount			Of which subject to impairment	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 defaulted				
010	On-balance-sheet exposures	108,104.8	2,452.5	2,452.5	105,055.1	(3,213.7)		-
020	Core Market - Austria	167.4	0.2	0.2	167.4	(0.3)		-
030	Core Market - Croatia	0.0	-	-	0.0	(0.0)		-
040	Core Market - Czech Republic	0.1	-	-	0.1	(0.0)		-
050	Core Market - Hungary	2.2	0.0	0.0	2.2	(0.0)		-
060	Core Market - Romania	106,796.5	2,449.1	2,449.1	103,759.5	(3,201.5)		-
070	Core Market - Serbia	0.0	0.0	0.0	0.0	(0.0)		-
080	Core Market - Slovakia	7.8	-	-	7.8	(2.9)		-
090	Emerging Markets	5.6	0.1	0.1	5.6	(0.1)		-
100	Other EU Countries	910.4	2.9	2.9	910.4	(6.2)		-
110	Other Industrialized Countries	214.8	0.2	0.2	202.0	(2.7)		-
120	Off-balance-sheet exposures	32,099.8	122.4	122.4			(274.0)	
130	Core Market - Austria	574.5	-	-			(0.6)	
140	Core Market - Croatia	-	-	-			-	
150	Core Market - Czech Republic	53.5	-	-			(0.0)	
160	Core Market - Hungary	181.5	-	-			(0.1)	
170	Core Market - Romania	29,309.2	122.3	122.3			(268.6)	
180	Core Market - Serbia	-	-	-			-	
190	Core Market - Slovakia	14.6	-	-			(0.0)	
200	Emerging Markets	271.8	-	-			(2.8)	
210	Other EU Countries	1,371.8	0.0	0.0			(1.7)	
220	Other Industrialized Countries	322.9	0.0	0.0			(0.1)	
230	Total	140,204.7	2,574.9	2,574.9	105,055.1	(3,213.7)	(274.0)	-

In total, BCR Group's core markets and the EU accounted for 99.42% of credit risk exposure as of 30th June 2025, the share of emerging markets remained of minor importance. Regarding to the market with the most significant exposure - Romania – the structure of On balance financial instruments consists mainly of Loans and advances (RON 69,237mn) and Debt securities (RON 37,496mn), while the Off balance component include Loan commitments given (RON 22,032mn) and Other commitments given (RON 4,970mn).

In the following table the breakdown of exposure pertaining to loans and advances to Non-financial corporations by significant industries is provided. Industry breakdown is based on the NACE codes.

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15 Template EU CQ5: Credit quality of loans and advances by industry

		a	b	c	d	e	f
in RON million			Gross carrying amount		Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing				
			Of which defaulted				
010	Agriculture, forestry and fishing	1,064.0	30.3	30.3	1,064.0	(57.9)	-
020	Mining and quarrying	619.1	7.3	7.3	619.1	(10.0)	-
030	Manufacturing	5,401.0	167.6	167.6	5,401.0	(249.1)	-
040	Electricity, gas, steam and air conditioning supply	2,173.1	6.7	6.7	2,173.1	(26.1)	-
050	Water supply	400.0	6.9	6.9	400.0	(43.4)	-
060	Construction	1,848.4	161.0	161.0	1,848.4	(165.2)	-
070	Wholesale and retail trade	6,193.3	676.5	676.5	6,193.3	(603.7)	-
080	Transport and storage	3,930.7	164.0	164.0	3,930.7	(234.1)	-
090	Accommodation and food service activities	225.6	17.8	17.8	225.6	(28.9)	-
100	Information and communication	262.3	8.1	8.1	262.3	(31.4)	-
110	Financial and insurance activities	66.7	0.1	0.1	66.7	(0.5)	-
120	Real estate activities	3,520.8	0.6	0.6	3,520.8	(51.3)	-
130	Professional, scientific and technical activities	398.8	36.6	36.6	398.8	(36.6)	-
140	Administrative and support service activities	461.8	12.0	12.0	461.8	(23.2)	-
150	Public administration and defense, compulsory social security	0.7	0.0	0.0	0.7	(0.0)	-
160	Education	28.8	1.9	1.9	28.8	(3.0)	-
170	Human health services and social work activities	902.3	2.9	2.9	902.3	(30.3)	-
180	Arts, entertainment and recreation	64.1	4.0	4.0	64.1	(7.0)	-
190	Other services	29.1	7.7	7.7	29.1	(5.8)	-
200	Total	27,590.6	1,312.0	1,312.0	27,590.6	(1,607.3)	-

The industry with the largest exposure remained Wholesale and retail trade with a share of 22%, followed by Manufacturing (20%) and Transport and storage (14%).

The gross value of collateral obtained by taking possession and execution process and related impairment is presented in the below table by collateral type, the highest share being residential property at 57% as of June 2025.

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

in RON million	a	b
	Collateral obtained by taking possession	
	Value at initial recognition	Accumulated negative changes
010 Property Plant and equipment (PP&E)	-	-
020 Other than PP&E	83.04	(44.87)
030 Residential immovable property	46.95	(43.72)
040 Commercial Immovable property	2.37	(1.15)
050 Movable property (auto, shipping, etc.)	33.72	-
060 Equity and debt instruments	-	-
070 Other collateral	-	-
080 Total	83.04	(44.87)

In assessing the BCR's Group asset quality, the table below provides a comprehensive breakdown of On balance carrying amount per residual maturity buckets in case of loans and advances and debt securities.

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17 Template EU CR1-A: Maturity of exposures

in RON million	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	8.1	11,089.6	24,968.5	30,806.6	8.1	66,880.9
2 Debt securities	-	7,677.9	21,951.9	8,380.4	-	38,010.2
3 Total	8.1	18,767.5	46,920.5	39,187.0	8.1	104,891.2

As of June 2025, in case of BCR Group, 37.4% of total net exposure has residual maturity greater than 5 years (consists mainly of Loans and Advances), followed by exposures with a residual maturity between 1 and 5 years with a share of 44.7%. Short term exposures (less than or equal to 1 year bucket) has a proportion of 17.9%.

DISCLOSURE REQUIREMENTS COVERED: ART. 442 (i) (I-V) CRR

The following table provides the changes in the institution's stock of non-performing loans and advances.

In BCR Group the definition of non-performing exposure follows the EBA "ITS on Supervisory reporting on forbearance and non-performing exposures under article 99(4) of Regulation (EU) No 575/2013". This category includes non-performing exposures to defaulted customers in the sense of Article 178 of EU Regulation no. 575/2013 including unlikelihood to pay, overdue material amounts with more than 90 days past due, restructuring resulting into a loss to the lender, realization of a loan loss and initiation of Bankruptcy proceedings.

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

in RON million	Gross carrying amount
010 Initial stock of non-performing loans and advances	1,820.6
020 Inflows to non-performing portfolios	1,134.0
030 Outflows from non-performing portfolios	(502.1)
040 Outflows due to write-offs	(39.1)
050 Outflow due to other situations	(463.0)
060 Final stock of non-performing loans and advances	2,452.5

The non-performing exposure situated at 2,453 RON million at the end of June 2025, greater with 632 RON million as compared with 31 December 2024.

Defaulted loans (opening stock vs closing stock) increased by 35.71% in H1 2025. This situation is primarily attributable to clients within the agricultural sector.

7 Counterparty credit risk

DISCLOSURE REQUIREMENT COVERED BY: ART. 439 (e) – (l) and ART. 444 (e) CRR 3

Description of the methodology used to assign internal capital and credit limits for counterparty credit exposures, including the methods to assign those limits to exposures to central counterparties

BCR has implemented prudent and proper credit limits for counterparty exposures, consistent with the risk appetite, risk profile and soundness of the Bank's capital.

The Bank manages credit risk by placing limits on the level of risk acceptable in relation to its counterparty credit exposures. Such risks are monitored on a regular basis and are subject to an annual or more frequent review when considered necessary.

The credit risk limits also cover settlement risk and credit exposure at counterparty level.

The method used to assign the operating limits defined in terms of internal capital for counterparty credit exposures

BCR determines the exposure value for derivative instruments arising from counterparty credit risk using the Standardised approach for counterparty credit risk as described in the Regulation no. 575/2013, amended by the Regulation no. 876/2019 (CRR2) and Regulation no. 1623/2024 (CRR3), article 274.

Exposure values for derivative instruments arising from counterparty credit risk for BCR are as follows:

19 Exposure from derivative instruments

in RON million		
Type	Dec-24	Jun-25
Exposure from Derivative Instruments	803.9	712.5

The exposures value for Securities Financing Transactions arising from counterparty credit risk is calculated using the Financial Collateral comprehensive method as described in the Regulation no. 575/2013, amended by the Regulation no. 876/2019 (CRR2) and Regulation no. 1623/2024 (CRR3), article 223.

Exposure values for Securities Financing Transactions arising from counterparty credit risk for BCR are as follows:

20 Exposure from Securities Financing Transactions

in RON million		
Type	Dec-24	Jun-25
Exposure from Securities Financing Transactions	5,851.4	1,896.4

The decrease in June 2025 is due to a decrease in the number of reverse repo transactions concluded with other credit institutions and the switch from Financial Collateral simple method to Financial Collateral comprehensive method.

The amount of collateral the institution would have to provide given a downgrade in its rating is not material.

Counterparty credit limits are monitored on a daily basis. Any remedial action is taken so as to ensure that actual credit risk exposure to a client (country)/client group does not exceed the approved risk appetite.

Discussion of policies for securing collateral and establishing credit reserves

The bank has in place processes for securing collateral for transactions with derivatives. The exposure for each counterparty is limited by the bank by approving exposure thresholds based on the collateral posted by the counterparty. The limits are monitored daily and margin calls are performed in case the exposure reaches a predefined warning level.

Discussion of the impact of the amount of collateral the institution would have to provide given a downgrade in its credit rating

There are certain contracts concluded with a clause through which the minimum transfer amount is determined based on the rating of each counterparty, and the collateral transfer could be impacted through the change in this minimum threshold as a result of a credit downgrade of the bank. No such clauses were executed during the reporting period of H1 2025.

Gross positive fair value of contracts, netting benefits, and netted current credit exposure, collateral held and net derivatives credit exposure

21 Template EU CCR1 – Analysis of CCR exposure by approach

in RON million	a	b	c	d	e	f	g	h
	Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	RWEA
EU-1 EU - Original Exposure Method (for derivatives)	-	-		1.4	-	-	-	-
EU-2 EU - Simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1 SA-CCR (for derivatives)	148.4	360.6		1.4	712.5	712.5	712.5	300.3
2 IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a Of which securities financing transactions netting sets			-		-	-	-	-
2b Of which derivatives and long settlement transactions netting sets			-		-	-	-	-
2c Of which from contractual cross-product netting sets			-		-	-	-	-
3 Financial collateral simple method (for SFTs)					-	-	-	-
4 Financial collateral comprehensive method (for SFTs)					1,896.4	13.4	13.4	4.0
5 VaR for SFTs					-	-	-	-
6 Total					2,608.9	725.9	725.9	304.4

A comprehensive view of the methods used to calculate CCR regulatory requirements, and the main parameters used within each method

In order to determine the regulatory counterparty credit risk exposure, BCR uses the Standardised approach for counterparty credit risk in accordance with the Part Three, Title II, Chapter 6, Section 3 of Regulation no. 575/2013, amended by the Regulation no. 876/2019 (CRR2) and Regulation no. 1623/2024 (CRR3).

Overview of the amount of segregated and unsegregated collateral received and posted per type of collateral, further broken down between collateral used for derivatives and securities financing transactions, according to article 439(e) CRR

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22 Template EU CCR5 – Composition of collateral for CCR exposures

		a		b		c		d		e		f		g		h	
in RON million		Collateral used in derivative transactions						Collateral used in SFTs									
		Fair value of collateral received				Fair value of posted collateral		Fair value of collateral received				Fair value of posted collateral					
		Segregated		Unsegregated		Segregated		Unsegregated		Segregated		Unsegregated		Segregated		Unsegregated	
Collateral type																	
1	Cash – domestic currency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Cash – other currencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Domestic sovereign debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,463.7	-
4	Other sovereign debt	-	-	-	-	-	-	-	-	-	325.9	-	-	-	-	-	-
5	Government agency debt	-	-	-	-	-	-	-	-	-	106.7	-	-	-	-	-	-
6	Corporate bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Equity securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	Other collateral	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Total	-	-	-	-	-	-	-	-	-	432.6	-	-	-	-	1,463.7	-

Measures for exposure value under the methods set out in Part Three, Title II, Chapter 6, whichever method is applicable

According to the method applied to determine the exposure value for CCR (standardised approach for counterparty credit risk), the bank measures: current replacement costs and potential future exposures.

The potential future exposure is calculated according to the article 278 and the replacement cost is calculated according to article 275 of Regulation no. 876/2019 and Regulation no. 1623/2024 (CRR3).

23 Template EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights

		a	b	c	d	e	f	g	h	i	j	k	l
in RON million		Risk weight											Total exposure value
Exposure classes		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	-	-
2	Regional government or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5	International organisations	-	-	-	-	-	-	-	-	-	-	-	-
6	Institutions	-	-	-	-	30.6	31.5	-	-	-	-	548.4	610.5
7	Corporates	-	-	-	-	-	-	-	-	69.3	-	34.3	103.6
8	Retail	-	-	-	-	-	-	-	-	-	-	-	-
9	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-
10	Other items	-	-	-	-	-	-	-	-	-	-	-	-
11	Total exposure value	-	-	-	-	30.6	31.5	-	-	69.3	-	582.7	714.1

CCR portfolio in IRB approach

DISCLOSURE REQUIREMENT COVERED BY: ART. 452 (g)

The tables below show breakdown of exposures relevant for CCR, per exposure class and PD bucket. Only the exposure classes where the bank has CCR exposures are included, while the overviews for the classes with no CCR exposures are omitted.

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24 Template EU CCR4 – IRB approach – CCR exposures by exposure class and PD

			a	b	c	d	e	f	g
	in RON million	PD scale	Exposure value	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	RWEA	Density of risk weighted exposure amounts
1	Corporates (F - IRB)	0.00 to <0.15	-	-	-	-	-	-	-
2	Corporates (F - IRB)	0.15 to <0.25	-	-	-	-	-	-	-
3	Corporates (F - IRB)	0.25 to <0.50	1.9	0.38%	1.0	40.00%	2.5	1.1	54.35%
4	Corporates (F - IRB)	0.50 to <0.75	-	-	-	-	-	-	-
5	Corporates (F - IRB)	0.75 to <2.50	4.6	1.73%	6.0	40.00%	2.5	3.1	66.54%
6	Corporates (F - IRB)	2.50 to <10.00	2.9	3.91%	22.0	40.00%	2.5	2.7	94.52%
7	Corporates (F - IRB)	10.00 to <100.00	2.3	19.27%	8.0	40.00%	2.5	3.8	163.45%
8	Corporates (F - IRB)	100.00 (Default)	-	-	-	-	-	-	-
x	Corporates (F - IRB)	Sub-total (Corporates)	11.8	-	37.0	-	-	10.6	90.50%
y	Total (all CCR relevant exposure classes)		11.8	-	37.0	-	-	10.6	90.50%

8 Countercyclical capital buffer

DISCLOSURE REQUIREMENT COVERED BY: ART. 440 CRR 3

The following tables disclose the amount of the institution's specific countercyclical buffer as well as the geographical distribution of credit exposures relevant for its calculation. The geographical split table shows countries on an individual basis if they impose a countercyclical capital buffer rate and also Romania which has significant own funds requirements. The values for the remaining countries are shown as Other Countries.

The "General credit exposures" include only credit exposures to the private sector. Exposures to the public sector and to institutions are not in scope. The "Trading book exposures" contain market risk standardized approach for traded debt instruments related positions. Countercyclical capital buffer rates are determined by Basel Committee member jurisdictions.

The institution-specific countercyclical capital buffer rate is calculated as the weighted average of the countercyclical buffer rates that apply in the countries where the relevant credit exposures of the institution are located. The weight applied to the countercyclical buffer rate in each country is the share of own funds requirements of each country in total own funds requirements. Institution-specific countercyclical capital buffer requirement is calculated as the institution-specific countercyclical buffer rate applied to the total risk exposure amount of BCR Group.

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

in RON million	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:																										
(AM) Armenia	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	1.50%												
(AU) Australia	-	0.1	-	-	-	-	0.1	0.0	-	-	0.0	0.1	0.00%	1.00%												
(BE) Belgium	3.3	0.6	-	-	-	-	3.9	0.7	-	-	0.7	8.8	0.02%	1.00%												
(BG) Bulgaria	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.1	0.00%	2.00%												
(CL) Chile	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	0.50%												
(HR) Croatia	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	1.50%												
(CY) Cyprus	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	1.00%												
(CZ) Czech Republic	0.0	0.2	-	-	-	-	0.2	0.0	-	-	0.0	0.0	0.00%	1.25%												
(DK) Denmark	-	0.4	-	-	-	-	0.4	0.0	-	-	0.0	0.2	0.00%	2.50%												
(FR) France	-	1.5	150.0	-	-	-	151.5	0.1	0.4	-	0.5	5.8	0.01%	1.00%												
(DE) Germany	75.3	2.6	329.1	-	-	-	407.0	6.2	3.3	-	9.5	118.5	0.22%	0.75%												
(HU) Hungary	50.7	0.1	-	-	-	-	50.8	4.1	-	-	4.1	50.9	0.09%	0.50%												
(IS) Iceland	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	2.50%												
(IE) Ireland	-	0.4	-	-	-	-	0.4	0.0	-	-	0.0	0.2	0.00%	1.50%												
(KR) Korea	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	1.00%												
(LV) Latvia	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	1.00%												
(LT) Lithuania	-	5.1	-	-	-	-	5.1	0.9	-	-	0.9	10.9	0.02%	1.00%												
(LU) Luxembourg	4.7	0.1	-	-	-	-	4.8	0.4	-	-	0.4	4.8	0.01%	0.50%												
(ME) Montenegro	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	0.50%												
(NL) Netherlands	-	0.6	-	-	-	-	0.6	0.0	-	-	0.0	0.6	0.00%	2.00%												
(MK) North Macedonia	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	1.50%												
(NO) Norway	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.0	0.00%	2.50%												
(RO) Romania	20,673.0	47,906.1	3,366.9	-	-	-	71,946.0	4,315.1	3.3	-	4,318.4	53,980.4	99.28%	1.00%												
(SK) Slovakia	0.0	7.7	-	-	-	-	7.7	1.3	-	-	1.3	16.5	0.03%	1.50%												
(SI) Slovenia	-	0.0	-	-	-	-	0.0	0.0	-	-	0.0	0.1	0.00%	1.00%												
(SE) Sweden	0.0	1.1	-	-	-	-	1.1	0.1	-	-	0.1	1.0	0.00%	2.00%												
(GB) United Kingdom	3.9	2.6	-	-	-	-	6.5	0.4	-	-	0.4	5.0	0.01%	2.00%												
Other Countries	138.7	98.3	-	-	-	-	237.0	13.3	-	-	13.3	166.2	0.31%	0.00%												
020 Total	20,949.7	48,027.7	3,846.0	-	-	-	72,823.4	4,342.7	7.0	-	4,349.6	54,370.3	100%													

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

in RON million or %		Jun-25
1	Total risk exposure amount	66,829.4
2	Institution specific countercyclical capital buffer rate	1.00%
3	Institution specific countercyclical capital buffer requirement	665.7

9 Credit Risk Mitigation Techniques

DISCLOSURE REQUIREMENT COVERED BY: ART. 453 (f) - (i) CRR 3

Policies and processes for collateral valuation and management

The netting agreements concluded by the bank are not used in the scope of regulatory credit risk mitigation.

In order for an asset to be accepted as collateral for a loan it is necessary for that asset to fulfil the provisions of the NBR regulations, EU regulations, as well as the national, legal and internal requirements. In that perspective an asset must be valued to determine the market value and the bank's accepted value beforehand.

The market value is estimated through valuation undertaken by a specialized external company, or the value is internally estimated according to internal standards.

The collateral valuation is important for the identification of the secured and unsecured parts of the exposure of a client or group of clients according to the norms and standards internally regulated.

