UniCredit Bulbank

ANNUAL DISCLOSURE

YEAR 2024

ACCORDING TO REGULATION (EU) 575/2013
/PART EIGHT – DISCLOSURE BY INSTITUTIONS/

UniCredit Bulbank

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This report is prepared following the requirements of the Regulation (EU) 575/2013 of the European Parliament and of The Council, Part Eight – Disclosure by Institutions and Commission Implementing Regulation (EU) 2021/637 as regard the information referred to Part Eight, Titles II and III, of Regulation (EU) 575/2013.

All amounts, unless otherwise specified, are presented in thousand Bulgarian Lev (BGN) rounded to the nearest thousand. Bulgarian Lev is the functional and reporting currency of UniCredit Bulbank AD.

Data refer to prudential scope of consolidation.

This document was prepared in accordance with specific Internal Regulation (*Rules following the Annual Disclosure of capital adequacy information of UniCredit Bulbank AD*).

The disclosure of the Annual Consolidated Financial Statements is published on the website of UniCredit Bulbank AD (https://www.unicreditbulbank.bg/en/about-us/investors/financial-reports/).

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CROSS REFERENCE TO THE REGULATORY REQUIREMENTS OF CRR2

REGULATION (EU) 575/2013 *Article & Content*	ANNUAL DISCLOSURE *Section in the document*	REG. (EU) 2021/637 *Tables & Templates*
435. Risk management objectives and policies	Section 2/3	EU OVA EU OVB EU LIQA EU CRA EU MRA EU ORA
436. Scope of application	Section 4	EU LI1 EU LI2 EU LI3 EU LIA EU LIB EU PV1
437. Own funds	Section 5	EU CC1 EU CC2 EU CCA
438. Own Funds requirements and risk-weighted exposure amounts	Section 6	EU OV1 EU KM1 EU INS1 EU INS2 EU OVC EU CR8 EU CR10 EU CCR7 EU MR2-B
439. Exposure to counterparty credit risk	Section 7	EU CCRA EU CCR1 EU CCR2 EU CCR3 EU CCR4 EU CCR5 EU CCR6 EU CCR8
440. Countercyclical capital buffers	Section 8	EU CCyB1 EU CCyB2
441. Indicators of global systemic importance	Section 9	
442. Exposures to credit risk and dilution risk	Section 10	EU CRB EU CR1 EU CR1-A EU CR2 EU CR2a EU CQ1 EU CQ2 EU CQ3 EU CQ4 EU CQ5 EU CQ6 EU CQ7 EU CQ8
443. Encumbered and unencumbered assets	Section 14	EU AE1 EU AE2 EU AE3 EU AE4
444. Use of the Standardised Approach	Section 11	EU CRD EU CR4 EU CR5 EU CCR3
445. Exposure to market risk	Section 15	EU MR1
446. Operational risk management	Section 16	EU ORA EU OR1
448. Exposures to interest rate risk on positions not held in the trading book	Section 18	EU IRRBBA EU IRRBB1

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449. Exposures to securitisation positions	Section 19	EU-SECA EU-SEC1 EU-SEC2 EU-SEC3 EU-SEC4 EU-SEC5
450. Remuneration policy	Section 22	EU REMA EU REM1 EU REM2 EU REM3 EU REM4 EU REM5
451. Leverage ratio	Section 20	EU LR1 EU LR2 EU LR3 EU LRA
451a. Liquidity requirements	Section 21	EU LIQA EU LIQ1 EU LIQB EU LIQ2
452. Use of the IRB Approach to credit risk	Section 12	EU CRE EU CR6 EU CR6-A EU CR9 EU CCR4
453. Use of credit risk mitigation techniques	Section 13	EU CRC EU CR3 EU CR4 EU CR7 EU CR7-A
454. Use of the Advanced Measurement Approaches to operational risk	Section 17	EU ORA EU OR1
455. Use of Internal Market Risk Models	Section 15	EU MRB EU MR2-A EU MR3 EU MR4

This table is a reference between the regulatory requirements set out in Reg. 575/2013, the required templates and tables as per Reg. 2021/637 and the section in this document where they are presented.
The qualitative information can be found in the respective chapter while the quantitative information is published in the section Appendices at the end of the document.

1 REPORTING ENTITY

UniCredit Bulbank AD (the Bank) is a universal Bulgarian Bank established upon triple legal merger of Bulbank AD, HVB Bank Biochim AD and Hebros Bank AD. The merger was legally completed on April 27th, 2007 with retroactive effect commencing January 1st, 2007.

UniCredit Bulbank AD has a full-scope banking license for performing commercial banking activities. It is domiciled in the Republic of Bulgaria, with registered address Sofia, 7 “Sveta Nedelya” sq.

In 2024 Fitch, one of the most respectable agencies in the world, upgraded UniCredit Bulbank AD’s long-term rating to BBB+/Positive outlook.

As of October 1st, 2016, UniCredit Bulbank AD is under the direct control of UniCredit S.p.A. after the transfer of the activities and ownership of the CEE Division from UniCredit Bank Austria (UCBA) to UniCredit S.p.A. (UniCredit Group/Holding Company).

2 RISK MANAGEMENT, OBJECTIVES AND POLICIES

2.1 OVERVIEW

UniCredit Bulbank possesses a full-scope banking license for performing commercial banking activities. The Bank offers a comprehensive range of banking and financial products and services to individuals and corporate customers including multinationals, public sector and institutional customers.

UniCredit Bulbank is fully integrated into UniCredit Group – a simple, successful Pan European Commercial Bank, with a fully plugged-in CIB, delivering a unique Western, Central and Eastern European network to our extensive franchise of 25 million clients.

UniCredit Group Strategy is long-term. The Group is transforming through decisive actions to lay the groundwork for the future, changing the way we work to anticipate our clients' medium-term evolution.

UniCredit Bulbank is also in line with the ESG Strategy and targets of the UniCredit Group. The main goal is to integrate all ESG topics in the core business and processes, taking into account both the risks and the market opportunities and to provide transparency to all stakeholders.

UniCredit continues to follow its established Service Model, closer to clients, leveraging on the increase of the usage of digital channels, committed to lead in ethical and sustainable business. UniCredit Bulbank are in line with UniCredit Group strategy, which is confirmed in the updated Multi-Year Plan 2025-2027, in support of the continuity and acceleration of the main pillars:

- Revenue Generation & Profitability
- Digitalization & Simplification
- People & Culture

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2.2 RISK APETITE

The Risk Appetite Framework is defined at UniCredit Group level reflecting macro-scenarios and the Group Ambition in terms of capital, financial structure and profitability. This definition includes the Risk Appetite Statement and the set of KPIs together with their applicable thresholds. The Risk Appetite Statement expresses the overall perception for the risk boundaries and focus of activities. It is a commitment to a robust business model with low-risk framework. The Risk Appetite Statement provides an indication of the strategies necessary to manage key risks within the perimeter of the Group.

The 2025 Risk Appetite of UniCredit Bulbank reflects out ambition and commitment along the following main dimensions:

Strategic mission

- UniCredit's purpose is to Empower Communities to Progress. Within that we have the following strategic imperatives:
- As a Group, we continue refocusing on our geographies and developing our client franchise to achieve quality growth from existing and new clients with best-in-class products and services either in house or with external partners
- We are changing our business model and how our people operate to grow our capital light business and focus on value added products and services for clients. Within this we will also target cost efficiency to fund investment and deliver operating leverage
- As a Group, we will deliver economies of scale from our footprint but uniting our 13 banks in one integrated group. We will steer centrally where it adds value and empower locally within a clear risk framework
- We will also transform our technology leveraging Digital and Data. This includes a redesign of our operating model and a new way of working
- We will embed sustainability in all that we do, leading by example and equipping ourselves with tools to support our clients and communities navigate the transition
- As a Board, we prioritize our principles and values over the mere achievement of targets, which might not always be the right thing to do, closely monitoring the implementation and taking into account existing trade offs

Capital

- We set Capital ratio thresholds in order to ensure adequate buffers over every regulatory requirement in order to have a solid capital position in an uncertain macro scenario, to manage impacts of regulation evolution and minimize the effect of potential execution risk
- We ensure capital adequacy under the economic perspective, also considering stressed scenarios
- We apply a disciplined allocation of risk towards business and clients with positive risk adjusted return on capital
- We are targeting a sustainable RoTE and distribution to shareholders, ensuring a solid Group tangible equity
- We continuously improve our models to ensure compliance with changing regulations while keeping the accuracy at highest standard, also through robust model risk management framework

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Cross Risks

- We continue tackling geopolitical risks within our evolving framework ensuring potential impacts (e.g. portfolios vulnerable to spill-over effects) are monitored, assessed and mitigated across risks pillars
- We strictly monitor Early Warning Indicators to early detect any sign of deterioration with a forward-looking approach, also looking at stressed scenarios
- Given that future risk scenarios can quickly change their nature (e.g. cyber risk turns into a rep. risk, turns into liquidity risk) we focus strongly, in the way we work and think about risks, on multidisciplinary approach across the teams
- We continuously improve our Data Quality Framework, ensuring high data quality standards
- We continuously assess and ensure robustness and appropriateness of internal control system and the effective interaction between the three lines of defense
- We will progressively consider risks related to consolidated insurance entities within our framework, ensuring they maintain a solid capital and liquidity position

Credit Risk

- We continue to be disciplined in risk management and credit underwriting to preserve the portfolio good quality and support sound business in a controlled risk environment, with specific attention on vulnerable sectors (including energy-intensive, real estate and construction, highly leveraged enterprises and low-income retail affected by inflation and floating rates) and direct exposure towards geopolitical risks
- We protect the bank by underweighting selected portfolios of those sectors / countries showing significant signals of concerns
- We confirm a prudent approach vs. leveraged transactions coherently with our corporate footprint, within defined limits and triggers and further enhancing its risk appetite and control framework
- We set an NPE strategy which focuses on value maximization through all levers and leverages on disposals only when value is maximized
- We carefully assess and limit concentration risk of all kind, in particular related to industry, bulk, and country

Counterparty Credit Risk

- We limit our exposure to shadow banking entities, through limits and triggers at Group and Legal Entity level
- Confirm current restrictive strategy on exposures towards the riskiest NBFI (Non-Banking Financial Institutions) counterparties, such as hedge funds and highly-leveraged funds, in line with the defined Risk Strategy thresholds
- We ensure proper oversight on Counterparty Credit Risk with a dedicated Risk Strategy, confirming the commercial banking and client-related activities as core

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Liquidity and Interest Rate Risks

- We aim at preserving the strong Group liquidity position across Legal Entities and at Group level, by dynamically assessing in ILAAP the funding and liquidity needs through continuous monitoring of market trends
- We execute the funding plan consistently with MREL requirements and in order to ensure an adequate buffer on LCR and NSFR
- We aim to maintain a structural balance of liquidity also on local currency level
- We optimize intragroup exposures, taking into account self-sufficiency strategy, internal/local MREL provisions and Group liquidity position
- In consideration also of what observed in the 2023 banking turmoil, we closely monitor the liquidity position under stress both at Bank and sub-consolidated level and we keep the well-diversified customers' deposits base and to closely monitor deposits stability and customers' behavior
- Expected enforcement of regulatory environment with the revision of BCBS standards requires to keep an adequate buffer in IRRBB metrics both for earning an economic value perspective
- We aim at limiting NII volatility due to interest rate movements in a multiyear horizon by hedging deposits and capital through replicating strategies also in coherence with the evolution of behavioral risk models, maintaining a prudential approach on replicating strategy, using natural hedge opportunities for BGN and prioritizing execution via swaps for EUR, to minimize risks from interest rate volatility and changing client's behavior
- We keep fixed-rate exposure hedged as much as possible, ensuring Economic Value Exposure well below regulatory thresholds while keeping a prudent approach on replication preventing over-hedge risks

Market and Sovereign Risks

- We pursue a low level of risk arising from trading activities, confirming the commercial banking and client-related activities as core
- We pursue an investment strategy aimed at ensuring an adequate level of High-Quality Liquid Assets, balancing the liquidity and profitability needs
- We aim at limiting adverse impact of Fair Value changes on Capital
- We keep the domestic sovereign exposures in line with the main peers

Non-Financial Risks

- We focus on operational resilience, with a continuous horizon scanning to cope with to external changes and threats, also amid challenging geopolitical context
- We devote utmost attention to prevent frauds, even more with the prolongation of the global crisis, that may increase fraudulent behaviors
- We adopt adequate ICT and Cybersecurity controls across our estate to enable a safe, secure and resilient bank in steering the risk profile, working towards a proportionate 'Zero-Trust' approach, while ensuring appropriate awareness, education and access for all employees, commercial partners and customers, at a time of on-going significant transformation

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- We adopt a tight third-party risk framework, progressively strengthening controls and approaches, requiring third party services to be in compliance with applicable laws or regulations and appropriate risk standards
- We ensure proper evaluation and distribution of new products and utilization of new technology (e.g. AI), in the context where they could negatively affect client protection
- We maintain and continuously update a solid framework (principles, control mechanisms and monitoring) on Reputational Risk in a fast changing financial and ESG-related environment, paying particular attention on the involvement of the Group in ESG sensitive matters and carefully monitoring the perceived level of the Group's reputation by external stakeholders
- We proactively seek to minimize legal disputes, monitoring relevant industry developments and analyzing root causes of disputes (including geopolitical risks) involving the Group and the industry thereby implementing mitigating measures where possible. We are committed to avoiding situations that could compromise our reputation, compliance with regulatory requirements and long-term sustainability
- We maintain the group data protection framework aligned with new regulations, regulatory enforcement trends and advanced technology and innovation as they may trigger increased data protection risks
- We foster a strong client centric compliance culture, ensuring a clear strategy of diversified products and offers for customer clusters with sufficient granularity to avoid miss-selling or other inappropriate sales practices
- We have no tolerance for allowing our products or services to be used for financial crime anywhere in the world. Our strong risk culture supports timely identification and rectification of control weaknesses
- We have no tolerance for breaching the sanctions regimes applicable to UniCredit around the world. We ensure appropriate monitoring and actions to identify and mitigate the risks of transactions and parties that bring sanctions risk

Climate & Environmental Risk

- We are totally committed to supporting our clients in a just and fair transition
- We proceed in the integration of Climate & Environmental risks within Risk Management framework through several concrete actions and in line with the defined Roadmap
- We carefully manage our exposure to climate risk considering both Transition and Physical Risk, ensuring proper origination, risk identification, monitoring and management, aiming at progressively increasing portfolio covered by the framework developed (in particular for credit risk assessment) and consistently with our Net Zero commitments, always taking into consideration our principles and values

Social Lending

- We provide support to clients at risk of economic and social exclusion, targeting both Retail and Corporates, supporting projects and initiatives aiming at making a substantial social contribution on the society and communities.

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Diversity, Equity and Inclusion (DE&I)

- We foster our diverse workforce, ensuring gender parity, promoting wider ethnic and cultural diversity representation to reflect client needs
- We are committed to nurture an inclusive, positive, and equitable environment and enhance the quality of work-life and well-being throughout the entire employee life cycle, with the ambition to become a fully accessible company for both our people and clients
- We promote DE&I principles across all organizational levels including our stakeholders and suppliers

"Tone from the Top" and Risk Culture

- We strictly follow a strong Risk Culture across the organization as the core of our Group's strategy
- As managers, we must lead by example and ensure our systems and procedure enable honest and transparent communication. As teams, we must treat mistakes as opportunities to learn together rather than placing blame. As individuals, we must take responsibility for our actions and react constructively when we are challenged ourselves
- We pay high attention to the "Tone from the Top" through the capability to timely close the Audit and Regulatory findings. We allow replanning of deadlines only on very exceptional and justified basis and considering relevant regulator's approval/communication for regulatory findings

2.3 RISK GOVERNANCE BODIES AND COMMITTEES

Supervisory Board

The Supervisory Board (SB) shall perform preliminary, current and consecutive control on the compliance of the Management Board's and the Bank's activities to the applicable laws, the Statute and the decisions of the General Meeting of the shareholders in the interest of the Bank's clients and shareholders.

Management Board

The Management Board arranges, administers, supervises and solves all the problems related to the Bank's activity except from those which by the force of law or the Statute are within the competence of the General Meeting of the Shareholders or the Supervisory Board.

Risk Committee

The Risk Committee shall be an independent permanent advisory body appointed and dismissed by the SB of the Bank. The RC shall advise the SB and the Management Board (MB) of the Bank on the Bank's overall current and future risk appetite and strategy and assist the SB and MB in overseeing the implementation of the strategy by senior management of the Bank. For avoidance of doubt the RC has advisory functions only, and the SB and MB shall retain overall responsibility for risks, the risk management and control.

Transactional Committee - Credit Committee Session

The Credit Committee Session is a collective body for taking credit decisions in accordance with the Statute of the Bank and the relevant resolutions of the Management Board and the Supervisory Board.

Transactional Committee - Credit Council Session

The Credit Council Session is a collective body for taking credit decisions in the scope of granting loans in compliance with the statutory requirements and internal bank regulations, applicable at the moment of considering the specific loan application, and the relevant resolutions of the Management and/or Supervisory Board.

Financial and Credit Risk Committee - Credit Risk Session (FCRC - CRS)

The Financial and Credit Risk Committee - Credit Risk Session (CRS) is a standing specialized internal body, responsible for:

- Monitoring, evaluation, classification, and provisioning of risk exposures for losses from impairment, forbearance and write-off's;
- Periodical monitoring and review on credit portfolio quality, Risk Weighted Assets and expected Loss; ratios, Watch list process and dashboards on Credit Policy and Strategy;
- Proposals for changes in Credit Strategies, Retail and Corporate Credit Policy, rules, new credit products or changes and optimization in credit processes.

Financial and Credit Risk Committee – ALCO session (FCRC – ALCO)

The Financial & Credit Risk Committee – ALCO Session (FCRC-ALCO) is a decisional committee in the area of the financial management that is directly accountable to the Management Board of the Bank (MB). It is responsible for developing and employing the liquidity management system of the Bank. FCRC-ALCO shall periodically submit reports to the MB concerning its operational decisions, including also results of the periodic liquidity stress tests under institution-specific, market-wide and combined alternative scenarios. The MB shall review and assess periodically the effectiveness of FCRC-ALCO's decisions and adjust accordingly the strategies, internal rules and limits for liquidity risk in which appropriate measures for applying them in possible liquidity shortfalls are envisaged. FCRC-ALCO's activities are driven by the goal to achieve satisfactory return on equity on a solid, not excessively volatile basis, within professionally designed and reliable risk management system. Boundaries for all activities are set by regulators, legal system and rules prescribed by the shareholders.

FCRC-ALCO is responsible at local level for:

- approving strategies, policies and methodologies for market risk, defined benefit obligation, counterparty credit risk, liquidity risk, FX risk and banking book interest rate risk, fund transfer pricing, setting limits (where applicable) accordingly;
- approving the Financial Plan (incl. Funding Plan and Contingency Funding Plan);
- evaluating the impact of transactions significantly affecting the overall financial risk portfolio profile as well as monitoring financial risks.

Non-Financial Risk and Controls Committee

The Non-Financial Risk and Controls Committee – General Session (NFRC–GS) – Operational Risk Stream, a successor of the former Operational and Reputational Risk Committee, is a specialized body, fundamental element of the operational risk system where current operational risk issues and developments are reported and discussed. The Committee meetings are held quarterly and attended by the Bank's senior management.

The Committee meets with consulting and approval functions for the following topics, evaluating and providing guidelines with reference to:

- Overseeing UniCredit Bulbank Non-Financial Risks(NFR) profile, emerging threats as well as the internal control system robustness at Local level, through the monitoring of most relevant events and incidents, weaknesses and shortcomings, also addressing and prioritizing – when needed – potential corrective actions and overall strategies for their optimization;
- External events having potential impact on UniCredit Bulbank NFRs profile, and best practices and/or lessons learned deriving from events, assessments and action plans;
- Periodical reporting provided by Risk Management on operational losses (with particular focus on events having relevant financial impacts), near misses, Risk Weighted Assets, Key Risk Indicators and Scenario Analysis, risk mitigation measures, capital at risk; OpRepRisk strategies, ICT and Cyber Risks assessments, Insurance Policies and Recoveries Analysis Report, Oversight of the outsourcing arrangements and third parties services, ICT project risk assessments and major Operational Risk issues etc.
- Promoting the annual managerial self-assessment processes and evaluating its results, in order to ensure a systematic approach to operational risk assessment and to the supervision of the Internal Control System;
- Compliance and Risk Management evidences on second level controls carried out, as well as on current and expected impacts of regulations monitored;
- Relevant risks/ criticalities highlighted by Internal Audit function, for specific cases and in relation to specific areas;
- Strategic guidelines and Risk Appetite proposals including capitalization targets and capital allocation criteria for Non-Financial Risks;
- Internal Validation annual Regulatory Report on operational risk.
- Deciding on possible escalation topics from Permanent Working Group (PWG) in case of delays or deviation from the expected outcomes regarding the implementation of the mitigation actions planned and approved by the competent functions. The main outcomes of the PWG meetings are reported to the local NFRC Committee;
- Approval and controlling of the allocated provisions for Non-Financial risk activities (Legal cases, Customer complains)
- Approval of General governance policies (including Group policies and methodologies), operational limits and methodologies for the measurement, management and control for the different types of NFRs;
- Support the Management Board in the assessment of the overall Internal Control System adequacy ("System" or "ICS") in the Bank through the analysis of the critical topics, and monitoring and prioritization of the corrective actions related to ICS in order to contribute to the efficiency and effectiveness of the ICS;
- Support the Management Board by consolidating ICS relevant topics within one committee putting forward recommendations in the examination of the proper functioning of the ICS in the Bank in order to protect the needs of business and customers and ensure compliance with external regulations as well as Group guidelines and policies and intra-bank regulations;
- Support the Management Board in the assessment of the overall Internal Control System adequacy related to the Compliance and AML and Financial Sanctions;
- Inform the Management Board for the risk exposure in Compliance area and supports the Management in taking decisions for mitigating such risks.

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Non-Financial Risk and Controls Committee - ICT, Security & Cyber Risk Session

The ICT, Security and Cyber Risk Session has the mission to steer the overall security management framework as well as actively participate in the Business Continuity, Pandemic, and Emergency & Crisis Management activities performed in the day-to-day activities and management of the legal entities in the country.

In terms of security management, the committee shall:

- support the Security structure of to achieve the UniCredit Group Bulgaria security objectives according to the business needs
- to regulate the organizational aspects of the security management processes and procedures, including the issuing, the managing of results of the local committee sessions and Digital Security Strategy, part of local Security Strategy
- to address the separation of potential conflicting duties, to guarantee an adequate level of accountability and control, and to reduce opportunities for unauthorized or unintentional modification or misuse of the Bank's assets
- to manage the security related aspects to the main IT D&I initiatives
- to identify and if needed update additional security measures for each relevant IT D&I initiative prior its implementation, in order to manage and treat potential digital security risks
- perform monitoring of the implementation of corrective plans by process/ business owners
- support and manage the proposals from the Security function

Non-Financial Risk and Controls Committee – Reputational Risk Session (NFRC-RRS)

The NFRC - RRS is a dedicated body established with the following mission and responsibility:

- to create a unique and dedicated body for discussion and decision for all transactions/initiatives/projects referring to Reputational Risk Sensitive Sectors - as regulated by the dedicated global policies - and for all other cases on Business proposal (e.g. other relevant sectors or relevant clients);
- to ensure increased attention and proper "tone from the top" on the overall evaluation and management of Reputational Risk.

Non-Financial Risk and Controls Committee – Third Party Risk Session

The management of the "Exception process" (escalation process) of the "Rules for Third Party Risk Management for Non-Outsourcing contracts" and "Rules for Outsourcing contracts" of the Bank and its Subsidiaries.

Audit Committee

The main functions of the Audit Committee are:

- to monitor the financial reporting processes in the Bank;
- to monitor the effectiveness of the Bank's internal control system and to analyze the related periodic information;
- to monitor the effectiveness of the risk management system in the Bank;
- to monitor the effectiveness of the independent financial audit in the Bank;
- to supervise the external auditing process and the registered auditors' activity;
- to evaluate the results of the work performed by the registered auditors and to examine the status of relations with them;

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- to examine, at least once a year, the adequacy of accounting principles used in the process of preparation of the annual and interim financial statements on the basis of reports and information provided by the responsible Bank officers operating within the related function, and, to discuss them, at its sole discretion, with the registered auditors;
- to review the independence of the registered auditors of the Bank in accordance with the legal requirements and the Code of Ethics of professional accountants, and to monitor the provision of additional services by the registered auditors to the Bank;
- to ensure the relationship with the registered auditors, by receiving the terms of engagement, and to assess the audit findings and recommendations, as well as the ones issued by other external supervision and control authorities;
- to evaluate the findings of the Bank's Internal Audit or the examinations and/or investigations of other responsible Bank officers operating within the related Function.

Nomination Committee

The Nomination Committee major functions are:

- to identify and recommend, candidates to fill management bodies vacancies (to the General meeting of shareholders for members of the Supervisory Board and to the Supervisory Board for members of the Management Board),
- to evaluate the balance of knowledge, skills, diversity and experience of the candidates
- to carry out collective and individual suitability assessment of the management bodies and their members;
- to prepare a description of the functions and requirements for the candidates for the positions and determines the time commitment that the elected members are expected to devote to each role.
- to assess, nominate and recommend candidates to be appointed as Key function holders, considering their experience, qualification, knowledge and skills, as well as their professional experience, needed for the bank's management which shall be done in alignment with the existing applicable regulations and the internal bank policies.

The Committee's functions are in line with the provisions of the Credit Institutions Act and with the rights and obligations as per Ordinance №20/2019 of BNB.

Remuneration Committee

The Remuneration Committee has as its general task the following competencies:

- to be responsible for the preparation of decisions on remuneration to be taken by the supervisory function, including the remuneration of the members of the management board of the Bank;
- to be responsible for the preparation of decisions on the Bank's policy on the matters of remunerations so to ensure respect towards principles of transparency and corporate governance.
- to support the supervisory function in overseeing the remuneration policies, practices and processes and the compliance with the remuneration policy;
- check whether the existing remuneration policy of the Bank is still up to date and, if necessary, make proposals for changes before the Supervisory Board;
- may approve the remunerations of other identified staff (for example for Group Identified Staff) in alignment with UniCredit Group guidelines and practices;
- assess the mechanisms and systems adopted to ensure that the remuneration system properly takes into account all types of risks, liquidity and capital levels and that the overall remuneration policy is consistent with and promotes sound and effective risk

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management and is in line with the business strategy, objectives, corporate culture and values and the long-term interest of the Bank;
- assess the achievement of performance targets and the need for ex post risk adjustment, including the application of malus and clawback arrangements

The Committee's functions are in line with the provisions of the Credit Institutions Act and with the rights and obligations as per BNB Ordinance №4/2019 for the requirements of remunerations in banks.

Project Portfolio and Real Estate Portfolio Committee - Project Portfolio Session

- Project Portfolio's session generic goal is to steer the demand management process within the Bank and its subsidiaries;
- The objective of the Project Portfolio Committee is prioritization/restructuring and approval/closure of strategic initiatives/projects in order to utilize in the best possible manner the limited resources (fiscal and non-fiscal) implementing only the best candidates, in line with Bank and Group strategy;
- Project Portfolio Committee is the highest decision-making and escalation body of each project/program, run within UniCredit Bulbank and its subsidiaries' Project Portfolio;
- Project Portfolio Committee core virtue is validation of Projects' conformity via transparency of their execution.

Project Portfolio and Real Estate Portfolio Committee - Real Estate Portfolio Session

- To steer the demand and change management process within the Bank and its subsidiaries, when it comes to Real estate related projects;
- Prioritization/ restructuring and approval of strategic initiatives in order to utilize in the best possible manner the limited resources;
- Approval of the selected strategic initiatives under preliminary estimated investment and aimed project opening. After scope clarification and all tenders are conducted, the final investment amount (separated by budget items) must be approved in compliance with Cost spending and cost management rules.

Local Investment Committee to Private Banking

Local Investment Committee to Private Banking is an internal collective body of the Bank, established to take decisions for strategic allocation of various assets classes and for model portfolios based on the Group Investment Strategy (GIS) of UniCredit Group and corresponding to different risk groups of clients.

The decisions of LICPB will support Private Clients' Managers, in optimizing PB offers. The service quality is to increase. The presentation of approved model portfolios is to be uploaded to content management system iLibrary.

2.4 INTERNAL AUDIT FUNCTION

Internal Audit is an independent function, performing third level controls. It is an integral part of the Internal Control System of the Bank, including the oversight of its Subsidiaries. The purpose of Internal Audit is to provide an independent, objective assurance and consultancy activities, including the monitoring of risks stemming from its Subsidiaries, aimed at adding value and improving the Bank's processes.

The audit engagements are executed according to the UniCredit Group Internal Audit Framework applied in compliance with the local legal requirements and regulations and is based on the IIA

International Professional Practices Framework (IPPF). UniCredit Bulbank Internal Audit is subject to an external periodic quality assessment. The latest external quality assurance review was performed in 2022 highlighting that the Internal Audit function of UniCredit Bulbank AD "Generally Conforms" to the Standards, the Core Principles, the Definition of Internal Audit and to the Code of Ethics in place.

To achieve the degree of independence necessary to effectively carry out the responsibilities of the internal audit activity, the Head of Internal Audit reports to the highest level of corporate governance of UniCredit Bulbank. The Head of Internal Audit is appointed with a resolution of the General Shareholders Meeting and reports to the Bank's Audit Committee and Supervisory Board. The Internal Audit function interacts with all management levels in the bank, the Supervisory Authorities and the External Auditors.

The Internal Audit activity is planned and carried out following a forward-looking risk-based methodology, aiming to provide objective and insightful assurance on the effectiveness of the Bank's governance, risk management and control processes. In accordance with the provisions of Ordinance 10 of BNB, reports with the results of the internal audit activity including assessment of the control systems, measures and actions undertaken are duly prepared and presented to the Governing bodies on a quarterly and annual basis.

2.5 COMPLIANCE FUNCTION

The Compliance function in UniCredit Bulbank is organized as a Compliance Department with four teams Units - General Compliance Unit, Anti Money Laundering and Financial Sanctions Unit, Control of the Investment Intermediary and Market Integrity Unit and Data Protection Team. The Head of the Compliance Department reports to the Chief Executive Officer of the Bank.

Among the functional range of the General Compliance Unit are to ensure compliance with regulatory requirements of the internal bank regulatory documents, to carry out the compliance risk assessment, to conduct monitoring on compliance risk (second level controls), to prepare proposals for organizational and procedural changes in order to ensure the proper management of the identified compliance risks, to advice and assists the Top Management in all matters concerning compliance risk, to analyse the compliance/reputational risk in new products and businesses, etc. This is achieved through:

- Ensuring compliance with regulatory requirements, within the following main areas: Consumer protection and transparency in banking services – consumer loans and payment services; Corruption practices prevention and whistleblowing; Competition law and unfair commercial practices; Banking secrecy; Insurance intermediation for insurances without an investment element; Financial Benchmark in benchmark usage section; Conflict of interest management (outside business interests);
- Performance of a compliance risk assessment (CRA) and second level controls in accordance with a special group methodology;
- Participation in the review, analysis and preparation of internal rules, regulations and procedures for implementation of group policies and instructions within the competencies of the unit;
- Providing opinions and consultations within the competencies of Compliance Department;
- Participates in the implementation of projects related to the activity of the Bank and its subsidiaries;
- Monitoring, review and control of activities related to the group trainings in the sphere of Compliance;
- Preparation of reports for group and local management.

Among the functional range of the Anti Financial Crime Unit are to conduct monitoring and where necessary approval of documentation related to customer identification for existing and new customers, to ensure timely and accurate communication with the Financial Intelligence Agency (FIA), Bulgarian National Bank and/ or law enforcement agencies (as directed by law and bank policy), etc. This is achieved through:

- Design and implementation of an effective Programme for risks mitigation related to Anti-money laundering (AML), Counter terrorist financing (CTF) and Financial Sanctions (FS), based on risk analysis;
- Design and implementation of controls for the fulfilment of the AML, CTF and FS requirements; o Reconciliation of the scope and the results of the Second level control (SLC) and Risk assessment (RA) for the AML, CTF and FS perimeter, conducted by General Compliance Unit;
- Set-up of the requirements for the organization, management and control of the activities, related to clients, their identification and the transactions ordered by them in accordance with the regulatory requirements;
- Assurance of timely and accurate communication with the law enforcement and the regulatory bodies, the Specialized Directorate Financial Intelligence of the State Agency "National Security" – (FIU – SANS), Bulgarian National Bank (BNB) and/ or other law enforcement bodies in accordance with the law requirements;
- Oversite of the activity of the UCB subsidiaries in respect to the field of activity;
- Review and analysis of the hits in Siron KYC, AML and EMBARGO tool;
- Review and analysis of the signals coming from the UCB network and the subsidiaries;
- Investigation and analysis of suspicious transactions and clients by revising documentation, account statements and other information available in internal or external sources;
- Preparation of Suspicious Activity Reports (SARs) to FIU – SANS after revising the circumstances;
- Advisory to the employees of UCB and the subsidiaries in respect to the risks in the field of activity with a focus on areas with higher inherited risk (correspondent banking, trade finance, private banking, etc.);
- Participation in the analysis of new and existing products, services, processes and internal documents for UCB and the subsidiaries, providing advisory on the risks in the scope of activity;
- Support of the local parametrization of Siron KYC and AML tool;

The scope of the activity of Control of Investment Intermediary Unit and Market Integrity (CII&MI) is to perform monitoring and control of activities of the bank as an investment intermediary. The CII&MI unit is and independent structure responsible for compliance with the regulatory requirements in regard to the activities of the bank as an investment intermediary pursuant to the Markets in Financial Instruments Act (MiFIA) and Ordinance No 38 of Financial Supervision Commission (FSC) as well as the Regulation (EU) 2017/565 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms.

