



Acceleration in action

From potential to unlimited possibility

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FINANCIAL HIGHLIGHTS (Unconsolidated)

Thousands of BGN, unless otherwise stated

Income Statement Figures	YEAR		CHANGE
	2025	2024	
Net interest income	755 240	775 891	(2.7%)
Net fee and commission income	349 077	315 405	10.7%
Income from dividend, net gains/(loss) from trading income, hedging derivatives and investment securities	250 620	339 143	(26.1%)
Other operating income/expenses, net	(8 283)	1 422	(682.5%)
Operating income	1 346 654	1 431 861	(6.0%)
Operating expenses	(379 488)	(364 674)	4.1%
Gross operating profit	967 166	1 067 187	(9.4%)
Net impairment (loss)/reversal on financial assets	80 905	(9 253)	(974.4%)
Provisions for risk and charges	(1 362)	16 797	(108.1%)
Net income from PPE	16	179	(91.1%)
Profit before tax	1 046 725	1 074 910	(2.6%)
Net profit	903 161	947 244	(4.7%)
Volume Figures			
Total assets (eop)	41 016 103	34 896 854	17.5%
Net customer loans (eop) ¹⁾	27 806 610	23 605 471	17.8%
Customer deposits (eop) ²⁾	31 145 193	26 418 924	17.9%
Shareholders' equity (eop)	4 766 734	4 150 681	14.8%
RWA (eop)	18 677 279	16 322 827	14.4%
Key Performance Indicators (%)			
Return on average assets (ROA)	2.4	2.8	(0.4pp)
Return on average equity (ROE)	20.3	24.2	(4.0pp)
Cost/Income ratio	28.2	25.5	2.7pp
Net profit margin	67.1	66.2	0.9pp
Capital/Asset ratio (eop)	11.6	11.9	(0.3pp)
Total capital adequacy ratio (eop)	23.47	21.80	1.7pp
Tier 1 capital ratio (eop)	20.56	19.60	1.0pp
CET 1 capital ratio (eop)	20.56	19.60	1.0pp
Risk weighted assets/Total assets ratio (eop)	45.5	46.8	(1.2pp)
Non-performing exposures/Gross loans	2.1	2.3	(0.2pp)
Net Loan/Deposit ratio	89.3	89.4	(0.1pp)
Resources (number) – (eop)			
Employees	3 038	3 134	(96)
Branches	121	125	(4)

¹⁾ Loans and advances to customers and debt securities at amortised cost and pledged debt securities

²⁾ Deposits from customers and other financial liabilities at amortized cost

CHAIRPERSON'S MESSAGE

“

For UniCredit Bulbank it was a year in which we exceeded our most ambitious expectations.

”

TZVETANKA MINTCHEVA
CHAIRPERSON OF THE
MANAGEMENT BOARD
AND CEO OF UNICREDIT BULBANK



Dear shareholders, partners, clients and colleagues,

2025 was a landmark year for UniCredit Bulbank and for Bulgaria. For our Bank it was a year in which we exceeded our most ambitious expectations and for the country it was a historic moment of entering the Eurozone as newest member of the club.

UniCredit Bulbank set new performance records across every major dimension and strengthened **our position in the Bulgarian banking sector**. Building on the sustainable and disciplined progress achieved in 2023 and 2024, we entered 2025 with focus, ambition and resilience. The results speak for themselves: **we delivered exceptional financial performance, accelerated our transformation** and continued to generate **long-term value for the clients, communities we serve and shareholders**. Expecting the positive impact on country's economy euro adoption will bring, we remain confident in our future success leveraging the opportunities and supporting all our stakeholders.

Over the past years, UniCredit has demonstrated a **consistent ability to perform** through changing economic cycles, delivering resilient earnings, disciplined growth and robust capital generation. Even in an environment defined by volatility and structural change, our results reflect deliberate strategic choices in how we allocate capital, manage risk and maintain **long-term sustainability**. This foundation has allowed us to navigate uncertainty with confidence and predictability.

This progress was supported by a comprehensive **transformation of our operating model**, through which we enhanced efficiency while **continuing to invest meaningfully in our people, digital capabilities, product platforms and distribution network**. By creating an empowered, high-performing environment, we enabled our teams to act with clarity, speed and purpose, consistently **delivering exceptional outcomes for our clients and stakeholders**.

Despite the persistent challenges stemming from global macroeconomic shifts and ongoing geopolitical tensions, we continued to demonstrate dynamism, innovation and resilience - qualities essential not only for sustaining business performance but also for supporting the communities that rely on us. As a forward-looking institution, UniCredit Bulbank remains deeply committed to embracing innovation, prioritising clients in everything we do and enhancing our organisational capabilities to deliver even greater value across the market we serve.