The valuation is performed in accordance with the International Standards of Valuation, ANEVAR Guide and internal procedures, when the loan is granted, during the lifetime of the loan and in case of foreclosure of the respective collateral. **The valuation report** for BCR clients must observe the models elaborated by the bank, sent to the external valuator when the collaboration agreement was signed. The valuation approaches used in the valuation report for BCR clients are:

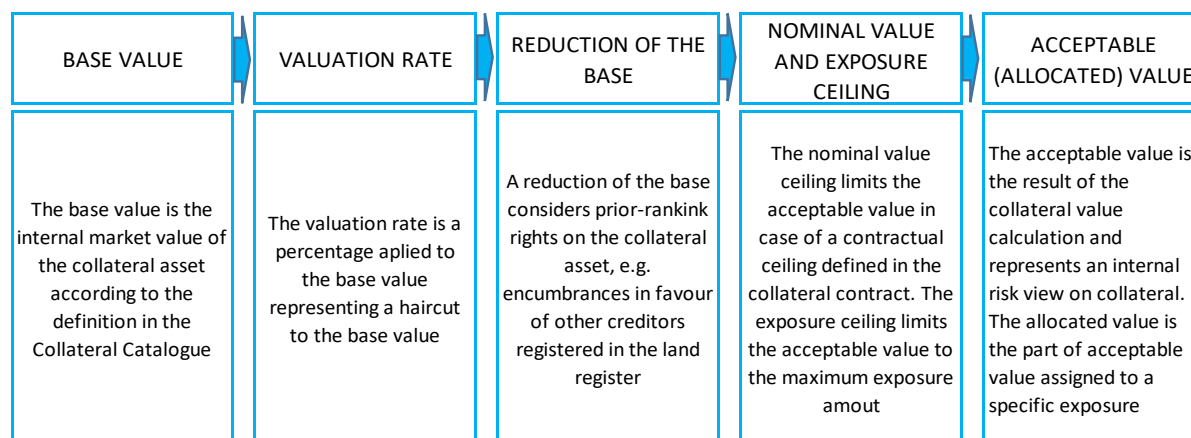
- market approach
- income approach (capitalization or DCF)
- costs approach.

The market value is the estimated amount for which a good should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The accepted value is an internal view on collateral risk, which serves to show the most probable recovery amount of the collateral in case of its liquidation. The accepted value is calculated by applying haircut rates to the market value. The valuation report is the document in which the market value is estimated.

The calculation of credit collateral values is performed pursuant to the following process:

27 Credit collateral valuation



Description of the main types of collateral taken by BCR

The main types of collateral taken by BCR are presented in the table below:

28 Main types of collateral

1 Real estate collateral
1.1. Residential real estate
1.2. Commercial and industrial real estate
1.3. Agricultural and forestry real estate
1.4. Real estate with other uses
2 Movables
2.1. Furniture and equipment
2.2. Computers and communication equipment
2.3. Plants and equipment
2.4. Transportation means/special vehicles
2.5. Stock
3 Personal guarantees
3.1. Private individuals
3.2. Legal entities
3.3. Public sector
3.4. Financial institutions
4 Financial guarantees
4.1. Credit balance of the account, deposit certificates and other collateral
4.2. Insurance companies
4.3. Gold
5 Claims and rights
5.1. Receivables
5.2. Renting lands and buildings
5.3. Receivables from letters of guarantee and letters of credit
5.4. Equity interests (unlisted shares) of companies' share capital
5.5. Rights

Quantitative disclosure on credit risk mitigation

Market or credit risk concentrations within the credit mitigation taken

BCR registers credit risk concentrations in its risk mitigation operations towards the Romanian state. At June 30th, 2025, the total collaterals received from the Romanian state used for credit risk mitigation purposes amounted to 3,753.3 mn RON (out of which "Prima Casa" is 67.9%).

The table below provides the extent of the use of CRM techniques:

29 Template EU CR3: Credit risk mitigation techniques overview

		a	b	c	d	e
in RON million		Unsecured carrying amount	Secured carrying amount			
			Of which secured by collateral	Of which secured by financial guarantees		
						Of which secured by credit derivatives
1	Loans and advances	52,355.7	28,159.7	23,065.0	5,094.7	-
2	Debt securities	34,988.2	-	-	-	
3	Total	87,343.9	28,159.7	23,065.0	5,094.7	-
4	Of which non-performing exposures	2,176.3	276.2	213.2	63.0	-
EU-5	Of which defaulted	2,176.3	276.2			

Quantitative disclosure on credit risk – Standardised Approach

DISCLOSURE REQUIREMENTS Art. 444 (e), 453 (g), (h), (i) CRR 3

The table below provides the effect of all CRM techniques applied in accordance with Part Three, Title II, Chapter 4 of the CRR, including the financial collateral simple method and the financial collateral comprehensive method in the application of Article 222 and Article 223 of the same regulation on standardized approach capital requirements' calculations. RWA density provides a synthetic metric on the riskiness of each portfolio.

30 Template EU CR4: Standardized approach – credit risk exposure and Credit Risk Mitigation (CRM) effects

in RON million Exposure classes		a		b		c		d		e		f	
		Exposures before CCF and before CRM		Exposures post CCF and post CRM		Exposures post CCF and post CRM		Exposures post CCF and post CRM		RWAs and RWAs density		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWEA	RWEA density (%)	RWEA	RWEA density (%)
1	Central governments or central banks	30,229.7	742.6	33,365.8	100.1	21.8	0.07%						
2	Non-central government public sector entities	6,677.8	2,156.0	6,560.2	827.8	1,557.7	21.08%						
EU 2a	Regional government or local authorities	6,166.4	2,044.4	6,048.8	812.0	1,444.3	21.05%						
EU 2b	Public sector entities	511.5	111.6	511.4	15.8	113.3	21.50%						
3	Multilateral development banks	0.2	-	518.9	82.5	-	0.00%						
EU 3a	International organisations	-	-	-	-	-	0.00%						
4	Institutions	1,042.3	2,027.1	1,098.0	490.5	575.2	36.21%						
5	Covered bonds	-	-	-	-	-	0.00%						
6	Corporates	11,773.6	14,574.7	11,488.1	1,875.9	12,742.5	95.35%						
6.1	Of which: Specialised Lending	1,051.2	780.1	1,051.1	154.7	1,139.5	94.50%						
7	Subordinated debt exposures and equity	142.0	-	142.0	-	355.0	250.00%						
EU 7a	Subordinated debt exposures	-	-	-	-	-	0.00%						
EU 7b	Equity	142.0	-	142.0	-	355.0	250.00%						
8	Retail	1,336.4	7.2	1,336.4	2.9	770.9	57.56%						
9	Secured by mortgages on immovable property and ADC exposures	5,358.8	1,335.5	5,355.0	163.6	6,313.2	114.40%						
9.1	Secured by mortgages on residential immovable property - non IPRE	15.9	0.2	15.9	-	14.8	93.12%						
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	0.00%						
9.3	Secured by mortgages on commercial immovable property - non IPRE	1,891.6	1,335.3	1,891.6	163.6	2,033.1	98.92%						
9.4	Secured by mortgages on commercial immovable property - IPRE	3,451.3	-	3,447.5	-	4,265.4	123.72%						
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	0.00%						
10	Exposures in default	271.7	7.1	271.7	0.0	277.4	102.10%						
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	0.00%						
EU 10b	Collective investment undertakings	-	-	-	-	-	0.00%						
EU 10c	Other items	210.5	-	210.5	-	210.5	100.00%						
11	Not applicable	-	-	-	-	-	0.00%						
12	TOTAL	57,042.9	20,850.1	60,346.6	3,543.2	22,824.2	35.72%						

The breakdown of exposures under the standardised approach by asset class and risk weight (corresponding to the riskiness attributed to the exposure according to the standardised approach) according to Articles 113 to 134 in Part Three, Title II, Chapter 2 of the CRR 3 is presented below.

31 Template EU CR5 – standardised approach

	in RON million	Risk weight																								Total	Of which unrated		
		Exposure classes	0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%	70%	75%	80%	90%	100%	105%	110%	130%	150%	250%	370%	400%			1250%	Others
1	Central governments or central banks	33,344.1	-	-	117.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.0	-	-	-	-	33,465.9	33,465.9
2	Non-central government public sector entities	413.8	-	-	-	6,770.5	-	-	-	-	-	-	-	-	-	-	203.6	-	-	-	-	-	-	-	-	-	-	7,387.9	-
EU 2a	Regional governments or local authorities	-	-	-	-	6,770.5	-	-	-	-	-	-	-	-	-	-	90.2	-	-	-	-	-	-	-	-	-	-	6,860.8	6,860.8
EU 2b	Public sector entities	413.8	-	-	-	0.0	-	-	-	-	-	-	-	-	-	-	113.3	-	-	-	-	-	-	-	-	-	-	527.2	413.9
3	Multilateral development banks	601.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	601.5	601.5
EU 3a	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Institutions	-	-	-	-	183.5	829.3	-	190.2	-	339.6	-	-	-	-	-	44.3	-	-	-	-	1.6	-	-	-	-	-	1,588.4	1,180.8
5	Covered bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	-	-	0.1	-	-	-	-	90.6	-	-	-	-	-	12,378.0	-	-	895.3	-	-	-	-	-	-	-	13,364.1	13,318.7
6.1	Of which: Specialised Lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	310.4	-	-	895.3	-	-	-	-	-	-	-	1,205.8	-
7	Subordinated debt exposures and equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	142.0	-	-	-	-	-	142.0	-
EU 7a	Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 7b	Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	142.0	-	-	-	-	-	142.0	110.1
8	Retail exposures	-	-	-	-	-	-	-	-	-	-	-	-	1,339.2	-	-	-	-	-	-	-	-	-	-	-	-	-	1,339.2	1,339.2
9	Secured by mortgages on immovable property and ADC exposures	-	-	-	-	2.0	-	-	-	-	-	815.7	-	-	-	-	2,069.0	-	22.3	-	2,609.6	-	-	-	-	-	-	5,518.6	-
9.1	Secured by mortgages on residential immovable property - non IPRE	-	-	-	-	1.4	-	-	-	-	-	-	-	-	-	-	14.5	-	-	-	-	-	-	-	-	-	-	15.9	15.9
9.1.1	No loan splitting applied	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.1.2	loan splitting applied (secured)	-	-	-	-	1.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.4	1.4
9.1.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.5	-	-	-	-	-	-	-	-	-	-	14.5	14.5
9.2	Secured by mortgages on residential immovable property - IPRE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.3	Secured by mortgages on commercial immovable property - non IPRE	-	-	-	-	0.7	-	-	-	-	-	-	-	-	-	-	2,054.5	-	-	-	-	-	-	-	-	-	-	2,055.2	2,046.0
9.3.1	No loan splitting applied	-	-	-	-	0.7	-	-	-	-	-	-	-	-	-	-	2,030.5	-	-	-	-	-	-	-	-	-	-	2,031.1	2,031.1
9.3.2	loan splitting applied (secured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9.3.3	loan splitting applied (unsecured)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.1	-	-	-	-	-	-	-	-	-	-	24.1	24.1
9.4	Secured by mortgages on commercial immovable property - IPRE	-	-	-	-	-	-	-	-	-	-	815.7	-	-	-	-	-	-	22.3	-	2,609.6	-	-	-	-	-	-	3,447.5	3,447.5
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	260.3	-	-	-	11.4	-	-	-	-	-	-	271.7	271.7
EU 10a	Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 10b	Collective investment undertakings (CIU)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 10c	Other items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	210.5	-	-	-	-	-	-	-	-	-	-	210.5	210.5
11	Not applicable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EU 11c	TOTAL	34,359.4	-	-	117.8	6,956.2	829.3	-	190.2	-	430.2	-	815.7	1,339.2	-	-	15,165.7	-	22.3	895.3	2,622.6	146.0	-	-	-	-	-	63,889.8	63,282.5

Quantitative disclosure on credit risk – IRB Approach

DISCLOSURE REQUIREMENTS Art. 452 (g) and 453 (g) CRR 3

IRB exposures included in counterparty credit risk and other assets are not covered by tables below, but within respective chapters.

With respect to exposures under IRB Approach, a breakdown is given below of the exposure classes of central governments and central banks, corporates and retail by PD scales. Equity exposures, specialised lending and other non-credit obligation assets are not subject to following tables.

32 Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range

in RON million													
F-IRB	a	b	c	d	e	f	g	h	i	j	k	l	
Central banks and central governments	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	0.00 to <0.15	13,821.2	26.5	20.00%	14,231.0	0.05%	4.0	44.99%	2.5	2,738.2	19.24%	3.2	(4.4)
	0.00 to <0.10	13,821.2	26.5	20.00%	14,231.0	0.05%	4.0	44.99%	2.5	2,738.2	19.24%	3.2	(4.4)
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <1.75	-	-	-	-	-	-	-	-	-	-	-	-
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	-	-	-	-	-	-	-	-	-	-	-	-
	2.5 to <5	-	-	-	-	-	-	-	-	-	-	-	-
	5 to <10	-	-	-	-	-	-	-	-	-	-	-	-
	10.00 to <100.00	0.0	-	-	0.0	19.05%	2.0	45.00%	2.5	0.0	235.76%	0.0	(0.0)
	10 to <20	0.0	-	-	0.0	19.05%	2.0	45.00%	2.5	0.0	235.76%	0.0	(0.0)
	20 to <30	-	-	-	-	-	-	-	-	-	-	-	-
	30.00 to <100.00	-	-	-	-	-	-	-	-	-	-	-	-
	100.00 (Default)	-	-	-	-	-	-	-	-	-	-	-	-
	Subtotal (exposure class)	13,821.2	26.5	-	14,231.0	-	6.0	-	-	2,738.2	19.24%	3.2	(4.4)
	Total (all exposures classes)	22,375.2	8,110.4	-	22,463.2		3,753.0		-	11,256.8	50.11%	425.2	(940.3)

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in RON million													
F-IRB	a	b	c	d	e	f	g	h	i	j	k	l	
Corporate - Other	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	0.00 to <0.15	68.9	-	-	68.9	0.05%	1.0	40.00%	2.5	12.0	17.47%	0.0	(2.2)
	0.00 to <0.10	68.9	-	-	68.9	0.05%	1.0	40.00%	2.5	12.0	17.47%	0.0	(2.2)
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	41.9	225.1	9.18%	44.8	0.21%	127.0	34.90%	2.5	11.0	24.62%	0.0	(0.5)
	0.25 to <0.50	127.1	0.0	20.00%	127.1	0.38%	3.0	40.00%	2.5	69.1	54.35%	0.2	(0.4)
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	1,017.2	2,705.8	16.80%	1,201.7	1.50%	734.0	37.49%	2.5	918.9	76.46%	7.8	(21.1)
	0.75 to <1.75	1,017.2	2,705.8	16.80%	1,201.7	1.50%	734.0	37.49%	2.5	918.9	76.46%	7.8	(21.1)
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	5,232.9	4,592.4	15.81%	5,042.4	4.86%	1,365.0	38.02%	2.5	5,553.6	110.14%	107.1	(221.5)
	2.5 to <5	3,825.5	3,759.0	15.87%	3,722.9	3.92%	1,096.0	38.04%	2.5	3,877.1	104.14%	63.9	(132.3)
	5 to <10	1,407.5	833.4	15.54%	1,319.5	7.50%	269.0	37.97%	2.5	1,676.6	127.06%	43.2	(89.2)
	10.00 to <100.00	1,431.3	232.5	12.53%	1,173.1	21.87%	1,020.0	37.33%	2.5	1,869.8	159.38%	109.3	(255.2)
	10 to <20	1,022.2	192.4	11.91%	809.6	14.64%	272.0	37.92%	2.5	1,238.2	152.94%	51.4	(120.7)
	20 to <30	207.4	25.6	13.21%	174.5	29.66%	275.0	33.68%	2.5	262.8	150.60%	20.0	(57.1)
	30.00 to <100.00	201.7	14.6	19.39%	189.1	45.59%	473.0	38.19%	2.5	368.8	195.06%	37.9	(77.4)
	100.00 (Default)	569.6	88.9	18.98%	509.1	100.00%	327.0	38.27%	2.5	-	-	194.9	(431.1)
	Subtotal (exposure class)	8,488.9	7,844.7	-	8,167.1	-	3,577.0	-	-	8,434.4	103.27%	419.3	(932.0)
	Total (all exposures classes)	22,375.2	8,110.4	-	22,463.2		3,753.0		-	11,256.8	50.11%	425.2	(940.3)

in RON million													
F-IRB	a	b	c	d	e	f	g	h	i	j	k	l	
Exposures to Corporates - Purchased receivables	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	-	-	-	-	-	-	-	-	-	-	-	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	1.7	33.1	-	1.7	1.41%	18.0	40.00%	2.5	1.1	65.50%	0.0	(0.0)
	0.75 to <1.75	1.7	33.1	-	1.7	1.41%	18.0	40.00%	2.5	1.1	65.50%	0.0	(0.0)
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	45.3	98.8	-	45.3	4.93%	61.0	40.00%	2.5	53.2	117.46%	1.0	(1.2)
	2.5 to <5	28.7	63.4	-	28.7	3.45%	44.0	40.00%	2.5	28.5	99.54%	0.5	(0.6)
	5 to <10	16.6	35.4	-	16.6	7.50%	17.0	40.00%	2.5	24.7	148.37%	0.6	(0.6)
	10.00 to <100.00	17.7	107.3	-	17.7	17.72%	89.0	40.00%	2.5	29.9	168.72%	1.4	(2.3)
	10 to <20	15.1	102.8	-	15.1	15.65%	68.0	40.00%	2.5	25.9	170.84%	1.1	(1.8)
	20 to <30	2.6	4.6	-	2.6	29.69%	19.0	40.00%	2.5	4.1	156.42%	0.4	(0.5)
	30.00 to <100.00	0.0	-	-	0.0	45.59%	2.0	40.00%	2.5	0.0	139.87%	0.0	(0.0)
	100.00 (Default)	0.4	-	-	0.4	100.00%	2.0	40.00%	2.5	-	-	0.1	(0.4)
	Subtotal (exposure class)	65.1	239.2	-	65.1	-	170.0	-	-	84.2	129.44%	2.6	(3.8)
	Total (all exposures classes)	22,375.2	8,110.4	-	22,463.2		3,753.0		-	11,256.8	50.11%	425.2	(940.3)