- The unit performs Compliance Risk Assessment (CRA) and Second level of control on specific areas related to the activities of the bank as an Investment intermediary as follows:

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- MiFID II/MiFIR - Markets in Financial Instruments Directive;
- EMIR - European Markets Infrastructure Regulation;
- Conflicts of Interest - in the provision of investment services and activities;
- MAR - Market Abuse Regulation;
- Central Depository;
- Dodd Frank-Volcker rule (USA Law);
- Group shareholdings;
- PRIIP's - Packaged retail and insurance-based investment products;
- Benchmark - contribution of indexes;
- IDD (Insurance Distribution Directive) - investment element;
- CVB - Covered bonds and Securitization;
- GSFT - Securities financing transactions.

- In accordance with the requirements of Ordinance No 38 of Financial Supervision Commission (FSC), the Head of the CII&MI Unit elaborates and submits to the Management body and to the Supervisory body by the 15-th day of each month of a report on the monitoring of the activities of the bank as an investment intermediary.
- Once per year the CII&MI unit elaborates and submits to the Management body and by the January of an Annual report on the monitoring of the activities of the bank as an investment intermediary which is delivered to Financial Supervision Commission (FSC) after approval by MB.
- The Unit performs monitoring of potential cases of market abuse with financial instruments and monitoring of insider trading and unlawful disclosure of inside information. In case of ascertained cases of market abuse and insider trading, it draws up and sends to the market regulator FSC a Suspicious Transactions Operational Report (STOR) under requirements of Regulation (EU) 596/2014 on Market abuse.
- The Unit monitors the compliance with the requirements of the Group rules for Personal account dealing. Checks the executed personal transactions of the employees. Personal account dealing (PAD) monitoring aims to prevent the risk of missing or delayed disclosure of personal transactions, thereby undermining effective identification of insider dealing.
- The Unit keeps the register of the authorised persons under Ordinance No 38 of FSC for the activities of the bank as an Investment Intermediary and as Registration Agent.
- Checks the agreements for Registration Agent services of Ordinance No 38 of FSC for compliance with the requirements of the Rules of Central Depository AD and the internal regulations of the investment intermediary.
- Controls the transfer of shareholdings in the capital of the bank pursuant to the requirements of the Central Depository AD; submits the respective information for the shareholding structure to the competent executive bodies (the Management Board, the Bulgarian National Bank, Central Depository, the Majority Owner UniCredit S.p.A., Italy, etc.).
- Supervises the functioning of the system for handling complaints related to financial products and investment services and investment products.
- Participates in the process of new Product implementation with regard to the financial instruments and investment services pursuing the requirements of MiFID II;
- The CII&MI unit communicates with the local competent authorities – Financial Supervision Commission, Bulgarian National Bank, Central Depository AD, Bulgarian Stock

Exchange – Sofia AD in accordance to the activity of the Bank as an investment intermediary and registration agent.

The scope of the activity of the Data Protection Team is to monitor and to control the compliance with European and national legislation, as well as with the group and internal banking policies in the sphere of personal data protection. This is achieved through:

- Issuing advice on Data Processing Agreements and handling of the respective registers of processors and contracts;
- Maintenance and certification of the Records of Processing Activities;
- Performance of second level controls in the area of Privacy (GDPR);
- Analysis and reconciliation of group and local policies and procedures;
- Analysis of Privacy and non-privacy legislation and issuing of opinions;
- Monitoring of regulatory and court practice in the area of Privacy;
- Performance of Compliance Risk Assessment (CRA) in the area of Privacy (GDPR);
- Preparation of reports for group and local management;
- Participation in projects with Privacy impact;
- Analysis and handling of Privacy by Design (PbD) requirements for projects and initiatives;
- Drafting responses to data subjects' inquiries and requests for exercising rights;
- Provision of support for Data Protection Impact Assessment (DPIA) conduct and recording;
- Facilitating the implementation of the Accountability principle by archiving of opinions, documents and other materials ;

3 INFORMATION ON RISK MANAGEMENT, OBJECTIVES AND POLICIES BY CATEGORY OF RISKS

3.1 MARKET, COUNTRERPARTY CREDIT RISK AND LIQUIDITY RISK

3.1.1 Management of Market Risks

Market risk management in UniCredit Bulbank and consolidated subsidiaries encompasses all activities in connection with Markets and Investment Banking operations and management of the balance sheet structure.

The collective Bank's body with a delegated authority by the Management Board for market and liquidity risks, as well as interest rate risk in the Banking Book management is Financial and Credit Risk Committee – ALCO (FCRC – ALCO), the former Assets and Liabilities Committee (ALCO)

Risk monitoring and measurement in the area of market and liquidity risks, as well as interest rate risk in the Banking Book, along with trading activities control is performed by Financial Risk and Modeling unit. Prudent market risk management rules and limits are explicitly defined in the Market Risk Strategy document of UniCredit Bulbank, reviewed at least annually. A product introduction process is established, in which risk managers play a decisive role in approving a new product.

UniCredit Bulbank applies uniform Group risk management procedures. Risk positions are aggregated at least daily, analyzed by the independent Financial Risk and Modeling unit and compared with the risk limits set by the Management Board and FCRC – ALCO. For internal risk management and Group compliant risk measurement, the Bank applies UniCredit Group's internal model IMOD. It is based on historical simulation with a 250-day market data time window for scenario generation and covers all major risk categories: interest rate risk and equity risk (both general and specific), currency risk and commodity position risk. Internal model also includes quantification of Stressed VaR and Incremental Risk Charge values that are monitored for information. The simulation results, supplemented with distribution metrics and limit utilization are reported on a daily basis to the Management and the responsible business units.

A set of granular sensitivity-oriented limits across asset classes is defined as complementary to VaR measure. The most important detailed presentations include: basis point shift value (interest rate /spread changes of 0.01 % by maturity bucket), credit spread basis point value (credit spread changes of 0.01% by maturity bucket) and FX sensitivities. In the interest rate sector, the Basis-Point-Value (BPV) limit restricts the maximum open position by currency and time buckets, with valuation changes based on shift by 0.01% (1 basis point). Additional elements comprise the loss-warning level limit, which provides an early indication of any accumulation of position losses, domestic sovereign exposure limit, which constrains sovereign exposures within the banking book.

Internal model results are complemented by various stress scenarios to identify potential effects of stressful market conditions on the Bank's earnings. The assumptions under such stress scenarios include extreme movements in prices or rates and deterioration in market liquidity. Stress results for major asset classes and portfolios (credit, rates and FX) and estimated impact on liquidity position are reported at least monthly to FCRC – ALCO.

In 2024 the Bank's Management continued prudent risk management practice with primary focus on client-driven business.

Market risks in the trading book

In accordance with the Capital Requirements Regulation, and as defined in Group policy "Eligibility Criteria for the Regulatory Trading Book assignment", Trading Book is defined as all positions in financial instruments and commodities held either with trading intent, or in order to hedge positions held with trading intent. Books held with trading intent are composed of:

- Positions arising from client servicing and market making;
- Positions intended to be resold short term;
- Positions intended to benefit from actual or expected short-term price differences between buying and selling prices or from other price or interest rate variations.

The above defined "trading intent" is essential requirement for assignment to Regulatory Trading Book. Additionally, the following requirements have to be assessed:

- Tradability - refers to positions free of restrictions on their tradability and coherently reflected within the "Trader Mandate" of the risk-taker;
- Marketability - refers to positions for which a reliable Fair Value can be evaluated based on independently verified observable market parameters;
- Hedgeability - refers to positions for which a hedge could be put in place. The hedgeability is meant to apply for "material" risks of a position.

When opening a new book, the risk-taker makes proposal if the book should be managed as a Trading Book or a Banking Book based on the planned trading activity. The risk-taker is required to clearly declare the trading intent and therefore explain the business strategy behind.

Fundamental Review of Trading Book (FRTB)

The standardized approach for FRTB is applied in UniCredit Bulbank as a part of a groupwide implementation. Its main elements - Sensitivity Based Approach (SBA), Default Risk Charge (DRC) and Residual Risk Add-on (RRAO) are monitored on weekly basis and results are reported monthly to Regulatory Reporting.

Climate and environmental risk within Market Risk framework

Climate Risk Scenarios in UniCredit Bulbank are designed for ICAAP purposes and take into consideration different hypothesis of transition risk:

- Delayed Transition: Governments do not ramp up efforts to limit global warming until 2030. Therefore, more stringent policy is required to achieve similar climate outcomes by 2050, resulting in greater economic impacts;
- No Further Action: Expanding fossil fuel demand and government failure to meet stated NDC commitments lead to higher emissions than in the baseline;
- Baseline: baseline aligns closely with the IEA's Stated Policies Scenario. It reflects policy commitments that are backed up by measures;

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3.1.2 Management of Counterparty Credit Risk

Counterparty credit (CCR) risk arises from exposures due to:

- transactions in derivative instruments;
- repurchase agreements;
- securities lending or borrowing transactions;
- margin lending transactions;
- long settlement transactions.

For the purpose of mitigating counterparty risk and settlement risk, the Bank applies approved credit limits for pre-settlement risk (derivatives, repo's, MM) and settlement risk.

UniCredit Bulbank employs the Group internal model method for counterparty risk measurement and limit compliance control. The limit relevant value or Conditional expected shortfall is determined as weighted average of the exposures' distribution on the counterparty's hazard rates of all scenarios higher than 87.5% scenario.

Financial Risk and Modeling unit monitors on a daily basis the exposures and escalates limit breaches for resolution.

UniCredit Bulbank mitigates Counterparty Credit risk from derivatives and other transactions exposed to CCR through the use of netting, collateralisation and Central Counterparties.

Netting allows for the aggregation of positive and negative Mark-to-Market derivative transactions with the same counterparty to be offset, hence reducing exposure if either counterparty were to default.

Collateral agreements (if legally enforceable in the jurisdiction) might be required, depending on the creditworthiness of the counterparty and the nature of the transaction.

The new standard approach for counterparty credit risk (SA-CCR) according to the capital requirement framework under Basel III was implemented and is now in use within UniCredit Bulbank (aligned with UniCredit Group). The new framework replaced both non-internal model approaches: the current exposure method (CEM) and the standardized method (SM). SA-CCR is intended to be a risk-sensitive methodology because it differentiates between margined and non-margined trades and recognizes netting benefits. SA-CCR applies to OTC derivatives, ETD derivatives and long settlement transactions.

Management of Wrong Way Risks

Both Holding Company and Legal Entities CCR control functions assess and manage the Wrong Way Risk, arising when the risk factors driving the exposure to a counterparty are positively correlated with the credit worthiness of that same counterparty. Wrong way Risk is then distinguished in Specific Wrong Way Risk (SWWR) and General Wrong Way Risk (GWWR).

Specific Wrong Way Risk arises when the exposure on a transaction is positively correlated with the counterparty's creditworthiness for a reason that is specific to the counterparty. Most commonly this kind of correlation is seen where there is similar material legal/economic ownership between collateral/reference entity and counterparty.

In detail, Specific Wrong Way transactions are likely to generate higher exposures than standard industry PFE (Potential Future Exposure) methodologies would indicate, as the latter applies to plain vanilla derivatives and assumes limited correlation. The Counterparty Credit Risk Global Policy provides a unified group wide framework for the appetite, definition, risk monitoring and management of Specific Wrong Way Risk exposures.

General Wrong Way Risk arises when the credit quality of the counterparty is correlated with a risk factor which also affects the value of the transaction with the Group. The Global policy relating to the General Wrong Way Risk (GP Counterparty Credit Risk) aims at defining the framework for analysing, monitoring and managing the potential impact of GWWR risk by product, region and industry and it also seeks to add additional levels of control to General Wrong Way Risk transactions.

3.1.3 Management of Liquidity Risks

Liquidity risk is the risk that UniCredit Bulbank is unable to meet its financial obligations as they become due.

The main goal of UniCredit Bulbank's liquidity management is to ensure an efficient level of liquidity to allow the bank to meet its payment obligation not only on an on-going basis, but also under market tensions without jeopardizing its franchise value or its brand's name, keeping the refinancing risk at a manageable level. Liquidity risk management is performed in a going concern situation and in contingency situation.

In UniCredit Bulbank the governance and control of the exposure of the liquidity risk is performed through setting and monitoring of several operating restrictions on a group of liquidity metrics, with the aim to prevent potential vulnerabilities in the bank's ability to meet its cash flow obligations. For some metrics, a monitoring only process is provided without setting specific restrictions. At least on an annual basis, the risk limits and thresholds are reviewed and calibrated in order to align the risk appetite framework with the bank's strategy. UniCredit Bulbank has set targets and early warning indicators which, when breached, will trigger corrective actions in order to ensure that the bank remains within its risk appetite. UniCredit Bulbank's stress test framework assesses the bank's liquidity adequacy and the main objective is to determine whether it has sufficient liquid assets to ensure it is operating within the liquidity and funding risk appetite framework. Under a managerial perspective, the bank has to keep an amount of liquidity that is such as to survive under combined scenario of the liquidity stress test.

The details of principles and rules for the control of UniCredit Bulbank's exposure to liquidity risk are included in the Global Process Regulation – Liquidity Tolerance and Contingency Liquidity Management.

In UniCredit Bulbank the monitoring of liquidity risk is performed at three levels:

- **UniCredit Group level:** the Holding Company is in charge of overseeing the Group's liquidity in terms of compliance with the consolidated limits and warning/trigger levels and with those of all the liquidity reference banks and legal entities;
- **UniCredit Bulbank:** is responsible for compliance with its own limits and warning/trigger levels and with those of the Legal Entities falling within UniCredit Bulbank Group.
- **Legal Entities within UniCredit Bulbank Group:** they are responsible for compliance with their own limits.

A thorough description of the liquidity management set up and the relations among each single component can be found in the Group Liquidity Management & Control Global Policy and relevant local documents.

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Structure and organization of the liquidity risk

The main relevant functions working on managing liquidity are ALM and Funding (ALM), Client Risk Management & Treasury (Treasury), and Liquidity Risk function.

The monitoring of relevant set of Liquidity Indicators is carried out by these functions, according to their own responsibilities. They perform first and second level controls on liquidity, interest rate and exchange rate refinancing risk management.

From an organizational point of view, this system of check and balances ensures that the Bank has always sufficient liquidity to face its obligations in business as usual and stressed conditions.

From an operational perspective, this organizational framework operates both in a Going Concern situation and in a Contingency situation.

An important tool that ensures the proper working of the check and balances system in place is the set of liquidity risk metrics, defined within the Risk Function, in cooperation with ALM and Treasury structures. The liquidity risk metrics are described in the document GOR "Liquidity Risk Taxonomy" and in the annexes for its local implementation.

Measurement and reporting of liquidity risk

UniCredit Bulbank measures both short-term and structural liquidity.

The metrics included in 2024 RAF were:

- the funding gap, that measures the structural liquidity risk and the dependence from the volatility of the wholesale market;
- the 3 month gap of the operative maturity ladder, that measures the short- term liquidity risk;
- the Liquidity Coverage Ratio (LCR), a regulatory metric that measure the contingency risk;
- the Net Stable Funding Ratio (NSFR), that measures the structural liquidity risk;
- the Structural Liquidity Ratio (SLR), provides a counterbalance by the regulatory view, by taking into account the behavioral assumptions. SLR is calculated as the ratio between medium-long term liabilities and assets that maturing above one year and over 3 years;
- Net Intragroup Funding, and
- Loans to Deposits Ratio – the metric went live in productive framework from January 2024 and replaced the "Funding Gap" as a different way of representation.

Short-term liquidity (**operative maturity ladder**) is the main metric used to measure the short-term liquidity position and is composed of Primary Gap and Counterbalancing Capacity (CBC). The STL limits are set in order to indicate whether the Bank remains in a position to fulfil its cash payment obligations, be they expected or unexpected.

Liquidity Coverage Ratio is calculated according to the Delegated Act rules.

While the operative maturity ladder and the LCR restrictions ensure that the liquidity reserves are adequate, the respect of the **NSFR** ensures that the bank maintains an appropriate balance between assets and liabilities in the medium-long term (beyond one year), preventing additional pressure on the short term liquidity position.

Concentration of funding and liquidity sources

The Funding Plan includes the set of funding instruments (with relevant amount, maturity, timing, cost) to be realized in order to cover the expected funding needs deriving from the evolution of the liquidity uses and sources, avoiding unsustainable pressure on the short-term liquidity position and respecting internal and regulatory liquidity risk limits.

Currency mismatch

The Bank has specific restrictions in place on the foreign exchange liquidity risk. These restrictions aim to maintain the short-term liquidity gaps in foreign currency within sustainable levels, taking into account the bank's access to the specific currency on the interbank market and in the Central Bank.

A behavioral modelling of non-maturing deposits (NMDs) has been introduced in Q2 2020 in compliance with the respective EBA Guidelines. The model estimates the liquidity and interest rate characteristics the customers follow and their real behavior, instead of the contractual/explicit profile. The modelling of NMDs (Sight and Saving deposits) aims to identify their stability (stickiness) defined as the tendency to be a permanent source of funding.

3.2 NON-FINANCIAL RISKS

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events (including legal risk and excluding strategic and reputational risk). Examples include compensations paid to customers for incorrect/inadequate product-related advice, IT system failures, damage to property, processing errors or fraud, subject to consolidated risk measurement and management (collection of loss data, external data, scenarios, indicators), on which the calculation of capital held for operational risk is based. Legal and compliance risk is a sub-category of operational risk: it is the risk to earnings from violations or noncompliance with laws, rules, regulations, agreements, prescribed practices or ethical standards.

UniCredit Bulbank Management Board is responsible for operational risk oversight and for formal approval of the Operational Risk framework in terms of organizational set-up, strategies, rules and methodologies, also with the support of UniCredit Bulbank Non-Financial Risk and Controls Committee – General Session (Operational Risk Stream).

In UniCredit Bulbank the operational risk management framework is a combined set of Global policy, Global Operational Regulations and Global Process Regulations for controlling, measuring and mitigating the operational risk exposure, which includes the guidelines of UniCredit Group and local documents. An integral part of the framework is the internal bank regulation "Collection of information for the purpose of assessing the Operational risk in UniCredit Bulbank AD and the Bank's subsidiaries " and "Operational Risk Monitoring and Control Rulebook of UniCredit Bulbank".

The Bank has a dedicated function to operational risk management, which is independent from business and operational areas. The responsibilities of the organizational structure are in line with those envisaged by the Holding Company. Dedicated operational risk managers in the branch network and the Head Office, working on a decentralized basis, are responsible for loss data identification and reporting as well as for adoption of measures to reduce and prevent risks in their respective areas. The Operational Risk function as well as Reputational Risk function are within the scope of the responsibility of the Non-Financial Risk (NFR).

The main activities of the NFR in 2024 were focused on maintaining the excellence in managing the operational and reputational risks, as well as assessment and mitigation of risks and participation in dedicated bank projects initiatives and working groups.

The Operational Risk (OpRisk) tasks of the NFR function are: OpRisk Loss Data Collection and Reporting; General Ledger Analysis; Transitory and Suspense Accounts Analysis; Accounting Reconciliation; Key Risk Indicators Monitoring; Scenario Analysis; ICT Project Risk Assessment; Second-Level Controls on ICT and Security Processes; Second-Level Control on Third-Party Risk Management; Operational Risk oversight Model on UniCredit Bulbank Subsidiaries; Insurance Analysis – Insurance recoveries analysis and Annual evaluation on local insurances in place for renewals, Operational and Reputational Risk Strategies Definition and Monitoring;; Regular Second Level Control Monitoring on ICT and Digital Security Processes; Risk and Controls Self-Assessment on processes (RCSA); Group Operations RCSA validation, Cyber Security Risk Assessment monitoring, etc..

On top of the regular annual operational risk activities, within 2024 several new initiatives and processes were implemented, as well as some existing ones were further enhanced and improved:

- Risk and Controls Self-Assessment (RCSA) activity cycle was further developed and the scope of assessed processes has been enlarged toward payment and digital risk topics; the number of validation checks performed by NFR was also increased. During the first phase of the activity, 49 processes were subject to a Process Risk Gate assessment to identify risks which to be immediately addressed through the RCSA detailed assessment within the next phase of the RSCA activity. Within the second phase of the activity, 18 mandatory key end-to-end (E2E) processes have been assessed in detail
- Participation of NFR in the annual group activity regarding the 2024 Group Operations RCSA. On a risk based approach a sample of 4 payment processes was selected by the Holding for RCSA assessment, completed by Operations and validated by NFR.
- New Key Risk Indicators (KRIs) were created:
  - 2 KRIs related to Internal Audit Management with: 1) aim to monitor the "critical" and "major" audit findings and 2) aim at monitoring the number of overdue and postponed important findings.
  - 1 KRI has been implemented to monitor the number of clients attempting digital onboarding without success and with subsequent redirection to complete the process in branch. The KRI is related to the Customer onboarding and development – Customer Management process.
  - 1 KRI related to Compliance management has been implemented to replace a similar KRI. The new KRI was set on a quarterly basis.
- Second level control monitoring on Digital and Third Party risk was changed. Two new controls on Cyber Security Processes were implemented: 1) Remediation plans for Red wave overdue vulnerabilities and 2) Red wave vulnerabilities in Take the risk status.
- The NFR activities regarding Digital Risk increased with new important process regarding Cyber Security Risk Assessment monitoring (Cyber SRA). The outcomes related to the overall ICT Asset Portfolio of the bank are analyzed, checked and challenged by NFR and the results are discussed with Digital Functions. NFR provides relevant reporting to Local NFR Committee for all Applications at risk (over tolerance level).
- The ICT project risk assessment process has been significantly developed in terms of the validation step executed by NFR. The aim is to strengthen traceability of project risks and the mitigations that reduce them, track the progress of mitigation implementation, and monitor additional evidence and documents of the project.

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All activities regarding operational and reputational risk management included in the annual plan, defined by the Group, were performed following the Group methodology and executed in a timely manner with no delay.

Operational Risk Permanent WorkGroup (PWG) meetings were conducted at least quarterly where process improvements and mitigation actions were discussed and monitored in a timely manner. All PWG meeting topics and outcomes were reported to the local NFRC committee - GS..

NFR participated together with other bank structures in the implementation of the new Digital Operational Resilience Act (DORA) requirements regarding strengthening IT Resilience, IT continuity and Disaster Recovery processes.

Due to the new DORA Requirements, the TPRM process was updated as follows: both Outsourcing and Non-Outsourcing contracts will be referred to as Third Parties. The granularity of the risk assessments will be driven by the Criticality of the contract valid for all third party contracts. A new three-steps process for the calculation of the service inherent risk (SIR), applicable to all contracts, will be applied.

In 2024 Non-Financial Risk also participated in several key business, regulatory or digital transformation projects of the Bank. Among them were Euro Adoption program, Digital Operational Resilience Act – DORA, the Agent model, Omnichannel - CX PI 2024 project, BG PSD2 API Obstacles removal 2024, Transaction Monitoring, Payment Strategy, Digital Accessibility, Siron Replacement, ESG Strategy and Roadmap Implementation, RPA and KYC processes aiming to reflect the IT automation and regulatory changes; Enlargement of the model for working with notaries and lawyers on mortgage loan transactions for an individual clients and loans for business clients.

For 2025 the Non-Financial Risk will focus and closely monitor the following risk drivers:

- Conduct and Fraud Risks – Follow-up on coverage extension of the Anti-Fraud system (Phase 3 of SAS FM); monitoring in Safer Payments system; enhancements and modification of the existing process for BBM self-reactivation
- ICT & ICT Security Risks - ATM obsolescence
- Reputational Risk
- Third Parties Risk
- Transformation risk –main focus on Euro Adoption Program project
- Reputational and ESG risks.

During 2024 Non Financial Risk successfully performed a decommission of the local IT tool for internal reporting of Operational Risk loss events. Targeting more simplified process, lean data flow and optimization of the data collection process for OpRisk Events, Non Financial Risk conducted an initiative to discontinue the use of separate system for internal reporting and to switch completely to the group application. This allows to synchronize the local approach to the maximum extent with the practices in the group, discontinue all unnecessary steps and help to prepare for the upcoming new EBA framework for the operational risk loss as part of the implementation of the EU Banking Package. NFR also organized ad-hoc meetings and trainings in order to present the new process for reporting of operational events to all relevant structures involved.

The Bank applies the Advanced Measurement Approach (AMA) for calculation of capital requirements of operational risk and is the first bank in Bulgaria certified to use this approach, after authorisation received by Bank of Italy (as UniCredit Group’s Supervisory Authority) and BNB.

The internal AMA model developed by UniCredit Group is based on internal loss data, external loss data (consortium and public data), scenario data and risk indicators. The Group AMA capital at risk is distributed through a risk-sensitive allocation mechanism to those legal entities that are

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authorized for AMA use. The new AMA model guarantees an adequate level of stability, avoiding unexpected volatility in case of extraordinary loss events.

Local NFR Structure along with Group NFR performed test activities related to new calculations of Operational Risk RWA under Basel 4 and EBA RTS requirements. The new standardized approach for OpRisk RWA calculation under Basel IV is effective from March 2025

In UniCredit Bulbank operational risk reduction is accomplished with the use of insurance policies, as well as other risk transfer methods, among which outsourcing activities. The criteria for risk reduction through insurance are formalized in the Insurance Strategy of the Bank, which defines the policy of securing the bank risk profile with adequate and optimal insurance coverage, including the main inherent risk categories to the performed activities along with the overall risk exposure. As far as outsourcing as an operational risk transfer technique is concerned, examples of outsourced services in the Bank are security services (branch security and ATM full servicing), cash counting services, IT and other services maintenance.

Apart from the above mentioned, the participants in the Non-Financial Risk and Controls Committee – General Session – Operational Risk Stream on a quarterly basis identify and propose risk mitigation solutions in their respective areas of responsibility in the Bank.

The outcome of the 2024 Annual Self-Assessment report concluded that the organization of Non-Financial Risk management in UniCredit Bulbank is well established. No deficiencies in any of the operational risk system components have been identified during the self-assessment process by the Non-Financial Risk function. The 2024 Audit Report on Operational risk management and measurement processes for Advanced Measurement Approach was issued with overall Adequate evaluation and no findings.

Reputational risk is defined as the current or prospective risk to earnings and capital decrease arising from the adverse perception of the image of the financial institution on the part of customers, counterparties (including also debt-holders, market analysts, other relevant parties, such as civil society, NGOs, media, etc.), shareholders/investors, regulators or employees (stakeholders).

Reputational risk governance activities are within the scope of the responsibilities of the Non-Financial Risk. All relevant rules and policies for the management and monitoring of the Reputational Risk exposure have been adopted in full compliance with the UniCredit Group guidelines, principles, policies and rules. Under the Reputational risk process, special attention is paid to the management and monitoring of the Bank's exposure towards economic sectors and transactions, such as Defense/Weapons, Nuclear energy, Coal sector, Water infrastructure/Large Dams, Mining industry, and Oil and Gas Industry Sector. The Non-Financial Risk continued to develop the reputational risk process by implementation of the updated Group Policies and Operational Regulations and further development and regular functioning of the Non-Financial Risk and Controls Committee – Reputational Risk Session as a decision making body which decides not only reputational risk deals but discusses other significant reputational risk topics on regular meetings.

Climate and Environmental (C&E) and social risk assessments are guided by dedicated risk sector policies as well as by the human rights commitment of UniCredit Group and, when applicable, by the Equator Principles (EP). With regards to policies fully linked to fossil fuel related activities, policies in place refer to artic and non- conventional Oil & Gas industry and Coal sector. Such policies also considered PACTA input results. From 2024 PACTA lists was replaced by NetZero approach framework for the customer classification in Class A-B.

During 2024 the NFR structure continued to develop the reputational risk process in compliance with the UniCredit Group principles, policies and rules for monitoring the reputational risk exposure.

The Reputational Risk Management is implemented within the Bank through a dedicated set of policies with aim to:

- Identify sources of reputational risk (e.g., when entering new markets, products or lines of activities);
- Give guidelines for reputational risk assessment and measurement, monitoring and reporting to the competent corporate Bodies (e.g., Group NFRC Committee);
- Rule the necessary escalation / decision-making processes (e.g. material events escalation process).

During the Y2024, an updated Global Policy – Group Reputational Risk Management and Reputational Risk Management in the Sensitive Sectors were adopted and implemented. ESG-related Liability and Litigation Risk is covered by Reputational Risk Management Policy for specific cases. This risk is identified as source of risk for the financial sector. The ESG-related Liability Risk can potentially derive not only from an incident or a misconduct (including inaccurate or misleading disclosures, including greenwashing) in activities performed by UniCredit Group as part of its industrial/characteristic activity, but also from an incident or a misconduct due to someone else, other than UniCredit Group, in activities connected to a project financed by UniCredit Group.

Amendments were made also in the following sensitive sectors Reputational Risk Regulations – Defense, Mining, Oil&Gas, Water&Large dams, Nuclear and Coal. Moreover, the risk culture has been constantly spread out throughout the organization.

In 2024 the NFR organized dedicated trainings aiming to improve the expertise of the branch managers of the retail network of the bank regarding operational risks in their daily activities. Moreover, three dedicated practical online trainings were held in 2024. One training related to operational risk loss data reporting and confirmation by the operational risk managers, another covering the specifics of the ICT Project Risk Assessment performed by the project leaders and in the Operational Risk module of the Retail Branch Academy training. The NFR conducts regular Operational Risk Introductory training for all new employees and employees who change their position.

The reputational risk culture has been constantly spread out by the Non Financial Risk throughout the organization, via training activities, combined with methodological guidance and support to the other structures within the Bank by the Non-Financial Risk function ensure the outstanding Operational risk awareness at Bank level.

3.3 CREDIT RISK

Credit risk is defined as potential losses arising from unfulfillment of any contractual obligation with regard to financial instruments receivables.

The Bank effectively manages the credit risk inherent to its trading and banking book.

The policy of the Bank related to the credit deals is determined by the principles of conformity with the law, safety, stability, profitability and liquidity.

Main Authority Bodies in the credit process are (top - down):

- The Supervisory Board
- The Management Board
- The Transactional Committee – “Credit Committee session”
- The Transactional Committee – “Credit Council Session”

- The Chief Risk Officer(only veto right in the Transactional committee)
- The Head of Underwriting
- The Senior Managers of Corporate Credit Underwriting, Retail Credit Underwriting (responsible for Micro Business and Individuals Credit Underwriting) within the structure of the Underwriting -
- Senior Risk Managers

The members of the Management Board, Transactional Committee (Credit Committee and Credit Council sessions), the executives with managing functions, persons, authorized to represent the Bank under credit transactions, including employees involved in the credit process, do not participate in the negotiations, in the preparation of reports, in the discussions and do not have voting decisions under credit transactions, under which they or members of their families:

- are parties under the contract with the Bank;
- have substantial commercial, financial or other type of business interest in terms of the deal/ person, who is a party under the contract with the Bank. They are obliged to declare in advance the presence of business interests.

The authorities under credit transactions are exercised at full differentiation between the credit and commercial function and independently of the approved for the relevant structural unit budget.

Right to take decisions under credit deals have the authorities /bodies/ of the Bank within their relevant applicable limits in accordance with the internal lending rules. The level of every body is a function of the determined for it level of risk and competences for risk assessment in accordance to its place in the hierarchy of the organizational structure of the Bank.

Credit risk monitoring and management is also focused on fulfillment of statutory lending limits set in Credit Institutions Law. Exposures to one client exceeding 10% of the capital base are treated as “Large exposures” and has to be approved by the Management Board. Maximum amount of an exposure to one client or group of related clients must not exceed 25% of the capital base of the Bank.

In 2024 the Bank continued to perform its credit activities in compliance with the governing rules and internal policies. Despite the economic challenges associated with the uncertain international environment, including Russian/Ukrainian conflict and the tightening of monetary conditions in Europe and Bulgaria, the Bank’s portfolio remained resilient amidst these adversities. In 2024 credit activity is increasing, both for companies and for households.
Main risk initiatives:

- Underwriting (UW) process was focused on: (i) integration of climate risk factors into corporate underwriting process and annual review process, (ii) increase of usage of simplified procedures for Small Corporate and (iii) data collection regarding Transition and physical risks assessment for new flow immovable properties in real estate collateral portfolio;
- E2E Retail Lending Room introduction – via agile methodology to enhance the local risk Underwriting platform for both PI and SME segment; key scope is to achieve automatic decision for Mortgage loans and Micro simplified/automated process;
- Continuation of Preapproved lending to Micro companies launched at January 2023;
- Launched Second level controls KPI monitoring as per ECB regulatory requirements.