UniCredit Bulbank's performance in 2025 earned outstanding external recognition, marked the Bank's leadership, resilience and excellence across all key dimensions of banking. **Fitch upgraded our Long-Term Issuer Default Rating to 'A-' with a Stable outlook**, reflecting the strength of both the Group and the Bulgarian franchise. We were honoured by **The Banker as the "Best Bank in Bulgaria"**, while **Euromoney** distinguished us with multiple awards, including **Bulgaria's Best Bank for Corporates, Best Digital Bank and Best Trade Finance Bank**. Our digital leadership was further validated by **Global Finance**, which recognised us with the **Best Mobile Banking App Award 2025**, as well as awards for **Best Online Product Offering and Best Sub-Custodian Bank**. Additionally, UniCredit Bulbank was named **Best Private Bank** at the **PWM & The Banker Global Private Banking Awards 2025**, reaffirming our position as a trusted partner for clients across all segments. These recognitions highlight the unwavering commitment of our teams and the effectiveness of our strategic direction in consistently delivering outstanding performance.

Benchmark for commercial excellence, profitability and efficiency

Through disciplined cost management and a prudent risk approach, we delivered a record net profit and maintained our leadership in terms of efficiency and profitability indicators across the Bulgarian banking market. We closed the year as **undisputed No.1 bank in Corporate banking**, the **most active Retail lender** among our main peers for a second consecutive year and the **most efficient bank on the market**, sustaining the **lowest Cost/Income ratio** and **generating nearly one-quarter of the banking system's total net profit** - once again **outperforming the market** across all major profitability indicators. This exceptional performance was matched by **continued expansion of our market presence** across all core segments – **sustainable growth in market shares** in corporate loans and deposits as well as in retail loans and deposits.

UniCredit Bulbank stands out as the only major bank in Bulgaria that has delivered sustained, **fully organic growth** over the past decade - while key competitors expanded through acquisitions. UniCredit Bulbank continued to be one of the best liquid and capitalized banks (CET 1 at 20.6% - stand-alone) supported by a record Net Profit at BGN 903.2mln. Our exceptional results were driven by record loan new production, disciplined risk management, strong excess-liquidity stewardship, accelerated digital advancement, optimized liquidity policies and a clear focus on capital-light fee-generating products.

Amid ongoing consolidation in the banking sector, which strengthened economies of scale for UCB's competitors and the system overall, UniCredit Bulbank continues to demonstrate operating efficiency compared with the banking system. The Bank reports a **Cost/Income ratio significantly below the market average**, underscoring its strong focus on disciplined cost management and sustainable profitability (27.3% for UCB including UCFin vs. 36.6% for the market).

In the Corporate Loans, UniCredit Bulbank maintained its position as the absolute **market leader** with a 27.1% market share. The Bank continued to serve as the **primary financial partner** for companies operating in Bulgaria, as reflected in its dominant standing within the non-financial corporate sector, where it holds more than **one-fifth of the banking system's total exposure** (21.6% market share as of December 2025).

Despite a challenging operating environment and in line with its disciplined risk approach, UniCredit Bulbank (including UCFin) outperformed the Banking System in Retail Loans, delivering 24.9% y/y growth compared with 20.7% for the sector. This resulted in a +60bps increase to a record-high 17.9% market share (including UCFin), marking **48 consecutive months of market-share expansion**. Growth was driven by strong, double-digit performance in both Mortgage and Consumer Lending, positioning UCB as the top performer among its main peers in Retail Loan growth.

Digital transformation

A major milestone in 2025 was the **successful implementation of the Euro Adoption project**, ensuring a seamless transition to the new currency in all clients touchpoints, including dual-currency visualization, unified SEPA payments, automated data conversion and support for SEPA Instant.

2025 was a year of significant progress in the **digitalization of UniCredit Bulbank**, with mobile banking continuing to serve as the primary channel for customer service and sales. The number of active Bulbank Mobile users exceeded 800 000, reinforcing the application's position as **the most preferred digital channel** among our clients.

Transaction volumes through mobile banking continued to grow, with customers executing more than 1.5m transfers per month. The Bank now offers **more than 20 fully digital end-to-end processes**, enabling customers to manage their finances quickly, conveniently and securely.

In 2025 UniCredit Bulbank's Contact Center continued its focused efforts on improving operational efficiency and enhancing customer satisfaction. Service Level increased by 19%. The number of sales generated through the Contact Center increased by 12% y/y. **The Net Promoter Score improved by 19%, reaching 66 points**, highlighting the positive impact of the initiatives implemented to improve the overall customer experience. Among our numerous digital achievements are the new Virtual Assistant Niki, Virtual Mortgage Center, first fully end-to-end Voluntary Pension Fund sales process in mobile banking, the launch of DigiMate – the first AI-powered assistant for UniCredit employees in Bulgaria and many more.