BCR GROUP DISCLOSURE REPORT H1 2025

in RON million														
A-IRB		a	b	c	d	e	f	g	h	i	j	k	l	
Retail - Secured by immovable property SME	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions	
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	0.4	-	-	0.4	0.35%	1.0	54.62%	-	0.1	26.28%	0.0	(0.0)	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	4.1	2.6	24.60%	4.4	1.17%	45.0	55.07%	-	2.6	59.79%	0.0	(0.0)	-
	0.75 to <1.75	4.1	2.6	24.60%	4.4	1.17%	45.0	55.07%	-	2.6	59.79%	0.0	(0.0)	-
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	4.1	1.3	15.85%	4.2	4.64%	44.0	51.68%	-	5.3	127.76%	0.1	(0.2)	-
	2.5 to <5	2.0	0.9	22.35%	2.0	3.20%	24.0	53.78%	-	2.3	111.16%	0.0	(0.0)	-
	5 to <10	2.1	0.4	-	2.1	6.02%	20.0	49.66%	-	3.1	143.73%	0.1	(0.1)	-
	10.00 to <100.00	5.7	0.5	5.76%	4.1	19.63%	27.0	52.57%	-	8.9	213.88%	0.5	(0.7)	-
	10 to <20	4.0	0.4	1.82%	2.7	11.98%	15.0	55.03%	-	5.8	214.20%	0.2	(0.3)	-
	20 to <30	0.2	0.0	-	0.2	20.26%	3.0	40.49%	-	0.4	182.63%	0.0	(0.0)	-
	30.00 to <100.00	1.5	0.1	19.80%	1.2	36.39%	9.0	49.14%	-	2.7	218.32%	0.3	(0.3)	-
	100.00 (Default)	2.8	-	-	2.8	100.00%	13.0	79.77%	-	2.0	69.99%	2.1	(2.6)	-
	Subtotal (exposure class)	17.2	4.4	-	15.9	-	130.0	-	-	18.9	118.57%	2.7	(3.4)	-
	Total (all exposures classes)	35,554.3	2,935.5	-	35,049.5		899,232.0		-	23,644.9	67.46%	1,584.7	(1,931.5)	

in RON million														
A-IRB		a	b	c	d	e	f	g	h	i	j	k	l	
Retail - Secured by immovable property non-SME	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions	
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	10,965.4	1.2	40.00%	10,104.2	0.38%	56,829.0	37.02%	-	2,527.7	25.02%	16.4	(20.6)	-
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	6,280.7	-	0.00%	5,508.1	1.22%	35,953.0	38.47%	-	3,107.0	56.41%	29.7	(31.6)	-
	0.75 to <1.75	3,837.1	-	0.00%	3,348.2	0.84%	22,732.0	38.48%	-	1,504.7	44.94%	12.4	(14.6)	-
	1.75 to <2.5	2,443.6	-	-	2,159.9	1.81%	13,221.0	38.46%	-	1,602.3	74.18%	17.3	(17.0)	-
	2.50 to <10.00	1,237.6	-	0.00%	1,047.9	5.14%	7,964.0	41.27%	-	1,477.8	141.02%	26.0	(23.6)	-
	2.5 to <5	743.2	-	0.00%	647.7	3.42%	4,559.0	40.09%	-	730.9	112.85%	10.2	(8.4)	-
	5 to <10	494.3	-	-	400.2	7.93%	3,405.0	43.18%	-	746.9	186.63%	15.8	(15.2)	-
	10.00 to <100.00	349.0	-	0.00%	275.6	28.96%	2,361.0	46.75%	-	753.0	273.17%	43.4	(41.5)	-
	10 to <20	-	-	0.00%	-	0.00%	-	0.00%	-	-	0.00%	-	-	-
	20 to <30	314.6	-	-	247.9	24.69%	2,117.0	46.32%	-	699.3	282.09%	32.6	(33.6)	-
	30.00 to <100.00	34.4	-	0.00%	27.7	67.09%	244.0	50.59%	-	53.7	193.48%	10.8	(8.0)	-
	100.00 (Default)	400.9	-	-	348.4	100.00%	2,877.0	43.08%	-	369.1	105.93%	120.7	(323.8)	-
	Subtotal (exposure class)	19,233.5	1.2	-	17,284.3	-	105,984.0	-	-	8,234.7	47.64%	236.2	(441.2)	-
	Total (all exposures classes)	35,554.3	2,935.5	-	35,049.5		899,232.0		-	23,644.9	67.46%	1,584.7	(1,931.5)	

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in RON million													
A-IRB		a	b	c	d	e	f	g	h	i	j	k	l
Retail - Other SME	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	0.00 to <0.15	7.2	11.3	70.22%	12.4	0.11%	81.0	60.47%	-	1.6	12.96%	0.0	(0.0)
	0.00 to <0.10	2.3	3.7	67.48%	3.7	0.07%	26.0	56.61%	-	0.3	8.48%	0.0	(0.0)
	0.10 to <0.15	4.9	7.6	71.58%	8.7	0.13%	55.0	62.11%	-	1.3	14.87%	0.0	(0.0)
	0.15 to <0.25	13.1	16.5	70.80%	22.0	0.21%	134.0	64.24%	-	4.7	21.46%	0.0	(0.0)
	0.25 to <0.50	50.1	52.7	70.54%	78.5	0.35%	520.0	60.98%	-	22.2	28.29%	0.2	(0.2)
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	313.3	350.4	67.18%	485.0	1.25%	4,051.0	65.17%	-	271.8	56.05%	4.5	(3.4)
	0.75 to <1.75	313.3	350.4	67.18%	485.0	1.25%	4,051.0	65.17%	-	271.8	56.05%	4.5	(3.4)
	1.75 to <2.5	-	-	-	-	-	-	-	-	-	-	-	-
	2.50 to <10.00	463.4	194.2	61.37%	507.0	4.37%	3,948.0	65.92%	-	389.3	76.78%	16.8	(20.2)
	2.5 to <5	258.7	128.5	62.98%	297.6	3.20%	2,382.0	65.28%	-	219.8	73.85%	7.2	(6.0)
	5 to <10	204.7	65.7	58.23%	209.4	6.02%	1,566.0	66.83%	-	169.5	80.93%	9.7	(14.3)
	10.00 to <100.00	597.8	107.2	53.38%	461.9	24.81%	17,960.0	70.83%	-	560.9	121.44%	101.6	(127.6)
	10 to <20	259.5	63.0	55.69%	210.2	11.98%	2,517.0	67.91%	-	204.7	97.42%	19.7	(27.6)
	20 to <30	94.2	12.8	58.02%	62.9	20.26%	487.0	69.23%	-	78.1	124.07%	10.1	(16.3)
	30.00 to <100.00	244.1	31.4	46.86%	188.8	40.60%	14,956.0	74.60%	-	278.1	147.29%	71.8	(83.6)
	100.00 (Default)	226.4	1.4	16.17%	215.9	100.00%	5,320.0	94.18%	-	238.6	110.50%	184.3	(226.4)
	Subtotal (exposure class)	1,671.3	733.6	-	1,782.6	-	32,014.0	-	-	1,489.1	83.53%	307.4	(377.9)
	Total (all exposures classes)	35,554.3	2,935.5	-	35,049.5	-	899,232.0	-	-	23,644.9	67.46%	1,584.7	(1,931.5)

in RON million													
A-IRB		a	b	c	d	e	f	g	h	i	j	k	l
Retail - Other non-SME	PD range	On-balance sheet exposures	Off-balance-sheet exposures pre-CCF	Exposure weighted average CCF	Exposure post CCF and post CRM	Exposure weighted average PD (%)	Number of obligors	Exposure weighted average LGD (%)	Exposure weighted average maturity (years)	Risk weighted exposure amount after supporting factors	Density of risk weighted exposure amount	Expected loss amount	Value adjustments and provisions
	0.00 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.00 to <0.10	-	-	-	-	-	-	-	-	-	-	-	-
	0.10 to <0.15	-	-	-	-	-	-	-	-	-	-	-	-
	0.15 to <0.25	-	-	-	-	-	-	-	-	-	-	-	-
	0.25 to <0.50	1,383.9	1,314.4	60.71%	2,185.2	0.41%	163,740.0	79.75%	-	1,153.5	52.79%	8.1	(4.0)
	0.50 to <0.75	-	-	-	-	-	-	-	-	-	-	-	-
	0.75 to <2.50	9,544.0	750.4	56.86%	9,979.7	1.71%	265,489.0	64.38%	-	8,066.8	80.83%	125.6	(120.7)
	0.75 to <1.75	4,315.1	561.1	57.39%	4,643.3	1.10%	142,797.0	66.02%	-	3,399.1	73.20%	38.7	(32.7)
	1.75 to <2.5	5,228.9	189.2	55.30%	5,336.3	2.25%	122,692.0	62.95%	-	4,667.7	87.47%	86.9	(88.0)
	2.50 to <10.00	1,946.0	93.2	54.87%	2,000.1	4.28%	51,711.0	65.91%	-	2,012.9	100.64%	65.0	(70.9)
	2.5 to <5	1,915.6	92.4	54.87%	1,969.2	4.23%	50,501.0	65.92%	-	1,979.6	100.53%	63.1	(69.7)
	5 to <10	30.4	0.8	54.72%	30.9	7.93%	1,210.0	64.98%	-	33.2	107.56%	1.8	(1.2)
	10.00 to <100.00	1,011.2	30.2	55.80%	1,054.6	20.59%	238,577.0	79.08%	-	1,807.6	171.40%	259.8	(194.4)
	10 to <20	519.4	21.5	56.62%	533.9	10.19%	18,509.0	68.51%	-	648.7	121.49%	42.8	(48.7)
	20 to <30	428.7	8.2	53.80%	434.5	25.95%	14,297.0	67.02%	-	750.0	172.60%	86.9	(119.5)
	30.00 to <100.00	63.1	0.5	53.72%	86.2	57.96%	205,771.0	205.40%	-	409.0	474.67%	130.0	(26.2)
	100.00 (Default)	747.2	8.1	-	747.2	100.00%	41,583.0	86.85%	-	861.5	115.30%	580.0	(719.1)
	Subtotal (exposure class)	14,632.3	2,196.3	-	15,966.6	-	761,100.0	-	-	13,902.3	87.07%	1,038.4	(1,109.1)
	Total (all exposures classes)	35,554.3	2,935.5	-	35,049.5	-	899,232.0	-	-	23,644.9	67.46%	1,584.7	(1,931.5)

The template below illustrates the IRB composition of portfolio highlighting the percentage of exposure covered by eligible collaterals disclosed by exposures class and RWA after Credit Risk mitigation.

33 Template EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	
A-IRB		Total exposures	Credit risk Mitigation techniques										Credit risk Mitigation methods in the calculation of RWEAs			
			Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)			
in RON million																
1	Central governments and central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Regional governments and local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Corporates	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.1	Corporates – General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.2	Corporates – Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.3	Corporates - Purchased Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Retail	35,049.5	0.18%	44.97%	44.97%	-	-	0.00%	0.00%	-	-	1.96%	-	-	23,644.9	
6.1	Retail – Qualifying revolving	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
6.2	Retail – secured by residential immovable	17,300.2	0.18%	90.94%	90.94%	-	-	-	-	-	-	3.48%	-	-	8,253.5	
6.3	Retail - Purchased Receivables	0.0	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
6.4	Retail - Other retail exposures	17,749.3	0.18%	0.16%	0.16%	-	-	0.00%	0.00%	-	-	0.48%	-	-	15,391.3	
7	Total	35,049.5	0.18%	44.97%	44.97%	-	-	0.00%	0.00%	-	-	1.96%	-	-	23,644.9	

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	
F-IRB		Total exposures	Credit risk Mitigation techniques										Credit risk Mitigation methods in the calculation of RWEAs			
			Funded credit Protection (FCP)										Unfunded credit Protection (UFCP)		RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and sustitution effects)
			Part of exposures covered by Financial Collaterals (%)	Part of exposures covered by Other eligible collaterals (%)	Part of exposures covered by Immovable property Collaterals (%)	Part of exposures covered by Receivables (%)	Part of exposures covered by Other physical collateral (%)	Part of exposures covered by Other funded credit protection (%)	Part of exposures covered by Cash on deposit (%)	Part of exposures covered by Life insurance policies (%)	Part of exposures covered by Instruments held by a third party (%)	Part of exposures covered by Guarantees (%)	Part of exposures covered by Credit Derivatives (%)			
in RON million																
1	Central governments and central banks	14,289	0.12%	-	-	-	-	-	-	-	-	-	-	-	2,883.9	
2	Regional governments and local authorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
3	Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Corporates	8,232.2	2.55%	12.57%	12.57%	-	-	-	-	-	-	21.68%	-	-	8,518.6	
5.1	Corporates – General	8,167.1	2.57%	12.67%	12.67%	-	-	-	-	-	-	21.85%	-	-	8,434.4	
5.2	Corporates – Specialised lending	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
5.3	Corporates - Purchased Receivables	65.1	-	-	-	-	-	-	-	-	-	-	-	-	84.2	
6	Total	22,521	1.01%	4.59%	4.59%	-	-	-	-	-	-	7.92%	-	-	11,402.5	

DISCLOSURE REQUIREMENTS Art. 438 (h) CRR 3

The template below compares risk-weighted exposure amounts between the current and previous reporting periods, highlighting the impact of internal models.

34 Template EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach

in RON million		Risk weighted exposure amount
1	Risk weighted exposure amount as at the end of the previous reporting period	33,139.2
2	Asset size (+/-)	1,658.4
3	Asset quality (+/-)	94.6
4	Model updates (+/-)	-
5	Methodology and policy (+/-)	-
6	Acquisitions and disposals (+/-)	-
7	Foreign exchange movements (+/-)	155.2
8	Other (+/-)	-
9	Risk weighted exposure amount as at the end of the reporting period	35,047.4

10 Market Risk

DISCLOSURE REQUIREMENTS COVERED: ART. 435 CRR3

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

Governance

In the following paragraphs the stakeholders in the risk management process are described.

The role of the **Management Board and the Supervisory Board** and its committees is of particular importance, since key elements, like the definition of a risk tolerance which is appropriate to the business strategy, and the role of the entity in the financial system, have to be decided.

Assets and Liabilities Management Committee (ALCO) is a key executive body with the responsibility for overseeing all balance sheet management activities.

Risk Committee of the Management Board is responsible for the definition and implementation of a sound market risk analysis framework for identifying, measuring, monitoring, limiting and controlling market risk types.

Strategic Risk Management (SRM) is responsible for the group wide coordination of credit, operational, market, liquidity risk management and ICAAP management.

Strategic Risk Management Division through Market and Liquidity Risk Management Department (MLRM) is responsible for market risk management and reporting.

With regard to market risk, MLRM is performing the following main functions:

- Identification of market risks: identification of all possible risk drivers and their potential impact
- Risk limits: definition, proposal, monitoring and escalation of the risk limits
- Market risk monitoring and reporting: measurement, analysis, timely and accurate reporting of all indicators
- Model development in the area of valuation methods and calibration.

Balance Sheet Management Division (BSM) is responsible for the formulation of the Interest Rate Positioning and Investment Strategy, and for steering liquidity and interest rate positioning in the banking book.

Identification of market risks

The market risks can be identified from the proposal phase of a new product within the Product Approval Process (PAP), but also through the lifetime of the product under the periodic (annual) Risk Materiality Assessment Process.

The identification of all market risks (interest rate risk, credit spread risk, FX risk, equity risk, commodity risk, volatility risk) performed under PAP is essential for the investment operations and for new products and ensure that these are subject to adequate procedures and controls before these are implemented or undertaken.

The Risk Materiality Assessment Process in BCR identifies possible risk drivers classified by potential impact (low, moderate, high) for all types of market risks. In case a risk was considered immaterial may be reclassified as significant if there is evidence that the potential impact has changes.

Market risk management strategies and processes

BCR Group strategic goals with respect market risk are set through the BCR Group Risk Strategy and are in line with the Group's Risk Appetite Statement, and address the following:

- BCR's market risk profile defined based on the Risk Materiality Assessment Process.

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- BCR's strategic objectives regarding the management of market risk, in accordance with the Group's risk tolerance and regulatory requirements.

The risk measurement process for market risk includes calculation of market risk exposures using specific measures, such as: value-at-risk (VaR), sensitivities and stress testing.

Market risk reporting, monitoring and mitigation

The market risk control process includes development of a comprehensive limit system, limit allocation and limit breach reporting, including escalation process.

BCR market risk limit system includes:

- VaR Limits: Trading Book portfolio, Banking Book portfolio.
- Position Limits represents the upper limit admitted for the size of the exposure. BCR has specific position limits for foreign exchange risk.
- Present Value of a Basis Point (PVBP) limit which is defined for bucket maturities on Trading Book Portfolio. Total PVBP is defined as the sum of all sensitivities per bucket, while the curve limit is the maximum between (i) the absolute value of all negative sensitivities and (ii) all positive sensitivities.
- Credit PV01 measures the change in the mark to market value of a position with respect to a change in credit spread by 1 basis point.
- Stop/Loss (S/L) limit is set to stop the loss registered in a transaction. BCR has defined S/L limits for total Trading Book Portfolio.
- MVoE limit is defined in BCR as a regulatory limit in compliance with NBR Regulation no. 5/2013 on prudential requirements for credit institutions.
- NII limit is defined for the change in net interest income over a time horizon of one year due to standard parallel interest rate shocks by currency in line with the draft Regulatory Technical Standards issued by EBA in 2022.
- EVE limit for the worst change in economic value after applying the 6 scenarios, reported to Tier 1.
- Sensitivity indicators for the Banking Book: CR01 warning level is used to monitor the credit spread risk for the bonds' portfolio in the Banking Book and BP01 warning level is used to monitor the interest rate sensitivities on relevant currencies for the Banking Book.
- Credit Spread Risk indicators: EVE and NII credit spread sensitivities in relation to Tier 1 capital
- Earnings at risk over mid- term time horizons: NII sensitivity over different time horizons including market value changes

MLRM monitors the bank's exposure to market risk, reporting the observance of regulatory and internal limits, to the management structures of BCR.

In the monthly meetings of the ALCO, a standard analysis of the bank's exposure to market risk and a report with the utilization of market risk limits are presented. In case of any limit breach, the ALCO has to approve action plans developed in order to come back into compliance with the respective limit.

DISCLOSURE REQUIREMENT COVERED BY: ART. 445 CRR3

In line with CRR3, BCR calculates the capital requirement to cover market risk generated by position risk and foreign exchange risk, according to the standardised approach.

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35 Template EU MR1 - Market risk under the standardised approach

in RON million		RWEAs
Outright products		379.9
1	Interest rate risk (general and specific)	379.9
2	Equity risk (general and specific)	-
3	Foreign exchange risk	-
4	Commodity risk	-
Options		-
5	Simplified approach	-
6	Delta-plus approach	-
7	Scenario approach	-
8	Securitisation (specific risk)	-
9	Total	379.9

As of June 2025, the total Market Risk RWA stood at RON 379.9 mn in comparison with RON 243.8 mn recorded as of December 2024. The increase in total RWA was generated mainly by a higher requirement for interest rate risk for traded debt instruments. All the limits for TB portfolio are monitored daily and their utilization degree is presented in the daily Market Risk report.

11 Interest rate risk on positions not held in the trading book

DISCLOSURE REQUIREMENT COVERED BY: ART. 448 (1) (a) and (b) CRR 3

The IRRBB, EVE and NII ratio limits for the total Banking Book are monitored with a quarterly or monthly frequency.

The potential impact on economic value of equity and on net interest income as of June 2025 and December 2024 is presented in the table below:

36 Template EU IRRBB1 – Interest rate risk of non-trading book activities

		a	b	c	d
Supervisory shock scenarios		Changes of the economic value of equity		Changes of the net interest income	
		Jun-25	Dec-24	Jun-25	Dec-24
1	Parallel up	-6.62%	-5.27%	0.05%	0.16%
2	Parallel down	0.94%	0.84%	-1.32%	-2.53%
3	Steeper	1.08%	1.04%		
4	Flattener	-3.61%	-3.04%		
5	Short rates up	-5.84%	-4.89%		
6	Short rates down	2.08%	1.75%		

A negative sign represents a negative impact on economic value of equity or net interest income, while a positive sign shows a positive impact.

Both EVE and NII figures as of December 2024 were updated using audited own funds, with profit incorporated.

The interest rate shocks used in the EVE are based on the prescribed scenarios for Supervisory outlier test on EVE defined in EBA/GL/2022/10. The set includes two parallel scenarios of upward and downward shift and in addition four non-parallel scenarios are identified for each currency representing steepening, flattening and movement on the short and long end of the yield curve respectively. Flooring logic is applied as described in the aforementioned Regulatory technical standards and starts with a floor of -150 bp at the overnight bucket. The floor increases by 3 bp per year until it reaches a value of 0 bp at the 50Y bucket. The sensitivity of EVE is reported in relation to Tier 1 capital.

The worst scenario for EVE is Parallel up, 6.62% as of June 2025, similar to December 2024 when it was also Parallel up at 5.27%. The EVE sensitivities show an upward evolution between December 2024 and June 2025 mainly due to higher RON consumer loans and debt securities.

Starting with January 2023, the NII ratio is computed as NII sensitivity for 1 year / Tier 1 Capital, taking into account the immediate parallel shock up and parallel shock down scenarios with an applied shock of +/- 200 basis points for EUR & USD and +/- 350 bp for RON, with a floor at -150 bps.

The worst scenario for NII as of June 2025 is parallel down at 1.32%. The main driver for the decrease in NII ratio as of June 2025 compared to December 2024 are the reverse repo transactions, coupled with the non-core demand deposits treated as interest sensitive – generating positive sensitivities.

12 Liquidity risk

DISCLOSURE REQUIREMENT COVERED BY: ART 435 CRR 3

Liquidity risk management strategies and processes

BCR Bank has implemented an Internal Liquidity Adequacy Assessment Process in accordance with regulatory requirements and guidelines as set out by the Basel Committee on Banking Supervision ("BCBS"), the European Commission and the European Banking Authority. This is formalized as a key component of the Supervisory Review and Evaluation Process ("SREP") which provides a description of BCR's Internal Liquidity Adequacy Assessment Process, summarizing the liquidity and funding risk management framework, methodologies and processes and providing links to more detailed information on individual components of the ILAAP.