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The objective of credit risk policies (corporate and retail) is to provide clear, measurable and applicable criteria for loan origination for both Business and Risk Management. They are formulated by UniCredit Holding Group Risk Management in close cooperation and alignment with local risk management functions and the business side. Credit policies are updated annually following a structured review process that takes into consideration changes in macroeconomic outlook and market conditions, Risk Appetite and risk management strategies.

The purpose of Corporate Credit Risk Policy is to achieve sustainable and balanced portfolio industry mix while also controlling sectorial concentration. The Policy is mandatory to be followed in the credit process for the customers that are segmented as corporate based on the current business segmentation criteria (clients with turnover equal and higher than 1 MEUR).

The steering signals are qualitative indicators based on the expected development of the industry-specific risk and the size and risk structure of the corporate portfolio. They are defined during the annual Group Credit Risk Strategies process by the local Economic Research, Risk and Business functions and are subject to approval by relevant Holding function. The basis for the local Steering Signals is classification of industries according to the Sector Outlook in combination with Climate Steering signals.

The Climate Steering signals are in compliance with the Group's Credit Risk Framework and the Group methodology defined.

The Retail Credit Risk Policy formalize separately for private individual clients and micro business general underwriting principles such as:

- Rejection criteria
- Scoring/rating
- Overruling
- Loan application and Loan contract requirements
- Commercial real estate financing
- Maximum age of the applicant
- FX lending -
- Collateral requirements
- Income confirmation
- Debt ratio calculation
- Risk KPIs and limits per product

The Policy also specifies specific product rules regulating the maximum tenor, LTV requirements and amount depending on the particular product that could be granted to a retail client. -. New methodology of Cost of living was introduced in the beginning of 2024based on poverty line in the country. The bank applies LTV CAP for new production which was within trigger with end of 2024. Since October 2024 the local regulator Bulgarian National Bank has introduced minimum requirements for mortgage lending, including LTV, tenor and DSTI (without cost of living) < 50%. DSTI is considered to provide a solid buffer to accommodate negative fluctuations in borrower's income. Moreover, the regulator set up a CAP on exceptions from the requirements which is 5% of total new production for a quarter. Extraordinary risk and prohibited transactions are also defined.

Monthly monitoring process is established on local level for Industry Limits. Industry perimeter EAD and EL% developments are analysed monthly in order to ensure timely identification of potential Trigger/Limit breaches… If the aggregated Targets and/or Triggers level of a Limit (or relevant Sub-limit) are reached, a specific surveillance process shall be activated. In case a breach of a Limit, an escalation procedure involving Management Board shall be immediately initiated including an appropriate de-risking plan for timely mitigation of the Limit breach. The required actions depend on materiality of breaches and classification of industries in accordance with their significance in the local and the aggregated CEE portfolio. Monthly monitoring is presented to the Financial and Credit Risk Committee – Credit Risk Session. On group level Industry Limits are monitored on quarterly basis and a report with QvsQ development is prepared. Local input consists detailed information regarding major deviations, reasoning and potential actions if breach is registered. Quarterly monitoring is presented to the Risk Committee. In all cases breaches are justified and the approval of new loans in the industries observed the rules set in the Corporate Credit Risk Policy with regard to financing principles (PD cut offs) and EL steering in line with the approved Risk Appetite.

3.4 INFORMATION ON GOVERNANCE ARRANGEMENTS

3.4.1 Directorships held by members of the management body

The members of the Management Board of UniCredit Bulbank AD hold the following directorship positions:

- The CEO of UniCredit Bulbank AD is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD and as member of the Supervisory Boards of its wholly owned subsidiaries UniCredit Consumer Financing EAD and UniCredit Leasing EAD, and of directorship position as member of the Board of Directors of Borica AD, directorship position as member of the Management board of Association of Banks in Bulgaria, directorship position as member of the Management Board of Council of women in business in Bulgaria;
- The Deputy CEO – currently vacant position;
- Executive director and Head of People and Culture is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD
- Head of Legal is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD
- Director of Retail Division is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD and as member of the Supervisory Boards of its wholly owned subsidiaries UniCredit Consumer Financing EAD and UniCredit Leasing EAD;
- Director of Corporates Division is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD, as member of the Supervisory Boards of its wholly owned subsidiaries UniCredit Leasing EAD and UniCredit Consumer Financing EAD and one directorship position as a Manager of Consortium “Fund for green and smart development”;
- CFO is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD and as member of the Supervisory Boards of its wholly owned subsidiaries UniCredit Consumer Financing EAD and UniCredit Leasing EAD and as a member of the Supervisory Board of UniCredit Bank Serbia JSC and a member of the Supervisory Board of Europa Investment Fund Management Plc. (until 31.12.2024);

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- CRO is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD, as a member of the Supervisory Boards of its wholly owned subsidiaries UniCredit Consumer Financing EAD and UniCredit Leasing EAD and as a member of the Supervisory Board of UniCredit Banka Slovenija D.D.;
- The Chief Operative Officer /formerly Head of Global Banking Services (GBS)/ is holder of one directorship position as member of the Management Board of UniCredit Bulbank AD, one directorship position as a member of the BoD of Cash Services Company AD and one directorship position as a member of the Management Board of Atanas Burov Foundation.

3.4.2 Recruitment policy for the selection of members of the management body

In compliance with BNB/ECB requirements and the updated Ordinance No 20* of the BNB of 24 April 2019 on the Requirements to the Members of the Management and Control Bodies of a Credit Institution and on the Assessment of the Suitability of Their Members and the Key Function Holders, the applicable legislation, and following the respective guidelines of the European Banking Authority (EBA) on the assessment of the suitability of members of management bodies, as well as in alignment with the adopted internal policy Suitability assessment of the Corporate officers and Key function holders, the candidates are assessed on individual basis following the criteria in the aforementioned regulations (knowledge, experience, reputation, time commitment, key skills etc.) as well as collective suitability assessment is completed for the management body where the appointment is done. The candidates for Key function holder meet the requirements under Article 11, paragraph 1, items 1 and 3–8 of the *Law on Credit Institutions* and cover the suitability requirements necessary to hold the positions. The candidates for SB members must meet the requirements under Article 11, paragraph 1, items 3–8 and candidates for MB members must meet all requirements of abovementioned Article 11.

The bank has set up a separate Nomination Committee (until 2021 the bank had “combined” Nomination and Compensation committee) which has the responsibility to identify and recommend candidates to fill management bodies vacancies (to the General meeting of shareholders for members of the Supervisory Board and to the Supervisory Board for members of the Management Board) and conducts the suitability assessment on individual level prior appointment as well as the collective assessment of the respective management body (as per the Ordinance 20 of BNB and EBA guidelines on the assessment for suitability).

UniCredit Bulbank has adopted and implemented the UniCredit Group General guidelines on the structure, composition and remuneration of the Corporate Bodies of Group Companies, as well as procedures for the appointment of corporate officers. This policy, without prejudice to local law and/or regulations application, has the aim to define the principles, guidelines and rules for the management of corporate members at Group level with regard to:

- structure of the Corporate Bodies and requirement of their Members with the aim to balance the presence of Internal and External (independent) Members, an appropriate gender balance and an adequate composition to oversee efficaciously the whole business operation for the management and control;
- remuneration for the positions assigned according to the type and economic relevance of the subsidiaries, considering – inter alias – the corporate complexity, the business activity and the connected risk profile, the customer operation and the multiplicity of the products offered.

UniCredit Bulbank has adopted also internal Suitability policy as per the regulatory requirements, which defines the procedures, requirements and responsibilities related to appointment of candidates as board members in the Management and the Supervisory Board as well as Key function holders.

UniCredit Group has a structured succession EDP (Executive Development Plan) and TMR (Talent Management Review) for identification and evaluation of potential successors for managerial positions/roles.

3.4.3 Diversity policy, including the policy on gender diversity

At the end of December 2024, the presence of Women in top and middle management positions was assessed as balanced. In terms of gender distribution (bank level) the proportion of female/male overall is ~76%/24%; the ratio for the managerial positions is quite balanced – 61%/39%, while for the top managerial positions (board level and direct reports to executive directors) the ratio is 48%/52%.

Diversity, equity, and inclusion (DE&I) at the workplace remained part of the P&C priorities and the managerial agenda across all functions. The different DE&I aspects are implicated in various internal requirements and procedures throughout all stages of the employee lifecycle, e.g., attraction and recruitment, compensation and benefits, learning and development, succession planning, etc.

In 2023 our continuous efforts for achieving gender equity and inclusion through the years have been recognized also externally. After a rigorous certification process UniCredit Bulbank has been awarded with EDGE Assess Certification. EDGE is the leading global assessment and business certification for gender and intersectional equity. The certification marks not only the Bank's significant progress in gender equity and inclusion, but it is also a testimony of our commitment for further improvement. Being consistent in supporting this priority, we are currently in the process of recertification, which will cover practices and initiatives that supported gender equity in 2024.

3.4.4 Risk Reporting to Management

Risk reporting to management body covers information for all types of risks in UniCredit Bulbank: credit, market, liquidity, operational and reputational risks. The Bank has set up a reporting system based on risk profiles/parameters and the reports are prepared on a daily, weekly, monthly, quarterly and annually basis. Recipients of the information are Management board, Supervisory Board, Risk Committee, Credit Committee, Financial and Credit Risk committee, Non-Financial Risk and Controls Committee – General Session and Reputational Risk Session, other control functions in the Bank, responsible Board members, Head of Departments, Senior Managers as well as Holding Company's competence lines.

The Credit Risk Reports

Three different reports are produced on a quarterly basis related to data quality issues including Collateral Data Quality Report for missing information for collateral (insurance, market evaluation, statutory validity, wrong rank of mortgage, etc.); Rating Data Quality Report in respect of unrated customers, Age Restrictions, inadequate rating model used, etc.; and Tableau de Board reflecting the main issues detected during the analysis of data quality controls performed on the local PD models.

Quarterly Watch List Report is produced with the purpose to indicate endangered customers with newly detected monitoring triggers, for which Risk Mitigation strategy has to be applied. Additionally, analysis of the Watch list is presented including volume, structure, dynamics,

exceptions to the maximum recommended duration for staying in Watch list under stricter monitoring.
A managerial aggregated view on client level in terms of number and volume based on the annual/ semi-annual Corporate credit review status is prepared on quarterly basis and presented at Credit Committee.
A set of escalation reports related to overdue reviews and collaterals is implemented to duly inform the Management for identified issues in the monitoring process.
A monthly report on ageing restrictions – automatic rating and forthcoming application of Rating's ageing is prepared from the end of the year as well as Mitigation report based on the New Default Definition's parallel run.
Monthly Risk Report – Portfolio overview, and summarized reports by segment, Expected Loss and RWA by Segment, New Business RWA and expected loss as well as overdue credit reviews for Corporate and Small Business clients.
Quarterly Overall Risk Report is submitted with information for Gross loans, Impaired Loans ratio, Coverage on impaired portfolio, Loans evolution, Industry limits monitoring, Breakdown by Stages, Business segment and legal entity, net LLP change and cost of risk ratio. There is also information for EAD break down by business segment, performing/non-performing and industry, RWA by business segment, Stress tests on credit risk, RAF monitoring section as well as Default ageing summary.

There is a set of **Financial, Operational and Reputational Risk reports**, which might be differentiated by the specifics of the risk exposure:
Market Risk and Liquidity - There is a set of daily managerial reports that affect some critical Market Risk metrics like Open FX position - comparison ag. limits, calculated adjustment to the front-office Murex arising from small customer FX and bankbook, Daily Market Risk Dashboard providing overview of market risk limit utilizations – VaR limit, FX delta, Bond notionals of Sovereign exposure and of Non-Sovereign exposure, CPV sensitivity, BP01 sensitivities, Stress Test Warning Level (STWL), EV sensitivity (worst of six scenarios), NII sensitivity, RWA of Market risk and Loss Warning Level (LWL) as well as Liquidity relevant early warning indicators plus Daily Liquidity Dashboard containing managerial and RAF limits compliance report, Intraday critical payments buffer and Intraday Residual payments buffer, report on Issuer risk and average age of positions in TB.
Additionally, on a monthly basis the following reports are prepared – Summary of counterparty and issuer limit excesses, VAR limit and history by components, FX, IR, CR sensitivities overview and stress test results, important volatility dynamics, Market Conformity and Price Transparency checks of trades concluded in Treasury, PV and overdue payments on customer IRS, derivatives exposure to customers by PV/rating/MIFID category, derivative limit utilization. There are also Structural liquidity limits monitoring and Short-term liquidity stress tests (Liquidity surplus and survival period monitoring), Liquidity Coverage Ratio, Structural liquidity ratio, and Net Stable Funding Ratio. In addition is presented a detailed information about bond trading and investment portfolios, including market price vs. book value, issuer limits and CPV limits utilization, Additional valuation adjustments, daily reconciliation between managerial PnL and market risk metrics (VaR and hypothetical PnL). Quarterly monitoring process covers the checks for trading intent for all portfolios in Trading book, Market risk quarterly checks (incl. FX open position reconciliation, Not Risk Relevant portfolios monitoring, check of Trading book eligibility criteria and check of absence of trading intent in Banking book portfolios).
Operational and Reputational Risk – Quarterly Operational Risk analysis/reporting is prepared with information for loss data (overview of the major loss events), digital and TPM risk indicators, scenarios, KRIs, risk mitigation measures, capital at risk, RAF metrics, major Operational Risk issues, strategies, planned and/or implemented measures, Operational Risk Oversight Model on

small subsidiaries; ICT Project Risk Assessments Reporting. Several managerial reports containing Risk and Control Self-Assessment Reporting including ICT and Cyber risks; the scenario analysis results including assessed scenario storylines, and scenario 1:10 and scenario 1:40 loss estimations compared to the highest losses registered in the bank per risk category are being prepared and submitted annually. There is also information for the annual evaluation on local insurances with focus on insurance limits and deductibles, insurance recoveries on previous year trends (split by event type and % of losses).

The Reputational Risk Monitoring report includes Reputational risk reporting to the Holding (focused on reputational risk deals; relevant transactions data and media coverage of operational and reputational risk events). The Reputational risk exposure is reported to the Management Board of the Bank (through the Non-Financial Risk and Control Committee – Reputational Risk Session) and to UC Group on a quarterly basis.

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4 SCOPE OF APPLICATION

As both financial statements under the accounting scope of consolidation and financial statements under the regulatory scope of consolidation are fully IFRS based, there are only presentation differences which do not impact net assets, equity or profit or loss.

Reason for the difference between total assets and liabilities in published financial statement and regulatory reporting is that the company UniCredit Insurance Broker OOD is excluded from regulatory scope of consolidation.

The information related to the scope of application of the regulatory framework is disclosed as follows:

- ***EU LI1 – Differences between accounting and regulatory scopes of consolidation and the mapping of financial statement categories with regulatory risk categories.***
- ***EU LI2 – Main sources of differences between regulatory exposure amounts and carrying values in financial statements.***
- ***EU LI3 – Outline of the differences in the scopes of consolidation (entity by entity).***
- ***EU PV1 - Prudent valuation adjustments (PVA)***

5 OWN FUNDS

Capital Base (Own Funds) eligible for regulatory purposes include Tier I and Tier II capital as defined by Basel III regulatory framework.

In 2014, Directive 2013/36/EU requirements (CRD IV) were enforced in Bulgaria and Ordinance 8 of BNB was abrogated and substituted by Regulation (EU) 575/2013 of the European Parliament and of the Council.

In addition to the minimum Basel III capital requirements the combined buffer requirement includes also Capital Conservation buffer, Systemic Risk buffer and Systemic Important Institution buffer. Starting from 2019 also Countercyclical capital buffer has been introduced and capital buffer for Other Systemic Important Institution has been increased.

The detailed information regarding consolidated Own Funds of UniCredit Bulbank AD is disclosed in the *Appendix section* according to Commission Implementing Regulation (EU) No 1423/2013 and includes the following:

- ***Template EU CC1 - Composition of regulatory own funds***
- ***Template EU CC2 - reconciliation of regulatory own funds to balance sheet in the audited financial statements***
- ***Template EU CCA: Main features of regulatory own funds instruments and eligible liabilities instruments***

Additional information for specific capital positions can be found in the Consolidated Financial Statements of UniCredit Bulbank AD.

6 OWN FUNDS REQUIREMENTS AND RISK-WEIGHTED EXPOSURE AMOUNTS

The Bank's assessment of risks to capital is performed on ongoing basis and relies on comprehensive and formalized process of identification of potential material risks and their sound numerical quantification. The elements of this process are described below.

Group Risk Map

The internal definition of ICAAP regulations and application relies on the proportionality principle since UniCredit Group Pillar 2 framework has to be deployed in different ways according to the LE's risk profile and complexity. UniCredit Group LEs are therefore classified in four different classes: Large, Medium, Small-plus, and Small considering a minimum set of criteria. Large & Medium LEs have to implement the Group ICAAP and RAF frameworks. Small-plus LEs are not expected to have individual ICAAP and RAF frameworks, as related activities can be run by the owner company. The classification is performed on annual basis with reference to the September perimeter. Based on September 2024 results, UniCredit Bulbank is classified as Large and its subsidiaries are Small-plus. Thus, UniCredit Bulbank maintains its ICAAP and RAF frameworks on local group consolidated basis.

Risk Inventory

The Risk Inventory process purpose is the identification of all the risks faced or going to be faced by the Group in a forward-looking perspective. The outcome is a detailed list of risks to be considered in the ICAAP. In this regard the identification is performed at Holding and relevant Legal Entities level by analyzing the positions held and activities carried out in the respective perimeter. Every year the risks are assessed by Risk Inventory survey prepared by Group ICAAP & Stress Testing and sent to Risk Management functions of the Holding and relevant LEs.

Risk Profile Assessment

The risk profile and capital adequacy assessment require the measurement, in a forward-looking manner, of all material risks and to cover those risks through a sufficient amount of high quality capital. The Bank implements two complementary internal perspectives:

- Internal Normative perspective: this is the perspective under which the institution manages its capital adequacy by ensuring that it is able to fulfil all of its capital-related legal requirements and supervisory demands.
- Internal Economic perspective: the perspective under which the institution is expected to identify and quantify all material risks (under an economic value approach) that may cause economic losses and deplete internal capital.

Both Normative and Economic perspective risk and capital assessment are performed under baseline and stressed conditions and on a multi-year horizon.

Regulatory Capital

Regulatory capital under the Pillar 1 perspective is calculated and reported according to the below approaches.

Credit Risk:

- Advanced Internal Rating Based Approach (AIRB): Corporates (excl. Specialized Lending), Retail-Small Business (including covered by residential real estates), Retail – Individuals (including covered by residential real estates), and Equity claims (Simple Approach)

- Foundation Internal Rating Based Approach (FIRB): Financial Institutions and Corporates - Specialized Lending (Slotting criteria model with regulatory defined risk weights and expected loss levels)
- Standardized Approach: Central Governments or Central Banks, Regional Governments or Local Authorities, Multilateral Development Banks, Administrative Bodies and Non-commercial Undertakings, and International Organisations, as well as all Factoring exposures for which permanent partial use (PPU) of the Standardized approach is permitted by the Regulator. The Standardized Approach is applied also for the loan portfolios of the Bank's subsidiaries.

Market Risk: Standardized Approach.

Operational Risk: Advanced Measurement Approach for the Bank and Standardized Approach for the Bank's subsidiaries.

Economic Capital

Under Pillar 2 the quantitative assessment of the risk profile is based on individual measurement of credit, market, IRRBB + CSRBB, operational, reputational, business, and real estate risks via VaR-based Economic Capital models. The individual risks are further aggregated to a single metric, Aggregated Economic Capital. A model risk charge is also added to the overall Economic Capital result. The below table outlines the composition of the overall Pillar 2 risk assessment.

Risk type	Risk sub-type	Definition
Credit risk	Default risk	Risk arising from credit default events
	Concentration risk	Single name default concentration risk
	Migration risk	Risk arising from rating downgrades of obligors
	Securitization risk	Risk arising from investor, sponsored and retained tranches of originated securitization
	Counterparty risk	Default risk of counterparties for OTC and Securities Financing Transactions (SFT) instruments
	Participation risk (illiquid positions)	Covers illiquid participations and funds in the banking book
	Country transfer risk	Risk that a country imposes restrictions on the conversion of foreign currencies and/or on the cross-border transfer of funds
Market risk	Position risk in the TB (FVTPL)	Risk of loss on financial instruments from changes in market risk factors relevant for Trading positions, related to the part of portfolio accounted as Trading Fair Value through Profit or Loss
	Position Risk in the BB (FVTPL)	Risk of loss on financial instruments from changes in market risk factors that are relevant for Banking positions, related to the part of portfolio accounted as Trading Fair Value through Profit or Loss
	Position risk in the BB (FVOCI)	Risk of loss on financial instruments from changes in market risk factors relevant for Banking Book positions
	Credit Value Adjustment risk	Risk stemming from valuation adjustment of the derivative portfolio with respect to counterparties' credit risk
	Funding Cost risk	Risk stemming from valuation adjustment of the derivative portfolio with respect to funding risk
	Participation risk (liquid positions)	Risk of loss on listed participations and funds in the Banking Book
IRRBB + CSRBB		Interest rate risk on Banking Book positions covering Credit spread and Interest Rate risks that are not classified as FVTPL nor FVOCI

Operational risk	Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.
Business risk	Covers unexpected changes in business margins/volumes not already accounted for in other risk types
Real estate risk	Covers potential losses resulting from market value fluctuations of the bank's own real estate portfolios
Reputational risk	Covers the loss of future revenues due to the media coverages of the potentially adverse reputational events
Model risk	Component for model risk in the economic capital calculations

Stress Tests

The resilience of the Bank's capital position is tested on semiannual basis via extensive stress tests which simulate all material risks (in terms of capital requirement), the capital base and the P&L in multiple adverse scenarios. The scenarios are designed by UniCredit research on the basis of different triggers and span on a three-year horizon over which all main (and country-specific) macroeconomic and market indicators are simulated. These scenario-induced indicators are translated into shocks in risk parameters (i.e. default rates, Probabilities of Default, etc.) and losses using specific methodological guidelines, models and tools. The assessment is performed for both regulatory and economic capital.

For the purposes of the Supervisory Review and Evaluation Process the Bank delivers to ECB on annual a comprehensive ICAAP package organized in the following main documents:

- ICAAP - Pillar 1 reconciliation document: a description of the models used for risk quantification under the ICAAP and compares their results as of December 2024 to the capital requirements under regulatory/Pillar 1 perspective.
- Reader's Manual: a document that contains references to a number of internal rules within the Bank's ICAAP framework, supporting documents and reports.
- Capital Adequacy Statement – the core document of the ICAAP package which is the acknowledgement of the Bank's management for the capital adequacy results in three different dimensions:
  - Retrospective (for the past year) and forward-looking (the multi-year plan);
  - Regulatory (Pillar 1) and internal (Pillar 2) view;
  - Business-as-usual and under adverse conditions/stress tests scenario.

For preparation of the regulatory reports under new Regulation (EU) 575/2013, the Bank applies Financial Collateral Comprehensive Approach for credit risk mitigation where financial collateral is used.

Capital Requirements for Credit Risk, Market Risk and Operational Risk are disclosed as follow:

- ***Template EU KM1 - Key Metrics***
- ***Template EU OV1* – Overview of RWAs**.

The following information is not relevant to UniCredit Bulbank:

- ***Template EU INS1 - Insurance participations***

  Template EU INS2 - Financial conglomerates information on own funds and capital adequacy ratio

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7 EXPOSURES TO COUNTERPARTY CREDIT RISK

UniCredit Bulbank employs the Group internal model method for counterparty risk measurement and limit compliance control.
Financial Risk and Modeling unit monitors on a daily basis the exposures on counterparty credit risk and escalates limit breaches for resolution.

The concept of CVA charge is adopted for risk-adjusted pricing of derivatives.

For more details related to counterparty credit risk, please refer to point 3.1.2. above in the present document.

The information related to CCR is disclosed as follows:

- ***Template EU CCR1 – Analysis of CCR exposure by approach***
- ***Template EU CCR2 – Transactions subject to own funds requirements for CVA risk***
- ***Template EU CCR3 – Standardised approach – CCR exposures by regulatory exposure class and risk weights***
- ***Template EU CCR4 – IRB approach – CCR exposures by exposure class and PD scale***
- ***Template EU CCR5 – Composition of collateral for CCR exposures***

The following information is not relevant to UniCredit Bulbank:

- ***Template EU CCR6 – Credit derivatives exposures***
- ***Template EU CCR7 – RWEA flow statements of CCR exposures under the IMM***
- ***Template EU CCR8 – Exposures to CCPs***

8 COUNTERCYCLICAL CAPITAL BUFFERS

During 2024 the level of the countercyclical capital buffer set by BNB remained at 2%.

As of 31.12.2024 the Institution-specific countercyclical capital buffer for UniCredit Bulbank is calculated at 1.99%.

The information related to CCYB is disclosed in:

- ***Template EU CCyB1 - Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer***
- ***Template EU CCyB2 - Amount of institution-specific countercyclical capital buffer***

UniCredit Bulbank

9 INDICATORS OF GLOBAL SYSTEMIC IMPORTANCE

In order to ensure global consistency and uniform formats and data for the disclosure of the values used to identify Global Systemically Important Institutions (G-SIIs), the EU Parliament and the Council issues a Commission Implementing Regulation (EU) No 1030/2014 of 29 September 2014.

In December 2016, Bulgarian National Bank classified UniCredit Bulbank AD as Other Systemically Important Institutions (O-SIIs) and thus the disclosure requirements set in Regulation (EU) No 1030/2014 are not relevant to the Bank.

UniCredit Bulbank

10 EXPOSURES TO CREDIT RISK AND DILUTION RISK

The carrying amounts of Bank’s assets are regularly reviewed for assessment whether there is any objective evidence of impairment as follows:

- for loans and receivables – by the end of each month for the purposes of preparing interim financial statements reported to the Bulgarian National Bank and Management;
- for available for sale and held to maturity financial assets – semi-annually based on review performed the Bank and decision approved by FCRC – ALCO;
- for non-financial assets – by the end of each year for the purposes of preparing annual financial statements.

If any impairment indicators exist, the asset’s recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the Income Statement.

In assessing the provisions Management uses expert estimates such as legal and regulatory advisors as well as credit risk specialists. Usually more conservative approach is followed in order to protect the Bank in case of adverse development of uncertain events.

According to internal evaluation process, the Bank is distinguishing between following types of customers’ credit portfolio: performing loans, which are divided in transactions with or without Significant increase in credit risk (SICR) - without detected default events and non-performing portfolio (those with detected default events). The basis for default event detection is the approved “Internal Rules on Default Definition and Forbearance Classification” where generally) default event is detected always when either or both of the following conditions are met:

- the Bank considers that the obligor is unlikely to pay its credit obligations to the Bank, without recourse to actions such as realising the collateral (if held);
- the obligor is past due more than 90 days on any material credit obligation to the Bank.

In UniCredit Bulbank, all exposures with more than 90 days past due according to CRR requirements are considered as defaulted / impaired.

For determination of general credit risk adjustments, the bank is using the expected credit loss concept according to the requirements of IFRS 9.

For determination of specific credit risk adjustments, the bank is using either collective evaluation approach or is performing individual assessment for individually significant exposures.

Following the Regulation (EU) 2015/1278, UniCredit Bulbank applies definitions described below for performing and non-performing forborne exposures:

1/ Performing forborne exposures:

The Bank considers an exposure as forborne performing when the amendments in the repayment terms and conditions are NPV neutral.

2/ Non-performing forborne exposures:

Cases where as a result of declined financial standing and solvency of the obligor, the Bank has consent to distressed restructuring of the credit obligation through material forgiveness, or postponement of principal, interest, or fees which results in debt reduction (non NPV neutral).

General quantitative information on credit risk is disclosed as follows:

- ***Template EU CR1: Performing and non-performing exposures and related provisions***
- ***Template EU CR1-A: Maturity of exposures***
- ***Template EU CR2: Changes in the stock of non-performing loans and advances***
- ***Template EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries***
- ***Template EU CQ1: Credit quality of forborne exposures***
- ***Template EU CQ2: Quality of forbearance***
- ***Template EU CQ3: Credit quality of performing and non-performing exposures by past due days***
- ***Template EU CQ4: Quality of non-performing exposures by geography***
- ***Template EU CQ5: Credit quality of loans and advances by industry***
- ***Template EU CQ6: Collateral valuation - loans and advances***
- ***Template EU CQ7: Collateral obtained by taking possession and execution processes***
- ***Template EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown***
- ***Template EU CR10 – Specialised lending and equity exposures under the simple riskweighted approach***

11 USE OF THE STANDARDISED APPROACH FOR CREDIT RISK

Following the requirements of Article 113 of the Regulation (EU) 575/2013, UniCredit Bulbank uses Fitch and Standard & Poor's Agency ratings for calculating risk weights of its asset and off-balance sheet exposures.

The calculation methodology follows strictly the requirements listed in Article 138, Article 139, Article 140 and Article 141 of the Regulation (EU) 575/2013.

Asset Classes where ECAI are used are as follows:

- Claims or contingent claims on central governments;
- Claims or contingent claims on multilateral development banks;
- Claims or contingent claims on institutions (providing unavailability of internal rating or part of Factoring portfolio);
- Claims or contingent claims on regional governments or local authorities;
- Claims or contingent claims on public sector entities;
- Short-term claims on institutions and corporates (providing unavailability of internal rating).

More information about the part of the credit portfolio under Standartised approach can be found in:

- ***Template EU CR4 – standardised approach – Credit risk exposure and CRM effects***
- ***Template EU CR5 – standardised approach***

UniCredit Bulbank

12 USE OF THE INTERNAL RATING BASED APPROACH TO CREDIT RISK

12.1 OVERVIEW

Starting from July 2016, UniCredit Bulbank AD applies Advanced Internal Rating Based Approach (AIRB) for calculation of capital requirements of credit risk for Corporate (excluding Specialised Lending) and Retail (Small Business and Individuals) clients' exposure. Financial Institutions and Specialised Lending clients remain at Foundation Internal Rating Based Approach (F-IRB) and exposures to Public Sector Entities, Multilateral Development Banks and Municipalities are treated under Standardised Approach. UniCredit Bulbank is the first bank in Bulgaria certified by the European Central Bank (joint decision with Bank of Italy and BNB) to use A-IRB Approach for locally developed internal models for Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

When applying Internal Rating Based Approach for calculation of capital requirements for credit risk, UniCredit Bulbank uses several rating models[1] in order to carry out clients' creditworthiness analyses. Rating models can be generally summarized as:

<u>Group-wide rating models (GWM)</u>

Group wide rating models[2] are used for group wide client segments or transactions, whose risk factors are independent from the counterpart's geographic location, local market characteristics, business lines and processes used. UniCredit Bulbank uses group wide rating model for creditworthiness analyses for: Multinational Companies[3]; Security Industry Companies; and Financial Institutions.

<u>Local rating models</u>

- *Corporate rating model*

The model is used for corporate clients (using full accounting) with a turnover < 500 Mio EUR (except for Specialized lending).
For risk parameters EAD and LGD UniCredit Bulbank uses internally developed models.

- *Slotting Criteria Model*

The model is used for assessment of capital requirements and expected loss for exposures classified as Specialized Lending in accordance with Art. 153.5 and Art. 158.6. of Regulation (EU) 575/2013.
As EAD risk parameter, UniCredit Bulbank applies the regulatory defined CCFs in Regulation (EU) 575/2013.

- *Retail scoring Rating Models*

The Bank uses two rating models for retail customers – for scoring model Small Business model and Private Individuals model.

For risk parameters EAD and LGD UniCredit Bulbank uses internally developed models.

The established internal risk control environment is sound and reliable and is an integral part of the operative working process within the Bank. Risk control functions ensure:

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[1] UniCredit Bulbank uses master scale for rating result competability.
[2] Group wide rating models are developed by UCI Holding Company (HC) and are adopted by UniCredit Bulbank.
[3] Companies with turnover over 500 mln euro.

- minimum yearly validation of the rating systems in used; maintenance of relevant model and validation documentation;
- maintenance of all necessary data for management and assessment of the credit risk;
- periodic assessment of the accuracy, completeness, and appropriateness of model inputs and results.

The customer rating is not only the basis for a risk-related credit decision but, for example, also for:

- Credit conditions (interest rates, security)
- Credit risk control (reporting, watch list, early warning instruments)
- Credit risk trade (securitization)
- Cost of risk (impairment, loan loss provision)
- Calculation of capital required under Basel III (capital requirements, capital adequacy)
- Portfolio analysis (credit portfolio steering)

Cases triggering a rating:

- Provision of financial statements
- Application for credit/ lending of credit
- Credit risk control/prolongation
- Change in soft facts and warning signals relevant to creditworthiness
- Change relevant to creditworthiness in connection with the overruling of a customer rating
- Removal of a rating recipient from a rating group and break-up of the entire rating group
- Existence of a warning signal
- Existence of an aging restriction
- Elimination of a default event
- New Nostro/ Loro account; MM placement/ Repo deals/ Other obligations counterparties (esp. Banks)
- New Issuer of a personal guarantee (esp. Bank or Company Guarantee/ contra-guarantee received in favor of a customer)

If there are rating relevant changes of hard/soft facts or warning signals, a new rating assessment is required.