UniCredit Bulbank – employer of choice

UniCredit Bulbank remained firmly committed to fostering people engagement and development, nurturing an inclusive culture and a supportive working environment that empowers every colleague to reach their full potential. This focus continues to position the Bank as an **employer of choice**, strengthened by the reputation and values of the UniCredit Group.

Diversity, equity and inclusion (DE&I) remained a key priority across the organization in 2025, fully embedded in the People & Culture agenda and consistently present on the managerial radar in all business functions.

In 2025 the sustained efforts to advance **gender equity** and foster an **inclusive working environment** continued to receive external recognition via the EDGE Assess Certification — the leading global assessment and business certification for gender and intersectional equity.

In 2025 UCB celebrated an important **milestone for our organization**: the launch of the GenZ Community — the first employee network inspired and created by participants in our TomorrowZ program.

A new Strategic chapter: UniCredit Unlimited

As the financial landscape undergoes its most significant transformation in decades, UniCredit is entering a new strategic chapter: **Unlimited**. Our ambition is clear - to build the Bank for Europe's future by combining strategic foresight with decisive action, ensuring we stay ahead of the profound shifts reshaping our industry. Powered by the talent and dedication across the Group, including UniCredit Bulbank, this new chapter elevates empowerment to an even higher level - setting new standards for European banking and enabling us to deliver growth and impact without limits where capital, expertise and technology will work seamlessly together to create **superior value** for clients, communities, our people and shareholders.

UniCredit Bulbank remains committed to executing the UniCredit strategy and following the group values: integrity, ownership and caring

As we look ahead, UniCredit Bulbank remains firmly committed to driving sustainable growth, guided by a disciplined business-risk model and the trust of more than one million customers who stand at the heart of everything we do. Our strong and motivated team enters 2026 and beyond with fresh ideas, deep expertise and a shared ambition to continue transforming our service model, expand our client base and enhance productivity. Together with all our stakeholders, we will keep contributing to the progress of Bulgaria's economy and society - because for us, **progress has always been a collective effort**.

Our dedication to responsible growth is equally rooted in our commitment to ESG. We will continue to strengthen our environmental and social offering, broaden our ESG learning journey for clients and intensify our work on reducing our carbon footprint through transparent communication and consistent community engagement.

As we move toward 2026, I extend my sincere gratitude to our shareholders, clients, partners and colleagues. With our united energy, discipline and aspiration, there are no limits to what we can achieve - ensuring UniCredit Bulbank continues to deliver excellence for all those we serve.

TZVETANKA MINTCHEVA

CHAIRPERSON OF THE MANAGEMENT BOARD AND CEO OF UNICREDIT BULBANK

SUPERVISORY BOARD AND MANAGEMENT BOARD¹

Supervisory Board (SB)¹

Emilia Palibatchiyska **Chairperson**

Massimo Francese **Deputy Chairperson**

Atanas Georgiev **Members**

Francesco Correale

Silvia Carlotta Viviano

Marco Radice – as of 26.09.2025

Ivana Lonjak Dam – as of 31.10.2025

Pasquale Giamboi – released as of 08.04.2025

Daniela-Margareta Bodirca - released as of 08.04.2025

Management Board (MB)

Tzvetanka Mintcheva **Chairperson and Chief Executive Officer**

Ivaylo Glavchovski **Executive Director and Member**

Borislav Bangeev - Executive Director
as of 02.12.2025 **Executive Director and Member**

Borislav Genov - Executive Director as
of 02.12.2025 **Executive Director and Member**

Nevena Nikse **Members**

Andrea Tognetti – Member and Executive Director, released as of 28.05.2025

Velko Djilizov – Member, released as of 28.05.2025

Milena Vukotic – Member, released as of 25.07.2025

¹ As of December 31, 2025

SUPERVISORY BOARD AND MANAGEMENT BOARD (CONTINUED)

**ART. 247, PAR. 2, PT. 4 FROM THE COMMERCIAL LAW
(01.01.2025 - 31.12.2025)**

Members of the Supervisory Board

Emilia Palibatchiyska

- ✗ UniCredit Bank Hungary ZRT. – Chairperson of SB

Massimo Francese

- ✗ UNICREDIT BANK A.D. BANJA LUKA – Chairman of SB as of 14.10.2025

Atanas Georgiev

- ✗ D-1 MONITORING EOOD – sole owner and manager
- ✗ SITE INVEST EOOD – sole owner and manager
- ✗ PUBLIC SERVICES OOD – 33.3% ownership and manager
- ✗ ENERGIEN PAZAR OOD - 40% ownership and manager