BCR Group's strategic goals with respect to liquidity risk are set in line with the BCR Group Risk Strategy. The responsibility for defining the Liquidity Risk Strategy for BCR lies with Market and Liquidity Risk Management Department and it is included in BCR Group's Risk Strategy. It contains the following information:

- BCR's liquidity risk profile, defined based on the Risk Materiality Assessment Process
- BCR's strategic objectives regarding the management of liquidity risk, in accordance with the Group's risk tolerance and regulatory requirements.

In order to limit liquidity risk, Balance Sheet Management Division draws up for each financial exercise the BCR's Group Liquidity Strategy, which includes the main objectives of the bank related to the maintenance of adequate levels of liquidity buffers, both under normal and stressed conditions in accordance with the institution's short and medium-term liquidity needs over different time horizons.

Also, for managing liquidity in crisis situations, BCR has developed a contingency funding plan that clearly sets out the strategies for addressing liquidity shortfalls in emergencies. The contingency funding plan comprises sets of specific measures and liquidity enhancing actions required to successfully overcome a potential crisis. To permanently improve bank's capacity to promptly react in cases of crises, the contingency funding plan is updated annually and tested periodically.

Liquidity risk management structure and organization

The governance framework ensures the distinction between liquidity management (first line of control) and liquidity risk management, a 'second line of defence/control' for liquidity risk.

The governance framework also covers the responsibilities of committees involved in analyzing and endorsement / decision regarding the liquidity management (Operative Liquidity Committee - OLC, Asset and Liability Committee – ALCO) or the liquidity risk management (Risk Committee of the Management Board, Management Board), as well as responsibilities of other departments involved in the internal control framework and independent review of components of the liquidity risk management framework.

The roles and responsibilities of Supervisory Board, Management Board, Assets and Liability Management Committee are specified in their organizational and operational rules.

The organizational structure has to provide the segregation of duties between:

- i) Liquidity management function – performed by Balance Sheet Management Division with support from Erste Bank Global Capital Markets Division (GCM). Thus, BSM is responsible for:
 - Strategic liquidity management including coordinating the activity of BCR subsidiaries with respect to management of liquidity, funding needs, FX positions and investments
 - Operational Liquidity Management
 - Crisis Liquidity Management
 - Pricing.

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GCM overall acts as the external face to the wholesale capital markets for both sourcing and placing of liquidity across the group. GCM provides BSM, Market & Liquidity Risk Management and Senior Management with regular information through various channels (Operative Liquidity Committee - OLC, Asset and Liability Committee etc.) regarding the bank's ability to access capital and money markets and the general market dynamics.

ii) Liquidity risk management function – performed by Strategic Risk Management Division – Market and Liquidity Risk Management Department. For the purpose of liquidity risk management, MLRM performs the following activities:

- Development of methods and models
- Measurement/ Monitoring/ Reporting
- Liquidity risk limits proposal.

MLRM reports on a regular basis to SB, MB, ALCO and OLC.

Liquidity risk reporting, monitoring and mitigation

BCR has an appropriate reporting framework for liquidity and funding risk management, approved by the Management Board, which includes the scope, manner and frequency of liquidity and funding risk reporting, and which also designates the entity responsible for preparing the reports. The specific reports and documentation containing comprehensive and easily accessible information on liquidity risk are submitted regularly to the appropriate recipients (Management Board, Risk Committee of the Management Board, Executive Director of Strategic Risk Management Division, CRO, Balance Sheet Management Division, ALCO).

Based on an appropriate reporting framework and IT system, BCR has the ability to identify and measure liquidity and funding risk, in line with its size, complexity, risk tolerance and risk-taking capacity.

As part of its risk management framework, BCR has two specialized local committees for the analysis and decision-making of liquidity and funding issues, namely the Operative Liquidity Committee and Assets and Liabilities Management Committee.

The liquidity risk monitoring system of BCR includes (but is not limited to) the following indicators:

Regulatory:

- Immediate liquidity indicator
- Liquidity Coverage Ratio
- Net Stable Funding Ratio
- Additional Liquidity Monitoring Metrics.

Internal:

- Survival Period Analysis
- Structural Liquidity Ratio.

The Survival Period Analysis represents the primary stress testing instrument for liquidity risk which targets various time horizons and uses a dynamic stress testing methodology. The SPA measures the period the Bank is able to survive in case of three predefined liquidity crisis scenarios with various intensities. The SPA is part of the BCR RAS ensuring sufficient short- term liquidity to overcome a potential liquidity stress event.

The above section, 'Liquidity risk management strategies and processes', describes the principal policies for mitigating risk and the strategies and processes for monitoring the continuing effectiveness of mitigants regarding liquidity risk.

Other policies implemented by BCR in order to mitigate the liquidity risk:

- Internal Liquidity Adequacy Assessment Process (ILAAP) – this policy provides a description of BCR's Internal Liquidity Adequacy Assessment Process, summarizing the liquidity and funding risk management framework, methodologies and processes and providing links to more detailed information on individual components of the ILAAP.
- Methodology Handbook for Survival Period Analysis: - The Survival Period Analysis represents a key instrument for assessing the insolvency risk; it targets a short-time horizon – within one year – and uses the dynamic stress testing methodology. SPA measures the period an entity

is able to survive in case of a predefined liquidity crisis scenario. The RAS limit and warning level for SPA are applied to the net funding gap for one month. The net funding gap indicates the surplus of liquid assets that are still available after a crises period.

- BCR Funds Transfer Pricing (FTP) Policy: - The BCR Group's FTP system covers all liquidity-relevant pricing components to ensure all liquidity risks are adequately transfer-priced to business lines across major subsidiaries and currencies.
- BCR Group Asset Encumbrance Management Policy: - The primary objective of the BCR Group Asset Encumbrance Management Policy is to provide an overarching framework on governance, responsibilities and principles for managing, monitoring and reporting asset encumbrance in BCR Group. This policy shall ensure that within the process of steering asset encumbrance in BCR Group all risks related to the encumbering of assets are adequately assessed and monitored.
- BCR Group Liquidity Management Policy: - The main objective of this policy is to describe requirements that would ensure an appropriate liquidity management by establishing a robust liquidity management framework and requirements that should be applied to all entities within its scope. The document was created in compliance with the local regulatory requirements set out in the local legislation (e.g. NBR Regulation nr. 5/2013 on prudential requirements for credit institutions, as further amended and completed) and standards/ principles defined in Group Liquidity Management Policy, which is the master policy document for establishing the liquidity management framework in Erste Group (EGB).

Also, in BCR Group Policy for Limit Management, the Bank defines a comprehensive and accurate limit management framework, which must ensure the proper implementation of BCR's limit system in the day-to-day business. Thus, BCR has established a comprehensive liquidity risk limits framework which are monitored on a regular basis (weekly, monthly or quarterly) and reported to the management structure.

Another important tool for BCR's liquidity risk management process is the contingency funding plan. The contingency funding plan includes sets of specific measures and liquidity enhancing actions required to successfully overcome a potential crisis. The plan is updated annually and tested periodically in order to permanently improve bank's capacity to promptly react in cases of crises.

DISCLOSURE REQUIREMENT COVERED BY: ART 451a and 447 (f) CRR 3

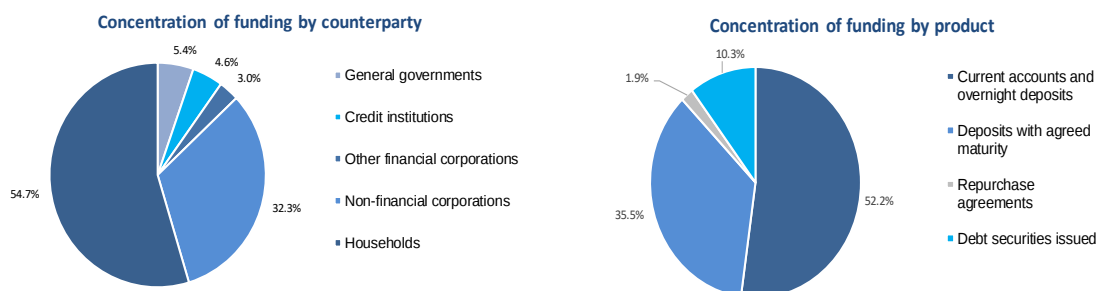
Template on qualitative information on LCR

Concentration of funding:

- By counterparty and by product:

Compared with December 2024, the percentage of funding from households increased in June 2025 from 52.1% to 54.7%, while the funding provided by non-financial corporations increased from 28.6% to 32.3%. At the same time, funding from credit institutions had an increased evolution in June 2025 (4.6%) versus December 2024 (1.9%). Also, in the same period, the percentage of funding from deposits with agreed maturity decreased from 39.4% to 35.5% while funding received from current accounts and overnight deposits increased from 49.7% to 52.2%.

37 Concentration of funding sources (as of 30 June 2025 for BCR Bank)

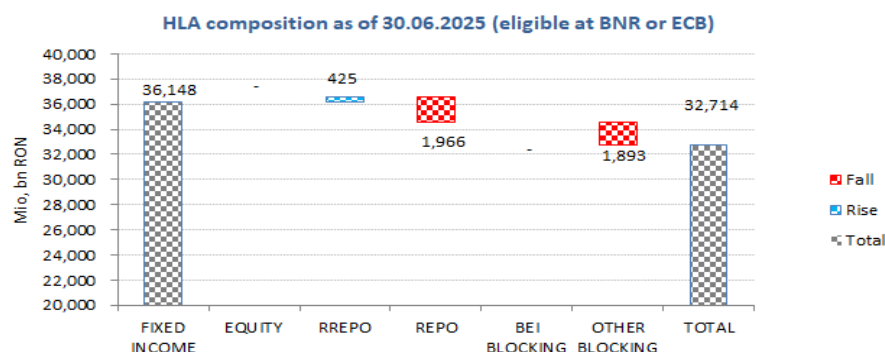


- By top 10 funding providers: - the weight of first 10 funding providers in total funding is equal to 13.1%.

Concentration of liquidity sources:

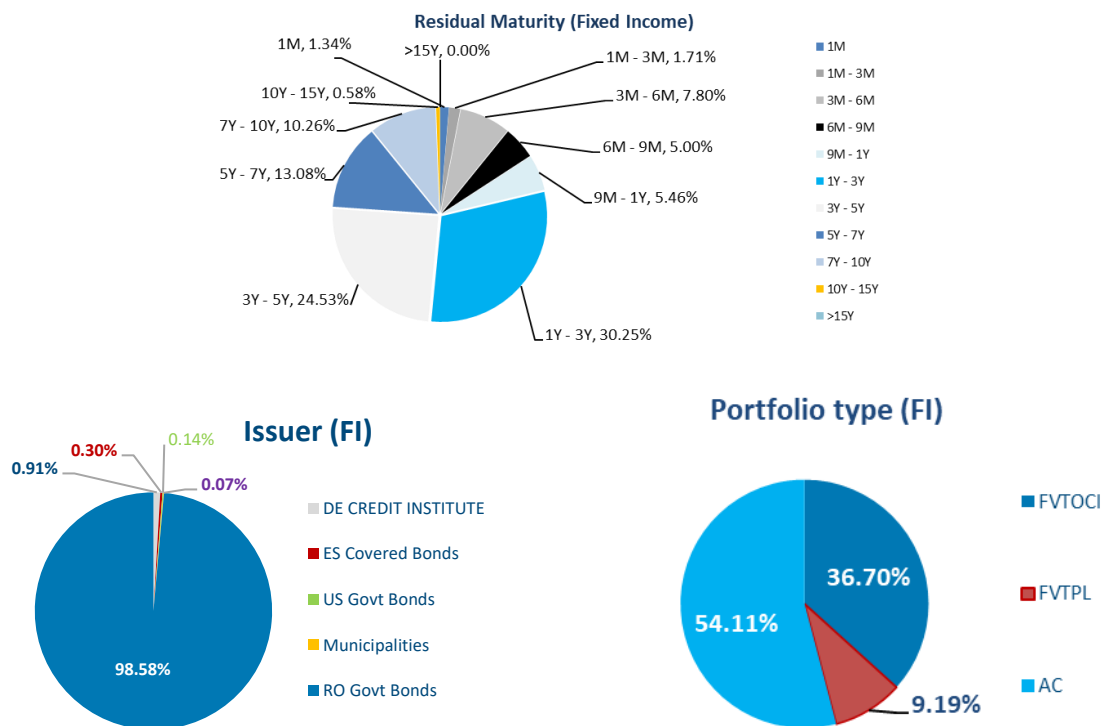
Compared with December 2024, the total eligible fixed income portfolio decreased from 36,547 mn RON to 32,714 mn RON due to a decrease in collateralized reverse repo transactions in H1 2025.

38 HLA Composition for BCR Standalone



In addition to fixed income portfolio in amount of 32,714 mn RON, the liquidity buffer contains a stock of cash in amount of 3,402 mn RON and central bank assets in amount of 4,076 mn RON.

39 Portfolio split based on residual maturity, issuer and type (accounting) as of 30.06.2025 for BCR Standalone



Derivative exposures and potential collateral calls

Derivatives in Trading Book are closed back-to-back with Erste Group Bank, with the exception of FX swaps and IRS for which the bank can maintain open positions. In June 2025, there was an open position of RON -36.1 mn, mainly coming from IRS transactions in the trading book.

40 Derivative exposures

in RON million	TB/BB	Long (Assets)		Short (Liabilities)		Net Exposure
		Notional	MtM	Notional	MtM	MtM
IRS		3,513.3	74.4	6,375.9	109.5	(35.1)
	TB	3,513.3	74.4	6,375.9	109.5	(35.1)
	BB	-	-	-	-	-
CIRS	BB	-	-	-	-	-
FX Swap		6,427.2	70.3	5,615.5	71.7	(1.4)
	TB	6,154.9	69.9	3,396.9	29.1	40.9
	BB	272.3	0.3	2,218.6	42.6	(42.3)
FX Option	TB	-	-	-	-	-
IR Option	TB	1,352.4	0.1	170.2	0.1	(0.0)
Forward	TB	298.6	2.8	281.2	2.3	0.4
Total Exposure		11,591.6	147.5	12,442.8	183.6	(36.1)

In LCR, the outflows related to derivative exposures are offset by inflows related to derivative exposures.

Currency mismatch in the LCR

In BCR, the LCR is calculated in all major currencies that exceed 5% of the institution's total liabilities (EUR and RON). Thus, the liquidity buffer requirements have to be determined for different currencies.

The distribution of the liquidity buffer in foreign currency is monitored monthly in order to ensure that net cash outflows in significant currencies (RON and EUR) are fully covered by liquid assets denominated in the same currency. The composition of liquidity buffer for major currencies as of June 2025 is presented in the following table:

41 Composition of liquidity buffers by currency

weighted amounts, in RON million	BCR Bank		BCR Grup	
	RON	EUR	RON	EUR
Liquidity buffer	27,641.3	11,892.9	28,143.5	11,893.1
Coins and banknotes	2,647.8	439.9	2,647.9	440.0
Withdrawable central bank reserves	854.6	3,221.0	854.6	3,221.0
Central bank assets	-	-	0.0	-
Central government assets	24,115.5	8,132.7	24,617.7	8,132.7
Regional government / local authorities assets	-	-	-	-
Multilateral development bank and international organisations assets	-	-	-	-
Extremely high quality covered bonds	-	99.2	-	99.2
Regional government / local authorities or Public Sector Entity assets (Member State, RW20%)	23.4	-	23.4	-
Corporate debt securities (CQS2/3)	-	-	-	-
Shares (major stock index)	-	-	-	-
Net liquidity outflow	11,255.6	9,187.6	11,411.5	9,005.7

A description of the degree of centralization of liquidity management and interaction between the BCR Group's units

BCR ensures an appropriate liquidity management by establishing a robust liquidity management framework and requirements that should be applied to and by all entities which are part of BCR Group. Additionally, a coordination function of the liquidity management and funding strategy

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of BCR Group is set in BCR and has clear governance and reporting rules.

Other items in the LCR calculation that are not captured in the LCR disclosure template but that the institution considers relevant for its liquidity profile

The bank considers that all the relevant information for its liquidity profile was already presented in this report.

High-level description of the composition of the institution's liquidity buffer

The main component of Liquidity Buffer is represented by Fixed Income Portfolio. Other elements that are taken into consideration for Liquidity Buffer are: Cash, Excess/Deficit of Mandatory minimum reserves, Central Bank assets and Shares fulfilling the eligibility criteria laid down in the LCR Delegated Act.

42 EU LIQ1 - Quantitative information of LCR

in RON million		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYYY)	30.06.2025	31.03.2025	31.12.2024	30.09.2024	30.06.2025	31.03.2025	31.12.2024	30.09.2024
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)					41,264.4	41,011.4	41,302.4	40,976.6
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	51,138.4	50,187.6	48,951.9	47,525.6	3,948.8	3,858.2	3,771.7	3,680.5
3	Stable deposits	28,767.9	28,305.0	27,378.4	26,219.6	1,438.4	1,415.3	1,368.9	1,311.0
4	Less stable deposits	22,370.5	21,882.6	21,573.4	21,306.0	2,510.4	2,443.0	2,402.7	2,369.5
5	Unsecured wholesale funding	33,794.7	33,750.0	33,370.2	32,584.7	15,519.5	15,176.4	14,669.9	14,144.9
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	33,736.8	33,694.1	33,312.0	32,533.3	15,461.6	15,120.5	14,611.8	14,093.5
8	Unsecured debt	57.9	55.9	58.1	51.4	57.9	55.9	58.1	51.4
9	Secured wholesale funding					-	-	-	-
10	Additional requirements	3,381.0	2,886.7	2,450.1	2,099.7	3,381.0	2,886.7	2,450.1	2,099.2
11	Outflows related to derivative exposures and other collateral requirements	3,381.0	2,886.7	2,450.1	2,099.1	3,381.0	2,886.7	2,450.1	2,099.1
12	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
13	Credit and liquidity facilities	-	-	-	0.6	-	-	-	0.1
14	Other contractual funding obligations	1,215.5	1,512.2	2,130.3	2,338.5	965.0	1,273.1	1,901.9	2,112.6
15	Other contingent funding obligations	30,230.3	28,791.3	27,776.3	26,390.0	1,021.1	990.2	963.9	939.4
16	TOTAL CASH OUTFLOWS					24,835.3	24,184.6	23,757.5	22,976.7
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	2,318.0	2,622.8	3,079.8	2,712.8	3.5	3.5	3.5	0.0
18	Inflows from fully performing exposures	4,297.9	4,034.8	3,339.4	2,545.0	2,523.9	2,388.6	2,039.5	1,635.4
19	Other cash inflows	3,528.6	3,039.9	2,671.4	2,426.6	3,528.6	3,039.9	2,671.4	2,426.6
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)					-	-	-	-
EU-19b	(Excess inflows from a related specialised credit institution)					-	-	-	-
20	TOTAL CASH INFLOWS	10,144.5	9,697.5	9,090.5	7,684.3	6,056.0	5,432.0	4,714.4	4,062.0
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Inflows subject to 75% cap	10,144.5	9,697.5	9,090.5	7,684.3	6,056.0	5,432.0	4,714.4	4,062.0
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					41,264.4	41,011.4	41,302.4	40,976.6
22	TOTAL NET CASH OUTFLOWS					18,779.3	18,752.6	19,043.1	18,914.7
23	LIQUIDITY COVERAGE RATIO					219.73%	218.70%	216.89%	216.64%

LCR registered a positive trend over the past 4 quarters up until June 2025. Throughout the entire period the LCR was above the 100% regulatory threshold due to the stock of high-quality liquid assets (HQLA). The HQLA decreased slightly compared to December 2024, as a result of the evolution of the portfolio of securities issued by Central governments, but this was offset by higher expected liquidity inflows.

DISCLOSURE REQUIREMENT COVERED BY: ART 451a (3) and 447 (g) CRR 3

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The most important component from available stable funding (ASF) is represented by retail deposits (54%) while the most important component from required stable funding (RSF) is represented by loans and securities (89%).