Notwithstanding the above factors, rating is renewed each year, whereas customers with high risk and problem exposures must be checked in shorter intervals.

The historical losses for the previous period are defined based on occurred default events in accordance with the applied Default Methodology.

12.2 QUALITATIVE INFORMATION RELATED TO LOCAL IRB MODELS

Locally developed internal models for Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) that are used for regulatory calculation of capital requirements for credit risk with their main characteristics are:

- **Corporate PD model**:

Since February 2022, a new version of the Corporate PD model is in production, reflecting the requirements of EBA Guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures and in line with the new definition of default as well. The model has been approved for application by ECB/BNB team and covers information in 4 directions: financial, qualitative, internal behavioral, Central credit register. Based on PD value the customers are ranked using a 23 notches rating master scale.

- **SME PD model**:

Since February 2022, a new version of the SME PD model is in production, reflecting the requirements of EBA Guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures and in line with the new definition of default as well. The model has been approved for application by ECB/BNB team and covers information in 4 directions: financial, socio-demographic, internal behavioral, Central credit register.

Based on the PD value the customers are ranked using a 23 notches rating master scale.

- **Private Individuals PD model**:

In 2023 (July) a new version of the PI PD model was introduced, reflecting the requirements of EBA Guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures and in line with the new definition of default as well. The model has been approved for application by ECB/BNB team and covers information in 4 directions: financial and product, socio-demographic, internal behavioral, Central credit register.

Based on the PD value the customers are ranked using a 23 notches rating master scale.

- **Specialised Lending Slotting Criteria model**:

Since February 2022, a new version of the IPRE slotting model is in production in line with the requirements of EBA Guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures and in line with the new definition of default as well. The model has been approved by ECB/BNB team. As an outcome of the model the transactions are assigned to one of 4 possible slots - Strong, Good, Satisfactory, Weak.

- **LGD model**:

LGD model is developed on data covering the period 2008-2014. The result of the model is a decision tree, splitting the exposures on the base of customer segment, product type and EAD. As part of the model internal haircuts for eligible collaterals are calculated as well.

Relevant downturn analysis is performed as well, showing positive correlation between the downturn periods and LGD estimations.

In 2019 Expected Loss Best Estimate component was introduced as well. The component is used in the calculation of the Risk Weighted Assets of Defaulted assets.

- **EAD model**:

EAD model is developed on a data covering the period 2007-2013. The result of the model is a decision tree, splitting the exposures on the base of customer segment, revolving/non-revolving type of exposure, product type and additional model specific parameters.

Relevant downturn analysis is performed as well, not showing positive correlation between the downturn periods and EAD estimations.

Internal credit risk models are developed by Credit Risk Models and Systems Team within Risk Management Division. Each model is being annually validated and as part of the internal controls environment, the Internal Audit of the UniCredit Bulbank performs regular audits (on annual basis) on AIRB local models and validations.

The internal models are initially validated by an independent structure, not involved in the development of the model and the Group Internal Validation (GIV[4]) function at Holding level performs quality assurance of the validation reports of the local models. In order to achieve more independence of the function in charge of the model review from the functions responsible for model development, starting from 2018 a dedicated Internal Validation Center is in place that is directly reporting to Chief Risk Officer of the UniCredit Bulbank and to the GIV.

All locally developed models (model changes) and respective validations are subject to approval by the Management Board of the Bank, including information on the models' development and validation conclusions, fulfilment of the recommendations given, the performance of the models, areas for improvement etc.

The process of modelling and validation activities planning is defined in the Group Guidelines and in the local Methodological Framework for the maintenance of the Risk Models applied in UniCredit Bulbank which stipulates in detail the roles and responsibilities of the local parties. The annual validation plan is based on 3 years perspective.

Quantitative information on the use of the IRB approach is disclosed as follows:

- ***Template EU CR6 – IRB approach – Credit risk exposures by exposure class and PD range***
- ***Template EU CR6-A – Scope of the use of IRB and SA approaches***
- ***Template EU CR8 – RWEA flow statements of credit risk exposures under the IRB approach***
- ***Template CR9 –IRB approach – Back-testing of PD per exposure class (fixed PD scale)***

The following information is not relevant to UniCredit Bulbank:

- ***Template CR9.1 – IRB approach – Back-testing of PD per exposure class (only for PD estimates according to point (f) of Article 180(1) CRR)***

[4] GIV is the function in charge of the validation of the Group models.

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13 CREDIT RISK MITIGATION TECHNIQUES

When granting loans the Bank accepts collaterals as follows:

- Property – all types of real estates and relevant real rights;
- Pledge on movables properties;
- Pledges of all enterprise assets and shares;
- Tangible assets;
- Securities;
- Cash and receivables;
- Precious Metals;
- Surety and Guarantee;
- Other collaterals stipulated in the law

When negotiating the collateral the following general principles should be met:

- **Reality** – existence and perfect documentation;
- **Identity** – the collateral should be clearly concretized;
- **Exclusivity** – the Bank should be the only bearer of the rights over the collaterals or privileged lender;
- **Sufficiency** – the amount of the collateral should be enough to cover (to preliminary defined extent) the debtor's liabilities throughout the whole period of the loan;
- **Liquidity** – the collateral itself should allow the possibility for fast sale.

The obligations regarding the collateral are stipulated in written form with collateral contract.

Accepted collaterals are valued at Market Value. The value of the Properties is determined periodically by an independent registered appraiser. The value of the real estate collaterals is regularly monitored as well as the presence of their respective insurance.

Within UniCredit Bulbank exists specialised unit responsible for supporting the process of real estate financing, where cash flow predominantly originates from renting and/or sales of real estate properties and the loan is being repaid from this cash flow.

UniCredit Bulbank uses only part of the abovementioned types of collaterals when applying credit risk mitigation techniques in accordance with Regulation (EU) 575/2013:

- Financial collaterals – blocked cash and securities, strictly observing the requirements of Chapter Four *Credit Risk Mitigation* of the Regulation (EU) 575/2013. For calculation of capital requirements for credit risk under IRB approach, Financial collaterals are treated like LGD-reducing collaterals (in accordance with the Regulation (EU) 575/2013;
- Guarantees that meet the requirements of Chapter Four *Credit Risk Mitigation* of the Regulation (EU) 575/2013. For calculation of capital requirements for credit risk under IRB approach, Guarantees are treated as PD/LGD-reducing collaterals when the guarantor provider is institution and RW substitution for multilateral banks and insurance companies. In case of Guarantor treated under FIRB approach and when obligor is under Standardized approach, the risk substitution is not applied. The

parameters of the guarantor deriving from a more sophisticated approach don't substitute the parameters of guaranteed obligor deriving from a simpler approach;

- Real Estate Properties that meet the requirements of Article 124, Article 125 and Article 126 of the Regulation (EU) 575/2013. For calculation of capital requirements for credit risk under IRB approach, Real Estate collaterals are treated like LGD-reducing collaterals (in accordance with the Regulation (EU) 575/2013. For exposures treated under A-IRB Approach, UniCredit Bulbank uses internally developed discount factors (part of LGD model) for eligible real estate collaterals.

The Bank is monitoring the principles for low correlation, legal certainty and all operative requirements.

The Bank does not apply the netting technique for calculation of its risk-weighted assets for the purposes of the Regulation (EU) 575/2013.

Quantitative information related to Credit Risk Mitigation is disclosed as follows:

- ***Template EU CR3 – CRM techniques overview: Disclosure of the use of credit risk mitigation techniques***
- ***Template EU CR7-A – IRB approach – Disclosure of the extent of the use of CRM techniques***

The following information is not relevant to UniCredit Bulbank:

- ***Template EU CR7 – IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques***

14 ENCUMBERED AND UNENCUMBERED ASSETS

As of 31.12.2024 the assets are pledged on the following deals:

- For budget holders' account service, the Bank has pledged a loan issued by BG Government (Schuldscheindarlehen) and government securities.
- UCB has pledged cash on margin account for derivative deals.
- Government bonds are pledged for REPO deals.
- Government bonds are pledged for corporate guarantee.

Regulator require budget liabilities and margin account for derivatives deals to be covered by encumbered bank assets. Repo deals are concluded aiming liquidity management.

Quantitative information related to Encumbered and unencumbered assets is disclosed as follows:

- ***Template EU AE1 - Encumbered and unencumbered assets***
- ***Template EU AE2 - Collateral received and own debt securities issued***
- ***Template EU AE3 - Sources of encumbrance***

15 EXPOSURE TO MARKET RISK

UniCredit Bulbank calculates its Own funds requirements for market risk under the Standardised Approach.

The Bank does not apply internal models for calculating capital requirements for market risks within the reporting cycle to the local regulator.
The Group-wide internal market risk model is applied for risk management and control purposes, and for consolidated requirements reporting at UniCredit Group level.
For more details, please refer to point 3.1.1. above in the present document.

The Capital requirements and RWAs for market risk under the Standardised Approach are disclosed in ***Template EU MR1 - Market risk under the standardised approach***

The following information is not relevant to UniCredit Bulbank:

- ***Template EU MR2-A - Market risk under the internal Model Approach (IMA)***
- ***Template EU MR2-B - RWEA flow statements of market risk exposures under the IMA***
- ***Template EU MR3 - IMA values for trading portfolios***
- ***Template EU MR4 - Comparison of VaR estimates with gains/losses***

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16 OPERATIONAL RISK MANAGEMENT

For the purpose of reporting Capital Adequacy in accordance with Regulation (EU) 575/2013 of The European Parliament and of The Council, UniCredit Bulbank applies Advanced Measurement Approach (AMA) for the capital calculation of Operational Risk. The new calculations of Operational Risk RWA under Basel 4 and EBA RTS requirements are applied from March 2025.

In order to better represent the operational risk exposure, the combination of the seven event types and the product associated to each operational event generates the twelve model risk categories.

Operational risk events are attributed exclusively to seven classes (or event types).

1. *Internal frauds* are acts intended to defraud, misappropriate property or circumvent regulations, the law or Company policy (excluding diversity or discrimination events) involving at least one internal party and excluding malicious damage. The internal fraud is originated inside the Company and the internal nature of the event must be definitely ascertained, otherwise it should be considered as external fraud. In many cases, an internal audit report may clarify this point.
2. *External frauds* are acts intended to defraud, misappropriate property or circumvent the law committed by a third party, without the assistance of an employee and excluding malicious damage:

   2.1. External frauds – Payments. This model risk category includes frauds on all payment systems, in order to have evidence of all phenomena involved in money transfer, to highlight any anomalies and deficiencies in security measures. Payment system meaning client management of cash inflows/outflows; all forms of payments; clearing, settlement and exchange services.

   2.2. External frauds – Others. This model risk category includes all events associated to all other products or non-banking products (other products/services not generally considered part of a bank or investment bank's offering, e.g. insurance) or non-product related (for situations where no specific process was involved).
3. *Employment practices and workplace safety* are events resulting from violating employment or health or safety laws and agreements, personal injury claims or diversity discrimination events.
4. *Clients, products and business practices* are unintentional or negligent failure to meet obligations to clients (including fiduciary and suitability requirements) or from the features of a product. The events where the Company committed an improper business act fall into this category, likewise when it has been the victim of similar practices by another Company:

   4.1. Clients, products and business practices – Derivatives. This model risk category includes all derivative products, selling either via an exchange or over the counter; they have been isolated from all others financial instruments to better represent the phenomena;

   4.2. Clients, products and business practices - Financial Instruments. This model risk category includes all others financial instruments, selling either via an exchange or over the counter;

   4.3. Clients, products and business practices – Others. This class includes all events associated to all other products or no banking products (Other products/services not generally considered part of a bank or investment bank's offering, e.g. insurance) or non-product related (for situations where no specific process was involved).
5. *Damages to physical assets* are events caused by natural disaster or other similar event type.
6. *Business disruption and system failures* are losses caused by technology problems.
7. *Execution, delivery and process management* are failed transactions processing or process management, or losses coming from relations with counterparties and vendors. These

events are not intentional and involve documenting or completing business transactions (typically, operational risk events that occur in back office areas fall in this category):

7.1. Execution, delivery and process management – Financial Instruments. This model risk category includes all derivative products and financial instruments, selling either via an exchange or over the counter; they have been isolated to better represent the phenomena. This model risk category includes all others financial instruments, selling either via an exchange or over the counter;

7.2. Execution, delivery and process management – Payments. This model risk category includes events connected with all payment system, in order to have evidence of all phenomena involved in money transfer. Payment system meanings client management of cash inflows/outflows, all forms of payments; clearing, settlement and exchange services;

7.3. Execution, delivery and process management – Others. This model risk category includes all events associated to all other products or no banking products (Other products/services not generally considered part of a bank or investment bank's offering, e.g. insurance) or non-product related (for situations where no specific process was involved).

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17 USE OF THE ADVANCED MANAGEMENT APPROACH TO OPERATIONAL RISK

From 2011 to 2024, UniCredit Bulbank applies the Advanced Measurement Approach (AMA) for the capital calculation of Operational Risk. The new standardized approach for OpRisk RWA calculation under Basel IV is applied from March 2025.

AMA capital requirement is calculated, at Group level by UniCredit Holding, considering data split by the Model Risk Categories (MRC) listed in p. 16 above, i.e. data-homogeneous risk classes. For each MRC, the loss severity and frequency probability distributions are estimated and then combined, in order to obtain the annual loss distribution. The annual loss distributions of the Model Risk Categories are combined, considering the correlation among them, in order to obtain the overall annual loss distribution. The overall annual loss distribution is adjusted for insurance coverage. Group AMA capital requirement is calculated on the overall annual loss distribution with the confidence level 99,9% for regulatory purpose and with that defined for economic capital calculation purposes, taking into consideration deduction for expected losses. The capital requirement measurement activities are performed, on a quarterly basis, at UniCredit consolidated level, i.e. the Holding Company is responsible for the overall process at Group level.
Under the Advanced Measurement Approach ("AMA"), capital for operational risk is obtained by modelling internal loss data, integrated with external loss data, scenario generated data and key operational risk indicators.

For each Legal Entity of the Group, which adopts the internal model (AMA), capital requirements are obtained through an allocation mechanism which reflects their operational risks exposure. UniCredit Bulbank's subsidiaries contribute to the Operational Risk capital calculation using the Standardized Approach (TSA). In the TSA the capital requirement is the average of the last three years to date TSA calculation. For each year, the capital requirement is obtained by summing the relevant indicators referred to the end of financial year for each Business Line multiplied by the regulatory rates. The relevant indicator of a Business Line will be included in the calculation also when negative. Whenever the overall capital requirement for Operational Risk in a certain year results to be negative, then the capital requirement for that year has to be considered as zero while it contributes to the calculation of the three-year average.

Capital requirements for Operational risk are disclosed in ***Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts.***

18 INTEREST RATE RISK IN THE BANKING BOOK

Exposure to interest rate risk in the banking book is captured and measured on daily basis in the market risk management systems. The managerial limit-relevant risk metrics include daily basis point value sensitivity, weekly stress tests and monthly reporting of regulatory required variation in economic value of equity (instantaneous Supervisory Outlier Test interest rate shock as percentage of equity), variation in net interest income given the hypothesis of constant balance sheet under instantaneous Supervisory Outlier Test interest rate shock as percentage of equity and variation in earnings. Executive summary is reported in each monthly FCRC – ALCO session.

The Bank defines IRRBB as the current or prospective risk to both the earnings and the economic value of an institution arising from adverse movements in interest rates that affect interest rate sensitive instruments. IRRBB is managed by assigning limit and trigger thresholds for specific risk indicators, regular monitoring and escalation procedure for breaches. Daily calculation of BP01 total and by buckets, monthly calculation of EVE sensitivity, NII sensitivity and Earnings sensitivity are performed.

Quantitative information with regards to interest rate risk on positions not held in the trading book is disclosed in ***Template EU IRRBB1 - Interest rate risks of non-trading book activities.***

19 EXPOSURE TO SECURITISATION POSITIONS

Synthetic Securitization

In 2022 UniCredit Bulbank structured a synthetic securitization transaction on a portfolio of SME and corporate exposures originated by the Bank in its usual course of business. The risk transfer was achieved through a financial guarantee by the European Investment Fund (EIF). The structure of the transaction involves a fully retained senior tranche and a fully sold junior tranche. The transaction provides first-loss protection over the securitized portfolio and is designed to achieve Significant Risk Transfer (SRT) as per EU Regulation 2401/2017 and to be compliant with relevant prescriptions of EU Regulation 2402/2017 as amended from time to time (together, the “Securitisations Regulation”). The securitization has a confirmed STS status within the meaning of article 18 of Regulation (EU) 2402/2017. As this is a private securitization where no prospectus had to be drawn up in compliance with Regulation (EU) 2017/1129 and no information had to be made available via a securitization repository according to Regulation (EU) 2017/2402.

Role	Party
Originator	UniCredit Bulbank AD
Junior Tranche Guarantor	European Investment Fund
Originator Legal Counsel	Clifford Chance LLP & Wolf Theiss Attorney Company
Guarantor Legal Counsel	Linklaters LLP
STS Verification Agent	Prime Collateralised Securities (PCS) EU SAS
Credit Event Verification Agent	Deloitte Audit OOD

The assets pooled in the securitization exclusively consist of performing secured and unsecured loans originated by, owned by and carried as an asset of the Bank, being all such loans granted to SME and Corporate customers located in Bulgaria and denominated in EUR and BGN. For Regulatory reporting purposes all loans are treated under the Advanced-IRB approach.

In accordance with the Financial Guarantee, the underlying portfolio includes in whole or in part also loans arising under revolving credit and/or overdraft facilities whereby the reference obligation notional amount refers to the sum of (a) the maximum undrawn commitment granted by the originator under such facilities and (b) all drawn amounts under such facilities.

As an originator of the reference portfolio the Bank retains, on an unhedged and unguaranteed basis, an exposure to each loan which will be at all times at least 5% of the notional amount and which will not benefit from the Guarantee (the “Retained Exposure Amount”) in compliance with Art. 6(3)(a) of Regulation (EU) 2017/2402.

The main characteristics of the Updated Reference Obligation Portfolio with reference to 31st December 2024 are the following:

- Outstanding securitized amount (Reference Portfolio Notional Amount) BGN 284 366 036;
- RWA without securitization: BGN 221 049 614 (77.73% of the securitized portfolio);
- Expected Loss without securitization: BGN 3 815 253 (1.34% of the securitized portfolio);
- RWA after application of securitization framework: BGN 18 359 844 (6.46% of the securitized portfolio);
- Expected Loss after application of securitization framework: BGN 0;
- Weighted average PD of 2.64%;
- Weighted average LGD of 44.40%.

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Transaction structure

The Financial guarantee has following structure as of 31.12.2024

Tranche	BGN Nominal Amount	Thickness	Attach	Detach	Guaranteed	Retained %	Amortization Typology
Senior	183 598 443	64.56%	35.44%	100%	0%	100%	Sequential
Junior (Commitment)	100 767 593	35.44%	0%	35.44%	100%	0%	Sequential

The transaction encompasses, inter alia, the following customary call options in favor of the Originator:

- Clean-Up Call meets the requirements of Art. 245(4)(f) of the Regulation (EU) 2017/2401
- Time Call can be exercised just after a period of time (measured from the Closing Date) equal to the initial portfolio weighted average life without considering any prepayment rate or default rate ("Early Termination Threshold Date")
- Regulatory Change, being a change of law or regulation which leads to a less favorable regulatory capital treatment for the Originator
- Significant Risk Transfer Failure
- Tax Event

The Credit Events that qualify a loan as a defaulted exposure and hence trigger a payment under the Financial Guarantee are the following (in accordance with the Financial Guarantee):

- Failure to Pay >= 90 days past due
- Bankruptcy of the reference obligor
- Restructuring
- Default

The transaction achieved Significant Risk Transfer starting from November 2022, by complying with Article 245(2) (b) of Regulation (EU) 2017/2401, since the transaction was structured to transfer the whole Junior tranche to third parties and complying with risk retention requirements set forth in Article 6 of Regulation (EU) 2017/2402 through the retention of not less than 5% of the nominal value of each securitized exposure. The regulatory treatment applied to the transaction is that for STS transactions envisaged by the article 260 of the Regulation (EU) 2017/2401.

Other securitization deals

In 2011 Bank has signed First Loss Guarantee Agreement (FLPG) with European Investment Fund, covering newly disbursed SME loans. In 2012 upon agreement for the regulatory treatment with Bulgarian National Bank, the above mentioned transaction is presented as synthetic securitization under STA for the purposes of allocating capital for credit risk under Basel III. From October 2016 the Bank applies Supervisory Formula Method for calculation for capital allocation purposes.

The residual capital structure of this securitization is made up of only the Junior tranche fully covered by unfunded guarantee. This point does not meet one of the criteria for securitization definition (i.e. risk tranching). Accordingly for regulatory purposes the transaction is no longer considered into the securitization framework.

Quantitative information regarding securitization positions is disclosed as follows:

- ***Template EU-SEC1 - Securitisation exposures in the non-trading book***

- ***Template EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor***
- ***Template EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments***

The following information is not relevant to UniCredit Bulbank:

- ***Template EU-SEC2 - Securitisation exposures in the trading book***
- ***Template EU-SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as investor***

UniCredit Bulbank

20 LEVERAGE

In compliance with Article 451 of Regulation (EU) 575/2013, UniCredit Bulbank disclose the information regarding the leverage ratio and the management of the risk of excessive leverage.

The Basel III framework introduces the leverage ratio as a credible supplementary measure to the risk-based capital requirements which is defined as the Capital Measure divided by the Exposure Measure. The Capital Measure is the Tier 1 capital and the Exposure Measure is the sum of on-balance sheet exposures; derivative exposures; securities financing transaction exposures; and off-balance sheet items.

The Basel III Leverage Ratio is one of the Risk Appetite KPI of UniCredit Bulbank which is subject to quarterly monitoring against the approved Risk Appetite thresholds (target, trigger and limit levels). Leverage ratio Target is set consistently with the Tier 1 ratio Target, in order to embed impacts from stress testing, potential risks to be faced and business-as-usual volatility. In addition, in coherence with Group strategies defined within Budget/MYP processes and in line with the desired long-term sustainability of the balance sheet, a conservative, but still “going concern”/”ordinary”, maximum ratio between “risk weighted asset” and “unweighted total exposures” (LR total exposures) is identified, to translate the T1 ratio target into Leverage ratio target.

The factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers are mainly the dynamics from on balance sheet exposures as Tier 1 and Off-balance sheet items are relatively stable.

UniCredit Bulbank discloses the Leverage ratio according to article 499, 1 (a) of Regulation (EU) 575/2013 and Commission Implementing Regulation (EU) 2016/200 of 15 February 2016.

Detailed information is disclosed in

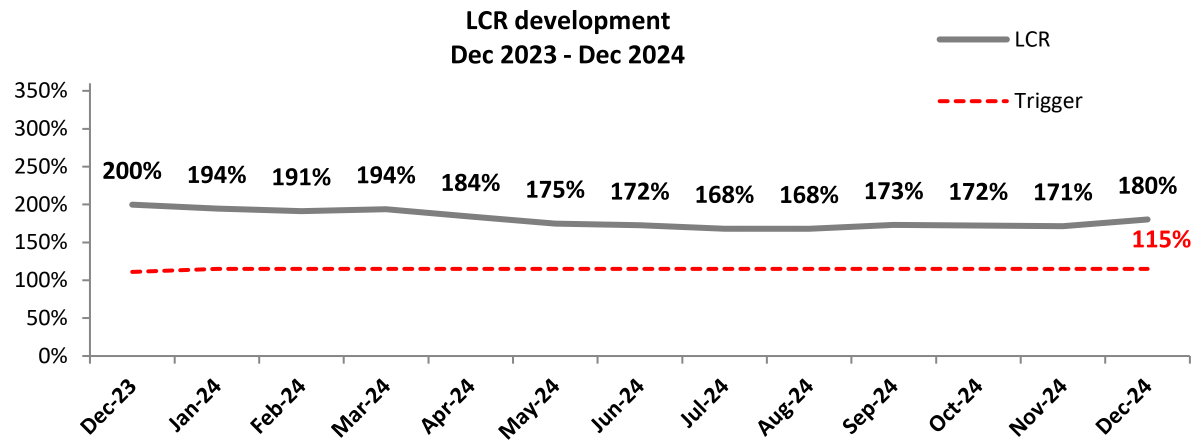
- ***Template EU LR1 - LRSum: Summary reconciliation of accounting assets and leverage ratio exposures***
- ***Template EU LR2 - LRCom: Leverage ratio common disclosure***
- ***Template EU LR3 - LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)***

UniCredit Bulbank

21 LIQUIDITY REQUIREMENTS

During 2024, UniCredit Bulbank's Liquidity Coverage Ratio (LCR) was always well above the Risk Appetite Framework trigger of 115% confirming the adequacy of the liquidity buffer from a regulatory perspective.

Liquidity Coverage Ratio in 2024



After a period of monetary tightening in 2022 and 2023, the major central banks recently started to cut rates putting an end to the tightening cycle.

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During the 2024 the dovish policy of the Global Central Banks in interest rates responding to lower levels of inflation led to a high volatility in the market with interest rate curves significantly fallen. After the initial flattering, the yield curves began to fall during the year.

Nevertheless, Euribor rates remaining positive helped generate healthy revenues from MM placements

For UniCredit Bulbank, the LCR was at high levels, consistently with internal targets, and displaying a decrease in line with commercial dynamics. The Bank is well situated for organic growth and adequately prepared to face liquidity challenges, as a result of world political instability and climate changes.

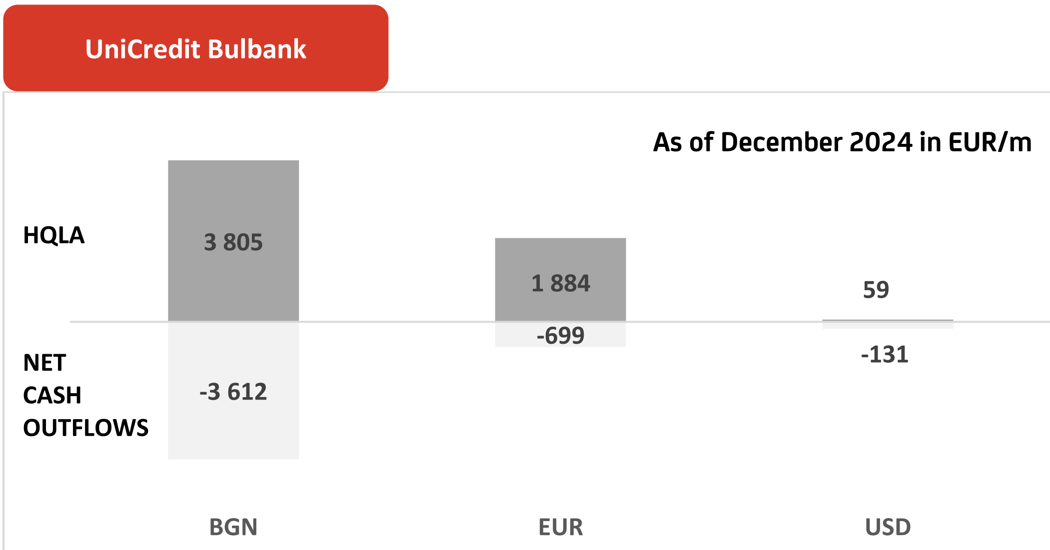
The monthly trend in the LCR is defined primarily by the main pillars of the liquidity strategy applied by the bank, namely targeting optimal risk-return profile of the investments in the view of generating added value, acting on both revenues and capital absorption layers thus generating sustainable returns. In this respect the LCR is influenced by:

- Reallocation of funds from placements in Central Bank (Bulgarian National Bank) to placements in other commercial banks
- Blend of maturities of placements: short-term up to 1Mo and longer-term above 1Mo
- In 2024 banking book liquidity was extremely strong, with deposits growth overpassing lending growth supporting high LCR levels throughout the year.
- In 2024 UniCredit Bulbank continue to fund its lending growth primarily through customer deposits. The growth in customer deposits reached record level of BGN 26.4 bln., +6% y/y.

Respectively the Net/Loan Deposits Ratio still remained below 100%: at 78% (consolidated perimeter) positioning the bank well for utilizing further growth opportunities.

- Overall, UniCredit Bulbank displays a balanced funding structure, with deposits from customers representing 87% of the external liabilities (non-equity financing) by the end of 2024. The growth was driven by the stable component of the Retail segment (+ 10.1% y/y), while the Corporate deposits remained flat. This further improved the liquidity profile of the customer deposits in terms of stability and diversification. The customer deposits are diversified in terms of clients (62% retail, 35% corporate and 3% private) and currencies (65% BGN, 29% EUR, 5% USD and 1% Other).
- In 2024, in terms of core Funding with the Group UniCredit Bulbank remained net lender (to the Group). The only funding from the Group relates to the iMREL issuance, following the "Single Point of Entry" resolution strategy. As of the end of 2024, the total amount of iMREL instruments reached EUR 885 m, accounting to 6% of non-equity financing (5% in 2022) and contributing to the stability of the structural liquidity in the banks' balance sheet.
-
- As reported to Bulgarian National Bank, UniCredit Bulbank has about EUR 5.75bn of unencumbered aggregate liquidity resources as of December 31st 2024, registering an insignificant decrease compared to EUR 5.79bn in 2023.
-
- The significant portion of the bank's liquidity resources (47% of total HQLA / 2023 49%) are held at the CB account.
- In addition, the Bank holds a portfolio of highly liquid sovereign bonds (89% from the bond portfolio) issued by the governments of Bulgaria, Italy, Poland, Spain and Romania. The Level 1 HQLA has the following structure by currency: 61,2% of the bond portfolio is denominated in EUR, 37,1% of liquid assets are denominated in BGN and 1,7% in USD.

The Bank's ability to easily swap currencies and raise funds in foreign currency markets may be constrained during stressed conditions, thus Article 8(6) of the LCR Delegated Regulation requires banks to ensure that the currency denomination of their liquid assets is consistent with the distribution by currency of their net liquidity outflows. Respectively, Bulbank is monitoring of the LCR in different currencies:



It shows the LCR of Bulbank in BGN and EUR is well above 100%, with HQLA denominated in the respective currency exceeding net outflows. The main Outflow components are:

- For BGN-denominated positions - the Outflows from Retail deposits, the Outflows from unsecured deposits (non-operational deposits from NFC mainly) and Committed facilities
- For EUR-denominated positions the Outflows from Derivatives payable, the Outflows from Retail deposits, the Outflows from unsecured deposits (non-operational deposits from NFC mainly) and Committed facilities
- For USD-denominated positions – the Outflows from Derivatives payable, Outflows from Retail deposits

The collaterals calls have immaterial impact on Bulbank's LCR and there are no other items that could affect materially the LCR levels besides the one disclosed in the template.

More information on liquidity requirements is disclosed in:

- ***Template EU LIQ1 - Quantitative information of LCR***
- ***Template EU LIQ2: Net Stable Funding Ratio***

UniCredit Bulbank

22 REMUNERATION POLICY

The Remuneration policy of UniCredit Bulbank AD is approved by the Supervisory Board of the Bank. The Policy is consistent with UniCredit Group's policy to attract, retain and motivate a highly qualified workforce and its main pillars are in compliance with the principles set by the Group remuneration policy, and also apply to Bank's subsidiaries. The main principles (pillars) of the Policy are: Clear and transparent governance, Compliance with the regulatory requirements and principles of good business conduct, Continuous monitoring of the market trends and practices, Sustainable pay for sustainable performance, Motivation and retention of all employees, with particular focus on talents and mission-critical resources. The key pillars of Remuneration policy ensure correct definition of competitive compensation levels, internal equity and transparency.

The Remuneration committee is responsible for the preparation of decisions on remuneration to be taken by the Supervisory Board, including the remuneration of the members of the management board of the Bank and the Executive Directors. The Remuneration committee consists of three members – Supervisory board members and 2 of them are independent thus complying with the requirements of the Credit Institutions Act. Members of the Remuneration committee (2 independent members and 1 "non-independent") are appointed for a mandate of 3 years as per the rules for the work of the Remuneration committee. The Remuneration committee meetings in terms of time-line follow the compensation processes within the UniCredit Group and roughly include dedicated meetings usually in February/March for reviewing the bank's performance and the individual proposals for remuneration of the Material risk takers, for approving the total country bonus pool, in July for approving the Remuneration policy, the goals of the Material risk takers and the Group Incentive System rules, as well as ad-hoc meetings related to other matters like update of the Performance management rules, gender pay-gap status, result of the identification process for Material risk takers and similar. The proposals of the Remuneration committee are then provided for Supervisory board approval on the preliminary planned meetings or in case of targeting certain deadlines, even through per-rollam approvals. In year 2024 the RemCo had 6 Meetings on the topics mentioned above. No external consultants were used, apart of information on the market remuneration for certain Group material risk takers roles, provided in a centralized manner by UniCredit Group.

Main requirement of the Incentive Systems applicable to all categories employees at all levels, is to contribute to the sustainability of the Bank and to the Group by aligning individual goals and behaviors to the long-term mission of the Group and the Bank while avoiding taking a risk that exceeds the general level of risk tolerated by the Bank. Following the UniCredit Group's Policy, UniCredit Bulbank applies the principle of "Sustainable pay for sustainable performance" when determining the results and behaviors which aim to reward.