Francesco Correale

- ✗ UNICREDIT BANKA SLOVENIJA D.D. – Chairman of SB
- ✗ ALPHA BANK ROMANIA S.A. – Member of BoD – until 15.08.2025

Silvia Carlotta Viviano

- ✗ Does not participate in the management of any other entities

Marco Radice

- ✗ Aidexa Holding – Chairman of BoD
- ✗ Nantucket srl – Chairman of BoD
- ✗ Cassa del Trentino Spa – Chairman of BoD

Ivana Lonjak Dam

- ✗ UNICREDIT BANK MOSTAR D.D.- Member of SB as of 16.12.2025
- ✗ ZAGREB NEKRETNINE D.O.O. ZA POSLOVANJE NEKRETNINAMA – Chairperson of SB
- ✗ ZAGREBACKA BANKA D.D. – Member of MB

SB members released during 2025

Daniela-Margareta Bodirca

- ✗ Kimivo Partners SRL – 50% ownership

Pasquale Giamboi

- ✗ UNICREDIT BANK A.D. BANJA LUKA - CHAIRMAN of SB – until 13.10.2025
- ✗ UNICREDIT BANK S.A. - CHAIRMAN of SB until 10.04.2025 and Member of SB as of 10.04.2025
- ✗ Felsina EOOD – sole owner
- ✗ Felsina SRL in liquidation - sole owner

Members of the Management Board

Tzvetanka Mintcheva

- ✗ UNICREDIT CONSUMER FINANCING EAD – Chairperson of SB
- ✗ UNICREDIT LEASING EAD - Chairperson of SB
- ✗ BORICA AD – Member of BD

Ivaylo Glavchovski

- ✗ Cash Service Company - Member of BoD

Borislav Bangeev

- ✗ UNICREDIT CONSUMER FINANCING EAD – Member of SB
- ✗ UNICREDIT LEASING EAD - Member of SB
- ✗ Consortium Fund for green and smart development – Manager

Borislav Genov

- ✗ UNICREDIT CONSUMER FINANCING EAD – Member of SB
- ✗ UNICREDIT LEASING EAD - Member of SB

Nevena Nikse

- ✗ UNICREDIT BANK SERBIA JSC – Member of SB
- ✗ UNICREDIT CONSUMER FINANCING EAD – Member of SB
- ✗ UNICREDIT LEASING EAD - Member of SB
- ✗ UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S. - Member of SB as of 06.02.2025

MB members released during 2025

Andrea Tognetti

- ✗ Does not participate in the management of any other entities until 28.05.2025, which is the date of release as a MB Member and Executive Director of UniCredit Bulbank.

Velko Djilizov

- ✗ Does not participate in the management of any other entities until 28.05.2025, which is the date of release as a MB Member of UniCredit Bulbank.

Milena Vukotic

- ✗ UNICREDIT BANKA SLOVENIJA D.D. - Member of SB
- ✗ UNICREDIT CONSUMER FINANCING EAD – Member of SB until 14.11.2025
- ✗ UNICREDIT LEASING EAD - Member of SB until 14.11.2025