43 EU LIQ2: Net Stable Funding Ratio (BCR Group)

Jun-25		a	b	c	d	e
in RON million		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	14,247.5	-	-	1,318.3	15,565.8
2	Own funds	14,247.5	-	-	1,318.3	15,565.8
3	Other capital instruments		-	-	-	-
4	Retail deposits		52,219.0	5.9	123.6	48,567.8
5	Stable deposits		28,831.6	3.8	106.6	27,500.3
6	Less stable deposits		23,387.4	2.1	17.0	21,067.5
7	Wholesale funding:		33,201.8	1,676.2	12,440.1	26,422.7
8	Operational deposits		-	-	-	-
9	Other wholesale funding		33,201.8	1,676.2	12,440.1	26,422.7
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	34.8	4,159.7	7.4	0.1	3.8
12	NSFR derivative liabilities	34.8				
13	All other liabilities and capital instruments not included in the above categories		4,159.7	7.4	0.1	3.8
14	Total available stable funding (ASF)					90,560.0
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					1,918.0
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		14,405.7	5,581.9	47,824.5	47,562.7
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		-	329.1	0.0	164.5
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		1,000.5	128.4	807.3	971.6
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		12,333.3	4,736.3	28,915.8	45,659.3
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		5,199.2	1,759.2	8,599.7	16,653.6
22	Performing residential mortgages, of which:		431.6	388.1	17,299.0	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		280.9	252.6	11,258.2	-
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		640.2	-	802.3	767.3
25	Interdependent assets		-	-	-	-
26	Other assets:		6,280.3	80.5	2,877.6	3,114.7
27	Physical traded commodities				11.3	9.6
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR derivative assets		-			-
30	NSFR derivative liabilities before deduction of variation margin posted		109.3			5.5
31	All other assets not included in the above categories		6,171.1	80.5	2,866.3	3,099.6
32	Off-balance sheet items		21,840.0	88.5	-	1,098.6
33	Total RSF					53,694.1
34	Net Stable Funding Ratio (%)					168.66%

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Mar-25		a	b	c	d	e
in RON million		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	14,247.5	-	-	1,347.8	15,595.3
2	Own funds	14,247.5	-	-	1,347.8	15,595.3
3	Other capital instruments		-	-	-	-
4	Retail deposits		50,996.4	13.5	127.9	47,478.8
5	Stable deposits		28,832.8	5.5	111.2	27,507.6
6	Less stable deposits		22,163.6	8.0	16.7	19,971.2
7	Wholesale funding:		35,775.5	1,697.7	12,263.0	28,594.4
8	Operational deposits		-	-	-	-
9	Other wholesale funding		35,775.5	1,697.7	12,263.0	28,594.4
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	47.7	4,173.0	11.3	0.1	5.7
12	NSFR derivative liabilities	47.7				
13	All other liabilities and capital instruments not included in the above categories		4,173.0	11.3	0.1	5.7
14	Total available stable funding (ASF)					91,674.2
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					1,861.2
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		18,513.0	5,963.4	46,021.4	47,268.5
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		2,034.4	320.8	-	160.4
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		1,054.2	289.8	684.7	935.0
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		14,458.5	4,979.0	27,473.0	45,384.7
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		6,372.3	1,913.6	8,428.8	17,030.0
22	Performing residential mortgages, of which:		419.6	373.9	17,023.5	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		271.2	241.6	11,002.9	-
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		546.4	-	840.2	788.4
25	Interdependent assets		-	-	-	-
26	Other assets:		6,469.0	51.2	2,685.6	2,828.8
27	Physical traded commodities				6.9	5.9
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR derivative assets		-			-
30	NSFR derivative liabilities before deduction of variation margin posted		137.0			6.8
31	All other assets not included in the above categories		6,332.0	51.2	2,678.7	2,816.0
32	Off-balance sheet items		20,822.7	75.9	-	1,046.8
33	Total RSF					53,005.2
34	Net Stable Funding Ratio (%)					172.95%

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Dec-24		a	b	c	d	e
in RON million		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	12,506.0	-	-	1,202.6	13,708.7
2	Own funds	12,506.0	-	-	1,202.6	13,708.7
3	Other capital instruments		-	-	-	-
4	Retail deposits		51,902.9	8.2	136.9	48,311.2
5	Stable deposits		29,080.1	4.9	116.3	27,747.0
6	Less stable deposits		22,822.9	3.3	20.6	20,564.2
7	Wholesale funding:		36,426.9	802.4	12,812.4	29,260.9
8	Operational deposits		-	-	-	-
9	Other wholesale funding		36,426.9	802.4	12,812.4	29,260.9
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	-	3,480.0	13.9	0.1	7.0
12	NSFR derivative liabilities	-				
13	All other liabilities and capital instruments not included in the above categories		3,480.0	13.9	0.1	7.0
14	Total available stable funding (ASF)					91,287.7
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					1,910.6
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		21,871.3	6,049.5	45,963.9	46,936.2
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		5,852.9	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		910.6	258.5	726.8	947.2
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		14,162.8	5,426.4	27,216.5	45,233.3
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		6,464.1	2,178.7	8,778.2	17,751.5
22	Performing residential mortgages, of which:		416.3	364.6	17,218.0	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		277.6	243.1	11,482.9	-
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		528.7	-	802.5	755.8
25	Interdependent assets		-	-	-	-
26	Other assets:		7,147.8	47.0	2,669.1	2,867.9
27	Physical traded commodities				9.6	8.2
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR derivative assets		62.4			62.4
30	NSFR derivative liabilities before deduction of variation margin posted		108.3			5.4
31	All other assets not included in the above categories		6,977.2	47.0	2,659.4	2,791.9
32	Off-balance sheet items		19,059.5	81.6	-	959.1
33	Total RSF					52,673.8
34	Net Stable Funding Ratio (%)					173.31%

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Sep-24

Sep-24		a	b	c	d	e
in RON million		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	11,265.2	-	-	1,226.7	12,491.9
2	Own funds	11,265.2	-	-	1,226.7	12,491.9
3	Other capital instruments		-	-	-	-
4	Retail deposits		49,261.5	7.2	139.5	45,880.8
5	Stable deposits		27,984.6	5.0	120.8	26,710.9
6	Less stable deposits		21,276.9	2.2	18.6	19,169.9
7	Wholesale funding:		35,150.2	890.1	13,124.0	29,903.8
8	Operational deposits		-	-	-	-
9	Other wholesale funding		35,150.2	890.1	13,124.0	29,903.8
10	Interdependent liabilities		-	-	-	-
11	Other liabilities:	51.7	3,700.0	13.8	0.1	7.0
12	NSFR derivative liabilities	51.7				
13	All other liabilities and capital instruments not included in the above categories		3,700.0	13.8	0.1	7.0
14	Total available stable funding (ASF)					88,283.5
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					336.2
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		16,543.5	5,810.5	46,248.7	45,618.3
18	Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut		3,038.2	-	-	-
19	Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions		841.3	149.7	379.6	528.0
20	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:		11,787.5	5,306.5	27,911.3	44,368.8
21	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		5,363.9	2,188.5	9,074.0	17,654.3
22	Performing residential mortgages, of which:		408.1	354.2	17,191.8	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk		281.8	244.6	11,872.0	-
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		468.4	-	766.0	721.4
25	Interdependent assets		-	-	-	-
26	Other assets:		7,121.1	50.6	2,650.9	2,803.0
27	Physical traded commodities				5.2	4.4
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	-
29	NSFR derivative assets		-			-
30	NSFR derivative liabilities before deduction of variation margin posted		157.9			7.9
31	All other assets not included in the above categories		6,963.2	50.6	2,645.6	2,790.6
32	Off-balance sheet items		19,159.3	60.6	-	978.3
33	Total RSF					49,735.7
34	Net Stable Funding Ratio (%)					177.51%

13 Leverage ratio

DISCLOSURE REQUIREMENT COVERED BY: ART. 451 (1) (a), (b) and (c) CRR 3

The leverage ratio represents the relationship between core capital (Tier 1) and leverage exposure according to Article 429 CRR 3. Essentially, the leverage exposure represents the sum of on- and off-balance sheet positions considering valuation and risk adjustments as defined within the CRR.

Based on Article 499 (2) CRR 3, the information presented below on a consolidated level, uses the transitional arrangements for the definition of the capital measure.

The increase of the Leverage ratio in the first half of 2025 as compared with December 2024 is due to decrease in leverage exposure measure, while Tier 1 own funds increased.

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

		a
in RON million		Applicable amount
1	Total assets as per published financial statements	120,958.0
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
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)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustments for derivative financial instruments	635.8
9	Adjustment for securities financing transactions (SFTs)	6.8
10	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	7,085.9
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	-
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	-
12	Other adjustments	(62.5)
13	Total exposure measure	128,624.0

A detailed breakdown of the components of the LR denominator, as well as information on the actual LR, minimum requirements and buffers are presented in the below template.

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45 EU LR2 - LRCom: Leverage ratio common disclosure

		a	b
in RON million		CRR leverage ratio exposures	
		Jun-25	Dec-24
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	120,618.7	114,767.7
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(300.7)	(266.1)
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	120,318.0	114,501.6
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (ie net of eligible cash variation margin)	207.8	274.6
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	574.7	580.8
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	-	-
EU-9b	Exposure determined under Original Exposure Method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	Total derivatives exposures	782.5	855.4
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	430.9	5,851.4
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	6.8	16.8
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	Total securities financing transaction exposures	437.7	5,868.3
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	31,975.9	29,706.7
20	(Adjustments for conversion to credit equivalent amounts)	(24,890.1)	(21,555.8)
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	-	-
22	Off-balance sheet exposures	7,085.9	8,150.9
Excluded exposures			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) and point (ca) of Article 429a(1) CRR)	-	-
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a (1) CRR (on and off balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	-	-
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	-	-
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	(Excluded exposures to shareholders according to Article 429a (1), point (da) CRR)	-	-
EU-22l	(Exposures deducted in accordance with point (q) of Article 429a(1) CRR)	-	-
EU-22m	(Total exempted exposures)	-	-
Capital and total exposure measure			
23	Tier 1 capital	13,847.9	12,240.0
24	Total exposure measure	128,624.0	129,376.2
Leverage ratio			
25	Leverage ratio (%)	10.77%	9.46%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	10.77%	9.46%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	10.77%	9.46%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-
EU-26b	of which: to be made up of CET1 capital (percentage points)	-	-
27	Leverage ratio buffer requirement (%)	-	-
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	Transitional	Transitional

BCR GROUP DISCLOSURE REPORT H1 2025

Template EU LR3 has been developed in application of Article 451(1)(b) of the CRR 3 in order to provide a breakdown of the total exposure's measures and includes granular information on the composition of BCR Group on-balance sheet exposures.

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

in RON million		a
		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	120,618.7
EU-2	Trading book exposures	3,160.9
EU-3	Banking book exposures, of which:	117,457.8
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	44,492.1
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	6,273.8
EU-7	Institutions	1,141.8
EU-8	Secured by mortgages of immovable properties	18,652.2
EU-9	Retail exposures	17,002.5
EU-10	Corporates	23,936.5
EU-11	Exposures in default	575.7
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	5,383.2

BCR Group manages the risk of excessive leverage through its Risk Appetite Statement and limit framework, which are used to provide quantitative direction for the overall risk-return steering. The leverage ratio is a core Risk Appetite metric monitored through a traffic light system to provide early warnings signals for potential management actions with a formalized escalation mechanism in case of any breaches.

Additionally, the Group proceeds to evaluate the risk of excessive leverage through the Risk Materiality Assessment (RMA). The RMA is an annual process with the purpose of systematically identifying new and assessing existing material risks for the Group. The RMA determines the materiality of risk types and consequently the risk profile across BCR Group by assigning them risk grades to individual risk drivers and identifying those risks which are significant and have to be addressed within the ICAAP framework.

Furthermore, as part of the planning process, risk relevant key indicators, including the leverage ratio, are forecasted in order to ensure the adequate reflection of risks and capital within the steering and management process of the Group.

14 Environmental, Social and Governance risks (ESG)

DISCLOSURE REQUIREMENTS Art. 435 and 449a CRR

Environmental risk

As one of the largest banks operating in Romania, BCR recognizes its responsibility to contribute to the sustainable development of the Romanian economy. This includes identifying and assessing ESG-related risks and implementing appropriate remediation measures.

BCR's broader journey toward achieving its ESG objectives involves addressing climate and environmental risks, complying with regulatory frameworks and recommendations, and creating value for both the social and economic environment. In 2025, BCR expanded its efforts in several key areas:

- **Lending and Customer Engagement:** BCR strengthened its ESG dialogue framework with both existing and prospective clients, focusing on climate-related disclosures and decarbonization measures and opportunities, while providing sustainable financing in support of our customers.
- **Product Development:** The bank introduced and promoted products that emphasize adoption of green energy, energy efficiency and financing buildings with lower energy consumption. BCR also offers a wide range of sustainable financing solutions for all customer segments and has set ambitious targets in this area.
- **Partnerships and Climate Commitments:** BCR is actively involved in initiatives aimed at decarbonizing its loan portfolio. In alignment with its parent company, Erste Group Bank AG—a member of the Net-Zero Banking Alliance—BCR is committed to achieving net-zero emissions by 2050.
- **Operational Decarbonization:** BCR is also working toward reducing the carbon footprint of its own operations, with the goal of becoming net zero by 2030.

Business strategy and process

a) Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning

Our **ESG strategic** approach is based on a profound understanding of the socio-environmental challenges and their impacts to the economic and political development of the region where we operate. ESG integration is an essential part of the overall business strategy, contributing to the long-term financial resilience, and growth-based business model of the bank and of Erste Group.

ESG risks (climate and environmental risks) are part of the yearly **strategic planning** of BCR Group which is approved by the Management Board. Moreover, starting with the **financial planning** exercise in 2022, group-wide planning has been extended with the budgets and KPIs related to "sustainable investments" as well as GHG emissions per industry with an outlook covering a period of 5 years rolling window. This reflects BCR commitment to promote the financing of climate aligned initiatives and projects in Romania, as well as to boost the share of sustainable finance businesses in our portfolio. The main focus lies on strategically relevant industries such as real estate and energy-intensive industries such as electricity production, oil and gas and automotive. In particular, critical sectors (e.g., coal), exclusion criteria are used to ramp up the pressure on the pathway to transformation. From a climate-related risk perspective, both concepts aim to increase the resilience of loan portfolio, either explicitly by investing in more sustainable businesses or implicitly by supporting clients on their path towards net zero transition.

b) Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes

BCR Group strives to be a role model and a driver for the **green transition** by mobilising resources for climate action and adaptation to climate change. BCR Group believes in a fair transition for all and helps customers to secure their personal prosperity in the process. Thus, the green transition also opens up opportunities for growth.

Green Transition - our path to net zero:

- Achieving net zero status for the loan portfolio by 2050.
- Strengthening the leading position in sustainable finance by funding climate action and adaptation to climate change.
- Achieving net zero status of banking operations by 2030 to make a direct contribution to the green transition.

To continue to be successful in a decarbonized world and to create value for customers, investors, employees and society as a whole, it is the responsibility of the management of the bank to positively resolve conflicting goals between profitability and the environmental and social impact of BCR actions and to seize the enormous opportunities in these times of change and transformation.

BCR Group supports the initiatives of Erste Group, who is committed to the goals of the Paris Climate Agreement and pursues the strategic target of getting all financed greenhouse gas emissions of the portfolio onto a path that will lead to net zero. Our methodology for emissions calculation and decarbonization target setting is based on internationally recognized market standards such as the Science Based Target initiative (SBTi) and the Paris Aligned Capital Transition Assessment (PACTA).

Decarbonization targets have been defined for **carbon-intensive industries** in line with the guidance reflected in NZBA Guidelines for Climate Target Setting for Banks. Moreover, the final selection of sectors for definition of decarbonization targets was fostered by availability of science-based methodologies, consideration of technological advances, market trends and regulatory standards.

The **decarbonization targets** for commercial real estate and mortgage portfolios, electricity production and automotive sector, were set based on physical emission intensity, while financed emissions were deemed as most appropriate metric for oil and gas upstream, at the point of decarbonization target definition in light of data and tools availability.

The long-term decarbonization targets are disclosed in the Administrators' Report 2024, under the Environment information – Climate Change Chapter, E1-4 – Targets related to climate change mitigation and adaptation, while mid-term decarbonization targets and alignment with 2030 targets are shown in Template 3: Banking book – Climate change transition risk: Alignment metrics, of this Disclosure.

After defining portfolio decarbonization targets for priority sectors, the BCR Group's risk appetite has been enhanced through introduction of **ESG ICAAP quantitative indicator**. This indicator addresses the question at what level of CO₂e emissions or CO₂e emissions per physical metric in the course of the respective year the target achievement set for 2030 is put at risk. Thus, the aim of the indicator is not only to support our commitment to climate action, but also to enable pro-active steering of portfolio development along the defined decarbonization path.

47 ESG ICAAP quantitative Indicators

		Unit	Q2 2025		ESG ICAAP quant. indicator	Status
ESG ICAAP Quantitative Indicators	Commercial Real Estate	kgCO ₂ e/m ²	31.2	<	36.9	✓
	Residential Real Estate (mortgage)	kgCO ₂ e/m ²	39.0	<	74.9	✓
	Energy (electricity) production	kgCO ₂ e/MWh	121.5	<	122.0	✓
	Oil and Gas (upstream)	ths tCO ₂ e	135.3	<	258.1	✓
	Auto Manufacturing	gCO ₂ e/km	155.6	<	188.5	✓

Furthermore, considering the importance of the data quality framework in sound decision-making processes, the risk appetite is extended with the introduction of the **ESG ICAAP data quality indicator** starting in 2024. The indicator is deemed to be a part of the overall BCR Group's initiative to deploy sufficient control mechanisms that ensure the adequate quality of carbon footprint calculation and decarbonization data.

c) Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities

As regards to sustainable finance, BCR Group is committed to considering social and environmental aspects in finance, banking and client engagements in its retail and corporate business. BCR applies the Erste **Group Sustainable Finance Framework (SFF)**, which has been designed as an umbrella framework that will enable the bank to issue sustainable finance instruments to finance new and/or refinance existing loans for its clients and projects with environmental and/or social benefits. The SFF defines rules for bond issuers in accordance with the ICMA Green Bond, Social Bond and Sustainability Bond Principles. In connection to this, the Sustainable Finance Guideline shall provide the internal operational rules of eligibility criteria and guides the due diligence process of identifying and assessing green, social and sustainable financing for the issuance of sustainable finance instruments.

In H1 2025 new sustainable finance exposures in corporate financing reached a total of RON 1,719 million, mostly real estate, renewable energy and distribution networks projects. In terms of sustainable retail mortgages, BCR has reached a total new financing volume of approx. RON 187.8 million in H1 2025. In terms of stock, BCR reached 15.8 % sustainable finance ratio on corporate and 18.4 % for retail exposure as of H1 2025. Sustainable investment exposures are assessed in accordance with Erste Sustainable Finance Guidelines.

d) Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks

With respect to the measures taken to mitigate the risks associated with ESG factors, the BCR Group **Responsible Financing Policy** defines harmful socio-environmental activities that are excluded from financing and banking services. The main focus of the policy is on climate protection through the alignment of BCR Group's energy financing in line with the Paris Agreement, global warming limitation, the prevention of extensive environmental degradation and measures to preserve biodiversity through restraining from arctic oil and gas financing and unconventional mining practices. In addition, this Policy aims to limit the impact of socially harmful activities, such as the weapons and gaming industry.

Within credit risk portfolio, engagement with counterparties on the topic of environmental factors involves the Erste Group-wide **ESG Assessment Questionnaire**, which provides a comprehensive ESG assessment for large corporate, real estate transactions, SME clients with transferable securities admitted to trading on an EU regulated market and State-Owned Enterprises – SOE (with yearly consolidated turnover higher than EUR 50mn) within the credit application and approval process. The questionnaire enables to identify clients which are prone to environmental, social and governance risks and facilitates data collection on **the Carbon footprint of clients, including CO₂e emissions, water consumption and waste**, for example. It is updated annually and allows us to assess the impact of ESG factors on credit risk. Depending on the information provided, some questions may also require an assessment in order to understand the nature and severity of the ESG risks to which the client is exposed.

For SME clients without transferable securities admitted to trading on an EU regulated market and SOE clients (with yearly consolidated turnover less than EUR 50mn), an **ESG Factor Heatmap** is used as a risk assessment and management instrument to identify certain industries exposed to ESG risk factors. The ESG Factor Heatmap combines the relevance of climate, environmental, social and governance risk factors, utilising a granular segmentation of industry sectors of the portfolio, and allows for a differentiated approach as the relevance of individual risk drivers may differ, depending on the nature of the respective (sub)sectors a company operates in.