Sustainable pay is a principle that ensures a continuous link between pay and performance as well as binds the rewards to the long-term value creation for the organization and to the sound and effective risk management through a variable payment connected to the achieved short-term and long-term results. The variable remuneration linked to the achieved results of the employee and to the individual contribution is supplementing the fixed salary contracted according to individual's professional qualification, experience and skills. In this way the Bank ensures an adequate balance between the fixed and the variable part of the total compensation package in order to ensure sound and effective risk management. This excludes encouraging of behaviors not aligned to the Bank's sustainable business results as well as rewarding single employees for taking risks which exceed those acceptable for the institution. The alignment between the incentive payout levels with the overall economic results of the Bank is guaranteed by the adopted flexible

UniCredit Bulbank

and adaptive incentive systems. In compliance with the policy and practices of UniCredit Group these systems ensure a direct link between the individual incentive payout levels on one hand and the overall achieved team and individual results for the Bank on the other.
The Performance Management and Incentive System is set in order to create a strong link between actual results and annual bonus, as for the purpose UniCredit Bulbank adopts a "Bonus Pool" approach, which is based on "Solidarity" principle - local overall amount for bonus allocation is subject not only to country achievement of Bank targets and results, but also to CE/EE Division and Group results.
In order to avoid payment of guaranteed bonuses not linked to the achieved results, the implemented Incentive Systems introduce minimum performance thresholds below which zero bonus is paid, thereby avoiding payment of guaranteed additional financial rewards (bonuses) that do not correspond to the achieved results. In compliance with the regulatory requirements - for the personnel belonging to the business functions, including Material risk takers, is applicable a maximum ratio between variable and fixed remuneration of 2:1. For the rest of the staff it is a maximum ratio between the variable and the fixed components of the remuneration equal to 1:1, except for the staff of the Company Control Functions and People & Culture, for which it is expected that the fixed remuneration is a predominant component of the total remuneration and the incentive mechanisms are consistent with the assigned tasks as well as being independent of results from areas under their control.

Labor employment/civil contract with the Bank, including management contract, do not guarantee additional remuneration (bonus). The Incentive systems and the corresponding remuneration are constructed in accordance with the objectives stated in the Strategic plan of UniCredit Group and UniCredit Bulbank. Through the compensation systems the variable remuneration payment is aligned with performance of the goals at Bank level, performance of the goals of the respective structure and the individual contribution of the employee.

The overall evaluation of the results from the activity is based not only on the sole basis of short-term results but also on their long-term impact on company's achievements. This is ensured through setting the annual goals targeted to sustainable value creation for the company with particular reference to risk. The additional rewards (bonuses) are subject of achieving certain entry conditions on Group, Division and Country level, which conditions are related not only to the profitability, but also to the long-term sustainability through assigning sets of KPIs related to capital and liquidity, providing opportunity for adjustment related to the risk performance. The annual goals are set by implementation of key performance indicators (KPIs) that include besides profitability other drivers of sustainable business development including reference to risk, and efficiency, customer satisfaction, quality of internal interaction between business lines, sustainable transfer of knowledge and ensuring business continuity and process management. Performance is measured and rewarded not only on the sole basis of achieving financially-based objectives but also on other criteria for example - risk management, adherence to group values and standards of consistently ethical behavior.

Evaluating the activity of the control functions and defining the remuneration is based on the principle of independence of the structural units that they control. This is achieved by not setting financial goals of the control functions that are related to the achievement of financial and business goals of the structures that they control.

UniCredit Bulbank performed in the beginning of 2024 the local assessment of its and its subsidiaries Material Risk Takers for the Bulgarian legal entities, part of UniCredit Group. Local

People and Culture, local Risk Management and local Compliance functions are appropriately involved in the assessment.

According to the Bulgarian and the European legislation, UniCredit Bulbank applies for the Material Risk Takers (identified staff) category the principles of deferred variable compensation payout in cash and equity. Material Risk Takers (Identified staff) are divided into two groups. Group Material Risk Takers - responsible for the daily management of the bank –board members, executive directors and heads of independent control functions. Local Material Risk Taker - all other employees in selected roles which meet the European quantitative and qualitative criteria and consistent with the governance structure of UniCredit Bulbank. For Identified staff are determined certain specific performance indicators, through the measurement of which is guaranteed that in case of poor performance, reduction of deferred remuneration will apply (so-called Malus conditions/Zero Factor, which could completely cancel the payment of variable remuneration in case of unsatisfactory results). The variable compensation of the Material Risk Takers is paid within a predetermined four to six year period. Bonus payouts are made in separate parts through a balanced structure of upfront (following the moment of performance evaluation) and deferred payouts in cash and instruments (shares). A retention period applies to the remuneration in shares.

For year 2024 this group includes the members of the Supervisory Board of the Bank, the Chief Executive Officer of UniCredit Bulbank, the Members of the Management board of the Bank, the Managers of Control functions, UniCredit Leasing Management Board members, UniCredit Consumer Financing Management Board members, employees in Markets and Brokerage Department depending on their individual limits for transactions incl. Head of Markets and Brokerage Department, members of Credit council/ Credit Committee, employees in Risk Management Division with individual limits for approval of loans exceeding the quantitative criteria. The criteria for inclusion in the category of Material Risk Takers follow the detailed criteria of the European Banking Authority and are consistent with the approach of UniCredit Group, taking into account the powers of individual material impact.

For every Material Risk Takers, for every particular year, the payment of the Bonus shall be subject to the assessment, which may confirm, reduce or cancel eligibility to the Bonus Instalment. For Material Risk Takers is applied the threshold for variable remuneration of 50 000 Euro or one third of the total annual remuneration, below which variable remuneration is not deferred.

With reference to payout structure, the Material Risk Taker population is differentiated into several clusters, using a combined approach of position and compensation. The payout of incentives is done through upfront and deferred instalments, in cash and in UniCredit ordinary shares/UniCredit “phantom shares”, over a multi-year period as per the respective deferral schemes valid for different clusters of population. Each share tranche is subject to a 1-year retention period for both upfront and deferred shares, as foreseen by regulation. All the instalments are subject to the application of claw-back conditions, as legally enforceable.

The overall number of identified staff, who received variable remuneration below the threshold for deferral of 50 000 EUR or 1/3rd of the total remuneration on individual level, is 91. The total amount of variable payments for these employees is 1483 TEUR and the total amount of the fixed remuneration is 5100 TEUR, thus summing up to a total remuneration of 6583 TEUR.

Quantitative information about remuneration is disclosed in:

- ***Template EU REM1 - Remuneration awarded for the financial year***
- ***Template EU REM2 - Special payments to staff whose professional activities have a material impact on institutions' risk profile (identified staff)***
- ***Template EU REM3 - Deferred remuneration***
- ***Template EU REM5 - Information on remuneration of staff whose professional activities have a material impact on institutions' risk profile (identified staff)***

The following information is not relevant to UniCredit Bulbank:

- ***Template EU REM4 - Remuneration of 1 million EUR or more per year***

APPENDICES

UniCredit Bulbank

Template EU KM1 - Key Metrics

In thousands of BGN

		a	b	c
		31.12.2024	30.06.2024	31.12.2023
	Available own funds (amounts)			
1	Common Equity Tier 1 (CET1) capital	3 481 118	3 470 145	3 170 326
2	Tier 1 capital	3 481 118	3 470 145	3 170 326
3	Total capital	3 840 052	3 722 376	3 224 429
	Risk-weighted exposure amounts			
4	Total risk exposure amount	15 928 051	15 220 851	14 101 241
	Capital ratios (as a percentage of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio (%)	21.86%	22.80%	22.48%
6	Tier 1 ratio (%)	21.86%	22.80%	22.48%
7	Total capital ratio (%)	24.11%	24.46%	22.87%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)			
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.65%	1.65%	1.65%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.93%	0.93%	0.93%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	1.24%	1.24%	1.24%
EU 7d	Total SREP own funds requirements (%)	9.65%	9.65%	9.65%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)			
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	1.99%	1.99%	1.97%
EU 9a	Systemic risk buffer (%)	2.86%	2.73%	2.77%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	8.35%	8.22%	8.24%
EU 11a	Overall capital requirements (%)	18.00%	17.87%	17.89%
12	CET1 available after meeting the total SREP own funds requirements (%)	14.46%	14.81%	13.22%
	Leverage ratio			
13	Total exposure measure	38 676 382	35 278 444	36 186 507
14	Leverage ratio (%)	9.00%	9.84%	8.76%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)			
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%
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%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)			
EU 14d	Leverage ratio buffer requirement (%)	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%
	Liquidity Coverage Ratio			
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	11 250 120	9 935 449	11 326 330

EU 16a	Cash outflows - Total weighted value	15 623 802	14 333 196	13 823 705
EU 16b	Cash inflows - Total weighted value	9 380 487	8 571 601	8 154 508
16	Total net cash outflows (adjusted value)	6 243 315	5 761 595	5 669 197
17	Liquidity coverage ratio (%)	180.19%	172.44%	199.79%
	Net Stable Funding Ratio			
18	Total available stable funding	26 786 624	24 747 651	24 582 828
19	Total required stable funding	16 117 925	15 307 644	14 149 264
20	NSFR ratio (%)	166.19%	161.67%	173.74%

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EU OV1 - OVERVIEW OF RWAs

In thousands of BGN

		Total risk exposure amounts (TREA)		Total own funds requirements
		a	b	c
		31.12.2024	31.12.2023	31.12.2024
1	**Credit risk (excluding CCR)**	**14 348 277**	**12 674 190**	**1 147 862**
2	Of which the standardised approach	4 194 481	3 803 968	335 558
3	Of which the Foundation IRB (F-IRB) approach	745 788	744 953	59 663
4	Of which slotting approach	2 082 145	1 779 560	166 572
EU 4a	Of which equities under the simple riskweighted approach	21 476	22 543	1 718
5	Of which the Advanced IRB (A-IRB) approach	7 254 874	6 273 653	580 390
6	**Counterparty credit risk - CCR**	**201 151**	**157 153**	**16 092**
7	Of which the standardised approach	181 981	129 365	14 558
8	Of which internal model method (IMM)	0	0	0
EU 8a	Of which exposures to a CCP	0	0	0
EU 8b	Of which credit valuation adjustment - CVA	7 188	9 300	575
9	Of which other CCR	11 982	18 488	959
10	Not applicable			0
11	Not applicable			0
12	Not applicable			0
13	Not applicable			0
14	Not applicable			0
15	Settlement risk	**0**	**0**	**0**
16	**Securitisation exposures in the non-trading book (after the cap)**	**18 360**	**95 447**	**1 469**
17	Of which SEC-IRBA approach	18 360	95 447	1 469
18	Of which SEC-ERBA (including IAA)	0	0	0
19	Of which SEC-SA approach	0	0	0
EU 19a	Of which 1250% / deduction	0	0	0
20	**Position, foreign exchange and commodities risks (Market risk)**	**169 625**	**5 913**	**13 570**
21	Of which the standardised approach	169 625	5 913	13 570
22	Of which IMA	0	0	0
EU 22a	Large exposures	**0**	**0**	**0**
23	**Operational risk**	**1 190 638**	**1 168 538**	**95 251**
EU 23a	Of which basic indicator approach	0	0	0
EU 23b	Of which standardised approach	1 190 638	1 168 538	95 251
EU 23c	Of which advanced measurement approach	0	0	0
24	Amounts below the thresholds for deduction (subject to 250% risk weight)	0	0	0
25	Not applicable			0
26	Not applicable			0
27	Not applicable			0
28	Not applicable			0
29	**Total**	**15 928 051**	**14 101 241**	1 274 244

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TEMPLATE EU LI1 - DIFFERENCES BETWEEN THE ACCOUNTING SCOPE AND THE SCOPE OF PRUDENTIAL CONSOLIDATION AND MAPPING OF FINANCIAL STATEMENT CATEGORIES WITH REGULATORY RISK CATEGORIES

In thousands of BGN

		a	b	c	d	e	f	g
		Carrying values as reported in published financial statements (*)	Carrying values under scope of prudential consolidation (*)	Carrying values of items (**)				
				Subject to the credit risk framework	Subject to the CCR framework	Subject to the securitisation framework	Subject to the market risk framework	Not subject to own funds requirements or subject to deduction from own funds (***)
	Breakdown by asset classes according to the balance sheet in the published financial statements							
1	Cash and balances with Central Bank	5 755 504	5 755 504	5 755 504				
2	Non-derivative financial assets held for trading	196	196		196		196	
3	Derivatives held for trading	127 231	127 231		127 231		127 231	
4	Derivatives held for hedging	39 332	39 332		39 332			
5	Loans and advances to banks and debt securities at amortised cost	2 478 542	2 478 542	608 691	1 869 851			
6	*there of Reverse Repos*	1 869 851	1 869 851		1 869 851			
7	Loans and advances to customers and debt securities at amortised cost	21 180 338	21 180 338	20 935 659		284 366		
8	Pledged debt securities at amortised cost	1 303 586	1 303 586	1 303 586				
9	Finance leases	1 272 016	1 272 016	1 272 016				
10	Investment securities	2 069 461	2 069 461	2 069 461				
11	Pledged investment securities	289 474	289 474	289 474				
12	Investments in associates	5 008	5 013	5 013				
13	Property, plant, equipment, right of use assets and investment properties	355 284	350 967	350 967				
14	Intangible assets	92 920	92 920	35 721				57 199
15	Deferred tax assets	5 221	5 203	5 314				0
16	Other assets	160 482	162 159	162 159				0
	Total assets	**35 134 595**	**35 131 942**	**32 793 565**	**3 906 461**	**284 366**	**127 427**	**57 199**

UniCredit Bulbank

	Breakdown by liability classes according to the balance sheet in the published financial statements							
1	Financial liabilities held for trading	87 649	87 649		87 649		81 491	0
2	Derivatives used for hedging	118 926	118 926		118 926			0
3	Deposits from banks	2 096 038	2 096 038		1 164 259			931 779
4	*there of Repos*	1 164 259	1 164 259		1 164 259			0
5	Deposits from customers and other financial liabilities at amortized cost	26 399 550	26 407 639		440 131			25 967 508
6	Debt securities issued	1 743 506	1 743 506					1 743 506
7	Fair value changes of the hedged items in portfolio hedge of interest rate risk	8 624	8 624					8 624
8	Provisions	109 626	109 011					109 011
9	Current tax liabilities	54 870	54 870					54 870
10	Deferred tax liabilities	10 625	10 625					10 625
11	Other liabilities	156 911	156 089					156 089
	Total liabilities	**30 786 325**	**30 792 977**	**0**	**1 810 965**	**0**	**81 491**	**28 982 012**

Notes:

(*) The differences between the amounts under the columns a) and b) substantially depend on the composition of IAS/IFRS versus regulatory perimeters (ref. Annex 3 - Template EU LI3 - Outline of the differences in the scopes of consolidation). Shareholder's equity items are not reported among the balance sheet liabilities of this template as they are already disclosed in template EU CC2 - Reconciliation of regulatory Own Funds to balance sheet in the audited financial statements, of the chapter Own Funds of the present document.

(**) The allocation of the amount in column b) across columns from c) to g) is based on the following approach:

• for balance sheet assets' items such amount depends on the risk categories, they may be subject to, including also those items which do not involve capital requirement;

• for balance sheet liabilities' items such amount includes the amount of liabilities relevant for the calculation of risk-weighted assets or for offsetting balance sheet assets' items;

• The sum of amounts disclosed in columns from c) to g) may be different than the total amount in column b) for the following reasons:

- some items may be subject to capital requirements for more than one risk under the regulatory framework (e.g. derivative instruments classified in item "Financial assets held for trading");

- with reference to tax assets and liabilities the amounts disclosed in columns c) and g) are calculated net of deferred tax liabilities according to CRR netting rules, which are different from the accounting netting rules reflected into the carrying values under column b)

(***)

• for intangible assets the deduction of software is represented gross of deferred tax liabilities;

• for items under the balance sheet liabilities side the column includes the liabilities which are not included in the regulatory framework for RWA and deferred tax liabilities (4 948 TBNG) reducing the deduction for intangible assets

UniCredit Bulbank

TEMPLATE EU LI2 - MAIN SOURCES OF DIFFERENCES BETWEEN REGULATORY EXPOSURE AMOUNTS AND CARRYING VALUES IN FINANCIAL STATEMENTS

In thousands of BGN

		a	b	c	d	e
		Total (*)	Items subject to			
			Credit risk framework	Securitisation framework	CCR framework	Market risk framework
1	**Assets carrying value amount under the scope of prudential consolidation (as per template LI1) (**)**	36 984 392	32 793 565	284 366	3 906 461	127 427
2	**Liabilities carrying value amount under the scope of prudential consolidation (as per template LI1) (***)**	1 810 965	0	0	1 810 965	81 491
3	**Total net amount under the scope of prudential consolidation (****)**	36 984 392	32 793 565	284 366	3 906 461	127 427
4	**Off-balance-sheet amounts**	9 516 454	9 516 454			
5	*Differences in valuations*	-1 549	-1 366		-183	
6	*Differences due to different netting rules, other than those already included in row 2*	-430 859	-430 859			
7	*Differences due to consideration of provisions*	-744 825	-744 825			
8	*Differences due to the use of credit risk mitigation techniques (CRMs)*	-533 024	-533 024			
9	*Differences due to credit conversion factors*	-6 135 566	-6 135 566			
10	*Differences due to Securitisation with risk transfer*	-100 768	-100 768			
11	*Other differences*	0				
12	**Exposure amounts considered for regulatory purposes (*****)**	38 554 255	34 363 611	284 366	3 906 278	52 929

Notes:

(*) With reference to the column a), the amounts correspond to the carrying value under the regulatory scope of consolidation calculated as sum of column from b) to d) of this template, while amount reported in column e) related to carrying values subject to the market risk framework is not included.

(**) With reference to the row 1, the amounts disclosed in columns from b) to e) correspond to the carrying value under the scope of regulatory consolidation of the balance sheet assets, as reported in columns from c) to f) of template EU LI1 in the present section.

(***) With reference to the row 2, the amounts disclosed under the columns from b) to e) correspond to the carrying value under the scope of regulatory consolidation of the balance sheet liabilities reported respectively under the columns from c) to f) of template EU LI1 in the present section.

(****) The amount disclosed in row 3 coincides with the row 1 since any applicable on-balance sheet netting of assets and liabilities are already reflected in the amounts reported in row 1.

(*****) The amount disclosed in row 12, column e) refers to the “Positions subject to capital charge” for market risk position under the Standardized Approach.

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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					Description of the entity
		Full consolidation	Proportional consolidation	Equity method	Neither consolidated nor deducted	Deducted	
UniCredit Leasing EAD	*Full consolidation*	*X*					Leasing activities
UniCredit Consumer Financing EAD	*Full consolidation*	*X*					Consumer lending and other similar activities in line with the applicable law and regulations
UniCredit Fleet Management EOOD	*Full consolidation*	*X*					Transport services
Cash Service Company AD	*Equity method*			*X*			Accepting, processing, safekeeping and delivering of valuable consignments with banknotes and coins to the banks
UniCredit Insurance Broker OOD	*Full consolidation*				*X*		Insurance entity

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TEMPLATE EU PV1 - PRUDENT VALUATION ADJUSTMENTS (PVA)

In thousands of BGN

		a	b	c	d	e	EU e1	EU e2	f	g	h
		Risk category					Category level AVA - Valuation uncertainty		**Total category level post-diversification**		
	Category level AVA	Equity	Interest Rates	Foreign exchange	Credit	Commodities	Unearned credit spreads AVA	Investment and funding costs AVA		Of which: Total core approach in the trading book	Of which: Total core approach in the banking book
1	Market price uncertainty	0	88	67	7	0	28	2	**96**	47	49
2	Not applicable										
3	Close-out cost	0	51	27	436	0	157	24	**347**	95	252
4	Concentrated positions	0	0	0	216	0	0	0	**216**	0	216
5	Early termination	0	0	0	0	0	0	0	**0**	0	0
6	Model risk	0	0	0	2	0	34	58	**47**	41	6
7	Operational risk	0	0	0	0	0	0	0	**0**	0	0
8	Not applicable										
9	Not applicable										
10	Future administrative costs	0	835	0	8	0	0	0	**843**	0	843
11	Not applicable										
12	**Total Additional Valuation Adjustments (AVAs)**	-	-	-	-	-	-	-	**1 549**	183	1 366

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TEMPLATE EU CC1 - COMPOSITION OF REGULATORY OWN FUNDS

In thousands of BGN

		(a)	(b)
		Amounts	**Source based on reference numbers/letters of the balance sheet under the regulatory scope of consolidation**
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	285 777	4
	of which: ordinary shares	285 777	
	of which: Instrument type 2		
	of which: Instrument type 3		
2	Retained earnings	3 232 245	10
3	Accumulated other comprehensive income (and other reserves)	-15 932	6-7-8-9-11
EU-3a	Funds for general banking risk	0	
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	0	
5	Minority interests (amount allowed in consolidated CET1)	0	
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	0	
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**3 502 090**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	0	
8	Intangible assets (net of related tax liability) (negative amount)	-52 251	1- 3
9	Not applicable	0	
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	0	
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	53 685	5-8
12	Negative amounts resulting from the calculation of expected loss amounts	-82	13
13	Any increase in equity that results from securitised assets (negative amount)	0	

14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	0	
15	Defined-benefit pension fund assets (negative amount)	0	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	0	
17	Direct, indirect and synthetic holdings of the CET 1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
18	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
20	Not applicable	0	
EU-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	0	
EU-20b	of which: qualifying holdings outside the financial sector (negative amount)	0	
EU-20c	of which: securitisation positions (negative amount)	0	
EU-20d	of which: free deliveries (negative amount)	0	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met) (negative amount)	0	
22	Amount exceeding the 17,65% threshold (negative amount)	0	
23	of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities	0	
24	Not applicable	0	
25	of which: deferred tax assets arising from temporary differences	0	
EU-25a	Losses for the current financial year (negative amount)	0	
EU-25b	Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	0	

26	Not applicable	0	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	0	
27a	Other regulatory adjustments	-22 324	14-15-16
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	-20 972	
29	**Common Equity Tier 1 (CET1) capital**	**3 481 118**	
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	0	
31	of which: classified as equity under applicable accounting standards	0	
32	of which: classified as liabilities under applicable accounting standards	0	
33	Amount of qualifying items referred to in Article 484 (4) CRR and the related share premium accounts subject to phase out from AT1	0	
EU-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	0	
EU-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	0	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	0	
35	of which: instruments issued by subsidiaries subject to phase out	0	
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**0**	
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	0	
38	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
40	Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0	
41	Not applicable	0	

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42	Qualifying T2 deductions that exceed the T2 items of the institution (negative amount)	0	
42a	Other regulatory adjustments to AT1 capital	0	
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**0**	
44	**Additional Tier 1 (AT1) capital**	**0**	
45	**Tier 1 capital (T1 = CET1 + AT1)**	**3 481 118**	
Tier 2 (T2) capital: instruments			
46	Capital instruments and the related share premium accounts	296 885	2
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	0	
EU-47a	Amount of qualifying items referred to in Article 494a(2) CRR subject to phase out from T2	0	
EU-47b	Amount of qualifying items referred to in Article 494b(2) CRR subject to phase out from T2	0	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	0	
49	of which: instruments issued by subsidiaries subject to phase out	0	
50	Credit risk adjustments	62 049	17
51	**Tier 2 (T2) capital before regulatory adjustments**	**358 934**	
Tier 2 (T2) capital: regulatory adjustments			
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	0	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	0	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	0	
54a	Not applicable	0	

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55	Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	0	
56	Not applicable	0	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	0	
EU-56b	Other regulatory adjustments to T2 capital	0	
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**0**	
58	**Tier 2 (T2) capital**	**358 934**	
59	**Total capital (TC = T1 + T2)**	**3 840 052**	
60	**Total Risk exposure amount**	**15 928 051**	
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	21.86%	
62	Tier 1 capital	21.86%	
63	Total capital	24.11%	
64	Institution CET1 overall capital requirements	12.85%	
65	of which: capital conservation buffer requirement	2.50%	
66	of which: countercyclical capital buffer requirement	1.99%	
67	of which: systemic risk buffer requirement	2.86%	
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	1.00%	
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	0.00%	
68	**Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements**	14.46%	
National minima (if different from Basel III)			
69	Not applicable		
70	Not applicable		
71	Not applicable		
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	0	

73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	0	
74	Not applicable		
75	Deferred tax assets arising from temporary differences (amount below 17,65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	0	
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	0	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	0	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	403 725	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	62 049	
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	0	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0	
82	Current cap on AT1 instruments subject to phase out arrangements	0	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	0	
84	Current cap on T2 instruments subject to phase out arrangements	0	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0	

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TEMPLATE EU CC2 - RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS

In thousands of BGN

		a	b	Amounts relevant for Own Funds purposes		c
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Common equity Tier 1 (CET 1)	Tier 2 (T2)	Reference to template EU CC1
		As at period end	As at period end			
BALANCE SHEET - ASSETS						
1	Intangible assets	92 920	92 920	(57 199)		8
BALANCE SHEET -LIABILITIES AND SHAREHOLDERS' EQUITY						
2	Debt securities issued	109 626	109 011		296 885	46
3	Deferred tax liabilities	30 786 325	30 792 977	4 948		8
4	Share capital	285 777	285 777	285 777		1
5	Revaluation reserves of which:	(17 834)	(17 834)	35 851		3
6	- Revaluation reserves of debt and capital instrumenta at fair value through OCI	(32 798)	(32 798)	(32 798)		3
7	-Revaluation reserve of tangible assets	77 075	77 075	77 075		3
8	-Cash flow hedge reserves	(53 685)	(53 685)			03-11
9	-Revaluation reserves on actuarial net losses	(8 426)	(8 426)	(8 426)		3
10	Retained earnings	3 240 903	3 232 245	3 232 245		2
11	Other reserves	1 902	1 902	1 902		3
12	Profit for the year	837 522	836 875			
OTHER ELEMENTS FOR RECONCILIATION WITH OWN FUNDS						
13	Shortfall of expected losses vs provisions (IRB models)			(82)		12
14	Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities			(5 540)		27a
15	Insufficient coverage for non-performing exposures			(803)		27a
16	Other regularory adjustments			(15 981)		27a
17	Excess of provisions vs expected losses (IRB models)				62 049	50
	Total own funds			**3 481 118**	**358 934**	

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TEMPLATE EU CCA: MAIN FEATURES OF REGULATORY OWN FUNDS INSTRUMENTS AND ELIGIBLE LIABILITIES INSTRUMENTS – OWN FUNDS

IN THOUSANDS OF BGN

		a
		Qualitative or quantitative information - Free format
1	Issuer	UniCredit Bulbank AD
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN BG1100001061
2a	Public or private placement	private
3	Governing law(s) of the instrument	Bulgarian
3a	Contractual recognition of write down and conversion powers of resolution authorities	No
	Regulatory treatment	
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	solo&(sub-)consolidated
7	Instrument type (types to be specified by each jurisdiction)	ordinary dematerialized registered voting shares with face value of BGN 1 each
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	285 777
9	Nominal amount of instrument	285 777
EU-9a	Issue price	100 per cent
EU-9b	Redemption price	100 per cent
10	Accounting classification	Shareholders' equity
11	Original date of issuance	30.05.2007
12	Perpetual or dated	Perpetual
13	Original maturity date	N/A
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	N/A
18	Coupon rate and any related index	N/A
19	Existence of a dividend stopper	no
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Fully discretionary
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A

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28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down features	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
34a	Type of subordination (only for eligible liabilities)	N/A
EU-34b	Ranking of the instrument in normal insolvency proceedings	17
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Upon dissolution of the Bank it shall be declared in liquidation and the surplus assets of the Bank after discharge of its liabilities to the creditors it shall be distributed between the shareholders pro ratio to the shares held by them. The consequences of the declaration of the Bank in bankruptcy shall be regulated by the applicable law
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A
37a	Link to the full term and conditions of the instrument (signposting)	N/A

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TEMPLATE EU CCA: MAIN FEATURES OF REGULATORY OWN FUNDS INSTRUMENTS AND ELIGIBLE LIABILITIES INSTRUMENTS – ELIGIBLE LIABILITIES

		a	b	c	d	e	f	g
		Qualitative or quantitative information - Free format	Qualitative or quantitative information - Free format	Qualitative or quantitative information - Free format	Qualitative or quantitative information - Free format	Qualitative or quantitative information - Free format	Qualitative or quantitative information - Free format	Qualitative or quantitative information - Free format
1	Issuer	UniCredit Bulbank AD	UniCredit Bulbank AD	UniCredit Bulbank AD	UniCredit Bulbank AD	UniCredit Bulbank AD	UniCredit Bulbank AD	UniCredit Bulbank AD
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	XS2417110132	XS2574372723	XS2647344287	XS2732160143	XS2703160346	XS2802116306	XS2949618016
2a	Public or private placement	Private	Private	Private	Private	Private	Private	Private
3	Governing law(s) of the instrument	Italian Law	Italian Law	Italian Law	Italian Law	Italian Law	Italian Law	Italian Law
4	Current treatment taking into account, where applicable, transitional CRR rules	N/A	N/A	N/A	N/A	N/A	N/A	N/A
5	Post-transitional CRR rules	eligible liabilities	eligible liabilities	eligible liabilities	eligible liabilities	Tier 2	Tier 2	eligible liabilities (T2 -after the approval from BNB)
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	solo&(sub-)consolidated	solo&(sub-)consolidated	solo&(sub-)consolidated	solo&(sub-)consolidated	solo&(sub-)consolidated	solo&(sub-)consolidated	solo&(sub-)consolidated
7	Instrument type (types to be specified by each jurisdiction)	SNP	SNP	SNP	SNP	T2	T2	T2 (after the approval from BNB)
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	313 mio BGN recognised in eligible liabilities	489 mio BGN recognised in eligible liabilities	196 mio BGN recognised in eligible liabilities	196 mio BGN recognised in eligible liabilities	196 mio BGN recognised in T2	98 mio BGN recognised in T2	125 mio BGN recognised in eligible liabilities
9	Nominal amount of instrument	312 933	488 958	195 583	195 583	195 583	97 792	
EU-9a	Issue price	100	100	100	100	100	100	100
EU-9b	Redemption price	100	100	100	100	100	100	100
10	Accounting classification	Financial liabilities measured at amortised cost	Financial liabilities measured at amortised cost	Financial liabilities measured at amortised cost	Financial liabilities measured at amortised cost	Financial liabilities measured at amortised cost	Financial liabilities measured at amortised cost	Financial liabilities measured at amortised cost
11	Original date of issuance	06/12/2021	27/01/2023	17/07/2023	18/12/2023	27/10/2023	17/04/2024	06/12/2024
12	Perpetual or dated	dated	dated	dated	dated	dated	dated	dated
13	Original maturity date	06/12/2027	27/01/2029	17/07/2029	18/12/2029	27/10/2033	17/04/2034	06/12/2034
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes	Yes	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	07.12.2026 tax event	27.01.2028 tax event	17.07.2028 tax event	18.12.2029 tax event	27.10.2028 tax or regulatory call event	17.04.2029 tax or regulatory call event	06.12.2029 tax or regulatory call event
16	Subsequent call dates, if applicable	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Coupons / dividends							
17	Fixed or floating dividend/coupon	floating	floating	floating	floating	floating	floating	floating

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18	Coupon rate and any related index	3M EURIBOR + 1.62%	3M EURIBOR + 3.03%	3M EURIBOR + 2.09%	3M EURIBOR + 2.04%	3M EURIBOR + 4.51%	3M EURIBOR + 2.28%	3M EURIBOR + 2.14%
19	Existence of a dividend stopper	No	No	No	No	No	No	No
EU-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
EU-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No	No	No	No	No
22	Noncumulative or cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Non-covertible	Non-covertible	Non-covertible	Non-covertible	Non-covertible	Non-covertible	Non-covertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A	N/A	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A	N/A	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A	N/A	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30	Write-down features	No	No	No	No	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A	N/A	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A	N/A	N/A	N/A	N/A
34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory	Statutory	Statutory	Statutory	Statutory	Statutory
EU-34b	Ranking of the instrument in normal insolvency proceedings	Rank 05	Rank 05	Rank 05	Rank 05	Rank 03	Rank 03	Rank 05 (Rank 03 - after the approval from BNB)
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Senior Obligations means any senior obligations of, or other indebtedness of the Issuer, which constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer	Senior Obligations means any senior obligations of, or other indebtedness of the Issuer, which constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer	Senior Obligations means any senior obligations of, or other indebtedness of the Issuer, which constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer	Senior Obligations means any senior obligations of, or other indebtedness of the Issuer, which constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer	Unsubordinated unsecured creditors (including depositors, holders of Senior Obligations and Non-Preferred Senior Obligations)	Unsubordinated unsecured creditors (including depositors, holders of Senior Obligations and Non-Preferred Senior Obligations)	Unsubordinated unsecured creditors (including depositors, holders of Senior Obligations and Non-Preferred Senior Obligations)
36	Non-compliant transitioned features	No	No	No	No	No	No	No
37	If yes, specify non-compliant features	N/A	N/A	N/A	N/A	N/A	N/A	N/A
37a	Link to the full term and conditions of the instrument (signposting)							