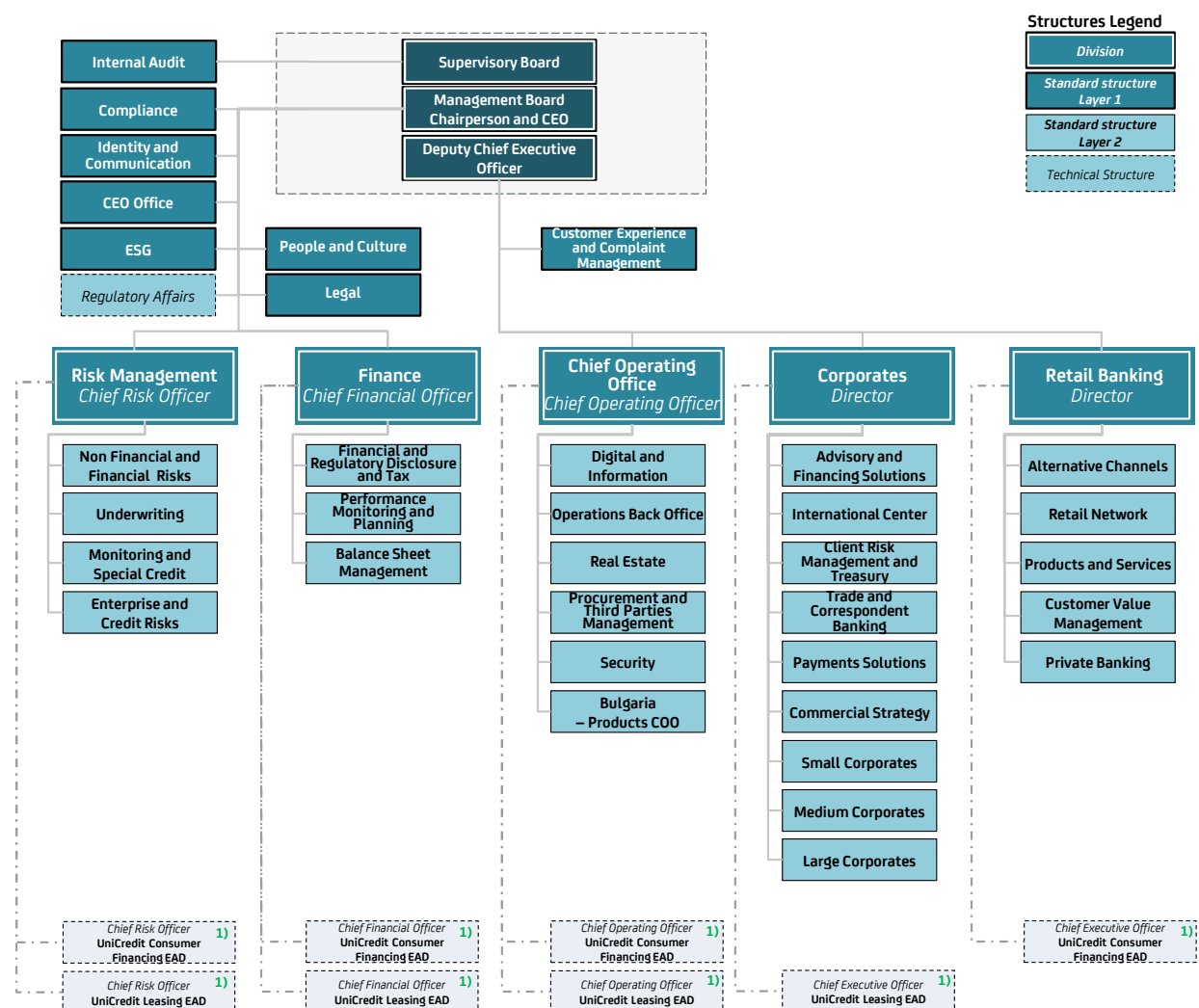
As of December 2025 the loans extended to key management personnel amount to BGN 1 821 thousand (BGN 1 113 thousand in 2024). As of December 2025 the benefits paid to key management personnel amounts to BGN 5 099 thousand (BGN 4 689 thousand in 2024).

In 2025 no shares and bonds, issued by UniCredit Bulbank AD, were acquired, owned or transferred to members of the Management/Supervisory Board of UniCredit Bulbank AD.

During 2025 no contracts under Art. 240b of the Commercial Law were concluded.

¹ As of December 31, 2025

ORGANISATION CHART²



² As of December 31, 2025

CREDIT RATING

UNICREDIT BULBANK CREDIT RATING (FITCH RATINGS)

Long-term	A-
Short-term	F2
Outlook	Stable

2025 AWARDS

- ✶ The Banker: Bank of the Year in Bulgaria
- ✶ The Banker Global Private Banking Awards: Best Bank for Private Banking in Bulgaria
- ✶ Global Finance: Best Bank in Bulgaria for 2025
- ✶ Global Finance: Best Trade Finance Bank in Bulgaria for 2025
- ✶ Global Finance: Best Sub-Custodian Bank in Bulgaria for 2025
- ✶ Global Finance: Best Mobile Application (Bulbank Mobile)
- ✶ Global Finance: Best online product offer
- ✶ Euromoney: Best bank for corporate banking in Bulgaria
- ✶ Euromoney: Best digital bank in Bulgaria
- ✶ Euromoney: Best Bank for Private Banking 2025
- ✶ Euromoney: High Net Worth category
- ✶ Euromoney: Best Trade Finance Bank in Bulgaria
- ✶ NEXT DiFi AWARDS: Innovative Product/Service in the Financial Sector
- ✶ NEXT DiFi AWARDS: Innovation in Investment Products
- ✶ Mastercard Consumer Card Award: Innovations
- ✶ B2B Media Employer Branding Awards: HR Excellence for the program Transformation Station
- ✶ B2B Media Employer Branding Awards: Innovation in Talent Management for the program TomorrowZ
- ✶ B2B Media: The Greenest Companies in Bulgaria - Paperless Office
- ✶ B2B Media: The Greenest Companies in Bulgaria - Education and ESG
- ✶ B2B Media Annual Awards: Grand Prize in category Business Innovation
- ✶ B2B Media Annual Awards: Innovative Product
- ✶ B2B Media Annual Awards: Educational Idea
- ✶ Association Bank of the Year: Successful Digital Transformation
- ✶ SOS Children's Villages Bulgaria: Platinum Partner for 2024
- ✶ 24 chasa: Business Honoris Causa: Award in the category Contribution to the Development of Education
- ✶ PR Prize: CRIB Special Award - OneMarkets Fund - how to make a product attractive a year after launch
- ✶ Banker: The Banker of the Year award for outstanding profit growth - Tsvetanka Mintcheva