If the client is exposed to the increased ESG risks, these must be properly assessed with respect to the impact on the financial position of the client in the credit application and considered in the final lending decision and rating where relevant. In cases with potentially high ESG risk exposure, an assessment is triggered to understand the nature and severity of the risk to which the company is exposed.

Governance

e) Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels

The BCR Group's **ESG governance** is driven by the fact that environmental risk is considered as a transversal risk influencing the "classical" risk types such as credit, market and operational risk.

In BCR Group the governance is ensured by the **Sustainability, Diversity and Inclusion Committee**, subordinated to the Management Board. The responsibilities of this committee are detailed in the Chapter dedicated to Social Risk, point e.

f) Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions

Consequently, environmental risks are treated within the existing organizational risk management structure where each risk owner is responsible for influencing environmental risk. Within our **risk management framework**, the concept of ESG risks is transversal. Consistently, the management of these risks is integrated into our existing risk management organisation:

- **Strategic Risk Management** ensures the integration of ESG into the Risk Appetite Statement, Risk Strategy, Risk Materiality Assessment, Stress Testing framework and inclusion of ESG in Risk Reporting; it also coordinates interim targets setting for Net Zero transition.
- **Corporate Risk Management** ensures the integration of ESG risks into industry strategies and participates in interim target setting for Net Zero portfolio transition; importantly, it ensures that a proper due diligence is implemented into underwriting and collateral management processes.
- **Operational Risk Management** governs ESG integration into the existing NFR risk management process and ensures the adequate impact on the operational risk capital requirements.
- **Market & Liquidity Risk Management** contribute to the ESG risk assessment in the respective area.

The **Internal Audit** function has incorporated ESG-related risks into the audit process by providing objective assurance and assessing the efficiency and effectiveness of governance structures, business and risk strategies, and control mechanisms across all relevant processes. ESG requirements are also defined as statutory audit requirements to ensure adequate consideration in the audit planning process.

g) Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels

ESG risks as transversal risks in BCR Group's risk taxonomy are reflected not only in its Risk Strategy and Risk Materiality Assessment but also in its Risk Appetite Framework.

Within the Credit Committee, risks associated with environmental, social and governance factors are considered as part of the credit application, reflecting the ESG Assessment Questionnaire result. It is a requirement to attach the results of the questionnaire to the credit application, where applicable, and it forms a part of the credit application and approval process, according to the established credit approval authorities of the BCR Group.

The ESG Assessment Questionnaire also includes a "risk meter" indicating the level of ESG data available from the counterparty, specifically if the company has formulated a plan to reduce its carbon footprint.

h) Lines of reporting and frequency of reporting relating to environmental risk

ESG risks as part of the **internal reporting framework** are currently covered by a set of reports as elaborated below:

- The **ESG Risk Materiality Assessment (RMA)** results are reported as part of the Risk Strategy package, at least once a year or whenever external circumstances require
- The **BCR Group Risk Report**, as one of the most comprehensive risk reports, includes a chapter dedicated to ESG topics in the risk area.

The **Risk Report** includes a chapter dedicated to ESG topics in the risk area. Initial focus was on quarterly developments of portfolio per **ESG Factor Heatmap** (covering Environmental, Social and Governance risks) and overview of financed emissions. Further on, the chapter has been enhanced to reflect the developments in the field, including details related to the **decarbonisation targets** set for priority sectors (housing mortgages, commercial real estate, energy production, oil&gas and automotive production), EPC energy level distribution for Real Estate. The BCR Group Risk Report is developed on a quarterly basis, and it is presented to the Management Board as well as to the Supervisory Board.

In 2024, reporting was extended to monitoring relevant emission levels against the ESG ICAAP quantitative indicators within the risk appetite of the Group in five priority sectors: residential real estate (mortgage), commercial real estate, energy (electricity) production, oil & gas (upstream) and auto manufacturing. Besides that, further details have been introduced, such as the distribution and development of data quality score for

emissions calculation and additional decarbonization targets set for carbon-intensive sectors (i.e., auto manufacturing, oil & gas). In 2024, in addition to the full coverage of all five decarbonization industries and the integration of regular monitoring of the ESG ICAAP data quality indicator, dedicated information regarding climate-related and environmental concentration risks and an overview of top client emitters has been included.

Within collateral management, we collect Energy Performance Certificates upon new financing requests and/or at the time of valuations. We monitor the data collection efforts through Data Quality Indicators. Energy efficiency as well as physical risk for all real estate collaterals (retail and commercial) since Q3 2024, is reported quarterly in our Group Collateral Report. Moreover, topics such as energy efficiency of the assets (CRE) and exposure to physical environmental risks are part of the internal semi-annual Real Estate Report.

i) Alignment of the remuneration policy with institution's environmental risk-related objectives

As regards the remuneration policy and whether environmental and social risks are included, the performance criteria and their impact on the variable remuneration of the Management Board of BCR Group are determined by the Supervisory Board at the beginning of the financial year. The individual strategic targets include ESG targets and are defined in detail in the scorecard of the respective board member, and the achievement of these is evaluated at the end of the performance period. ESG related targets are in line with the focus areas Holistic ESG performance, Green Transition – Green financing & Net Zero transition and Equal Opportunities. ESG targets are cascaded in the organization (Divisions and hierarchical level as appropriate).

Details of ESG performance criteria for Management Board members in 2024:

- Maintaining a good ESG performance for Erste Group is shared by all BCR board members and is assessed by external ESG ratings (MSCI, ISS ESG, SUSTAINALYTICS, CDP). Except for CDP, which focuses on climate impact, the other three ESG rating agencies measure the environmental, social as well as governance related performance of companies.
- Implementation of the ECB ESG Action Plan is assigned to the Chief Risk Officer.
- Supporting the Portfolio Net Zero Transition (Net Zero target setting) at Erste Group level is shared by BCR Group risk, finance, and business Board Members.
- Sustainability strategy, transparent investor engagement on main ESG actions, measures and progress toward objectives is assigned to the CEO.
- Increasing sustainable retail mortgages (target volume of new sustainable retail mortgages) is assigned to the Chief Retail Officer.
- Increasing sustainable corporate financing (target volume of new sustainable corporate financing) is assigned to the CEO.
- Increasing zero-carbon electricity sourcing is assigned to the CFO.
- Ensuring Digital system support for ESG Data Management and the Green Asset Screening design and implementation is assigned to the Chief Operations Officer.

Sustainability performance targets are applied to local board members (representing 10% of variable compensation) and Board-1 managers, where the focus is on green transition and diversity.

Risk management

j) Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework

The group risk framework considers short-, medium- and long-term effects through several different perspectives. The severity of the impact is assessed on a yearly basis during the bank's Risk Materiality Assessment (RMA). Time horizon is short-to medium-term (3-5Y), whereas outlook mid to long-term (2030 - 2050).

The comprehensive stress test exercise has been extended with climate -related scenarios addressing both transitional and physical risks. Our main environmental stress assumption is referring to delayed implementation of global climate policies and/or divergent policies across countries. Given the already announced commitments on reduction of GHG emissions (e.g. EU "2030 Climate Target Plan" aiming a reduction by 55% of GHG emissions from 1990 levels ("Fit for 55" package)), we stress that the policies may be implemented with delay imposing more stringent constraints to companies. Companies from the carbon-intensive industries, required to make major investments may be downgraded, resulting in

higher probabilities of default during the transition period (transitional risk). Given that physical risks are defined as a consequence of the lack of / inefficient climate policies, this type of risk was reflected in our stress tests by affecting the market value of collaterals.

k) Definitions, methodologies and international standards on which the environmental risk management framework is based

BCR Group, following Erste Group's approach defines environmental risks in its risk inventory/taxonomy as environmental risk drivers, recognizing their transversal nature and their role as root causes that may activate or amplify other risk types within the framework (similar to social and governance risks definitions).

Environmental (or "climate-related and other environmental") risk factors mean the risk of any negative financial impact on the institution stemming from the current or prospective impact of environmental factors on the institution's counterparties or invested assets, including factors related to the transition towards the following environmental objectives:

- (a) climate change mitigation
- (b) climate change adaptation
- (c) the sustainable use and protection of water and marine resources
- (d) the transition to a circular economy
- (e) pollution prevention and control
- (f) the protection and restoration of biodiversity and ecosystems

Environmental risk includes both physical risk and transition risk:

- **Physical risk** stems from the physical effects of environmental factors and can materialise through acute physical events (most prominently extreme weather-related events) or chronic physical risks (arising from longer-term changes in the climate, such as reduced water availability, biodiversity loss, and changes in land and soil productivity).
- **Transition risk** stems from the Group's (in)direct impact on environment coming from its operations (products and services) as well as refers to the potential financial loss for the Group (i.e., adverse impact on its capital). Both originate from the process of adjustment towards a lower-carbon and more environmentally sustainable economy, driven directly or indirectly by: (1) relatively abrupt changes in legislation, technology, market sentiment, and consumer preferences; and/or (2) compliance-related risks, such as liability, litigation, and/or reputational risks.

l) Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels

Within the credit risk area, a process for identifying and monitoring environmental risks is initiated during a new lending request, renegotiated transactions or transactions requiring contractual changes, as well as within the annual review of a counterparty. Firstly, the Bank **ESG Factor Heatmap** takes climate, environmental, social and governance risk factors into account, to identify and assess ESG risks and opportunities. The heatmap covers all sectors to which BCR has exposure to, and assigns industries into low, medium, high, and very high ESG classifications. It is reviewed on an annual basis. It is embedded in the internal processes and used as an integral part of the of lending standards, the credit process, for active portfolio management and the setting of industry strategies according to the relevant industry specific ESG factors. Potential environmental risk factors, such as climate change, environmental degradation, and animal welfare, are considered within the regional industry risk assessment in the process of reviewing the ESG Factor Heatmap. The ESG Factor Heatmap is also used for the ESG assessment of SMEs without transferable securities admitted to trading on an EU regulated market.

Secondly, for all large corporates, SME clients with transferable securities admitted to trading on an EU regulated market and State-Owned Enterprises – SOE (with yearly consolidated TO > 50M EUR) an individual **ESG Assessment Questionnaire** shall be performed. Besides social and governance questions, a wide range of environmental risks are covered in the questionnaire, including animal welfare, waste and pollution, water use, impact on protected areas and other biodiversity and land use impacts, which are identified and reflected in the assessment. Depending on the information available from the counterparty and the assessed sensitivity/vulnerability to environmental risks, an **assessment** may be required in order to understand the nature and severity of the environmental risks to which the client is exposed.

The identified key environmental risks aim to determine the possible impact on the counterparty's financial performance (e.g., environmental risks driving lower profitability or increased legal costs).

In the **corporate rating model**, a soft fact question covering the counterparty's environmental impact is also assessed.

Another dimension BCR Group focuses on is the incorporation of **ESG factors in collateral management and real estate valuations**. The incorporation of environmental factors into collateral management, particularly valuations, looks at the lifetime of the asset and is therefore applicable for the medium- to long-term time-horizon.

In internal valuations, the energy efficiency of buildings and physical risks play an important role. The energy efficiency assessment is based on Energy Performance Certificates (EPC) that are requested from the client or, if available, sourced from public registers in certain countries. Previously, BCR Group has implemented several actions in order to increase the coverage of EPC data, such as automated data capture, extraction, and processing for certificates, and establishing data KPIs to increase data availability. There is a regular (quarterly) monitoring where the coverage of the EPC availability as well as its data quality is assessed and communicated to senior management. Additional actions and enhancements of established processes will continue to be implemented in order to further increase EPC data availability throughout the Group (including sharing of best practices such as Optical Character Recognition solutions through Group entities). Nevertheless, improving EPC coverage in BCR Group, particularly for existing collateral stock, remains a challenge. This is because banks do not have access to a harmonized central database for EPCs available in the region, which limits the entities' capabilities to improve to a level which is reachable for countries where such central databases are established.

Up-to-date **information on physical risks** is gathered and considered in the assessment of the evaluated asset. Furthermore, other negative contributions of the real estate asset to climate change (i.e., DNSH - Do No Significant Harm) are also assessed in the real estate valuations.

For the assessment and management of physical risks, BCR Group uses Munich RE's Location Risk Intelligence. Following an assessment in cooperation with the University of Graz, the Group identified key hazards and climate change scenarios relevant for its collateral portfolio, which was considered in the materiality assessment. The results of the assignment, highlighting the importance of river flood, fire weather stress, drought stress, sea level rise, and heat stress, are integrated into the collateral management, incorporating an intermediate climate change scenario of 2-3°C by 2100 (Representative Concentration Pathway 4.5 / Shared Socioeconomic Pathway 2, developed by the Intergovernmental Panel on Climate Change) as a reasonable assumption. In case of the existence of very high physical risks of a location, the collateral value might be negatively affected, depending on any mitigation measures.

In **large commercial real estate transactions**, environmental aspects are part of the Technical Object Rating (TOR) and cover environmental risks such as waste, pollution, water use, and land use, to name a few.

In the area of Operational Risk, the yearly RMA considers the potential impact of ESG risks (acute physical risk, damage to (own) physical assets, supply chain disruption).

m) Activities, commitments and exposures contributing to mitigate environmental risks

As our comprehensive analysis of the climate-related challenges, legislative and economic impacts of climate change in our region have shown, financing for or investing in companies exposed to physical and transitory climate risks poses a significant risk to our core business in the medium to long term. In addition, there is a risk of consequences, particularly in customer engagement, if products are advertised as "sustainable" that cannot withstand close scrutiny by the regulator ("greenwashing"). Penalties and a loss of reputation would be the consequences.

At the same time, negative impacts on the environment and society are possible if companies are financed or invested in that, for example, operate in an environmentally harmful manner and disregard fundamental human rights or the principles of good corporate governance. The establishment of sustainability criteria, on the other hand, has the effect that companies with negative sustainability impacts are avoided and that financial resources flow into companies and activities that contribute to the transformation.

To **mitigate the transition risk**, BCR Group has set itself the goal of reducing the emissions it finances along the net-zero path, on the one hand, and significantly increasing the share of short- and medium-term sustainable financing and investments, on the other side. BCR Group is therefore clearly committed to funding ambitious climate protection measures and to support customers in their transformation to transition the portfolio to net-zero greenhouse gas emissions by 2050.

n) Implementation of tools for identification, measurement and management of environmental risks

Stress testing is a critical risk management tool for BCR Group, offering a forward-looking view of the bank's risk profile.

Stress Testing provides valuable information for strategic decision making: the results of the regulatory climate stress test revealed insights into the bank's exposure to carbon-intensive industries. They were used to assess which parts of the portfolio are sensitive to climate risk and to better understand the long-term impacts of climate risk on growth potential and value generation.

Risk materiality assessment (RMA) as a steering tool is an annual process with the purpose of systematic identification of new and assessment of all risks for BCR Group. Climate change risks, both transitional and physical, and other environmental risks, such as environmental degradation and animal welfare, are integrated into the Risk Materiality Assessment of BCR Group. They are identified and classified as transversal risks in our risk inventory and consequently their materiality is assessed within existing main risk types (credit, market, liquidity, operational and strategic risk) by means of qualitative and quantitative indicators. Such indicators are, for instance for the credit risk, related to greenhouse gas emissions of loan portfolios, real estate energy efficiency, exposure to increased flood and heightened heat/drought risks, or exposures in sectors with potential to environmental degradation.

Decarbonisation strategy, which will effectively mitigate BCR Group exposure to transition risks, is based on a starting point of financed emissions which are determined in the Carbon Footprint Calculation. Portfolio decarbonisation targets aim a reduction of financed emissions by the end of the decade in the portfolios retail mortgages, commercial real estate, electricity production, automotive production and oil & gas extraction. In line with the Net Zero Banking Alliance, we strive to achieve net zero by 2050.

Consequently, BCR Group also implemented **greenhouse gas calculation** (internally referred to as **Carbon Footprint Calculation** - "CFC"). Thus, it measures financed portfolio's emissions according to PCAF (Partnership for Carbon Accounting Financials) methodology.

Scope 1, 2, and 3 emissions are calculated and disclosed in line with PCAF guidance on scope 3 inclusion for selected industry sectors. Since Year End 2024, we report Scope 3 for all industries except clients in the scope of PCAF real estate calculation, which covers specific commercial real estate including income-producing residential real estate and retail mortgages.

From the methodology published by PCAF, BCR Group has implemented CFC for business module, project finance, residential and commercial real estate.

o) Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile

BCR Group is aware that it is necessary to provide the estimated impact of environmental risk on the institution's capital adequacy. The potential impact was assessed by taking into account results of comprehensive stress test. The stress test shows limited impact on our risk profile, capital adequacy and liquidity adequacy.

In this light, we find that there is no need to put capital aside immediately considering:

- ESG risk as transversal by nature is a driver of key risk types (e.g., credit, market, liquidity, operational risk), thus the risk management framework and economic capital are implemented under affected key risk types (preventing double counting of risk)
- ongoing implementation of proactive risk management framework (e.g., decarbonization strategy planning, improving data management) to cope with transitional risk, effectively reducing Group exposure to climate related and environmental (CE) risks
- ESG as emerging risk, expected to unfold its loss potential slowly over the next decades, where the path of development is quite well understood and therefore, risk measurement systems of Erste Group (e.g., PDs) as well as client's behaviour will step-by-step adapt to respective changes.

p) Data availability, quality and accuracy, and efforts to improve these aspects

Since 2021, the ESG relevant data have been included in the data collection processes for indicators' calculation and reporting purposes (further data will be introduced to cover additional requirements).

Regarding data quality of information collected for ESG, several business and technical data quality checks have been implemented that monitor ESG relevant fields.

q) Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits

In order to ensure strategic goals achievement defined through RAS, BCR is using a wider set of limits (operative limits) designed for this purpose. Starting 2023 two new operative limits specific to environmental risk were introduced:

- **limit on exposures to highly carbon-intensive companies:** share of exposures with “high” and “very high” score based on GHG emissions for business loans and project finance portfolio from total assessed portfolio.
- **limit on EPC labels for mortgage loans:** share of new Real Estate collaterals (RRE & CRE) with an energy performance label class D or worse from total new Real Estate collaterals.

In 2023 the BCR Group's risk appetite has been enhanced through introduction of **ESG ICAAP quantitative indicator**. Starting 2024 the risk appetite is extended with the introduction of the **ESG ICAAP data quality indicator**.

r) Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework

BCR Group identifies sectors that are vulnerable to environmental risks via the Group's ESG Factor Heatmap as mentioned in previous sections.

Via the ESG Assessment Questionnaire previously detailed, the bank is able to assess how certain ESG factors may have a positive or negative impact on the financial performance of clients. In this manner, the bank is able to ensure that the potential impact of environmental risks on the loan portfolio (and thus credit risk) is considered.

ESG risks are implicitly covered in the existing Operational and Non-Financial Risk (NFR) Management framework and all methods covered therein. Also, they are explicitly addressed in the yearly Operational Risk Scenario Analysis and the Stress Testing framework. On a daily basis, the NFR decision framework can be seen as a case-by-case scenario analysis also covering ESG risks in all impact dimensions (financial, legal and reputational). Data collection and reporting requirements for ESG events follow the same standards as other Operational Risk events. Given the above, ESG risks are implicitly (via loss data) and explicitly (via scenario analysis) covered in the RWA calculation for operational risk.

The NFR decision process ensures a deep-dive scenario analysis, covering ESG risks in all dimensions (financial, legal and reputational) for single transactions (including those related to scope 3 financed emissions). In addition, the NFR decision process is intrinsic to various business decision governance frameworks, including financing, outsourcing and product development. The process is designed for risk acceptance of evaluated NFRs, including climate and environmental (C&E) risks, with exact risk escalation levels and documentation. This serves as a foundation for effective risk response and monitoring.

The NFR decision process allows for comprehensive consideration of climate and environmental risks and other non-financial risks, by measuring the probability and impact of identified risk scenarios. Impacts assessed include the financial consequences of the identified risk, projected reputational damage, as well as projected legal compliance aspects associated with the acceptance of such risk(s).

Depending on the scaling of identified risks, each NFR decision has to be accepted by the appropriate risk acceptance level, depending on the combination of risk probability and risk impact. Each acceptance must be associated with respective risk mitigation measures.