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TEMPLATE EU CCYB1 - GEOGRAPHICAL DISTRIBUTION OF CREDIT EXPOSURES RELEVANT FOR THE CALCULATION OF THE COUNTERCYCLICAL BUFFER

In thousands of BGN

		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:**													
	Country: UNITED ARAB EMIRATES	0	52	0	0	0	52	1	0	0	1	13	0.00%	0.00%
	Country: ARGENTINA	0	8	0	0	0	8	0	0	0	0	0	0.00%	0.00%
	Country: AUSTRIA	0	30 603	0	0	0	30 603	1 577	0	0	1 577	19 713	0.14%	0.00%
	Country: AUSTRALIA	0	20	0	0	0	20	0	0	0	0	0	0.00%	1.00%
	Country: BOSNIA AND HERZEGOVINA	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.00%
	Country: BELGIUM	0	557	0	0	0	557	53	0	0	53	663	0.00%	1.00%
	Country: BULGARIA	5 064 019	18 117 581	7 208 341	0	284 366	30 674 307	1 063 200	13 570	1 469	1 078 239	13 477 988	97.58%	2.00%
	Country: CANADA	0	9 216	0	0	0	9 216	121	0	0	121	1 513	0.01%	0.00%
	Country: SWITZERLAND	0	2 407	0	0	0	2 407	27	0	0	27	338	0.00%	0.00%
	Country: CZECH REPUBLIC	0	0	0	0	0	0	0	0	0	0	0	0.00%	1.25%
	Country: GERMANY	261	15 504	0	0	0	15 765	534	0	0	534	6 675	0.05%	0.75%
	Country: ALGERIA	0	3 815	0	0	0	3 815	323	0	0	323	4 038	0.03%	0.00%
	Country: ESTONIA	0	67	0	0	0	67	0	0	0	0	0	0.00%	1.50%
	Country: SPAIN	0	92	0	0	0	92	0	0	0	0	0	0.00%	0.00%
	Country: FINLAND	0	5	0	0	0	5	0	0	0	0	0	0.00%	0.00%
	Country: FRANCE	1 245	1 251	0	0	0	2 496	104	0	0	104	1 300	0.01%	1.00%
	Country: UNITED KINGDOM	0	12 417	0	0	0	12 417	1 310	0	0	1 310	16 375	0.12%	2.00%
	Country: GEORGIA	0	1	0	0	0	1	0	0	0	0	0	0.00%	0.00%
	Country: GREECE	170	593	0	0	0	763	22	0	0	22	275	0.00%	0.00%
	Country: CROATIA	0	63 038	0	0	0	63 038	1 189	0	0	1 189	14 863	0.11%	1.50%

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	Country: HUNGARY	30	0	0	0	0	30	1	0	0	1	13	0.00%	0.50%
	Country: INDONESIA	0	17	0	0	0	17	0	0	0	0	0	0.00%	0.00%
	Country: IRELAND	0	34	0	0	0	34	0	0	0	0	0	0.00%	1.50%
	Country: ISRAEL	0	2 332	0	0	0	2 332	66	0	0	66	825	0.01%	0.00%
	Country: INDIA	0	4	0	0	0	4	0	0	0	0	0	0.00%	0.00%
	Country: ITALY	914	825	0	0	0	1 739	65	0	0	65	813	0.01%	0.00%
	Country: KYRGYZSTAN	0	123	0	0	0	123	0	0	0	0	0	0.00%	0.00%
	Country: KOREA, REPUBLIC OF	0	0	0	0	0	0	0	0	0	0	0	0.00%	1.00%
	Country: KAZAKHSTAN	0	13	0	0	0	13	0	0	0	0	0	0.00%	0.00%
	Country: LATVIA	0	58	0	0	0	58	0	0	0	0	0	0.00%	0.50%
	Country: MOROCCO	0	510	0	0	0	510	27	0	0	27	338	0.00%	0.00%
	Country: MARSHALL ISLANDS	0	11 909	0	0	0	11 909	1 566	0	0	1 566	19 575	0.14%	0.00%
	Country: MACEDONIA, THE FORMER YUGOSLAV REPUBLIC OF	0	3	0	0	0	3	0	0	0	0	0	0.00%	0.00%
	Country: MALTA	0	5	0	0	0	5	0	0	0	0	0	0.00%	0.00%
	Country: NETHERLANDS	0	316 150	0	0	0	316 150	15 800	0	0	15 800	197 500	1.43%	2.00%
	Country: NORWAY	0	23	0	0	0	23	0	0	0	0	0	0.00%	2.50%
	Country: POLAND	0	168	0	0	0	168	0	0	0	0	0	0.00%	0.00%
	Country: PALESTINIAN TERRITORY, OCCUPIED	0	3	0	0	0	3	0	0	0	0	0	0.00%	0.00%
	Country: PORTUGAL	0	7	0	0	0	7	0	0	0	0	0	0.00%	0.00%
	Country: ROMANIA	2 154	42	0	0	0	2 196	111	0	0	111	1 388	0.01%	1.00%
	Country: SERBIA	0	35	0	0	0	35	2	0	0	2	25	0.00%	0.00%
	Country: RUSSIAN FEDERATION	0	218	0	0	0	218	1	0	0	1	13	0.00%	0.00%
	Country: SAUDI ARABIA	0	15	0	0	0	15	0	0	0	0	0	0.00%	0.00%
	Country: SWEDEN	0	67	0	0	0	67	0	0	0	0	0	0.00%	2.00%
	Country: SLOVENIA	0	0	0	0	0	0	0	0	0	0	0	0.00%	0.50%
	Country: SLOVAKIA	0	220	0	0	0	220	2	0	0	2	25	0.00%	1.50%
	Country: SYRIAN ARAB REPUBLIC	0	26	0	0	0	26	0	0	0	0	0	0.00%	0.00%
	Country: TUNISIA	0	385	0	0	0	385	71	0	0	71	888	0.01%	0.00%
	Country: TURKEY	0	293	0	0	0	293	32	0	0	32	400	0.00%	0.00%

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	Country: TAIWAN	11	0	0	0	0	11	1	0	0	1	13	0.00%	0.00%
	Country: UKRAINE	0	82	0	0	0	82	0	0	0	0	0	0.00%	0.00%
	Country: UNITED STATES	1 089	0	0	0	0	1 089	50	0	0	50	625	0.00%	0.00%
	Country: VENEZUELA, BOLIVARIAN REPUBLIC OF	0	7	0	0	0	7	0	0	0	0	0	0.00%	0.00%
	Country: OTHER COUNTRIES	96 260	0	0	0	0	96 260	3 763	0	0	3 763	47 038	0.34%	0.50%
020	Total	5 166 153	18 590 811	7 208 341	0	284 366	31 249 671	1 090 020	13 570	1 469	1 105 059	13 813 246	100.00%	-

TEMPLATE EU CCYB2 - AMOUNT OF INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER

In thousands of BGN

		a
1	Total risk exposure amount	15 928 051
2	Institution specific countercyclical capital buffer rate	1.99%
3	Institution specific countercyclical capital buffer requirement	316 968

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TEMPLATE EU CR10 – SPECIALISED LENDING AND EQUITY EXPOSURES UNDER THE SIMPLE RISKWEIGHTED APPROACH

In thousands of BGN

Template EU CR10.1

Specialised lending : Project finance (Slotting approach)								
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	27 551	24 143	50%	33 501	13 213	0
	Equal to or more than 2.5 years	401 574	66 233	70%	430 239	281 180	1 721
Category 2	Less than 2.5 years	8 472	14 101	70%	12 373	8 209	47
	Equal to or more than 2.5 years	320 764	68 267	90%	339 756	265 419	2 718
Category 3	Less than 2.5 years	443	1 869	115%	1 056	1 126	28
	Equal to or more than 2.5 years	166 157	382	115%	166 444	189 919	4 660
Category 4	Less than 2.5 years	0	0	250%	0	0	0
	Equal to or more than 2.5 years	0	0	250%	0	0	0
Category 5	Less than 2.5 years	13 966	4	-	13 969	0	6 984
	Equal to or more than 2.5 years	26 489	0	-	26 489	0	13 244
Total	Less than 2.5 years	50 432	40 117		60 899	22 548	7 059
	Equal to or more than 2.5 years	914 984	134 882		962 928	736 518	22 343

Template EU CR10.2

Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)							
Regulatory categories	Remaining maturity	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
Category 1	Less than 2.5 years	23 577	3 336	50%	26 079	13 040	0
	Equal to or more than 2.5 years	552 261	181 741	70%	665 079	465 458	2 660
Category 2	Less than 2.5 years	86 569	38 774	70%	111 682	78 139	446
	Equal to or more than 2.5 years	581 819	341 291	90%	800 489	720 425	6 404
Category 3	Less than 2.5 years	2 962	4 185	115%	6 099	7 009	171
	Equal to or more than 2.5 years	6 542	2 819	115%	8 144	9 365	228
Category 4	Less than 2.5 years	10 583	352	250%	10 582	26 456	847
	Equal to or more than 2.5 years	1 275	0	250%	1 275	3 187	102
Category 5	Less than 2.5 years	27 987	0	-	27 987	0	13 993
	Equal to or more than 2.5 years	169	0	-	169	0	85
Total	Less than 2.5 years	151 678	46 647		182 429	124 644	15 457
	Equal to or more than 2.5 years	1 142 066	525 851		1 475 156	1 198 435	9 479

Note:
UniCredit Bulbank does not have object finance and commodities finance exposures part of the specialized lending asset class.

Template EU CR10.5

Equity exposures under the simple risk-weighted approach						
Categories	On-balance sheet exposure	Off-balance sheet exposure	Risk weight	Exposure value	Risk weighted exposure amount	Expected loss amount
	a	b	c	d	e	f
Private equity exposures	8 432	0	190%	8 432	16 021	67
Exchange-traded equity exposures	1 881	0	290%	1 881	5 455	15
Other equity exposures	0	0	370%	0	0	0
Total	10 313	0		10 313	21 476	82

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Template EU CCR1 – Analysis of CCR exposure by approach

In thousands of BGN

		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)	0	0		1.4	0	0	0	0
EU-2	EU - Simplified SA-CCR (for derivatives)	0	0		1.4	0	0	0	0
1	SA-CCR (for derivatives)	124 511	177 283		1.4	430 070	409 878	409 878	181 981
2	IMM (for derivatives and SFTs)			0	0	0	0	0	0
2a	*Of which securities financing transactions netting sets*			0		0	0	0	0
2b	*Of which derivatives and long settlement transactions netting sets*			0		0	0	0	0
2c	*Of which from contractual cross-product netting sets*			0		0	0	0	0
3	Financial collateral simple method (for SFTs)					0	0	0	0
4	Financial collateral comprehensive method (for SFTs)					71 493	71 493	71 493	11 981
5	VaR for SFTs					0	0	0	0
6	**Total**					**501 563**	**481 371**	**481 371**	**193 962**

Template EU CCR2 – Transactions subject to own funds requirements for CVA risk

In thousands of BGN

		a	b
		Exposure value	RWEA
1	Total transactions subject to the Advanced method	0	0
2	(i) VaR component (including the 3× multiplier)		0
3	(ii) stressed VaR component (including the 3× multiplier)		0
4	Transactions subject to the Standardised method	51 845	7 188
EU-4	Transactions subject to the Alternative approach (Based on the Original Exposure Method)	0	0
5	**Total transactions subject to own funds requirements for CVA risk**	**51 845**	**7 188**

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

In thousands of BGN

	Exposure classes	Risk weight											
		a	b	c	d	e	f	g	h	i	j	k	l
		0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	Total exposure value
1	Central governments or central banks												0
2	Regional government or local authorities												0
3	Public sector entities												0
4	Multilateral development banks												0
5	International organisations												0
6	Institutions												0
7	Corporates									6 256			6256
8	Retail												0
9	Institutions and corporates with a short-term credit assessment												0
10	Other items												0
11	**Total exposure value**	0	0	0	0	0	0	0	0	6 256	0	0	6256

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

In thousands of BGN

			a	b	c	d	e	f	g
		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 ... x	Exposure class Institutions (F-IRB)								
1		0.00 to <0.15	345 041	0.08%	15	45.00%	2.0	116 987	0.34
2		0.15 to <0.25	0	0.00%	0	0.00%	0.0	0	0.00
3		0.25 to <0.50	757	0.31%	1	45.00%	3.0	445	0.59
4		0.50 to <0.75	0	0.00%	0	0.00%	0.0	0	0.00
5		0.75 to <2.50	0	0.00%	1	0.00%	0.0	0	0.00
6		2.50 to <10.00	0	0.00%	0	0.00%	0.0	0	0.00
7		10.00 to <100.00	0	0.00%	0	0.00%	0.0	0	0.00
8		100.00 (Default)	0	0.00%	0	0.00%	0.0	0	0.00
x		Sub-total (Exposure class X)	345 798	0.08%	17	45.00%	2.0	117 432	0.34

			a	b	c	d	e	f	g
		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 ... x	Exposure class Corporates (A-IRB)								
1		0.00 to <0.15	71 078	0.13%	2	56.94%	1.3	24 664	0.35
2		0.15 to <0.25	1 100	0.22%	1	57.53%	1.0	476	0.43
3		0.25 to <0.50	20 211	0.36%	11	43.43%	3.6	15 043	0.74
4		0.50 to <0.75	9 765	0.55%	12	57.53%	1.9	7 487	0.77
5		0.75 to <2.50	1 520	1.44%	33	57.53%	2.6	1 818	1.20
6		2.50 to <10.00	1 052	3.03%	13	57.53%	4.5	2 069	1.97
7		10.00 to <100.00	19	10.77%	1	57.53%	5.0	40	2.11
8		100.00 (Default)	1	100.00%	1	0.00%	2.1	0	0.00
x		Sub-total (Exposure class X)	104 746	0.27%	74	54.41%	1.9	51 597	0.49

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		a	b	c	d	e	f	g
	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 … x	Exposure class Retail (A-IRB)							
1	0.00 to <0.15	0	0.00%	0	0.00%	0.0	0	0.00
2	0.15 to <0.25	0	0.00%	0	0.00%	0.0	0	0.00
3	0.25 to <0.50	1	0.41%	3	57.53%	2.0	0	0.00
4	0.50 to <0.75	3	0.51%	1	57.53%	1.0	1	0.33
5	0.75 to <2.50	141	0.88%	7	57.53%	1.0	62	0.44
6	2.50 to <10.00	1	3.05%	1	57.53%	1.0	0	0.00
7	10.00 to <100.00	0	0.00%	0	0.00%	0.0	0	0.00
8	100.00 (Default)	0	0.00%	0	0.00%	0.0	0	0.00
x	Sub-total (Exposure class X)	146	0.88%	12	57.53%	1.0	63	0.43
y	**Total (all CCR relevant exposure classes)**	**450 691**	**0.13%**	**104**	**47.19%**	**2.2**	**169 093**	**0.38**

Template EU CCR5 – Composition of collateral for CCR exposures

In thousands of BGN

		a	b	c	d	e	f	g	h
		Collateral used in derivative transactions				Collateral used in SFTs			
	Collateral type	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
1	Cash – domestic currency								
2	Cash – other currencies		12 329		1 978				
3	Domestic sovereign debt								1 142 854
4	Other sovereign debt						1 262 807		
5	Government agency debt								
6	Corporate bonds								
7	Equity securities								
8	Other collateral								
9	**Total**	**0**	**12 329**	**0**	**1 978**	**0**	**1 262 807**	**0**	**1 142 854**

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

In thousands of BGN

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
			Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3		Of which stage 1	Of which stage 2		Of which stage 2	Of which stage 3			
005	**Cash balances at central banks and other demand deposits**	**5 381 589**	**5 381 589**	**0**	**0**	**0**	**0**	**-67**	**-67**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
010	**Loans and advances**	**22 805 660**	**18 978 730**	**3 826 930**	**693 708**	**0**	**693 708**	**-395 325**	**-91 515**	**-303 810**	**-481 777**	**0**	**-481 777**	**5 693**	**16 349 612**	**172 589**
020	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
030	*General governments*	280 580	279 470	1 110	0	0	0	-64	-64	0	0	0	0	0	182 494	0
040	*Credit institutions*	1 956 010	1 956 010	0	0	0	0	-236	-236	0	0	0	0	0	0	0
050	*Other financial corporations*	354 482	344 219	10 263	2 090	0	2 090	-929	-872	-57	-2 090	0	-2 090	0	344 947	0
060	*Non-financial corporations*	11 480 021	8 669 573	2 810 448	524 212	0	524 212	-250 465	-63 463	-187 002	-373 460	0	-373 460	4 591	10 451 461	150 653
070	*Of which SMEs*	7 011 175	5 410 161	1 601 014	411 022	0	411 022	-159 846	-47 042	-112 804	-282 140	0	-282 140	1 788	6 596 051	128 783
080	*Households*	8 734 567	7 729 458	1 005 109	167 406	0	167 406	-143 631	-26 880	-116 751	-106 227	0	-106 227	1 102	5 370 710	21 936
090	**Debt securities**	**5 839 787**	**5 839 787**	**0**	**0**	**0**	**0**	**-2 154**	**-2 154**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
100	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
110	*General governments*	5 355 740	5 355 740	0	0	0	0	-1 591	-1 591		0	0	0	0	0	0
120	*Credit institutions*	414 585	414 585	0	0	0	0	-230	-230	0	0	0	0	0	0	0
130	*Other financial corporations*	5 105	5 105	0	0	0	0	-12	-12	0	0	0	0	0	0	0
140	*Non-financial corporations*	64 357	64 357	0	0	0	0	-321	-321	0	0	0	0	0	0	0
150	**Off-balance-sheet exposures**	**9 491 290**	**8 620 642**	**870 648**	**25 164**	**0**	**25 164**	**-45 525**	**-24 184**	**-21 341**	**-22 791**	**0**	**-22 791**	**0**	**5 633 954**	**2 186**
160	*Central banks*	0	*0*	*0*	0	*0*	*0*	0	*0*	*0*	0	*0*	*0*		*0*	*0*
170	*General governments*	47 247	*47 247*	*0*	0	*0*	*0*	-10	*-10*	*0*	0	*0*	*0*		*45 676*	*0*

180	*Credit institutions*	1 495 448	*1 495 448*	*0*	0	*0*	*0*	-731	*-731*	*0*	0	*0*	*0*		*0*	*0*
190	*Other financial corporations*	226 181	*225 287*	*894*	0	*0*	*0*	-396	*-384*	*-12*	0	*0*	*0*		*140 162*	*0*
200	*Non-financial corporations*	7 127 171	*6 348 939*	*778 232*	24 240	*0*	*24 240*	-41 154	*-21 746*	*-19 408*	-22 062	*0*	*-22 062*		*5 235 318*	*2 178*
210	*Households*	595 243	*503 721*	*91 522*	924	*0*	*924*	-3 234	*-1 313*	*-1 921*	-729	*0*	*-729*		*212 798*	*8*
220	**Total**	**43 518 326**	**38 820 748**	**4 697 578**	**718 872**	**0**	**718 872**	**-443 071**	**-117 920**	**-325 151**	**-504 568**	**0**	**-504 568**	**5 693**	**21 983 566**	**174 775**

Template EU CR1-A: Maturity of exposures

In thousands of BGN

		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	20 949	5 974 085	6 489 190	10 138 042	0	22 622 266
2	Debt securities	0	469 712	3 259 799	2 108 122	0	5 837 633
3	***Total***	**20 949**	**6 443 797**	**9 748 989**	**12 246 164**	**0**	28 459 899

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

In thousands of BGN

		a
		Gross carrying amount
010	**Initial stock of non-performing loans and advances**	**642 463**
020	Inflows to non-performing portfolios	331 595
030	Outflows from non-performing portfolios	-280 350
040	Outflows due to write-offs	-19 713
050	Outflow due to other situations	-260 637
060	**Final stock of non-performing loans and advances**	**693 708**

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Template EU CR2a: Changes in the stock of non-performing loans and advances and related net accumulated recoveries

In thousands of BGN

		a	b
		Gross carrying amount	Related net accumulated recoveries
010	**Initial stock of non-performing loans and advances**	**642 463**	
020	Inflows to non-performing portfolios		
030	Outflows from non-performing portfolios	-280 350	
040	Outflow to performing portfolio	-89 148	
050	Outflow due to loan repayment, partial or total	-99 648	
060	Outflow due to collateral liquidations	-7 175	7 175
070	Outflow due to taking possession of collateral	0	0
080	Outflow due to sale of instruments	-56 404	14 981
090	Outflow due to risk transfers	0	0
100	Outflows due to write-offs	-19 713	
110	Outflow due to other situations	-8 262	
120	Outflow due to reclassification as held for sale	0	-
130	**Final stock of non-performing loans and advances**	**362 113**	

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Template EU CQ1: Credit quality of forborne exposures

In thousands of BGN

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
		Performing forborne	Non-performing forborne			On performing forborne exposures	On non-performing forborne exposures		Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
				Of which defaulted	Of which impaired				
005	**Cash balances at central banks and other demand deposits**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
010	**Loans and advances**	**227 887**	**349 858**	**349 858**	**349 858**	**-24 527**	**-238 782**	**312 600**	**107 593**
020	*Central banks*	0	0	0	0	0	0	0	0
030	*General governments*	0	0	0	0	0	0	0	0
040	*Credit institutions*	0	0	0	0	0	0	0	0
050	*Other financial corporations*	0	2 065	2 065	2 065	0	-2 065	0	0
060	*Non-financial corporations*	218 919	315 703	315 703	315 703	-23 612	-211 100	301 510	104 507
070	*Households*	8 968	32 090	32 090	32 090	-915	-25 617	11 090	3 086
080	**Debt Securities**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
090	**Loan commitments given**	**582**	**870**	**870**	**870**	**-127**	**-835**	**490**	**35**
100	***Total***	**228 469**	**350 728**	**350 728**	**350 728**	**-24 654**	**-239 617**	**313 090**	**107 628**

Template EU CQ2: Quality of forbearance

In thousands of BGN

		a
		Gross carrying amount of forborne exposures
010	Loans and advances that have been forborne more than twice	129 817
020	Non-performing forborne loans and advances that failed to meet the non-performing exit criteria	10 508

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

In thousands of BGN

		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**	**5 381 589**	**5 381 589**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
010	**Loans and advances**	**22 805 660**	**22 743 811**	**61 849**	**693 708**	**443 811**	**54 657**	**61 405**	**75 880**	**36 780**	**9 982**	**11 193**	**693 708**
020	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0
030	*General governments*	280 580	280 580	0	0	0	0	0	0	0	0	0	0
040	*Credit institutions*	1 956 010	1 956 010	0	0	0	0	0	0	0	0	0	0
050	*Other financial corporations*	354 482	354 482	0	2 090	2 090	0	0	0	0	0	0	2 090
060	*Non-financial corporations*	11 480 021	11 458 107	21 914	524 212	337 668	23 068	46 263	71 896	30 822	7 633	6 862	524 212
070	*Of which SMEs*	7 011 175	6 997 144	14 031	411 022	285 753	22 768	37 647	20 477	30 822	7 143	6 412	411 022
080	*Households*	8 734 567	8 694 632	39 935	167 406	104 053	31 589	15 142	3 984	5 958	2 349	4 331	167 406
090	**Debt securities**	**5 839 787**	**5 839 787**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
100	*Central banks*	0	0	0	0	0	0	0	0	0	0	0	0
110	*General governments*	5 355 740	5 355 740	0	0	0	0	0	0	0	0	0	0
120	*Credit institutions*	414 585	414 585	0	0	0	0	0	0	0	0	0	0
130	*Other financial corporations*	5 105	5 105	0	0	0	0	0	0	0	0	0	0
140	*Non-financial corporations*	64 357	64 357	0	0	0	0	0	0	0	0	0	0
150	**Off-balance-sheet exposures**	**9 491 290**			**25 164**								**25 164**
160	*Central banks*	0			0								0
170	*General governments*	47 247			0								0
180	*Credit institutions*	1 495 448			0								0
190	*Other financial corporations*	226 181			0								0
200	*Non-financial corporations*	7 127 171			24 240								24 240
210	*Households*	595 243			924								924
220	***Total***	**43 518 326**	**33 965 187**	**61 849**	**718 872**	**443 811**	**54 657**	**61 405**	**75 880**	**36 780**	**9 982**	**11 193**	**718 872**

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

In thousands of BGN

		a	b	c	d	e	f	g
		Gross carrying/nominal amount				Accumulated impairment	Provisions on off-balance-sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which subject to impairment			
				Of which defaulted				
010	***On-balance-sheet exposures***	***23 499 368***	***693 708***	***693 708***	***23 497 541***	***875 370***		**1 732**
020	*BULGARIA*	21 134 622	689 822	689 822	21 132 795	869 989		1 732
070	*Other countries*	2 364 746	3 886	3 886	2 364 746	5 381		0
080	***Off-balance-sheet exposures***	***9 516 454***	***25 164***	***25 164***			***68 316***	
090	*BULGARIA*	7 871 578	21 165	21 165			64 187	
140	*Other countries*	1 644 876	3 999	3 999			4 129	
150	***Total***	**33 015 822**	**718 872**	**718 872**	**23 497 541**	**875 370**	**68 316**	**1 732**

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

In thousands of BGN

		a	b	c	d	e	f
		Gross carrying amount				Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
			Of which non-performing		Of which loans and advances subject to impairment		
				Of which defaulted			
010	Agriculture, forestry and fishing	731 874	13 318	13 318	731 874	-32 290	0
020	Mining and quarrying	7 316	437	437	7 316	-517	0
030	Manufacturing	2 541 364	131 478	131 478	2 540 772	-134 126	-562
040	Electricity, gas, steam and air conditioning supply	1 065 458	365	365	1 065 458	-64 244	0
050	Water supply	34 533	285	285	34 533	-1 165	0
060	Construction	692 794	29 824	29 824	692 794	-43 849	0
070	Wholesale and retail trade	3 350 469	108 321	108 321	3 350 469	-128 375	0
080	Transport and storage	830 793	20 852	20 852	830 793	-35 051	0
090	Accommodation and food service activities	351 050	63 517	63 517	351 050	-49 718	0
100	Information and communication	170 949	15 512	15 512	169 714	-11 930	-1 170
110	Financial and insurance activities	60 875	28 764	28 764	60 875	-29 131	0
120	Real estate activities	1 497 229	59 560	59 560	1 497 229	-46 069	0
130	Professional, scientific and technical activities	269 065	44 004	44 004	269 065	-34 707	0
140	Administrative and support service activities	329 514	6 845	6 845	329 514	-9 485	0
150	Public administration and defense, compulsory social security	430	0	0	430	-2	0
160	Education	5 225	67	67	5 225	-64	0
170	Human health services and social work activities	26 618	20	20	26 618	-213	0
180	Arts, entertainment and recreation	12 224	239	239	12 224	-284	0
190	Other services	26 453	804	804	26 453	-973	0
200	***Total***	***12 004 233***	***524 212***	***524 212***	***12 002 406***	***-622 193***	***-1 732***

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Template EU CQ6: Collateral valuation - loans and advances

In thousands of BGN

		a	b	c	d	e	f	g	h	i	j	k	l
		Loans and advances											
			Performing		Non-performing								
						Unlikely to pay that are not past due or are past due ≤ 90 days	Past due > 90 days						
				Of which past due > 30 days ≤ 90 days				Of which past due > 90 days ≤ 180 days	Of which: past due > 180 days ≤ 1 year	Of which: past due > 1 years ≤ 2 years	Of which: past due > 2 years ≤ 5 years	Of which: past due > 5 years ≤ 7 years	Of which: past due > 7 years
010	Gross carrying amount	23 499 368	22 805 660	61 849	693 708	445 638	248 070	52 830	61 405	75 880	36 780	9 982	11 193
020	*Of which secured*	12 670 898	12 141 972	29 324	528 926	354 707	174 219	21 741.00	44 530.00	69 157.00	30 464.00	4 873.00	3 454.00
030	*Of which secured with immovable property*	12 113 216	11 738 135	16 567	375 081	275 599	99 482	12 246	31 835	32 526	19 460	1 209	2 206
040	*Of which instruments with LTV higher than 60% and lower or equal to 80%*	3 486 399	3 452 243		34 156	26 247	7 909						
050	*Of which instruments with LTV higher than 80% and lower or equal to 100%*	2 078 501	1 999 665		78 836	65 341	13 495						
060	*Of which instruments with LTV higher than 100%*	2 741 327	2 593 358		147 969	98 003	49 966						
070	Accumulated impairment for secured assets	-661 933	-293 067	-4 214	-368 866	-238 601	-130 265	-14 073	-24 997	-52 665	-30 287	-4 790	-3 453
080	Collateral												
090	*Of which value capped at the value of exposure*	16 039 088	15 885 356	21 947	153 732	114 302	39 431	4 906	17 897	16 568	3	57	0
100	*Of which immovable property*	10 248 057	10 125 839	13 510	122 218	96 854	25 364	3 733	17 154	4 471	0	6	0
110	*Of which value above the cap*	29 896 417	28 948 720	24 810	947 697	736 575	207 915	21 543	97 606	88 387	1	378	0
120	*Of which immovable property*	18 302 201	17 684 723	14 042	617 478	447 809	169 668	22 362	98 342	48 616	0	348	0
130	Financial guarantees received	483 113	464 256	6 678	18 857	11 133	7 724	3 854	2 377	1 293	174	26	0
140	Accumulated partial write-off	-5 693	0	0	-5 693	-36	-5 657	-403	-677	-2 999	-953	-249	-376

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

In thousands of BGN

		a	b
		Collateral obtained by taking possession	
		Value at initial recognition	Accumulated negative changes
010	Property, plant and equipment (PP&E)	0	0
020	Other than PP&E	26 127	-14 860
030	*Residential immovable property*	2 587	-1
040	*Commercial Immovable property*	23 526	-14 859
050	*Movable property (auto, shipping, etc.)*	14	0
060	*Equity and debt instruments*		
070	*Other collateral*		
080	***Total***	**26 127**	**-14 860**

Template EU CQ8: Collateral obtained by taking possession and execution processes – vintage breakdown

In thousands of BGN

		a	b	c	d	e	f	g	h	i	j	k	l
		Debt balance reduction		Total collateral obtained by taking possession									
						Foreclosed ≤ 2 years		Foreclosed > 2 years ≤ 5 years		Foreclosed > 5 years		Of which non-current assets held-for-sale	
		Gross carrying amount	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes	Value at initial recognition	Accumulated negative changes
010	Collateral obtained by taking possession classified as PP&E	3 618	-1 864	1 754	-184								
020	Collateral obtained by taking possession other than that classified as PP&E	83 057	-63 139	26 127	-14 860	0	0	3 158	-133	22 969	-14 727		
030	*Residential immovable property*	7 608	-4 610	2 587	-1	0	0	2 074	-1	513	0		
040	*Commercial immovable property*	75 387	-58 480	23 526	-14 859	0	0	1 084	-132	22 442	-14 727		
050	*Movable property (auto, shipping, etc.)*	62	-49	14	0	0	0	0	0	14	0		
060	*Equity and debt instruments*												
070	*Other collateral*												
080	***Total***	**86 675**	**-65 003**	**27 881**	**-15 044**	**0**	**0**	**3 158**	**-133**	**22 969**	**-14 727**		

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Template EU AE1 - Encumbered and unencumbered assets

In thousands of BGN

		Carrying amount of encumbered assets		Fair value of encumbered assets		Carrying amount of unencumbered assets		Fair value of unencumbered assets	
			of which notionally eligible EHQLA and HQLA		of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	050	060	080	090	100
010	Assets of the disclosing institution	1 633 832	1 532 027			31 756 011	8 918 421		
030	Equity instruments					26 056		26 056	
040	Debt securities	1 532 027	1 532 027	1 321 533	1 321 533	3 888 783	3 429 909	3 901 225	3 442 136
050	of which: covered bonds					413 913		415 366	
060	of which: securitisations								
070	of which: issued by general governments	1 532 027	1 532 027	1 321 533	1 321 533	3 431 147	3 429 909	3 442 136	3 442 136
080	of which: issued by financial corporations					416 785		418 811	
090	of which: issued by non-financial corporations					44 243		44 243	
120	Other assets	101 805		-	-	27 841 172	5 488 512	-	-

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Template EU AE2 - Collateral received and own debt securities issued

In thousands of BGN

		Fair value of encumbered collateral received or own debt securities issued		Unencumbered	
				Fair value of collateral received or own debt securities issued available for encumbrance	
			of which notionally eligible EHQLA and HQLA		of which EHQLA and HQLA
		010	030	040	060
130	**Collateral received by the disclosing institution**			1 698 454	1 698 454
140	Loans on demand			0	0
150	Equity instruments			0	0
160	Debt securities			1 698 454	1 698 454
170	of which: covered bonds			0	0
180	of which: securitisations			0	0
190	of which: issued by general governments			1 698 454	1 698 454
200	of which: issued by financial corporations			0	0
210	of which: issued by non-financial corporations			0	0
220	Loans and advances other than loans on demand			0	0
230	Other collateral received			0	0
240	**Own debt securities issued other than own covered bonds or securitisations**				
241	**Own covered bonds and securitisations issued and not yet pledged**				
250	**TOTAL COLLATERAL RECEIVED AND OWN DEBT SECURITIES ISSUED**				