Corporate information

Board of Directors, Audit Committee and External Auditors as at 31 December 2025

Board of Directors

Chairman Pietro Carlo Padoan

Deputy Vice Chair Elena Carletti

CEO Andrea Orcel

Directors Paola Bergamaschi, Paola Camagni, Vincenzo Cariello, Antonio Domingues, Julie B. Galbo, Jeffrey Alan Hedberg, Doris Honold, Beatriz Lara Bartolomé, Maria Pierdicchi, Marco Rigotti, Francesca Tondi, Gabriele Villa

Secretary of the Board of Directors

Paola Maria Di Leonardo

Audit Committee

Chairman Marco Rigotti

Members Paola Camagni, Julie B. Galbo, Gabriele Villa

Manager charged with preparing the financial reports

Bonifacio Di Francescantonio

External Auditors

KPMG S.p.A.

The following conventional symbols have been used in the tables:

- > a dash (-) indicates that the item/figure is non-existent;
- > "n.m." when the figures do not reach the minimum considered significant or are not meaningful.

Any discrepancies between data disclosed in this report are solely due to the effect of rounding.

This document, PDF format, does not fulfil the obligations deriving from Directive 2004/109/EC (the "Transparency Directive") and Delegated Regulation (EU) 2019/815 (the "ESEF Regulation" – European Single Electronic Format) for which a dedicated XHTML format has been prepared.

UniCredit has chosen not to print official copies of this report, leading by example in our efforts to protect the environment.

Please view the digital version of the report below, available via the following link:

➔ [Read more: unicreditgroup.eu/en/investors/financial-reporting.html](https://unicreditgroup.eu/en/investors/financial-reporting.html)

UniCredit Unlocked to UniCredit Unlimited

UniCredit is a pan-European leader and commercial bank providing best-in-class solutions and services across **Italy, Germany, Austria, and Central and Eastern Europe.**

With our structural advantages and network of empowered banks, leveraged at scale, we set a new benchmark for banking with our winning operating model, keeping our clients at the centre and unlocking the potential of our people.

UniCredit Unlocked transformed our Bank – proving what disciplined execution, empowered and motivated people and a unified operating model can achieve.

We now shift decisively from Unlocked to Unlimited – a new phase defined by greater ambition and a fundamental rethinking of how a European bank should operate.

Strategic Review

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Financial Review

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ESG Review

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UNICREDIT AT A GLANCE

Our unique winning proposition. Group scale, local reach.

One core belief: an unmatched potential inherent within our bank that needed to be unlocked by leveraging our structural advantages.



>20m

Clients¹ with >60% revenue from SMEs, Private and Affluent

#1 rated

Bank in Europe and across our geographies each year since 2022²

Leading market share

In Group Trade & Correspondent Banking with top 3 positions in every UniCredit country

Attractive geographic mix

We are the only truly pan-European bank: with 13 banks + 1 embedded across Europe, with top three positions in 90% of our markets.

This gives us scale, diversification, stability, limited Foreign Exchange (FX) dispersion and lower geopolitical concentration compared with other cross border models, and it provides strategic optionality across 13+1 markets.

High-quality client mix

We have more than 20 million primary, longstanding client relationships, skewed towards Private, Affluent and Small and Medium Enterprises (SMEs), where returns are structurally more attractive driven by a higher Return on Allocated Capital (RoAC), cross-selling and cross-over ratio.

Targeted product mix

Our Group factories combined with our granular local reach provide a breadth and depth of offering that local competitors cannot match. We harness scale only where it genuinely creates advantage – product factories, technology, data & AI, procurement – unlocking synergies and raising effectiveness across the Group.

A unique proposition rooted in Group scale and local reach



Clients truly at the centre, unifying the organisation around one common Vision, Purpose, Strategy and Culture.



Empowered banks and people within a clear Group framework, ensuring they are as independent as possible within one clear Group Strategy and framework.