Social risk

Business strategy and process

a) Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning

The analysis of mid- and long-term developments, stakeholder perceptions, changes to the social and business environment and related social challenges, are **key elements to determine the ESG strategic approach**. ESG risks identification like potential environmental damages, severe negative social consequences or poor governance have been always an integral part of **Erste Group business and risk management framework**.

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Moreover, Erste Group is also one of 33 signatory banks joining the United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking's Commitment to Financial Health and Inclusion. Within this commitment all signatory banks had to set targets in respect to financial health and inclusion in 2023 and report on them annually with the following year thereafter to ensure transparency on the progress.

Our analysis of socio environmental topics provided the basis for BCR Group's long-term ESG strategic planning, objectives, and framework. Furthermore, the identified environmental and social challenges are considered in the **ESG Factor Heatmap** and **BCR Responsible Finance Policy**. In context of our financing and investment operations, BCR Group considers social, ecological, and ethical criteria as well as impact on society and the environment in addition to economic consideration. These internal standards are the ones used to define our guiding principles.

The **Social Banking Risk Policy** sets out the key requirements for managing credit risk related to social banking in BCR. This policy applies to social banking lending to social non-governmental organizations (NGO) and special impact projects. Therefore, the policy applies to financing activities related to these primary objectives, performed by social banking.

b) Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes

The social cohesion creates a strong and reliable basis for a well-functioning socio-economic environment that will bring prosperity to many. BCR is therefore pursuing effective initiatives to promote financial inclusion, social banking, financial education and gender equality.

Social Inclusion - societal cohesion:

- Boosting financial inclusion through our social banking activities, thereby strengthening social cohesion in the civil society.
- Helping our customers gain financial health and financial literacy, with a focus on financial education projects for children and young people.
- Promoting diversity, including gender diversity, and fostering good ethical conduct and compliance, such as through extensive corruption and bribery prevention and detection trainings.

Governance

c) Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities

BCR Group's commitment to society has never been limited to business activities alone. We consider financial literacy, access to banking products for financially excluded groups are areas where we can generate a significant positive impact on society. Financial education may help customers to take better decisions. The result: better investment and finance decisions for customers, higher earnings and lower risk for the bank. The development and approval of new products and services is based on a structured process which is informed by strategic goals (identified customer needs and market opportunities) and guarantees comprehensive quality assurance.

BCR Group's employees are a key asset in the successful transformation of our organisation, corporate culture and competences. Our responsible human resources management encompasses effective diversity and inclusion management. Attracting, retaining, and engaging highly qualified employees is crucial to the business success of BCR Group. One of the measures is to involve its employees in management decisions via representative bodies, in particular in matters that directly affect employees. A sound work-life balance is essential for maintaining and promoting health.

d) Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to: (i) Activities towards the community and society; (ii) Employee relationships and labour standards; (iii) Customer protection and product responsibility; (iv) Human rights

BCR Group's reputation is vital to us and to our multitude of stakeholders, including customers, shareholders and employees. The bank has established an integrated approach to effectively manage reputational risks, with a robust framework of group-wide policies and procedures.

Therefore, we have identified so-called "areas of concerns" within our **Reputational Risk Management Policy**, which includes a large number of social risk factors.

Identified risk events with reputational risk impact have to be evaluated based on the Operational Risk Scaling Matrix and the Risk Appetite Statement. The Operational Risk Scaling Matrix takes into account the probability and the severity of a possible risk event. All the identified and evaluated occurrences with reputational risk impact have to be managed in order to keep the risk exposure within the approved risk appetite by choosing and deciding on one of the following strategies: (a) avoidance, (b) mitigation or (c) acceptance.

e) Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body

BCR's ESG governance is driven by the fact that environmental risk is considered as a transversal risk influencing the "classical" risk types such as credit, market and operational risk, thus the existing well-established committees and board structure are used to deal with environmental risks.

In 2021, a **Sustainability, Diversity and Inclusion Committee** has been set up, a decision Body integrated into BCR's Governance Structure with the primary focus on Strategic and Governance Decisions related to Sustainability, monitoring the progress of ESG initiatives and targets.

This Committee is organized and operates as an analysis, consultative and decision-making body for Sustainability related topics, according to the authority limit settled by the own internal rules and other internal regulations. It is subordinated to the MB, holding delegated decision authority from the MB within the limits of its competencies.

The main responsibilities of the Sustainability, Diversity and Inclusion Committee are described below:

- **Strategic Approvals and Decisions:**
 - Proposes sustainability strategies and climate plans aligned with the Group's overall strategy.
 - Defines the governance framework for sustainability, including for subsidiaries.
 - Establishes objectives, key performance indicators (KPIs), and priorities in the areas of ESG, diversity, and inclusion.
 - Evaluates and approves major initiatives, communication campaigns, and external commitments.
- **Recommendations to Management Bodies:**
 - Proposes sustainable policies, objectives, and investments.
 - Recommends investment strategies that respect ESG criteria and pursue relevant certifications.
- **Monitoring and Reporting:**
 - Analyzes progress reports and quarterly reviews regarding the achievement of ESG objectives.
 - Monitors regulatory developments and relevant macroeconomic trends.
 - Evaluates the results of internal and external audits regarding sustainability.
 - Coordinates external ESG reporting and green innovation initiatives.

f) Alignment of the remuneration policy in line with institution's social risk-related objectives

As regards the remuneration policy and whether social risk is included, please refer to the Environmental risk chapter, section i.

Risk management

g) Definitions, methodologies and international standards on which the social risk management framework is based

Social risk means the risk of losses arising from any negative financial impact on the institution stemming from the current or prospective impacts of social factors on its counterparties or invested assets. They mostly materialize due to poor standards of respecting elementary rights, inclusiveness, or ineffective labour relations and unfair, untransparent or malleus customer practices. Social risks materialize mostly through damages to reputation, ineffective or even disrupting operations or loss of critical labour force, and finally through financial claims and liabilities due to improper practices.

ESG risks arise as negative financial impact from the materialization of negative environmental, social or governance events. Social risks are mostly those which materialize due to poor standards of respecting elementary rights, inclusiveness, or ineffective labor relations and unfair,

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untransparent or malleus customer practices. Social risks materialize mostly through damage to reputation, ineffective or even disrupting operations or loss of critical labor force, and finally through financial claims and liabilities due to improper practices.

Whilst carrying out the double materiality assessment process for the purpose of the Corporate Sustainability Reporting Directive the following main social risk drivers were identified and considered from a value chain perspective inclusively:

- Human Rights (rights of freedom, child labor, forced labor & human trafficking, poor conditions on healthcare, education and job safety, differentiation in labor conditions, compensation, segregation).
- Workers' rights (violation of worker's rights as collective bargaining, freedom of association, working hours; poor worker safety record, forced labor conditions, child labor).
- Customer protection and conduct risk (exposure to liability by consumer protection, consumer rights, exposure to damages caused by products, services, legal charges against the bank, weak personal data security and privacy protection, claims of unfair and misleading promotion).

h) Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels

Within the risk assessment of loan origination and monitoring process for large corporate, commercial real estate transactions and State-Owned Enterprises - SOE (with yearly consolidated turnover higher than EUR 50mn), the bank includes an ESG questionnaire-based screening through the ESG Assessment Questionnaire, detailed in the Environmental risk chapter. Also covered are social risk factors like exposure to human rights violations, child labour and forced labour, or violation of employee rights.

For segments with lower exposures, the main instrument used is the ESG Factor Heatmap, where potential social risk factors, such as human rights, workers' rights and customer protection, are taken into account within the industry risk assessment for our regions in the annual process of reviewing the heatmap.

For single decision taking, out of the identified social risks, NFR decision process has to be considered, while in case of credit/loan decisions this is incorporated in the respective process. Product Approval Process Operational Risk Assessment (PAP) and outsourcing for change the bank and NFR decision for others (e.g., financing, etc.).

i) Activities, commitments and assets contributing to mitigate social risk

We consider financial literacy and access to banking products for financially excluded groups as areas where we can generate a significant positive impact on society and mitigate social risk.

BCR's social banking initiatives focus on financially excluded or vulnerable individuals (people at risk of poverty or social exclusion), start-ups, micro-entrepreneurs and social organisations (non-profit sector, non-governmental organisations and social enterprises), offering them fair access to financial products, sound financial advice.

j) Implementation of tools for identification and management of social risk

Regarding the tools implemented and used to identify and manage social risks (e.g., ESG Factor Heatmap, ESG Assessment Questionnaire, NFR decision process, etc.), please refer to the Environmental risk chapter, sections n and l.

k) Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits

To some extent, see section b above.

l) Description of the link (transmission channels) between social risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework

The potential impact of social risks on the quality of our credit portfolio was considered in Risk Materiality Assessment (RMA) for ICAAP purposes, based on the qualitative assessment at the level of industry sub-segments (ESG Factor Heatmap) as well as based on the ESG Assessment Questionnaire that enable a specific coverage of large corporate clients.

Governance risk

Governance

Governance risk means the risk of losses arising from any negative financial impact on the institution stemming from the current or prospective impacts of governance factors on the institution's counterparties or invested assets. They are prominently related to poor or non-transparent company governance measures, missing or weak code of conduct including lack of substantiated policies on anti-money laundering, bribes and corruption, or tax citizenship. Governance risk can arise also from governance events from poor management of critical supply chain. Materializing governance risks can significantly damage the faith and trust of customers and investors, and potentially leading to loss of revenue, higher funding costs or penalties and such affecting its ability to conduct business over the longer-term.

a) Institution's integration in their governance arrangements governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics

ESG governance bodies comprise the supervisory board level, the management board level as well as business and function-specific levels.

The **Management Board** is responsible for managing the organisation as required for the benefit of the company, taking into account our shareholders, employees, clients and multi-stakeholders. It specifies the company's values and goals in concrete terms and lays down the corporate strategy with due regard to sustainability aspects and the associated opportunities and risks in respect to the environment, social concerns and corporate governance. It defines the ESG strategic pillars and is responsible for the ESG framework, goals and priorities.

BCR Sustainability Department, which reports to the CEO and is headed by the Sustainability Head, develops BCR's sustainability strategy and is responsible for embedding it across the organisation. It develops key ESG policies, secures in-house expertise on climate, environmental, social and governance objectives, defines the ESG governance framework and financing rules and selectively intervenes in single transactions. In addition, it ensures transparency on BCR Group's sustainability impact and works with investors, ESG rating agencies, NGOs and regulatory and public bodies.

The ESG Corporate and Retail Task Force is a collaboration platform on which senior managers from various areas – business, finance, risk management, data management and other support functions – work together to develop ESG objectives and initiatives. It agrees and co-ordinates initiatives, timelines, and other matters for implementation by the relevant internal stakeholders. The task force is also responsible for local application of Erste Group's Sustainable Finance Framework, implementation of group-wide criteria for the classification of sustainable assets, asset allocation and reporting obligations. The task force is organised by BCR Sustainability Department and convenes on regular basis demand having on agenda topics such as implementation of E&S matters, selection criteria for sustainable finance, industry sustainable finance strategies and decarbonization initiatives.

ESG Sustainability Department - area of responsibility:

- Develops, defines and supervises the sustainability strategy
- Develops and implements sustainable organizational policies to address environmental concerns
- Conducts studies and research to identify environmental and sustainability concerns, interests and issues
- Ensures support for sales functions in structuring complex transactions with a sustainability related component
- Elaborates and manages the sustainability concepts in the bank and provides support for sustainability education through trainings, events, workshops and any other means
- Initiates and proposes actions that have as main objective the promotion of key sustainability objectives in the financing activity
- Coordinates proposals for sustainable financing strategies of relevant industries
- Organizes and coordinates the integration of sustainability into all functional lines of the bank.

b) Institution's accounting of the counterparty's highest governance body's role in non-financial reporting

The Supervisory Board is overseeing the implementation of the strategic ESG initiatives.

c) Institution's integration in governance arrangements of the governance performance of their counterparties including:

i) Ethical considerations; (ii) Strategy and risk management; (iii) Inclusiveness; (iv) Transparency; (v) Management of conflict of interest; (vi) Internal communication on critical concerns

As further described in section d.

Risk Management

d) Institution's integration in risk management arrangements the governance performance of their counterparties considering:

(i) Ethical considerations; (ii) Strategy and risk management; (iii) Inclusiveness; (iv) Transparency; (v) Management of conflict of interest; (vi) Internal communication on critical concerns

The potential impact of governance risks on the quality of our credit portfolio was considered within **Risk Materiality Assessment (RMA)** 2024 for ICAAP purposes, based on the assessment at the level of industry sub-segments (ESG Factor Heatmap) as well as for the first time on the ESG Assessment Questionnaire that enable a specific coverage of large corporate clients.

Within the risk assessment of loan origination and monitoring process for large corporate, Commercial Real Estate and State-Owned Enterprises-SOE (with yearly consolidated turnover higher than EUR 50mn), BCR includes an ESG questionnaire-based screening through the **ESG Assessment Questionnaire**, detailed in the Environmental risk chapter. Also covered are governance risks, covering governance failure, supply chain management issues, corporate governance and transparency, to name a few. Additional checks on minimum safeguards alignment have been added, taking into account applicable legislation and international principles such as the OECD Guidelines for Multinational Enterprises.

For segments with lower exposures, the main instrument used is the **ESG Factor Heatmap**, where potential governance risk factors, such as corporate governance, ethical standards and transparency, are taken into account within the industry risk assessment for our regions in the annual process of reviewing the heatmap.

Quantitative disclosure on environmental risk

48 Template 1 EBA/ITS/2022/01: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p
Sector/subsector	Gross carrying amount (RON million)					Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (RON million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity (years)
	Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which Stage 2 exposures	Of which non-performing exposures	Of which Scope 3 financed emissions									
1 Exposures towards sectors that highly contribute to climate change*	21,046.7	-	-	2,788.4	1,080.3	(1,312.7)	(368.1)	(712.5)	3.1	2.4	0.2	15,419.1	4,245.9	1,368.3	13.4	3.3
2 A - Agriculture, forestry and fishing	726.4	-	-	104.3	15.2	(42.6)	(13.5)	(12.9)	0.1	0.0	0.2	599.8	76.5	49.9	0.1	2.6
3 B - Mining and quarrying	456.2	-	-	3.1	7.1	(7.8)	(0.8)	(3.7)	0.2	0.1	0.0	438.7	17.4	-	0.1	1.7
4 B.05 - Mining of coal and lignite	0.0	-	-	0.0	-	(0.0)	(0.0)	-	0.0	0.0	-	-	-	-	0.0	21.0
5 B.06 - Extraction of crude petroleum and natural gas	351.1	-	-	-	-	(0.7)	-	-	0.2	0.1	0.0	351.1	-	-	0.0	1.5
6 B.07 - Mining of metal ores	0.1	-	-	0.0	0.0	(0.0)	(0.0)	(0.0)	0.0	0.0	-	0.1	-	-	0.0	1.5
7 B.08 - Other mining and quarrying	82.2	-	-	3.1	3.1	(6.3)	(0.8)	(3.1)	0.0	0.0	-	79.0	3.1	-	0.0	1.8
8 B.09 - Mining support service activities	22.9	-	-	0.0	4.0	(0.8)	(0.0)	(0.7)	0.0	0.0	0.2	8.6	14.3	-	0.0	5.3
9 C - Manufacturing	4,920.7	-	-	886.5	153.7	(235.0)	(84.6)	(96.3)	1.9	1.6	0.2	3,967.2	943.4	9.6	0.5	2.2
10 C.10 - Manufacture of food products	936.0	-	-	131.2	27.3	(44.7)	(12.7)	(17.7)	0.1	0.1	0.2	865.9	70.0	-	0.2	1.5
11 C.11 - Manufacture of beverages	100.8	-	-	0.3	0.2	(2.7)	(0.0)	(0.2)	0.0	0.0	0.0	91.5	9.3	-	0.0	1.5
12 C.12 - Manufacture of tobacco products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 C.13 - Manufacture of textiles	28.7	-	-	19.5	1.5	(1.8)	(0.9)	(0.9)	0.0	0.0	-	25.0	3.6	-	0.0	1.4
14 C.14 - Manufacture of wearing apparel	26.3	-	-	12.6	4.9	(6.0)	(1.7)	(4.2)	0.0	0.0	-	25.6	0.7	-	0.0	0.9
15 C.15 - Manufacture of leather and related products	8.8	-	-	0.8	1.6	(1.0)	(0.1)	(0.8)	0.0	0.0	-	8.8	-	-	0.0	1.2
16 C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	401.3	-	-	24.5	16.5	(22.1)	(4.7)	(12.3)	0.1	0.0	0.7	337.7	63.6	-	0.1	1.8
17 C.17 - Manufacture of pulp, paper and paperboard	276.5	-	-	69.1	1.8	(12.8)	(8.8)	(1.8)	0.0	0.0	0.0	206.4	70.1	-	0.0	2.5
18 C.18 - Printing and service activities related to printing	51.7	-	-	18.5	1.9	(3.9)	(1.7)	(1.9)	0.0	0.0	-	47.8	3.8	-	0.0	3.0

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Sector/subsector		Gross carrying amount (RON million)				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (RON million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity (years)	
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures		Of which Stage 2 exposures	Of which non-performing exposures	Of which Scope 3 financed emissions								
19	C.19 - Manufacture of coke oven products	252.1	-	-	251.5	-	(6.0)	(5.9)	-	0.1	0.1	0.2	252.1	-	-	0.0	0.1
20	C.20 - Production of chemicals	27.5	-	-	0.4	0.6	(1.0)	(0.1)	(0.5)	0.0	0.0	1.7	26.4	1.1	-	0.0	1.8
21	C.21 - Manufacture of pharmaceutical preparations	7.3	-	-	0.2	0.0	(0.1)	(0.0)	(0.0)	0.0	0.0	-	7.3	-	-	0.0	3.3
22	C.22 - Manufacture of rubber products	336.8	-	-	47.7	8.3	(19.5)	(9.0)	(4.2)	0.1	0.1	0.1	312.6	24.1	-	0.0	1.7
23	C.23 - Manufacture of other non-metallic mineral products	458.7	-	-	101.5	3.7	(28.8)	(20.5)	(2.5)	0.1	0.0	-	274.0	184.6	-	0.0	4.5
24	C.24 - Manufacture of basic metals	256.3	-	-	46.3	1.1	(9.0)	(3.2)	(0.9)	0.1	0.0	0.0	256.3	-	-	0.0	1.5
25	C.25 - Manufacture of fabricated metal products, except machinery and equipment	281.6	-	-	26.0	15.3	(19.6)	(4.3)	(11.3)	0.0	0.0	0.0	241.1	40.5	-	0.1	1.9
26	C.26 - Manufacture of computer, electronic and optical products	14.0	-	-	2.3	10.9	(3.2)	(0.1)	(3.1)	0.0	0.0	-	14.0	-	-	0.0	2.5
27	C.27 - Manufacture of electrical equipment	127.1	-	-	20.9	0.0	(5.2)	(3.6)	(0.0)	0.0	0.0	-	101.8	15.8	9.6	0.0	2.4
28	C.28 - Manufacture of machinery and equipment n.e.c.	135.6	-	-	27.8	19.1	(16.7)	(1.1)	(13.5)	0.0	0.0	0.0	135.4	0.1	-	0.0	1.1
29	C.29 - Manufacture of motor vehicles, trailers and semi-trailers	1,040.7	-	-	29.0	29.0	(19.4)	(1.5)	(15.0)	1.1	1.1	0.5	588.1	452.6	-	0.0	2.9
30	C.30 - Manufacture of other transport equipment	5.0	-	-	1.4	1.0	(1.2)	(0.1)	(1.0)	0.0	0.0	-	5.0	-	-	0.0	0.8
31	C.31 - Manufacture of furniture	111.7	-	-	51.5	5.3	(7.8)	(4.0)	(3.2)	0.0	0.0	-	109.2	2.5	-	0.0	1.7
32	C.32 - Other manufacturing	12.2	-	-	2.2	3.3	(1.6)	(0.4)	(1.1)	0.0	0.0	-	11.3	0.9	-	0.0	1.4
33	C.33 - Repair and installation of machinery and equipment	23.9	-	-	1.5	0.3	(0.9)	(0.3)	(0.3)	0.0	0.0	-	23.9	-	-	0.0	0.8
34	D - Electricity, gas, steam and air conditioning supply	2,167.9	-	-	162.1	6.7	(26.0)	(7.0)	(4.4)	0.6	0.4	0.7	1,516.6	187.7	463.5	0.1	5.1
35	D35.1 - Electric power generation, transmission and distribution	1,775.2	-	-	162.0	2.4	(22.8)	(7.0)	(2.4)	0.5	0.3	0.5	1,124.0	187.7	463.5	0.1	5.9
36	D35.11 - Production of electricity	866.3	-	-	3.3	0.0	(8.9)	(0.1)	(0.0)	0.1	0.0	0.1	312.0	90.7	463.5	0.1	10.2