Template EU AE3 - Sources of encumbrance

In thousands of BGN

		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and securitisations encumbered
		010	030
010	Carrying amount of selected financial liabilities	1 575 422	1 632 959

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

In thousands of BGN

	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWAs and RWAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWAs	RWAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	10 812 628	19 566	10 923 683	28 656	19 543	0
2	Regional government or local authorities	100 460	27 671	100 460	5 378	20 092	1 076
3	Public sector entities	689	22 850	828	134	687	135
4	Multilateral development banks	0	4 467	297 999	2 871	0	0
5	International organisations	0	0	0	0	0	0
6	Institutions	609	491	609	98	304	49
7	Corporates	1 474 165	417 635	1 489 828	53 322	1 398 915	48 420
8	Retail	3 506 929	160 876	3 491 602	69 314	2 594 948	51 921
9	Secured by mortgages on immovable property	398	170	398	0	139	0
10	Exposures in default	55 819	181	55 343	90	58 163	89
11	Exposures associated with particularly high risk	0	0	0	0	0	0
12	Covered bonds	0	0	0	0	0	0
13	Institutions and corporates with a short-term credit assessment	0	0	0	0	0	0
14	Collective investment undertakings	0	0	0	0	0	0
15	Equity	0	0	0	0	0	0
16	Other items	0	0	0	0	0	0
17	**TOTAL**	**15 951 697**	**653 907**	**16 360 750**	**159 863**	**4 092 791**	**101 690**

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Template EU CR5 – standardised approach

In thousands of BGN

	Exposure classes	Risk weight															Total	Of which unrated
		0%	2%	4%	10%	20%	35%	50%	70%	75%	100%	150%	250%	370%	1250%	Others		
		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q
1	Central governments or central banks	10 934 508		0	0			12 516					5 314				10 952 338	
2	Regional government or local authorities					105 839											105 839	
3	Public sector entities	140			0			0			822						962	
4	Multilateral development banks	300 870															300 870	
5	International organisations																0	
6	Institutions							707									707	
7	Corporates					4 541		119 233			1 425 633						1 549 407	1 549 407
8	Retail exposures									3 560 915							3 560 915	3 560 915
9	Exposures secured by mortgages on immovable property						398	0									398	398
10	Exposures in default										49 795	5 638					55 433	55 433
11	Exposures associated with particularly high risk																0	
12	Covered bonds																0	
13	Exposures to institutions and corporates with a short-term credit assessment																0	
14	Units or shares in collective investment undertakings																0	
15	Equity exposures																0	
16	Other items																0	
17	**TOTAL**	**11 235 518**	**0**	**0**	**0**	**110 380**	**398**	**132 456**	**0**	**3 560 915**	**1 476 250**	**5 638**	**5 314**	**0**	**0**	**0**	**16 526 869**	**5 166 153**

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

In thousands of BGN

A-IRB	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 adjust-ments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Exposure class Corporates - SME													
	0.00 to <0.15	10 587	116 550	0.42	58 891	0.00	51	0.44	2	10 981	0.19	22	-76
	0.00 to <0.10	441	69 306	0.39	27 290	0.00	17	0.50	3	3 349	0.12	5	-32
	0.10 to <0.15	10 146	47 244	0.46	31 601	0.00	34	0.39	2	7 632	0.24	17	-44
	0.15 to <0.25	7 483	99 896	0.37	44 874	0.00	77	0.48	3	13 300	0.30	46	-107
	0.25 to <0.50	267 336	443 949	0.37	428 480	0.00	279	0.45	3	243 108	0.57	799	-1 516
	0.50 to <0.75	307 818	352 967	0.38	434 597	0.01	305	0.38	3	216 250	0.50	1 041	-3 512
	0.75 to <2.50	1 329 978	548 648	0.37	1 479 515	0.01	873	0.39	3	932 735	0.63	8 115	-25 177
	0.75 to <1.75	1 004 536	410 638	0.37	1 121 351	0.01	626	0.39	3	690 305	0.62	5 365	-16 472
	1.75 to <2.5	325 442	138 010	0.36	358 164	0.02	247	0.38	2	242 430	0.68	2 750	-8 705
	2.50 to <10.00	829 787	247 581	0.35	854 382	0.05	448	0.36	3	706 410	0.83	13 776	-40 283
	2.5 to <5	547 054	210 150	0.35	573 750	0.04	300	0.38	2	463 819	0.81	7 687	-22 011
	5 to <10	282 733	37 431	0.35	280 632	0.07	148	0.31	4	242 591	0.86	6 089	-18 272
	10.00 to <100.00	47 248	18 384	0.43	53 193	0.19	70	0.38	3	71 117	1.34	3 129	-10 302
	10 to <20	41 170	6 480	0.32	41 222	0.14	29	0.43	3	62 132	1.51	2 286	-5 220
	20 to <30	0	630	0.49	308	0.21	1	0.53	3	551	1.79	34	-41
	30.00 to <100.00	6 078	11 274	0.50	11 663	0.36	40	0.19	4	8 434	0.72	809	-5 041
	100.00 (Default)	259 646	10 633	0.37	256 567	1.00	184	0.35	4	36 883	0.14	106 996	-175 224
Subtotal (exposure class)		3 059 883	1 838 608	0.37	3 610 499	0.09	2 287	0.39	3	2 230 784	0.62	133 924	-256 197
Exposure class Corporates - Other													

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	0.00 to <0.15	143 155	692 812	0.25	318 384	0.00	54	0.50	2	85 341	0.27	122	-307
	0.00 to <0.10	143 128	363 305	0.30	250 426	0.00	29	0.51	2	60 325	0.24	79	-172
	0.10 to <0.15	27	329 507	0.21	67 958	0.00	25	0.48	2	25 016	0.37	43	-134
	0.15 to <0.25	681 038	244 722	0.48	799 031	0.00	42	0.40	3	365 059	0.46	660	-2 414
	0.25 to <0.50	571 387	953 179	0.39	939 768	0.00	112	0.38	2	474 920	0.51	1 341	-3 015
	0.50 to <0.75	414 153	838 189	0.35	585 658	0.01	70	0.46	2	422 341	0.72	1 630	-3 043
	0.75 to <2.50	1 506 452	769 145	0.41	1 791 487	0.01	214	0.45	2	1 780 302	0.99	10 209	-37 015
	0.75 to <1.75	1 337 828	673 324	0.42	1 592 037	0.01	167	0.45	2	1 556 371	0.98	8 432	-33 500
	1.75 to <2.5	168 624	95 821	0.35	199 450	0.02	47	0.42	2	223 931	1.12	1 777	-3 515
	2.50 to <10.00	148 290	70 174	0.41	172 589	0.04	144	0.42	2	223 391	1.29	3 108	-9 507
	2.5 to <5	92 854	54 428	0.37	110 584	0.03	49	0.43	2	133 610	1.21	1 475	-2 156
	5 to <10	55 436	15 746	0.52	62 005	0.06	95	0.41	2	89 781	1.45	1 633	-7 351
	10.00 to <100.00	38 107	14 041	0.48	44 888	0.14	37	0.25	4	56 333	1.25	1 521	-2 013
	10 to <20	38 107	13 339	0.49	44 703	0.14	10	0.25	4	56 274	1.26	1 517	-2 009
	20 to <30	0	0	0.00	0	0.00	1	0.00	0	0	0.00	0	0
	30.00 to <100.00	0	702	0.26	185	0.36	26	0.06	2	59	0.32	4	-5
	100.00 (Default)	72 034	11 548	0.32	71 931	1.00	112	0.55	3	16 042	0.22	39 470	-67 899
Subtotal (exposure class)		3 574 616	3 593 810	37%	4 723 736	0.02	785	0.43	2	3 423 729	0.72	58 061	-125 214
Exposure class Retail - Secured by real estate SME													
	0.00 to <0.15	7 689	11 164	0.46	12 831	0.00	59	0.17	3	376	0.03	2	-3
	0.00 to <0.10	4 382	3 444	0.43	5 879	0.00	34	0.17	4	96	0.02	0	-1
	0.10 to <0.15	3 307	7 720	0.47	6 952	0.00	25	0.17	3	280	0.04	2	-2
	0.15 to <0.25	8 203	11 408	0.44	13 033	0.00	97	0.17	3	732	0.06	5	-5
	0.25 to <0.50	60 107	32 097	0.41	72 769	0.00	428	0.17	3	6 154	0.08	45	-161
	0.50 to <0.75	79 467	26 836	0.46	89 589	0.01	421	0.16	3	10 804	0.12	92	-95
	0.75 to <2.50	272 645	52 523	0.48	294 986	0.01	1 230	0.18	3	67 819	0.23	770	-1 360
	0.75 to <1.75	198 177	36 366	0.48	214 056	0.01	898	0.18	3	43 943	0.21	462	-795
	1.75 to <2.5	74 468	16 157	0.47	80 930	0.02	332	0.18	2	23 876	0.30	308	-565
	2.50 to <10.00	98 622	14 036	0.46	103 786	0.04	381	0.20	3	46 986	0.45	804	-1 204

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	2.5 to <5	80 753	11 905	0.47	85 285	0.03	285	0.20	3	36 477	0.43	581	-827
	5 to <10	17 869	2 131	0.44	18 501	0.06	96	0.19	3	10 509	0.57	223	-377
	10.00 to <100.00	21 053	2 773	0.45	21 191	0.26	126	0.20	3	16 060	0.76	977	-1 477
	10 to <20	10 265	1 101	0.56	10 812	0.15	54	0.17	2	7 829	0.72	279	-841
	20 to <30	2 092	501	0.23	2 056	0.25	12	0.14	3	1 407	0.68	71	-203
	30.00 to <100.00	8 696	1 171	0.44	8 323	0.42	60	0.24	3	6 824	0.82	628	-433
	100.00 (Default)	25 095	642	0.29	23 982	1.00	114	0.17	3	1 242	0.05	4 562	-13 051
Subtotal (exposure class)		572 881	151 479	0.45	632 167	0.06	2 856	0.18	3	150 173	0.24	7 256	-17 356
Exposure class Retail - Secured by real estate non-SME													
	0.00 to <0.15	332 807	21 250	0.40	341 285	0.00	4 569	0.08	5	6 978	0.02	29	-239
	0.00 to <0.10	113 678	7 873	0.39	116 784	0.00	1 562	0.08	5	1 779	0.02	7	-11
	0.10 to <0.15	219 129	13 377	0.40	224 501	0.00	3 007	0.08	5	5 199	0.02	22	-228
	0.15 to <0.25	693 309	24 588	0.41	703 411	0.00	7 487	0.09	5	27 101	0.04	128	-801
	0.25 to <0.50	1 639 780	31 344	0.42	1 652 803	0.00	13 038	0.12	5	126 418	0.08	704	-5 504
	0.50 to <0.75	825 595	10 440	0.42	829 939	0.01	5 406	0.13	5	102 274	0.12	659	-4 360
	0.75 to <2.50	1 133 838	28 660	0.41	1 145 537	0.01	6 935	0.13	5	232 301	0.20	1 924	-16 076
	0.75 to <1.75	939 682	21 241	0.41	948 347	0.01	5 752	0.14	5	179 608	0.19	1 408	-11 252
	1.75 to <2.5	194 156	7 419	0.41	197 190	0.02	1 183	0.13	5	52 693	0.27	516	-4 824
	2.50 to <10.00	312 323	11 447	0.40	316 946	0.05	2 180	0.12	5	125 562	0.40	1 761	-22 896
	2.5 to <5	212 533	8 762	0.40	216 069	0.03	1 375	0.13	5	76 930	0.36	934	-9 263
	5 to <10	99 790	2 685	0.40	100 877	0.07	805	0.12	5	48 632	0.48	827	-13 633
	10.00 to <100.00	104 715	2 168	0.41	105 607	0.24	980	0.12	5	69 564	0.66	3 088	-15 444
	10 to <20	50 555	851	0.43	50 919	0.14	519	0.11	5	30 001	0.59	777	-7 841
	20 to <30	20 441	82	0.51	20 484	0.24	201	0.11	5	13 460	0.66	538	-3 201
	30.00 to <100.00	33 719	1 235	0.39	34 204	0.40	260	0.13	5	26 103	0.76	1 773	-4 402
	100.00 (Default)	40 546	0	0.00	40 547	1.00	630	0.15	4	914	0.02	6 050	-22 298
Subtotal (exposure class)		5 082 913	129 897	0.41	5 136 075	0.02	41 225	0.12	5	691 112	0.13	14 343	-87 617

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Exposure class Retail - Qualifying revolving													
	0.00 to <0.15	2 246	33 773	0.47	18 067	0.00	8 589	0.32	2	366	0.02	6	-14
	0.00 to <0.10	807	17 474	0.47	9 018	0.00	4 348	0.32	1	139	0.00	2	-4
	0.10 to <0.15	1 439	16 299	0.47	9 049	0.00	4 241	0.33	2	227	0.03	4	-11
	0.15 to <0.25	3 581	38 324	0.50	22 610	0.00	18 163	0.32	2	824	0.04	15	-74
	0.25 to <0.50	9 874	44 623	0.50	32 021	0.00	26 981	0.33	2	1 931	0.06	38	-163
	0.50 to <0.75	9 426	17 722	0.50	18 243	0.01	14 323	0.34	2	1 715	0.09	38	-136
	0.75 to <2.50	28 065	25 913	0.49	40 796	0.01	31 458	0.35	2	6 985	0.17	187	-538
	0.75 to <1.75	21 908	21 419	0.49	32 452	0.01	26 258	0.34	2	4 953	0.15	127	-379
	1.75 to <2.5	6 157	4 494	0.49	8 344	0.02	5 200	0.35	2	2 032	0.24	60	-159
	2.50 to <10.00	13 558	8 696	0.52	18 103	0.04	13 334	0.34	2	7 288	0.40	281	-773
	2.5 to <5	8 703	7 220	0.52	12 493	0.03	9 945	0.34	2	4 138	0.33	141	-359
	5 to <10	4 855	1 476	0.51	5 610	0.07	3 389	0.35	2	3 150	0.56	139	-414
	10.00 to <100.00	6 151	1 744	0.52	7 060	0.23	4 546	0.34	2	6 432	0.91	556	-1 768
	10 to <20	3 467	716	0.52	3 837	0.14	2 255	0.34	2	3 096	0.81	186	-618
	20 to <30	1 316	362	0.46	1 481	0.25	830	0.35	2	1 546	1.04	128	-455
	30.00 to <100.00	1 368	666	0.56	1 742	0.42	1 461	0.33	2	1 790	1.03	242	-695
	100.00 (Default)	1 844	580	0.47	2 116	1.00	1 963	0.57	2	276	0.13	1 199	-2 371
Subtotal (exposure class)		74 745	171 375	0.49	159 016	0.03	119 357	0.34	2	25 817	0.16	2 319	-5 838
Exposure class Retail - Other SME													
	0.00 to <0.15	8 786	33 573	0.45	23 799	0.00	1 192	0.55	2	2 131	0.09	10	-15
	0.00 to <0.10	6 323	15 935	0.46	13 617	0.00	678	0.55	2	784	0.06	3	-4
	0.10 to <0.15	2 463	17 638	0.44	10 182	0.00	514	0.54	2	1 347	0.13	7	-11
	0.15 to <0.25	13 931	55 447	0.44	38 200	0.00	1 591	0.53	2	6 788	0.18	42	-66
	0.25 to <0.50	76 216	140 021	0.43	135 346	0.00	3 475	0.55	2	36 247	0.27	280	-408
	0.50 to <0.75	145 757	93 964	0.45	184 023	0.01	2 687	0.57	2	68 548	0.37	653	-1 003
	0.75 to <2.50	618 432	190 461	0.46	681 531	0.01	10 728	0.59	2	371 997	0.55	5 831	-10 093
	0.75 to <1.75	438 341	138 653	0.47	486 871	0.01	7 478	0.59	2	250 006	0.51	3 421	-6 158

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	1.75 to <2.5	180 091	51 808	0.44	194 660	0.02	3 250	0.60	2	121 991	0.63	2 409	-3 935
	2.50 to <10.00	215 674	63 059	0.42	223 769	0.04	4 823	0.59	2	154 984	0.69	5 638	-11 708
	2.5 to <5	161 446	48 552	0.42	168 491	0.03	2 897	0.60	2	114 543	0.68	3 424	-6 416
	5 to <10	54 228	14 507	0.43	55 278	0.07	1 926	0.59	2	40 441	0.73	2 214	-5 292
	10.00 to <100.00	47 544	11 106	0.40	48 149	0.24	1 414	0.59	2	49 475	1.03	6 811	-17 107
	10 to <20	27 344	3 736	0.50	26 253	0.14	628	0.59	2	23 892	0.91	2 148	-5 558
	20 to <30	6 881	350	0.64	6 770	0.24	187	0.61	2	8 047	1.19	993	-3 501
	30.00 to <100.00	13 319	7 020	0.34	15 126	0.42	599	0.57	2	17 536	1.16	3 670	-8 048
	100.00 (Default)	58 637	848	0.39	52 693	1.00	2 302	0.76	1	13 718	0.26	40 052	-50 619
Subtotal (exposure class)		1 184 977	588 479	0.45	1 387 510	0.06	28 212	0.59	2	703 888	0.51	59 317	-91 020
Exposure class Retail - Other non-SME													
	0.00 to <0.15	5 861	14 333	0.45	12 265	0.00	690	0.26	3	860	0.07	3	-9
	0.00 to <0.10	2 726	6 318	0.45	5 561	0.00	311	0.24	3	271	0.00	1	-2
	0.10 to <0.15	3 135	8 015	0.45	6 704	0.00	379	0.27	3	589	0.09	2	-6
	0.15 to <0.25	5 775	11 964	0.44	11 071	0.00	792	0.28	3	1 318	0.12	6	-22
	0.25 to <0.50	10 697	15 312	0.44	17 499	0.00	1 367	0.31	4	3 382	0.19	19	-184
	0.50 to <0.75	16 802	12 040	0.45	22 218	0.01	695	0.27	4	4 933	0.22	35	-111
	0.75 to <2.50	11 440	33 903	0.44	26 433	0.01	1 213	0.30	3	9 246	0.35	107	-345
	0.75 to <1.75	8 770	25 904	0.44	20 264	0.01	907	0.29	3	6 632	0.33	67	-192
	1.75 to <2.5	2 670	7 999	0.44	6 169	0.02	306	0.31	4	2 614	0.42	40	-152
	2.50 to <10.00	4 566	12 510	0.45	10 171	0.04	620	0.30	3	4 650	0.46	134	-967
	2.5 to <5	3 025	10 082	0.45	7 539	0.04	370	0.29	3	3 306	0.44	79	-833
	5 to <10	1 541	2 428	0.45	2 632	0.07	250	0.31	4	1 344	0.51	55	-134
	10.00 to <100.00	3 146	3 806	0.44	4 407	0.24	777	0.33	4	3 386	0.77	346	-1 951
	10 to <20	1 254	1 908	0.44	2 095	0.13	221	0.32	4	1 313	0.63	87	-990
	20 to <30	751	1	0.46	710	0.24	179	0.36	4	647	0.91	62	-499
	30.00 to <100.00	1 141	1 897	0.43	1 602	0.38	377	0.32	4	1 426	0.89	197	-462
	100.00 (Default)	13 428	0	0.00	12 334	1.00	6 301	0.75	2	1 596	0.13	9 767	-12 173
Subtotal (exposure class)		71 715	103 868	0.44	116 398	0.12	12 455	0.34	3	29 371	0.25	10 418	-15 762
Total (all exposures classes)		13 621 730	6 577 516	0.38	15 765 401	0.04	207 177	0.32	3	7 254 874	0.46	285 637	-599 003

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F-IRB	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 adjust-ments and provisions
	a	b	c	d	e	f	g	h	i	j	k	l	m
Exposure class Institutions													
	0.00 to <0.15	583 075	1 191 221	0.13	738 096	0.00	55	0.26	3	136 818	0.19	143	-295
	0.00 to <0.10	582 783	1 172 378	0.13	734 845	0.00	50	0.26	3	135 584	0.18	142	-295
	0.10 to <0.15	292	18 843	0.12	3 251	0.00	5	0.45	3	1 234	0.38	1	0
	0.15 to <0.25	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0	0
	0.25 to <0.50	2 448	9 841	0.37	9 138	0.00	4	0.45	3	4 989	0.55	11	-13
	0.50 to <0.75	0	0	0.20	834	0.01	0	0.45	3	244	0.29	0	0
	0.75 to <2.50	305	3 380	0.43	18 329	0.02	2	0.45	3	9 176	0.50	30	-20
	0.75 to <1.75	0	0	0.50	14 566	0.01	0	0.45	3	6 592	0.45	16	0
	1.75 to <2.5	305	3 380	0.25	3 763	0.02	2	0.45	3	2 584	0.69	14	-20
	2.50 to <10.00	20 975	2 901	0.43	49 322	0.05	6	0.45	3	54 445	1.10	572	-103
	2.5 to <5	20 975	2 901	0.43	44 243	0.04	6	0.45	3	52 322	1.18	567	-103
	5 to <10	0	0	0.41	5 079	0.07	0	0.45	3	2 123	0.42	6	0
	10.00 to <100.00	2	116	0.50	2 036	0.25	2	0.45	3	1 153	0.57	7	0
	10 to <20	2	116	0.50	1 196	0.16	2	0.45	3	720	0.60	5	0
	20 to <30	0	0	0.00	145	0.23	0	0.45	3	71	0.49	0	0
	30.00 to <100.00	0	0	0.47	695	0.41	0	0.45	3	362	0.52	1	0
	100.00 (Default)	0	0	0.47	3 271	1.00	0	0.00	3	1 923	0.59	5	0
Subtotal (exposure class)		606 805	1 207 459	0.14	821 026	0.01	69	0.28	3	208 748	0.25	768	-432

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Exposure class Corporates - Other													
	0.00 to <0.15	1 594	207 820	0.02	5 820	0.00	15	0.45	3	2 056	0.35	2	-1
	0.00 to <0.10	1 594	204 719	0.01	4 269	0.00	14	0.45	3	1 503	0.35	1	-1
	0.10 to <0.15	0	3 101	0.50	1 551	0.00	1	0.45	3	553	0.36	1	0
	0.15 to <0.25	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0	0
	0.25 to <0.50	0	877	0.50	438	0.00	2	0.45	3	258	0.59	1	0
	0.50 to <0.75	0	0	0.00	0	0.00	0	0.00	0	0	#DIV/0!	0	0
	0.75 to <2.50	0	140	0.50	70	0.02	1	0.45	3	84	0.00	1	0
	0.75 to <1.75	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0	0
	1.75 to <2.5	0	140	0.50	70	0.00	1	0.45	3	84	0.00	1	0
	2.50 to <10.00	3	4 550	0.50	2 278	0.05	5	0.45	3	3 510	1.54	48	-5
	2.5 to <5	0	3 991	0.50	1 996	0.04	3	0.45	3	2 976	1.49	37	-4
	5 to <10	3	559	0.50	282	0.08	2	0.45	3	534	1.89	10	-2
	10.00 to <100.00	0	771	0.50	385	0.14	1	0.45	3	887	2.30	24	-2
	10 to <20	0	771	0.50	385	0.14	1	0.45	3	887	2.30	24	-2
	20 to <30	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0	0
	30.00 to <100.00	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0	0
	100.00 (Default)	0	0	0.00	0	0.00	0	0.00	0	0	0.00	0	0
Subtotal (exposure class)		1 597	214 158	0.03	8 991	0.02	24	0.45	3	6 795	0.76	75	-8
Total (all exposures classes)		608 402	1 421 617	0.12	830 017	0.01	93	0.28	3	215 543	0.26	843	-440

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Template EU CR6-A – Scope of the use of IRB and SA approaches

In thousands of BGN

		Exposure value as defined in Article 166 CRR for exposures subject to IRB approach	Total exposure value for exposures subject to the Standardised approach and to the IRB approach	Percentage of total exposure value subject to the permanent partial use of the SA (%)	Percentage of total exposure value subject to IRB Approach (%)	Percentage of total exposure value subject to a roll-out plan (%)
		a	b	c	d	e
1	Central governments or central banks	0	10 570 709	100.00%	0.00%	0.00%
1.1	*Of which Regional governments or local authorities*	0	0	0.00%	0.00%	0.00%
1.2	*Of which Public sector entities*	0	0	0.00%	0.00%	0.00%
2	Institutions	765 964	1 074 249	10.38%	89.62%	0.00%
3	Corporates	11 316 230	11 907 686	13.52%	86.48%	0.00%
3.1	*Of which Corporates - Specialised lending, excluding slotting approach*		27	0.00%	0.00%	0.00%
3.2	*Of which Corporates - Specialised lending under slotting approach*		2 389 550	0.00%	100.00%	0.00%
4	Retail	7 502 065	10 791 417	33.37%	66.63%	0.00%
4.1	*of which Retail – Secured by real estate SMEs*		602 859	0.00%	100.00%	0.00%
4.2	*of which Retail – Secured by real estate non-SMEs*		5 060 220	0.00%	100.00%	0.00%
4.3	*of which Retail – Qualifying revolving*		130 733	0.00%	100.00%	0.00%
4.4	*of which Retail – Other SMEs*		1 423 589	9.46%	90.54%	0.00%
4.5	*of which Retail – Other non-SMEs*		107 633	0.00%	100.00%	0.00%
5	Equity	30 117	30 117	0.00%	100.00%	0.00%
6	Other non-credit obligation assets	1 031 256	1 403 264	24.46%	73.49%	2.05%
7	**Total**	**20 645 632**	**35 777 442**	**45.38%**	**54.54%**	**0.08%**

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

In thousands of BGN

	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)			
			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 (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks														
2	Institutions														
3	Corporates	8 630 648	1.14%	24.37%	24.37%			3.09%	3.09%			3.90%		5 552 137	5 328 288
3.1	*Of which Corporates – SMEs*	3 743 520	0.25%	33.09%	33.09%			2.06%	2.06%			3.77%		2 441 348	2 271 918
3.2	*Of which Corporates – Specialised lending*														
3.3	*Of which Corporates – Other*	4 887 129	1.83%	17.70%	17.70%			3.87%	3.87%			4.00%		3 110 789	3 056 370
4	Retail	7 503 212	0.01%	55.27%	55.27%			0.87%	0.87%			0.97%		989 571	965 968
4.1	*Of which Retail – Immovable property SMEs*	642 158	0.00%	80.16%	80.16%			0.07%	0.07%			1.49%		51 086	50 052
4.2	*Of which Retail – Immovable property non-SMEs*	5 137 053	0.00%	70.71%	70.71%			0.15%	0.15%			0.00%		489 674	489 674
4.3	*Of which Retail – Qualifying revolving*	117 900	0.00%	0.00%	0.00%			7.09%	7.09%			1.27%		31 232	29 681
4.4	*Of which Retail – Other SMEs*	1 447 088	0.03%	0.00%	0.00%			3.39%	3.39%			4.25%		390 107	369 091
4.5	*Of which Retail – Other non-SMEs*	159 012	0.00%	0.00%	0.00%			0.00%	0.00%			0.00%		27 471	27 471
5	Total	16 133 860	0.61%	38.74%	38.74%			2.06%	2.06%			2.54%		6 541 708	6 294 256

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	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)			
			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 (%)	RWEA without substitution effects (reduction effects only)	RWEA with substitution effects (both reduction and substitution effects)
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks														
2	Institutions	765 964	0.00%	0.00%	0.00%			0.00%	0.00%			0.00%		212 318	212 318
3	Corporates	2 665 980	0.00%	0.00%	0.00%			0.00%	0.22%			0.00%		1 781 960	1 781 960
3.1	*Of which Corporates – SMEs*														
3.2	*Of which Corporates – Specialised lending*	2 656 989	0.00%	0.00%	0.00%			0.00%	0.22%			0.00%		1 766 878	1 766 878
3.3	*Of which Corporates – Other*	8 991	0.00%	0.00%	0.00%			0.00%	0.00%			0.00%		15 083	15 083
4	Total	3 431 944	0.00%	0.00%	0.00%			0.00%	0.17%			0.00%		1 994 278	1 994 278

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

In thousands of BGN

		Risk weighted exposure amount 31.12.2024
		a
1	**Risk weighted exposure amount as at the end of the previous reporting period**	8 870 222
2	Asset size (+/-)	1 184 374
3	Asset quality (+/-)	74 200
4	Model updates (+/-)	25 000
5	Methodology and policy (+/-)	0
6	Acquisitions and disposals (+/-)	0
7	Foreign exchange movements (+/-)	0
8	Other (+/-)	0
9	**Risk weighted exposure amount as at the end of the reporting period**	**10 153 796**

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Template CR9 –IRB approach – Back-testing of PD per exposure class (fixed PD scale)

In thousands of BGN

A-IRB

Exposure class Corporates - SME	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15	177	1	0.01	0.00	0.00	0.00
	0.00 to <0.10	91	1	0.01	0.00	0.00	0.01
	0.10 to <0.15	86	0	0.00	0.00	0.00	0.00
	0.15 to <0.25	305	0	0.00	0.00	0.00	0.00
	0.25 to <0.50	925	1	0.00	0.00	0.00	0.00
	0.50 to <0.75	901	5	0.01	0.01	0.01	0.00
	0.75 to <2.50	3 010	57	0.02	0.01	0.01	0.01
	0.75 to <1.75	2 244	30	0.01	0.01	0.01	0.00
	1.75 to <2.5	766	27	0.04	0.02	0.02	0.01
	2.50 to <10.00	1 480	40	0.03	0.05	0.05	0.01
	2.5 to <5	900	25	0.03	0.04	0.03	0.01
	5 to <10	580	15	0.03	0.07	0.07	0.02
	10.00 to <100.00	370	23	0.06	0.19	0.28	0.07
	10 to <20	172	13	0.08	0.14	0.16	0.07
	20 to <30	29	0	0.00	0.21	0.23	0.14
	30.00 to <100.00	169	10	0.06	0.36	0.41	0.02
	100.00 (Default)	185	0	0.00	1.00	1.00	0.00

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Exposure class Corporates - Other	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15	47	0	0.00	0.00	0.00	0.00
	0.00 to <0.10	22	0	0.00	0.00	0.00	0.00
	0.10 to <0.15	25	0	0.00	0.00	0.00	0.00
	0.15 to <0.25	52	0	0.00	0.00	0.00	0.00
	0.25 to <0.50	111	0	0.00	0.00	0.00	0.00
	0.50 to <0.75	94	0	0.00	0.01	0.01	0.00
	0.75 to <2.50	194	0	0.00	0.01	0.01	0.01
	0.75 to <1.75	149	0	0.00	0.01	0.01	0.00
	1.75 to <2.5	45	0	0.00	0.02	0.02	0.04
	2.50 to <10.00	129	0	0.00	0.04	0.05	0.01
	2.5 to <5	48	0	0.00	0.03	0.03	0.01
	5 to <10	81	0	0.00	0.06	0.07	0.01
	10.00 to <100.00	26	1	0.04	0.14	0.00	0.06
	10 to <20	5	0	0.00	0.14	0.11	0.07
	20 to <30	0	0	0.00	0.00	0.00	0.00
	30.00 to <100.00	21	1	0.05	0.36	0.37	0.01
	100.00 (Default)	40	0	0.00	1.00	1.00	0.00

Exposure class Retail - Secured by real estate SME	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15	49	0	0.00	0.00	0.00	0.00
	0.00 to <0.10	26	0	0.00	0.00	0.00	0.00
	0.10 to <0.15	23	0	0.00	0.00	0.00	0.00
	0.15 to <0.25	83	0	0.00	0.00	0.00	0.00

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	0.25 to <0.50	353	2	0.01	0.00	0.00	0.00
	0.50 to <0.75	336	4	0.01	0.01	0.01	0.00
	0.75 to <2.50	746	5	0.01	0.01	0.01	0.00
	0.75 to <1.75	525	2	0.00	0.01	0.01	0.00
	1.75 to <2.5	221	3	0.01	0.02	0.02	0.00
	2.50 to <10.00	183	6	0.03	0.04	0.04	0.02
	2.5 to <5	142	4	0.03	0.03	0.03	0.02
	5 to <10	41	2	0.05	0.06	0.07	0.03
	10.00 to <100.00	116	9	0.08	0.26	0.34	0.07
	10 to <20	27	1	0.04	0.15	0.13	0.04
	20 to <30	20	4	0.20	0.25	0.24	0.11
	30.00 to <100.00	69	4	0.06	0.42	0.45	0.08
	100.00 (Default)	83	0	0.00	1.00	1.00	0.00

Exposure class Retail - Secured by real estate non-SME	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15	4 251	3	0.00	0.00	0.00	0.00
	0.00 to <0.10	1 453	1	0.00	0.00	0.00	0.00
	0.10 to <0.15	2 798	2	0.00	0.00	0.00	0.00
	0.15 to <0.25	6 869	6	0.00	0.00	0.00	0.00
	0.25 to <0.50	12 390	12	0.00	0.00	0.00	0.00
	0.50 to <0.75	4 989	11	0.00	0.01	0.01	0.00
	0.75 to <2.50	6 223	35	0.01	0.01	0.01	0.00
	0.75 to <1.75	5 198	24	0.00	0.01	0.01	0.00
	1.75 to <2.5	1 025	11	0.01	0.02	0.02	0.00
	2.50 to <10.00	1 945	44	0.02	0.05	0.05	0.01
	2.5 to <5	1 232	23	0.02	0.03	0.03	0.01
	5 to <10	713	21	0.03	0.07	0.07	0.01
	10.00 to <100.00	836	83	0.10	0.24	0.24	0.06