Focused the centre on what truly adds value and benefits from scale.



A bottom-up, execution-driven culture that is delivering exceptional results.

This federal model enhances the entire system: the Group provides platforms, capabilities and direction, while empowered local banks deliver for clients and drive superior performance.

1. UniCredit clients c.17.5m (o/w 15m active) and Alpha clients 3.7m.

2. Awarded Bank of the Year in 2025 by The Banker in Italy, Austria, Bosnia and Herzegovina, Bulgaria, Croatia and Romania; Best Bank in Europe by Euromoney in 2025; Global Best Bank by The Banker in 2023 and 2024; Global Bank of the Year by International Financing Review in 2024.

UNICREDIT AT A GLANCE » CONTINUED

An unmatched federation of leading banks

13+1

Leading banks, including partnership with Alpha Bank

75,000

Talented colleagues¹

>20m

Clients with primary relationship connected across Europe

4

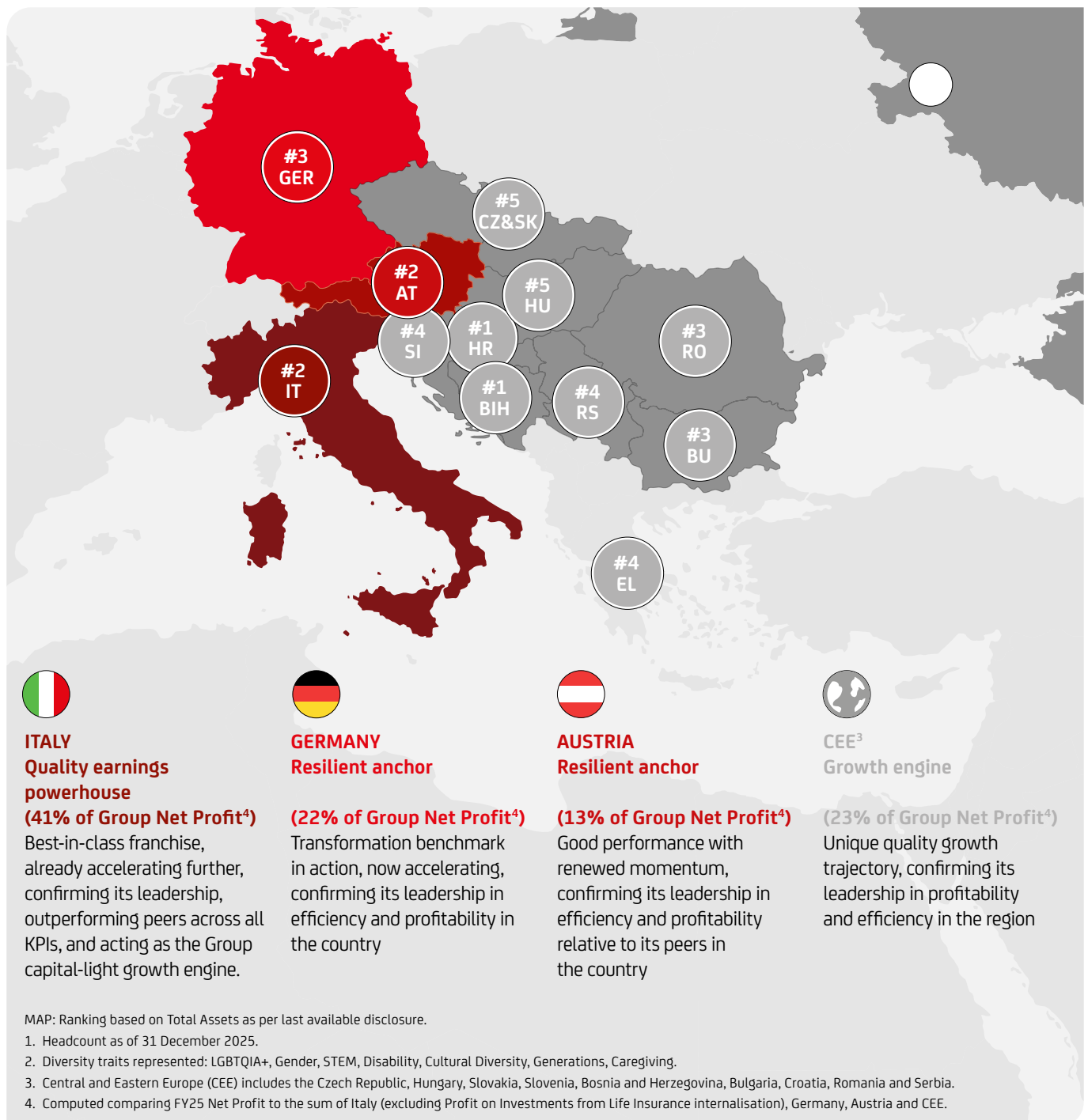
Coverage regions

3

Product factories

1,000+

Employee Networks active members²



2025 HIGHLIGHTS

Record FY25, crowning five years of excellence

We have delivered a record full year and 20 consecutive quarters of quality profitable growth, reflecting five years of disciplined execution. This strong momentum is broad-based across all KPIs – delivering today while building for tomorrow.