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Sector/subsector		Gross carrying amount (RON million)				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (RON million)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)		GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity (years)	
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Article 12.1 and in accordance with Article 12.2 of Climate Benchmark Standards Regulation	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures	Of which Stage 2 exposures	Of which non-performing exposures	Of which Scope 3 financed emissions									
37	D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	391.0	-	-	0.0	0.0	(0.9)	(0.0)	(0.0)	0.1	0.0	1.3	391.0	-	-	0.0	1.2
38	D35.3 - Steam and air conditioning supply	1.2	-	-	0.0	4.3	(2.2)	(0.0)	(2.0)	0.1	0.0	-	1.2	-	-	0.0	1.8
39	E - Water supply; sewerage, waste management and remediation activities	321.6	-	-	119.9	4.0	(41.0)	(34.2)	(2.9)	0.0	0.0	0.3	200.8	36.5	84.2	0.0	5.6
40	F - Construction	997.9	-	-	134.6	126.9	(132.0)	(22.0)	(100.1)	0.1	0.1	0.2	975.3	19.3	0.0	3.2	2.0
41	F.41 - Construction of buildings	523.3	-	-	70.9	50.9	(59.3)	(11.1)	(44.2)	0.0	0.0	0.2	519.9	0.3	0.0	3.1	2.8
42	F.42 - Civil engineering	227.7	-	-	7.1	58.8	(43.7)	(1.2)	(40.5)	0.0	0.0	0.2	227.4	0.3	-	0.0	0.7
43	F.43 - Specialised construction activities	246.8	-	-	56.6	17.2	(28.9)	(9.7)	(15.4)	0.0	0.0	-	227.9	18.8	-	0.1	1.7
44	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	5,459.3	-	-	994.9	632.4	(569.8)	(136.7)	(368.0)	0.2	0.1	0.2	4,724.7	689.2	40.6	4.8	2.0
45	H - Transportation and storage	2,356.3	-	-	276.7	118.8	(182.3)	(54.2)	(108.7)	0.1	0.0	0.3	1,023.0	690.3	641.4	1.7	6.8
46	H.49 - Land transport and transport via pipelines	1,416.4	-	-	154.0	41.9	(73.8)	(29.3)	(36.5)	0.0	0.0	0.5	524.6	645.8	244.5	1.5	6.4
47	H.50 - Water transport	5.6	-	-	0.6	0.0	(0.1)	(0.1)	(0.0)	0.0	0.0	-	5.6	-	-	0.0	2.1
48	H.51 - Air transport	73.2	-	-	70.6	0.0	(16.8)	(16.8)	(0.0)	0.0	0.0	-	2.6	-	70.6	0.0	11.7
49	H.52 - Warehousing and support activities for transportation	776.0	-	-	50.0	2.2	(20.9)	(7.7)	(2.2)	0.0	0.0	0.0	405.1	44.5	326.3	0.1	7.8
50	H.53 - Postal and courier activities	85.1	-	-	1.5	74.7	(70.7)	(0.4)	(70.1)	0.0	0.0	0.8	85.0	-	-	0.1	0.4
51	I - Accommodation and food service activities	135.3	-	-	79.1	15.0	(25.4)	(9.9)	(15.0)	0.0	0.0	0.0	105.8	29.1	-	0.3	2.8
52	L - Real estate activities	3,505.3	-	-	27.2	0.4	(50.9)	(5.1)	(0.4)	0.0	0.0	-	1,867.1	1,556.7	79.0	2.4	4.0
53	Exposures towards sectors other than those that highly contribute to climate change*	1,652.0	-	-	321.2	64.8	(118.9)	(47.2)	(50.3)	0.1	0.0	0.0	1,026.5	367.3	234.8	23.4	4.7
54	K - Financial and insurance activities	79.0	-	-	2.2	0.1	(0.5)	(0.2)	(0.1)	0.0	0.0	-	54.2	0.7	7.0	17.1	2.4
55	Exposures to other sectors (NACE codes J, M - U)	1,572.9	-	-	319.0	64.7	(118.4)	(47.1)	(50.2)	0.1	0.0	0.0	972.2	366.6	227.9	6.3	4.8
56	TOTAL	22,698.7	-	-	3,109.6	1,145.2	(1,431.5)	(415.3)	(762.8)	3.1	2.4	0.2	16,445.6	4,613.2	1,603.1	36.8	3.4

* In accordance with the Commission delegated regulation (EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

Template 1 provides information on those exposures book (including loans and advances, debt securities and equity instruments not held for trading and not held for sale) more exposed to the risks that institutions may face from the transition to a low-carbon and climate resilient economy. In this template institution must disclose information on their exposures towards non-financial corporates operating in carbon-related sectors, and on the quality of those exposures, including credit quality information on non-performing exposures, stage 2 exposures, and related provisions as well as maturity buckets.

As of June 2025, we cannot present detailed information on the alignment of our portfolio with the Paris Agreement goals on climate change. This is due to a lack of the required data and is consistent with the Erste Group's approach.

The gross carrying amount of non-financial counterparties portfolio increased by 1,734 RON million from almost 20,965 RON million as of 31 December 2024 to approximately 22,699 RON million as of 30 June 2025, with significant changes registered on the following industries: Real estate activities (+444 RON million), Transportation and storage (+378 RON million), Manufacturing (+ 369 RON million). Regarding the distribution of exposure across industries, the most significant as of 30 June 2025 remained Wholesale and retail trade with a share of 24%, followed by Manufacturing (22%) and Real estate activities (15%).

Starting with June 2024, template 1 includes information on scope 1, 2 and 3 financed emissions of non-financial counterparties, as well as the gross carrying amount percentage of the portfolio derived from company-specific reporting.

BCR uses Partnership for Carbon Accounting Financials (PCAF) methodology to measure and disclose the financed emissions linked to their lending and investment portfolios. PCAF has established various methodologies designed to measure emissions across different financial products and investment categories, including but not limited to project finance, commercial real estate and business loans. These methodologies employ multiple data points, such as balance sheet exposure, client-level data, transactional data, and sector-specific information, to calculate financed emissions. Data Quality Scores (DQS) in the context of the PCAF methodology refer to the availability of the data used to calculate the financed emissions, where the scale ranges from a score of DQ 1 (= highest data quality) to DQ 5 (= lowest data quality). The data quality of our calculations reflects the high dependence on sectoral emission factors, as relevant customer information was not widely available. Reported emissions in the corporate customers segment are currently only scored as DQ 2 as we are at present unable to determine whether the reports have been verified.

Overall, the carbon footprint calculation as of June 2025 covers 99.2% of total exposures granted to non-financial corporations (loans and advances, debt securities and equity instruments not held for trading and not held for sale) with business loans being the major source of financed emissions, because of both their absolute quantity (3.3 million tCO₂e) and financed emission intensity (78 tCO₂e/RON million).

Out of total financed emissions of 3.3 million tCO₂e, a significant share is attributed to Manufacturing industry, mainly to Automotive sector (C.29 - Manufacture of motor vehicles, trailers and semi-trailers). The sector accounts for 35% of total portfolio mainly due to new financing line granted in 2025 to an auto producer undertaking an extensive investment program, with an important role in the production of electric vehicles.

49 Template 2 EBA/ITS/2022/01: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral

Counterparty sector	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	
	Total gross carrying amount amount (RON million)																
	Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral			
	0; <= 100	> 100; <= 200	> 200; <= 300	> 300; <= 400	> 400; <= 500	> 500	A	B	C	D	E	F	G				
1	Total EU area	18,427.2	2,373.7	7,400.3	1,197.7	72.4	24.7	36.3	6,551.1	5,030.2	1,183.0	78.9	25.9	19.1	9.1	5,529.8	7.96%
2	Of which Loans collateralised by commercial immovable property	3,491.7	555.9	1,603.5	524.0	8.6	4.8	11.5	1,772.0	752.4	79.9	11.0	3.9	8.3	1.0	863.3	9.12%
3	Of which Loans collateralised by residential immovable property	14,889.2	1,817.8	5,795.6	673.1	63.8	19.9	24.8	4,779.2	4,276.6	1,102.6	68.0	22.0	10.8	8.1	4,622.0	7.85%
4	Of which Collateral obtained by taking possession: residential and commercial immovable properties	46.3	-	1.1	0.6	-	0.0	-	-	1.1	0.6	-	0.0	-	-	44.5	0.00%
5	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	439.9	0.2	360.0	79.4	-	-	0.4								-	0.00%
6	Total non-EU area	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
7	Of which Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
8	Of which Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
9	Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%
10	Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-								-	0.00%

Template 2 outlines the gross carrying amount of loans collateralized with immovable property and repossessed real estate collaterals. Information on climate-change transition risk related to loans collateralised by commercial and residential real estate properties and on collateral repossessed, are based on the energy efficiency of the collateral, including information on the distribution of real estate loans and advances and on repossessed collateral, by energy consumption and by Energy Performance Certificates (EPC) label of the collateral.

Within the overview of loans collateralized by commercial and residential immovable property per energy efficiency (EP score), BCR has also included the exposures for which the energy consumption is estimated, in addition to separately presenting it in the dedicated row. When presenting the exposure distribution per EPC label, the estimated EPC labels are no taken into consideration.

In terms of distribution across EPC labels of loans collateralised by commercial immovable property, class A of energy performance has the highest share in total exposure, of 51%. In case of loans secured by residential immovable property, the distribution is balanced between class A (32%) and B (29%), with a high share of cases without EPC label. Compared to 31 December 2024, at the portfolio level, the exposure related to the collaterals which do not have an energy performance certificate decreased by 5%, from 5,804 RON million to 5,530 RON million as of 30 June 2025.

50 Template 3/EBA/ITS/2022/01: Banking book – Climate change transition risk: Alignment metrics

a	b	c	d	e	f	g
Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (RON million)	Alignment metric	Year of reference	Distance to IEA NZE2050 in %*	Target (year of reference + 3 years)
1 Power	D 35.11	852.8	KgCO ₂ e per MWh	123.0	68.65%	95.7
2 Fossil fuel combustion	B 06.10, B 06.20 (upstream)	350.9	thousand tCO ₂ e	245.8	5.20%	238.5
3 Automotive	C 29.10	455.6	gCO ₂ e per km	157.1	53.75%	135.1
4 Aviation	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
5 Maritime transport	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
6 Cement, clinker and lime production	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
7 Iron and steel, coke, and metal ore production	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
8 Chemicals	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

* PIT distance to 2030 NZE2050 scenario in % (for each metric)

Based on the calculation of financed CO₂e emissions for each portfolio, BCR has defined carbon-intensive industries in alignment with industry classification applied for internal steering. This analysis was supported by materiality assessment that considers share of on-balance exposure and financed emissions (Scope 1 + Scope 2 CO₂e) in comparison to the portfolio as part of Carbon Footprint Calculation. The final selection of sectors for definition of decarbonization targets considered the availability of science-based methodologies, consideration of technological advances, market trends and regulatory standards. The target setting was derived via the SBTi (Science Based Targets Initiative) and PACTA (Paris Agreement Capital Transition Assessment) methodologies.

The Template 3 includes data on the sectors for which decarbonization pathway was defined in alignment with 1.5°C degree scenario. Additionally, the bank defined decarbonization pathways for commercial real estate and mortgage portfolios, consistent with a 1.75°C scenario, and therefore these two portfolios were not included in the template.

The decarbonization targets were set based on physical emission intensity, while absolute financed emissions were deemed as most appropriate metric for Oil & Gas upstream. However, as financed emissions are calculated according to the PCAF Reporting Standards, the actual value is highly dependent on on-balance exposure as of reporting date. For Oil & Gas upstream the baseline value shown in the column (e) has been defined taking into consideration business assumptions at the point of targets setting. Within the automotive sector BCR has set decarbonization targets for the clients in the Automotive production, namely manufacturing of light duty motor vehicles, that are defined via NACE 29.10.

To ensure methodological consistency, the reference years (column e) are aligned with the data outputs of our decarbonization tools. Consequently, the reference year for the Power sector is 2023, and for all other sectors, the reference year is 2024. This reflects the timelines and data availability used within our sector-specific modelling.

51 Template 4 EBA/ITS/2022/01: Banking book - Climate change transition risk: Exposures to top 20 carbon-intensive firms

a	b	c	d	e
Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
-	0.00000%	-	-	-

*For counterparties among the top 20 carbon emitting companies in the world

Template 4 shows institutions exposures towards the top 20 carbon-intensive companies in the world. It includes information on the average maturity of the exposures, providing insights on how these exposures may be impacted by longer-term climate change transition risks. The BCR portfolio does not include clients that are part of the world's top 20 carbon-intensive companies.

52 Template 5 EBA/ITS/2022/01: Banking book - Climate change physical risk: Exposures subject to physical risk

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (RON million)													
	of which exposures sensitive to impact from climate change physical events													
	Breakdown by maturity bucket					of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non- performing exposures	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			
	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity (years)						of which Stage 2 exposures	Of which non- performing exposures		
1 A - Agriculture, forestry and fishing	726.4	599.8	76.5	49.9	0.1	2.5	-	11.9	714.5	104.3	15.2	(42.6)	(13.5)	(12.9)
2 B - Mining and quarrying	456.2	438.7	17.4	-	0.1	2.8	-	4.2	452.0	3.1	7.1	(7.8)	(0.8)	(3.7)
3 C - Manufacturing	4,920.7	3,967.2	943.4	9.6	0.5	2.1	-	344.7	4,569.9	886.5	153.7	(235.0)	(84.6)	(96.3)
4 D - Electricity, gas, steam and air conditioning supply	2,167.9	1,516.6	187.7	463.5	0.1	2.5	-	244.6	1,922.8	162.1	6.7	(26.0)	(7.0)	(4.4)
5 E - Water supply; sewerage, waste management and remediation activities	321.6	200.8	36.5	84.2	0.0	2.6	-	96.2	217.7	119.9	4.0	(41.0)	(34.2)	(2.9)
6 F - Construction	997.9	975.3	19.3	0.0	3.2	3.5	-	81.2	915.5	134.6	126.9	(132.0)	(22.0)	(100.1)
7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	5,459.3	4,724.7	689.2	40.6	4.8	1.6	-	240.6	5,217.1	994.9	632.4	(569.8)	(136.7)	(368.0)
8 H - Transportation and storage	2,356.3	1,023.0	690.3	641.4	1.7	4.6	-	188.9	2,166.4	276.7	118.8	(182.3)	(54.2)	(108.7)
9 L - Real estate activities	3,505.3	1,867.1	1,556.7	79.0	2.4	4.6	-	149.3	3,355.6	27.2	0.4	(50.9)	(5.1)	(0.4)
10 Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Loans collateralised by commercial immovable property	9,898.3	6,556.2	2,776.9	565.3	0.0	-	-	355.5	8,695.9	1,307.6	630.5	(621.8)	(158.0)	(353.3)
12 Repossessed colaterals	46.3	-	-	-	-	-	-	-	-	-	-	(0.1)	-	-
13 Other relevant sectors (breakdown below where relevant)	1,787.3	1,132.3	396.4	234.8	23.7	5.0	-	45.8	1,734.3	400.0	79.8	(144.2)	(57.1)	(65.3)

Template 5 provides information on exposures in the banking book (including loans and advances, debt securities and equity instruments not held for trading and not held for sale) towards nonfinancial corporates, on loans collateralized with immovable property and on repossessed real estate collateral that are exposed to climate-related hazards (chronic and acute). The template includes information by sector of economic activity (NACE classification).

The identification of the existence of a physical risk in the BCR's standalone portfolio, is based on the following steps:

- **Selection of material physical hazard events:** climate-related hazards covered are heavy precipitation (rain, hail, snow/ice), floods and wildfire under the acute events and changing precipitation patterns and types (rain, hail, snow/ice) under chronic events
- **Mapping of material physical hazard events related to the bank portfolio collateral/client localization:** we have used NUTS 3 codes (Nomenclature of Territorial Units for Statistics 3 (NUTS)) to determine location and to evaluate the physical risks
- **Quantification of the risk exposure at collateral and counterparty level:** determination of the physical risk scores of each asset broken-down per type of hazard is based on data provider Munich Re (external provider).

15 Abbreviations

AC	Amortized Cost
A-IRB	Advanced Internal Rating-based Approach
ALCO	Assets and Liabilities Management Committee
AMA	Advanced Measurement Approach
ANEVAR	National Association of Romanian Authorized Valuers
ART	article
ASF	Available Stable Funding
AT1	Additional Tier 1 capital
BB	Banking Book
BCBS	Basel Committee on Banking Supervision
BCR	Banca Comerciala Romana
BSM	Balance Sheet Management Division
CCP	Central Counterparty
CCR	Counterparty Credit Risk
CCyB	Countercyclical capital buffer
CET1	Common Equity Tier 1
CRD	Capital Requirement Directive
CRM	Credit Risk Mitigation
CRO	Chief Risk Officer
CRR	Capital Requirements Regulation
CVA	Credit Valuation Adjustment
DCF	Discount Cash Flow
DTL	Deferred Tax Liability
EBA	European Banking Authority
ECAI	External Credit Assessment Institution
ECB	European Central Bank
ECL	Expected credit loss
EGB	Erste Group Bank
EOY	end of year
EU	European Union
EVE	Economic Value of Equity
FIRB	Foundation Internal Rating-based Approach
FNGCIMM	National credit guarantee fund for SMEs
FTP	Funds Transfer Pricing
FVTOCI	Fair Value Through the statement of Other Comprehensive Income
FVTPL	Fair Value Through Profit or Loss
FX	Foreign Exchange
GCM	Global Capital Markets
GEO	Government Emergency Ordinance
GL	Guideline
G-SII	Global Systemically Important Institutions
HLA	High Liquid Assets
HQLA	High Quality Liquid Assets
IAA	Internal Assessment Approach
ICAAP	Internal Capital Adequacy Assessment Process
IFRS	International Financial Reporting Standards
ILAAP	Internal Liquidity Adequacy Assessment Process
IMA	Internal Model Approach
IMM	Internal Model Method
IEA	International Energy Agency

IRB	Internal Rating-based Approach
ITS	Implementing Technical Standards
LCR	Liquidity Coverage Ratio
LR	Leverage Ratio
MB	Management Board
MLRM	Market and Liquidity Risk Management Department
MREL	Minimum Requirement for Own Funds and Eligible Liabilities
MtM	Mark to market
MVoE	Market Value of Equity
NACE	statistical classification of economic activities in the European Community
NBR	National Bank of Romania
NII	Net interest income
NPL	Non-Performing Loan
NSFR	Net Stable Funding Ratio
OCI	Other Comprehensive Income
OLC	Operative Liquidity Committee
O-SII	Other Systemically Important Institutions
PAP	Product Approval Process
PIs	Personal Individuals
PP&E	Property, plant and equipment
PSE	Public Sector Enterprises
PVBP	Present Value of a Basis Point
RAS	Risk Appetite Statement
RMA	Risk Materiality Assessment
RREPO	Reverse REPO
RSF	Required Stable Funding
RW	Risk Weight
RWA	Risk Weighted Assets
RWEA	Risk Weighted Exposure Amount
S/L	Stop/Loss
SA	Standardised Approach
SA-CCR	Standardised approach for counterparty credit risk
SB	Supervisory Board
SEC	Securitization
SEC-ERBA	Securitization: External-ratings-based approach
SEC-IRBA	Securitization: Internal-ratings-based approach
SEC-SA	Securitization: Standardised Approach
SFT	Securities Financing Transactions
SICR	Significant increase in credit risk since initial recognition
SMEs	Small Medium Enterprises
SPA	Survival Period Analysis
SREP	Supervisory Review and Evaluation Process
SRM	Strategic Risk Management
T1	Tier 1 capital
T2	Tier 2 capital
TB	Trading Book
TC	Total Capital
TEM	Total Exposure Measure
TLAC	Total Loss-absorbing Capacity
TREA	Total Risk Exposure Amounts
VaR	Value-at-Risk