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	10 to <20	446	22	0.05	0.14	0.14	0.03
	20 to <30	187	26	0.14	0.24	0.24	0.08
	30.00 to <100.00	203	35	0.17	0.40	0.44	0.12
	100.00 (Default)	780	0	0.00	1.00	1.00	0.00

Exposure class Retail - Qualifying revolving	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15	8 895	16	0.00	0.00	0.00	0.00
	0.00 to <0.10	4 316	8	0.00	0.00	0.00	0.00
	0.10 to <0.15	4 579	8	0.00	0.00	0.00	0.00
	0.15 to <0.25	16 560	19	0.00	0.00	0.00	0.00
	0.25 to <0.50	25 701	102	0.00	0.00	0.00	0.00
	0.50 to <0.75	13 776	83	0.01	0.01	0.01	0.00
	0.75 to <2.50	28 644	431	0.02	0.01	0.01	0.01
	0.75 to <1.75	21 516	272	0.01	0.01	0.01	0.01
	1.75 to <2.5	7 128	159	0.02	0.02	0.02	0.01
	2.50 to <10.00	18 332	845	0.05	0.04	0.04	0.02
	2.5 to <5	14 532	607	0.04	0.03	0.03	0.02
	5 to <10	3 800	238	0.06	0.07	0.07	0.03
	10.00 to <100.00	4 444	558	0.13	0.23	0.23	0.10
	10 to <20	2 476	218	0.09	0.14	0.14	0.07
	20 to <30	927	118	0.13	0.25	0.24	0.17
	30.00 to <100.00	1 041	222	0.21	0.42	0.44	0.26
	100.00 (Default)	1 788	0	0.00	1.00	1.00	0.00

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Exposure class Retail - Other SME	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15	919	0	0.00	0.00	0.00	0.00
	0.00 to <0.10	518	0	0.00	0.00	0.00	0.00
	0.10 to <0.15	401	0	0.00	0.00	0.00	0.00
	0.15 to <0.25	1 121	0	0.00	0.00	0.00	0.00
	0.25 to <0.50	3 114	8	0.00	0.00	0.00	0.00
	0.50 to <0.75	2 891	23	0.01	0.01	0.01	0.00
	0.75 to <2.50	9 786	107	0.01	0.01	0.01	0.01
	0.75 to <1.75	6 980	70	0.01	0.01	0.01	0.01
	1.75 to <2.5	2 806	37	0.01	0.02	0.02	0.01
	2.50 to <10.00	4 530	150	0.03	0.04	0.05	0.03
	2.5 to <5	3 311	98	0.03	0.03	0.04	0.02
	5 to <10	1 219	52	0.04	0.07	0.07	0.04
	10.00 to <100.00	1 453	194	0.13	0.24	0.29	0.11
	10 to <20	645	70	0.11	0.14	0.14	0.08
	20 to <30	215	42	0.20	0.24	0.25	0.11
	30.00 to <100.00	593	82	0.14	0.42	0.46	0.14
	100.00 (Default)	1 845	0	0.00	1.00	1.00	0.00

Exposure class Retail - Other non-SME	PD range	Number of obligors at the end of previous year		Observed average default rate (%)	Exposures weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	f	g	h
	0.00 to <0.15	1 022	3	0.00	0.00	0.00	0.00
	0.00 to <0.10	610	1	0.00	0.00	0.00	0.00
	0.10 to <0.15	412	2	0.00	0.00	0.00	0.00
	0.15 to <0.25	854	2	0.00	0.00	0.00	0.00

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	0.25 to <0.50	1 624	7	0.00	0.00	0.00	0.00
	0.50 to <0.75	914	2	0.00	0.01	0.01	0.00
	0.75 to <2.50	1 696	16	0.01	0.01	0.01	0.01
	0.75 to <1.75	1 319	13	0.01	0.01	0.01	0.01
	1.75 to <2.5	377	3	0.01	0.02	0.02	0.01
	2.50 to <10.00	921	26	0.03	0.04	0.05	0.01
	2.5 to <5	616	11	0.02	0.04	0.03	0.01
	5 to <10	305	15	0.05	0.07	0.07	0.02
	10.00 to <100.00	1 034	167	0.16	0.24	0.29	0.10
	10 to <20	286	32	0.11	0.13	0.14	0.05
	20 to <30	220	30	0.14	0.24	0.25	0.14
	30.00 to <100.00	528	105	0.20	0.38	0.38	0.25
	100.00 (Default)	6 103	0	0.00	1.00	1.00	0.00

F-IRB

Exposure class Institutions	PD range	Number of obligors in the end of previous year		Observed average default rate (%)	Exposure weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	**f**	g	h
	0.00 to <0.15	54	0	0.00	0.00	0.00	0.00
	0.00 to <0.10	47	0	0.00	0.00	0.00	0.00
	0.10 to <0.15	7	0	0.00	0.00	0.00	0.00
	0.15 to <0.25	0	0	0.00	0.00	0.00	0.00
	0.25 to <0.50	5	0	0.00	0.00	0.00	0.00
	0.50 to <0.75	0	0	0.00	0.01	0.00	0.00
	0.75 to <2.50	2	0	0.00	0.02	0.01	0.00
	0.75 to <1.75	1	0	0.00	0.01	0.01	0.00
	1.75 to <2.5	1	0	0.00	0.02	0.02	0.00
	2.50 to <10.00	6	0	0.00	0.05	0.04	0.00
	2.5 to <5	6	0	0.00	0.04	0.04	0.00
	5 to <10	0	0	0.00	0.07	0.00	0.00

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	10.00 to <100.00	0	0	0.00	0.25	0.00	0.00
	10 to <20	0	0	0.00	0.16	0.00	0.00
	20 to <30	0	0	0.00	0.23	0.00	0.00
	30.00 to <100.00	0	0	0.00	0.41	0.00	0.00
	100.00 (Default)	0	0	0.00	1.00	0.00	0.00

Exposure class Corporates - Other	PD range	Number of obligors in the end of previous year		Observed average default rate (%)	Exposure weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
			Of which number of obligors which defaulted in the year				
a	b	c	d	e	**f**	g	h
	0.00 to <0.15	13	0	0.00	0.00	0.00	0.00
	0.00 to <0.10	12	0	0.00	0.00	0.00	0.00
	0.10 to <0.15	1	0	0.00	0.00	0.00	0.00
	0.15 to <0.25	0	0	0.00	0.00	0.00	0.00
	0.25 to <0.50	1	0	0.00	0.00	0.00	0.00
	0.50 to <0.75	0	0	0.00	0.00	0.00	0.00
	0.75 to <2.50	1	0	0.00	0.02	0.00	0.00
	0.75 to <1.75	0	0	0.00	0.00	0.00	0.00
	1.75 to <2.5	1	0	0.00	0.00	0.02	0.00
	2.50 to <10.00	4	0	0.00	0.05	0.06	0.00
	2.5 to <5	2	0	0.00	0.04	0.04	0.00
	5 to <10	2	0	0.00	0.08	0.08	0.00
	10.00 to <100.00	0	0	0.00	0.14	0.00	0.00
	10 to <20	0	0	0.00	0.14	0.00	0.00
	20 to <30	0	0	0.00	0.00	0.00	0.00
	30.00 to <100.00	0	0	0.00	0.00	0.00	0.00
	100.00 (Default)	0	0	0.00	0.00	0.00	0.00

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

In thousands of BGN

		Unsecured carrying amount	Secured carrying amount			
				Of which secured by collateral	Of which secured by financial guarantees	
						Of which secured by credit derivatives
		a	b	c	d	e
1	Loans and advances	11 232 191.00	14 539 060.00	13 799 464.00	739 596.00	
2	Debt securities	5 438 658.00	0	0	0	
3	Total	16 670 849.00	14 539 060.00	13 799 464.00	739 596.00	
4	*Of which non-performing exposures*	27 456.00	138 082.00	119 025.00	19 057.00	
EU-5	*Of which defaulted*					

Template EU MR1 - Market risk under the standardised approach

In thousands of BGN

		a
		RWEAs
	Outright products	
1	Interest rate risk (general and specific)	169 625
2	Equity risk (general and specific)	0
3	Foreign exchange risk	0
4	Commodity risk	0
	Options	
5	Simplified approach	0
6	Delta-plus approach	0
7	Scenario approach	0
8	Securitisation (specific risk)	0
9	**Total**	**169 625**

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Template EU OR1 - Operational risk own funds requirements and risk-weighted exposure amounts

In thousands of BGN

	Banking activities	a	b	c	d	e
		Relevant indicator			Own funds requirements	Risk exposure amount
		Year-3	Year-2	Last year		
1	Banking activities subject to basic indicator approach (BIA)					
2	Banking activities subject to standardised (TSA) / alternative standardised (ASA) approaches					
3	*Subject to TSA:*					
4	*Subject to ASA:*					
5	Banking activities subject to advanced measurement approaches AMA	934 885	965 251	1 468 061	95 251	1 190 638

Template EU IRRBB1 - Interest rate risks of non-trading book activities

In thousands of BGN

	Supervisory shock scenarios	a	b	c	d
		Changes of the economic value of equity		Changes of the net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	-0.0047	-0.0510	0.0058	0.0125
2	Parallel down	-0.0298	0.0001	-0.0214	-0.0258
3	Steepener	0.0123	0.0047		
4	Flattener	-0.0226	-0.0129		
5	Short rates up	-0.0217	-0.0303		
6	Short rates down	0.0071	0.0121		

Behavioral model implemented for Non-maturity deposits.
Average duration of 1.93Y and longest duration of 36Y.

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Template EU-SEC1 - Securitisation exposures in the non-trading book

In thousands of BGN

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Institution acts as originator							Institution acts as sponsor				Institution acts as investor			
		Traditional				Synthetic		Sub-total	Traditional		Synthetic	Sub-total	Traditional		Synthetic	Sub-total
		STS		Non-STS			of which SRT		STS	Non-STS			STS	Non-STS		
			of which SRT		of which SRT											
1	**Total exposures**	**0**	**0**	**0**	**0**	**183 598**	**183 598**	**183 598**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
2	Retail (total)															
3	residential mortgage															
4	credit card															
5	other retail exposures															
6	re-securitisation															
7	Wholesale (total)	0	0	0	0	183 598	183 598	183 598	0	0	0	0	0	0	0	0
8	loans to corporates	0	0	0	0	183 598	183 598	183 598	0	0	0	0	0	0	0	0
9	commercial mortgage															
10	lease and receivables															
11	other wholesale															
12	re-securitisation															

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Template EU-SEC3 - Securitisation exposures in the non-trading book and associated regulatory capital requirements - institution acting as originator or as sponsor

In thousands of BGN

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	EU-p	EU-q
		Exposure values (by RW bands/deductions)					Exposure values (by regulatory approach)				RWEA (by regulatory approach)				Capital charge after cap			
		≤20% RW	>20% to 50% RW	>50% to 100% RW	>100% to <1250 % RW	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions	SEC-IRBA	SEC-ERBA (including IAA)	SEC-SA	1250% RW/ deductions
1	**Total exposures**	**183 598**	**0**	**0**	**0**	**0**	**183 598**	**0**	**0**	**0**	**0**	**18 360**	**0**	**0**	**0**	**0**	**1 469**	**0**
2	Traditional transactions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Securitisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Retail	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Of which STS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Wholesale	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Of which STS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Re-securitisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Synthetic transactions	183 598	0	0	0	0	183 598	0	0	0	0	18 360	0	0	0	0	1 469	0
10	Securitisation	183 598	0	0	0	0	183 598	0	0	0	0	18 360	0	0	0	0	1 469	0
11	Retail underlying	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Wholesale	183 598	0	0	0	0	183 598	0	0	0	0	18 360	0	0	0	0	1 469	0
13	Re-securitisation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Template EU-SEC5 - Exposures securitised by the institution - Exposures in default and specific credit risk adjustments

In thousands of BGN

		a	b	c
		Exposures securitised by the institution - Institution acts as originator or as sponsor		
		Total outstanding nominal amount		Total amount of specific credit risk adjustments made during the period
			Of which exposures in default	
1	**Total exposures**	**568 864**	**0**	**0**
2	Retail (total)	132	0	0
3	residential mortgage	0	0	0
4	credit card	0	0	0
5	other retail exposures	132	0	0
6	re-securitisation	0	0	0
7	Wholesale (total)	568 732	0	0
8	loans to corporates	568 732	0	0
9	commercial mortgage	0	0	0
10	lease and receivables	0	0	0
11	other wholesale	0	0	0
12	re-securitisation	0	0	0

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

In thousands of BGN

		a
		Applicable amount
1	Total assets as per published financial statements	35 134 595
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-2 653
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	0
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	0
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (i) of Article 429a(1) CRR)	0
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	0
7	Adjustment for eligible cash pooling transactions	0
8	Adjustment for derivative financial instruments	323 743
9	Adjustment for securities financing transactions (SFTs)	406 770
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	2 836 352
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	0
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	0
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) CRR)	0
12	Other adjustments	-22 425
13	**Total exposure measure**	**38 676 382**

Template EU LR2 - LRCom: Leverage ratio common disclosure

In thousands of BGN

		CRR leverage ratio exposures	
		a	b
		31.12.2024	31.12.2023
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	33 128 217	30 543 869
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	0	0
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-1 978	-9 330
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	0	0
5	(General credit risk adjustments to on-balance sheet items)	0	0
6	(Asset amounts deducted in determining Tier 1 capital)	-53 136	-52 674
7	Total on-balance sheet exposures (excluding derivatives and SFTs)	33 073 103	30 481 865
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	174 315	62 943
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	0	0
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	315 991	292 701
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardised approach	0	0
EU-9b	Exposure determined under Original Exposure Method	0	0
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	0	0
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	0	0
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (Original Exposure Method)	0	0
11	Adjusted effective notional amount of written credit derivatives	0	0
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0	0
13	Total derivatives exposures	490 306	355 644

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Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	1 869 851	2 096 841
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0	0
16	Counterparty credit risk exposure for SFT assets	406 770	441 317
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429e(5) and 222 CRR	0	0
17	Agent transaction exposures	0	0
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	0	0
18	Total securities financing transaction exposures	2 276 621	2 538 158
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	9 516 454	8 846 076
20	(Adjustments for conversion to credit equivalent amounts)	-6 680 102	-6 035 236
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)		
22	Off-balance sheet exposures	2 836 352	2 810 840
Excluded exposures			
EU-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) CRR)	0	0
EU-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) CRR (on and off balance sheet))	0	0
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	0	0
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	0	0
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	0	0
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	0	0
EU-22g	(Excluded excess collateral deposited at triparty agents)	0	0
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with point (o) of Article 429a(1) CRR)	0	0
EU-22i	(Excluded CSD related services of designated institutions in accordance with point (p) of Article 429a(1) CRR)	0	0
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	0	0
EU-22k	(Total exempted exposures)	0	0
Capital and total exposure measure			
23	Tier 1 capital	3 481 118	3 170 326
24	Total exposure measure	**38 676 382**	**36 186 507**

Leverage ratio			
25	Leverage ratio (%)	9.00%	8.76%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans) (%)	9.00%	8.76%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) (%)	9.00%	8.76%
26	Regulatory minimum leverage ratio requirement (%)	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%
27	Leverage ratio buffer requirement (%)	0.00%	0.00%
EU-27a	Overall leverage ratio requirement (%)	3.00%	3.00%
Choice on transitional arrangements and relevant exposures			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	NA	NA
Disclosure of mean values			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	1 869 851	2 096 841
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	1 869 851	2 096 841
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	38 676 382	36 186 507
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	38 676 382	36 186 507
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.00%	8.76%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.00%	8.76%

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

In thousands of BGN

		a
		CRR leverage ratio exposures
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**33 128 217**
EU-2	Trading book exposures	196
EU-3	Banking book exposures, of which:	33 128 021
EU-4	Covered bonds	414 355
EU-5	Exposures treated as sovereigns	10 812 628
EU-6	Exposures to regional governments, MDB, international organisations and PSE, not treated as sovereigns	101 149
EU-7	Institutions	192 716
EU-8	Secured by mortgages of immovable properties	5 607 115
EU-9	Retail exposures	6 256 127
EU-10	Corporates	8 138 567
EU-11	Exposures in default	209 535
EU-12	Other exposures (e.g. equity, securitisations, and other non-credit obligation assets)	1 395 829

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Template EU LIQ1 - Quantitative information of LCR

In thousands of BGN

		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending on (DD Month YYY)	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2024	30.09.2024	30.06.2024	31.03.2024
EU 1b	Number of data points used in the calculation of averages								
HIGH-QUALITY LIQUID ASSETS									
1	Total high-quality liquid assets (HQLA)					10 484 510	10 167 087	10 255 980	10 785 257
CASH - OUTFLOWS									
2	Retail deposits and deposits from small business customers, of which:	17 428 735	16 829 786	16 558 704	16 247 328	1 339 409	1 327 654	1 316 654	1 300 857
3	*Stable deposits*	9 877 334	8 825 808	8 551 377	8 254 354	493 867	441 290	427 569	412 718
4	*Less stable deposits*	7 551 401	8 003 978	8 007 327	7 992 974	845 542	886 364	889 085	888 139
5	Unsecured wholesale funding	8 677 137	8 582 142	8 410 904	8 473 825	4 134 372	4 049 797	3 941 879	3 997 724
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	762 664	756 684	732 518	729 161	167 238	165 636	161 098	161 024
7	*Non-operational deposits (all counterparties)*	7 912 294	7 823 048	7 675 946	7 737 087	3 964 955	3 881 751	3 778 340	3 834 285
8	*Unsecured debt*	2 179	2 410	2 440	2 416	2 179	2 410	2 440	2 416
9	*Secured wholesale funding*					0	0	0	0
10	Additional requirements	14 415 768	14 353 020	13 128 526	13 204 789	9 185 451	9 223 482	8 193 854	8 121 002
11	*Outflows related to derivative exposures and other collateral requirements*	8 523 468	8 568 515	7 637 671	7 533 175	8 523 468	8 568 515	7 637 671	7 533 175
12	*Outflows related to loss of funding on debt products*	0	0	0	0	0	0	0	0
13	*Credit and liquidity facilities*	5 892 300	5 784 505	5 490 855	5 671 614	661 983	654 967	556 183	587 827

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14	Other contractual funding obligations	40 693	18 459	18 278	17 771	40 693	18 459	12 227	17 771
15	Other contingent funding obligations	2 940 555	3 281 105	3 719 889	2 148 806	177 327	216 928	263 970	108 834
16	TOTAL CASH OUTFLOWS					14 882 286	14 841 814	13 740 270	13 551 349
CASH - INFLOWS									
17	Secured lending (e.g. reverse repos)	814 309	646 754	1 403 895	1 304 238	4 693	0	0	0
18	Inflows from fully performing exposures	391 346	346 424	373 909	492 714	329 068	283 819	306 270	426 766
19	Other cash inflows	8 545 338	8 568 281	7 644 357	7 542 668	8 542 179	8 565 999	7 644 031	7 542 668
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					0	0	0	0
EU-19b	(Excess inflows from a related specialised credit institution)					0	0	0	0
20	TOTAL CASH INFLOWS	9 750 993	9 561 459	9 422 160	9 339 620	8 875 940	8 849 818	7 950 301	7 969 435
EU-20a	*Fully exempt inflows*	0	0	0	0	0	0	0	0
EU-20b	*Inflows subject to 90% cap*	0	0	0	0	0	0	0	0
EU-20c	*Inflows subject to 75% cap*	9 750 993	9 561 459	9 422 160	9 339 620	8 880 689	8 849 818	7 950 301	7 969 435
TOTAL ADJUSTED VALUE									
EU-21	LIQUIDITY BUFFER					10 484 510	10 167 087	10 255 980	10 785 257
22	TOTAL NET CASH OUTFLOWS					6 001 598	5 991 997	5 789 969	5 581 914
23	LIQUIDITY COVERAGE RATIO					174.70%	169.68%	177.13%	193.22%

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Template EU LIQ2: Net Stable Funding Ratio

In thousands of BGN

31.12.2024

		a	b	c	d	e
	(in currency amount)	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**3 203 437**	**0**	**0**	**1 306 499**	**4 509 936**
2	*Own funds*	3 203 437	0	0	359 254	3 562 691
3	*Other capital instruments*		0	0	947 245	947 245
4	Retail deposits		**17 924 532**	**0**	**0**	**16 656 344**
5	*Stable deposits*		10 485 299	0	0	9 961 034
6	*Less stable deposits*		7 439 233	0	0	6 695 310
7	Wholesale funding:		**10 582 954**	**0**	**1 446 594**	**5 388 298**
8	*Operational deposits*		799 231	0	0	30 299
9	*Other wholesale funding*		9 783 723	0	1 446 594	5 357 999
10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**164 854**	**124 596**	**0**	**232 046**	**232 046**
12	*NSFR derivative liabilities*	164 854				
13	*All other liabilities and capital instruments not included in the above categories*		124 596	0	232 046	232 046
14	Total available stable funding (ASF)					**26 786 624**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**223 245**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**0**	**0**	**0**	**0**
16	Deposits held at other financial institutions for operational purposes		**0**	**0**	**0**	**0**
17	Performing loans and securities:		**7 761 915**	**1 646 587**	**13 525 348**	**14 581 383**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		1 267 959	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		1 171 078	776 854	3 623 010	4 108 261
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4 755 550	752 840	4 532 661	10 041 822

30.09.2024

		a	b	c	d	e
	(in currency amount)	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**3 180 596**	**0**	**0**	**994 361**	**4 174 957**
2	*Own funds*	3 180 596	0	0	353 829	3 534 425
3	*Other capital instruments*		0	0	640 532	640 532
4	Retail deposits		**17 078 331**	**0**	**0**	**15 818 107**
5	*Stable deposits*		8 952 170	0	0	8 504 562
6	*Less stable deposits*		8 126 161	0	0	7 313 545
7	Wholesale funding:		**9 876 458**	**0**	**1 206 184**	**5 064 624**
8	*Operational deposits*		789 295	0	0	31 794
9	*Other wholesale funding*		9 087 163	0	1 206 184	5 032 830
10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**185 990**	**120 286**	**0**	**279 102**	**279 102**
12	*NSFR derivative liabilities*	185 990				
13	*All other liabilities and capital instruments not included in the above categories*		120 286	0	279 102	279 102
14	Total available stable funding (ASF)					**25 336 790**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**225 959**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**0**	**0**	**0**	**0**
16	Deposits held at other financial institutions for operational purposes		**0**	**0**	**0**	**0**
17	Performing loans and securities:		**6 981 811**	**1 363 681**	**12 909 429**	**13 941 559**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		381 188	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		1 326 511	565 438	3 474 907	3 860 159
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4 798 195	645 015	4 413 133	9 676 448

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21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		596 130	85 153	510 398	3 979 684
22	*Performing residential mortgages, of which:*		442 040	116 756	4 902 678	0
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		299 219	110 506	4 720 178	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*		125 288	137	466 999	431 300
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**3 352 905**	**8 192**	**692 179**	**757 364**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	0	0	0
29	*NSFR derivative assets*		0	0	0	0
30	*NSFR derivative liabilities before deduction of variation margin posted*		164 854	0	0	8 243
31	*All other assets not included in the above categories*		3 188 051	8 192	692 179	749 121
32	Off-balance sheet items		**3 262 039**	**682 006**	**4 769 991**	**555 933**
33	Total RSF					**16 117 925**
34	Net Stable Funding Ratio (%)					166.19%

21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		664 925	90 196	563 225	3 883 663
22	*Performing residential mortgages, of which:*		441 905	108 672	4 579 720	0
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		337 757	104 402	4 436 062	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*		34 012	44 556	441 669	404 952
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**3 244 315**	**3 767**	**663 493**	**725 272**
27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	0	0	0
29	*NSFR derivative assets*		0	0	0	0
30	*NSFR derivative liabilities before deduction of variation margin posted*		185 990	0	0	9 300
31	*All other assets not included in the above categories*		3 058 325	3 767	663 493	715 972
32	Off-balance sheet items		**3 194 159**	**944 161**	**4 668 098**	**583 927**
33	Total RSF					**15 476 717**
34	Net Stable Funding Ratio (%)					163.71%

30.06.2024

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**3 177 234**	**0**	**0**	**704 341**	**3 881 575**
2	*Own funds*	3 177 234	0	0	252 428	3 429 662
3	*Other capital instruments*		0	0	451 913	451 913
4	Retail deposits		**16 865 538**	**0**	**0**	**15 614 691**
5	*Stable deposits*		8 714 151	0	0	8 278 443
6	*Less stable deposits*		8 151 387	0	0	7 336 248
7	Wholesale funding:		**9 505 445**	**0**	**1 304 126**	**4 989 759**
8	*Operational deposits*		728 893	0	0	19 233
9	*Other wholesale funding*		8 776 552	0	1 304 126	4 970 526

31.03.2024

		a	b	c	d	e
(in currency amount)		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	**2 878 696**	**0**	**0**	**1 212 389**	**4 091 085**
2	*Own funds*	2 878 696	0	0	251 081	3 129 777
3	*Other capital instruments*		0	0	961 308	961 308
4	Retail deposits		**16 568 661**	**0**	**0**	**15 332 045**
5	*Stable deposits*		8 404 987	0	0	7 984 738
6	*Less stable deposits*		8 163 674	0	0	7 347 307
7	Wholesale funding:		**10 308 223**	**0**	**1 205 516**	**4 961 614**
8	*Operational deposits*		674 746	0	0	16 741
9	*Other wholesale funding*		9 633 477	0	1 205 516	4 944 873

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10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**160 731**	**90 737**	**0**	**261 626**	**261 626**
12	*NSFR derivative liabilities*	160 731				
13	*All other liabilities and capital instruments not included in the above categories*		90 737	0	261 626	261 626
14	Total available stable funding (ASF)					**24 747 651**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**289 406**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**0**	**0**	**0**	**0**
16	Deposits held at other financial institutions for operational purposes		**0**	**0**	**0**	**0**
17	Performing loans and securities:		**7 063 162**	**1 604 810**	**12 557 370**	**13 718 171**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		973 245	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		866 868	945 736	3 215 845	3 765 493
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4 751 841	513 313	4 581 205	9 542 294
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		881 588	93 622	602 244	3 843 512
22	*Performing residential mortgages, of which:*		428 257	101 823	4 313 385	0
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		363 915	97 400	4 151 843	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*		42 951	43 938	446 935	410 384
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**3 135 452**	**5 143**	**622 940**	**676 199**

10	Interdependent liabilities		**0**	**0**	**0**	**0**
11	Other liabilities:	**179 731**	**46 507**	**0**	**301 372**	**301 372**
12	*NSFR derivative liabilities*	179 731				
13	*All other liabilities and capital instruments not included in the above categories*		46 507	0	301 372	301 372
14	Total available stable funding (ASF)					**24 686 116**
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					**321 187**
EU-15a	Assets encumbered for a residual maturity of one year or more in a cover pool		**0**	**0**	**0**	**0**
16	Deposits held at other financial institutions for operational purposes		**0**	**0**	**0**	**0**
17	Performing loans and securities:		**8 922 571**	**1 851 677**	**11 674 661**	**13 121 611**
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		2 597 983	0	0	0
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		1 110 093	1 111 220	2 936 719	3 603 338
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		4 711 820	640 443	4 201 027	9 080 933
21	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		1 057 540	95 222	626 354	3 800 023
22	*Performing residential mortgages, of which:*		434 649	99 179	4 046 078	0
23	*With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		388 601	94 761	3 907 896	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*		68 026	835	490 837	437 340
25	Interdependent assets		**0**	**0**	**0**	**0**
26	Other assets:		**3 026 213**	**5 743**	**592 266**	**634 580**

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27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	0	0	0
29	*NSFR derivative assets*		0	0	0	0
30	*NSFR derivative liabilities before deduction of variation margin posted*		160 731	0	0	8 037
31	*All other assets not included in the above categories*		2 974 721	5 143	622 940	668 162
32	Off-balance sheet items		**2 877 488**	**958 191**	**5 173 938**	**623 868**
33	Total RSF					**15 307 644**
34	Net Stable Funding Ratio (%)					161.67%

27	*Physical traded commodities*				0	0
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0	0	0	0
29	*NSFR derivative assets*		0	0	0	0
30	*NSFR derivative liabilities before deduction of variation margin posted*		179 731	0	0	8 987
31	*All other assets not included in the above categories*		2 846 482	5 743	592 266	625 593
32	Off-balance sheet items		**3 120 445**	**730 761**	**3 773 214**	**486 808**
33	Total RSF					**14 564 186**
34	Net Stable Funding Ratio (%)					169.50%

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Template EU REM1 - Remuneration awarded for the financial year

In thousands of BGN

			a	b	c	d
			MB Supervisory function	MB Management function	Other senior management	Other identified staff
1	Fixed remuneration	Number of identified staff	7	8		91
2		Total fixed remuneration	78	3 285		9 952
3		Of which: cash-based	78	3 285		9 952
4		(Not applicable in the EU)				
EU-4a		Of which: shares or equivalent ownership interests				
5		Of which: share-linked instruments or equivalent non-cash instruments				
EU-5x		Of which: other instruments				
6		(Not applicable in the EU)				
7		Of which: other forms				
8		(Not applicable in the EU)				
9	Variable remuneration	Number of identified staff		8		91
10		Total variable remuneration		3 425		2 934
11		Of which: cash-based		1 060		2 870
12		Of which: deferred		492		19
EU-13a		Of which: shares or equivalent ownership interests		2 365		64
EU-14a		Of which: deferred		1 518		29
EU-13b		Of which: share-linked instruments or equivalent non-cash instruments				
EU-14b		Of which: deferred				
EU-14x		Of which: other instruments				
EU-14y		Of which: deferred				
15		Of which: other forms				
16		Of which: deferred				
17	Total remuneration (2 + 10)		78	6 710	0	12 886

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

In thousands of BGN

		a	b	c	d
		MB Supervisory function	MB Management function	Other senior management	Other identified staff
	Guaranteed variable remuneration awards				
1	Guaranteed variable remuneration awards - Number of identified staff				
2	Guaranteed variable remuneration awards -Total amount				
3	Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap				
	Severance payments awarded in previous periods, that have been paid out during the financial year				
4	Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff				
5	Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount				
	Severance payments awarded during the financial year				
6	Severance payments awarded during the financial year - Number of identified staff				1
7	Severance payments awarded during the financial year - Total amount				106
8	Of which paid during the financial year				106
9	Of which deferred				0
10	Of which severance payments paid during the financial year, that are not taken into account in the bonus cap				0
11	Of which highest payment that has been awarded to a single person				106

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Template EU REM3 - Deferred remuneration

In thousands of BGN

		a	b	c	d	e	f	EU - g	EU - h
	Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in future performance years	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e.changes of value of deferred remuneration due to the changes of prices of instruments)	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
1	MB Supervisory function								
2	Cash-based								
3	Shares or equivalent ownership interests								
4	Share-linked instruments or equivalent non-cash instruments								
5	Other instruments								
6	Other forms								
7	MB Management function	4 473	472	4 001	0	0	0	472	366
8	Cash-based	1 584	106	1 478				106	
9	Shares or equivalent ownership interests	2 840	366	2 474				366	366
10	Share-linked instruments or equivalent non-cash instruments	49		49					
11	Other instruments								
12	Other forms								
13	Other senior management								
14	Cash-based								
15	Shares or equivalent ownership interests								
16	Share-linked instruments or equivalent non-cash instruments								
17	Other instruments								
18	Other forms								
19	Other identified staff	145	30	115	0	0	0	30	25
20	Cash-based	72	5	67				5	
21	Shares or equivalent ownership interests	73	25	48				25	25
22	Share-linked instruments or equivalent non-cash instruments								
23	Other instruments								
24	Other forms								
25	Total amount	4 618	502	4 116	0	0	0	502	391

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

In thousands of BGN

		a	b	c	d	e	f	g	h	i	j
		Management body remuneration			Business areas						-
		MB Supervisory function	MB Management function	Total MB	Investment banking	Retail banking	Asset management	Corporate functions	Independent internal control functions	All other	Total
1	Total number of identified staff										**106**
2	Of which: members of the MB	7	8	15							
3	Of which: other senior management										
4	Of which: other identified staff				6	42	0	9	34	0	
5	Total remuneration of identified staff	78	6710	6788	759	6264	0	1718	4145	0	
6	Of which: variable remuneration	0	3425	3425	232	1479	0	303	921	0	
7	Of which: fixed remuneration	78	3285	3364	527	4785	0	1415	3224	0	

UniCredit Bulbank

Declaration by the Manager charged with preparing the financial reports

The undersigned, Ms. Nevena Nikse – Chief Financial Officer and Member of the Management Board of UniCredit Bulbank, in her capacity as the Manager charged with preparing the financial reports of UniCredit Bulbank AD

DECLARES

that, pursuant to article 154-bis, paragraph 2, of the “Consolidated Law on Financial Intermediation”, the information disclosed in this document corresponds to the accounting documents, books and records.

Sofia,

June 25, 2025

Nevena Nikse

Ms. Nevena Nikse

Chief Financial Officer
and Member of the Management Board
of UniCredit Bulbank