Financial highlights

TOP-LINE GROWTH

€24.5bn

Gross Revenue
Flat¹ (FY/FY)

BOTTOM-LINE GROWTH

€10.6bn²

Net Profit
+14% (FY/FY)

RoTE

19.2%

+1.5 p.p. (FY/FY)

TOP LINE QUALITY

36%

Fees & Net Insurance/Net Revenue
+2 p.p. (FY/FY)

OPERATIONAL EFFICIENCY

38.5%

Best-in-class Cost/Income ratio
Flat costs (FY/FY), down -2%
excluding new perimeter

ASSET QUALITY

15bps

CoR
+1bp (FY/FY)

PER SHARE GROWTH

+20% EPS

+31% DPS³

+19% TBVPS⁴

TOTAL DISTRIBUTIONS⁵

€9.5bn

+6% (FY/FY)

SOUND NPE RATIO

1.6%

1. Gross revenues are flat FY/FY when adjusted for circa negative €240 million trading impact related to the hedging of our strategic portfolio, booked in 4Q25, to protect and optimise its return, or circa -1% FY/FY otherwise.
2. Stated net profit adjusted for impacts from DTAs tax loss carry forward ("TLCF").
3. FY25 DPS calculated as €1.4282 interim DPS paid in November 2025, plus €1.7205 preliminary final DPS, calculated as of 6 February 2026, based on the best estimate of the expected number of shares eligible for dividend payment. The definitive final DPS will be communicated according to the ordinary procedure.
4. FY25 interim dividend paid in November 2025 of €1.4282, or +11% FY/FY without it.
5. Subject to supervisory, board of directors and shareholders' approval. FY25 total distribution at €9.5 billion, of which €4.75 billion is a cash dividend (of this, €2.2 billion has already been paid as interim dividend in November 2025 and the remaining €2.58 billion corresponds to a preliminary final DPS of €1.7205).

2025 HIGHLIGHTS » CONTINUED

Leading by example

Thanks to our strong foundations, in 2025 we continued to make progress on our Environmental, Social and Governance (ESG) KPIs.

Sustainability highlights



Environment

ESG lending, sustainable bonds and Net Zero commitments.

We grew our ESG lending and sustainable bonds, reaching a total of €11.3 billion in environmental lending and €5.9 billion in sustainable bond issuance since January 2025.

→ Read more on **page 73**

€11.3bn
Environmental lending

€5.9bn
Sustainable bonds issued



Social

Social financing and contribution to support our communities.

Our social financing reached €5.5 billion in 2025, enabling micro-credit, impact financing and loans to disadvantaged areas. We also provided c.€71 million in social contribution through dedicated initiatives.

→ Read more on **page 74**

c. €71m
Social contribution

c.15,600
Hours dedicated to volunteering by our colleagues



Governance

ESG-aligned remuneration, solid risk and policy framework.

We built a solid ESG governance through top management remuneration, ESG representation within the Group Executive Committee, and robust credit and policy frameworks. Enabled by our strong commitment to diversity, equity and cultivating an inclusive culture across the bank.

→ Read more on **page 75**

53%
Women represented on the Board of Directors

c.1%
Gender Pay Gap in comparable roles

LETTER FROM THE CHAIRMAN

The next phase of our transformation and growth

“

We are ready to take the necessary steps to realise our ambition, delivering sustainable results for our shareholders and empowering communities to progress.

Pietro Carlo Padoan
Chairman UniCredit S.p.A.



LETTER FROM THE CHAIRMAN » CONTINUED

Dear Stakeholders,

It is a pleasure to write to you as the Chairman of the UniCredit Board.

We begin this year navigating a world that is changing in fundamental ways. Throughout my time at UniCredit, previous iterations of this letter have often referenced an unprecedented global macroeconomic environment. What is increasingly clear, however, is that we are no longer dealing with a sequence of exceptional events, but instead with a lasting shift in how economic, geopolitical and security dynamics interact.

In this context, uncertainty is not a temporary condition to be weathered, but a structural feature of the environment in which institutions must operate. The challenge today is therefore not simply to wait for clarity to return, but to ensure we are continually adapting how we think, invest and grow to suit this dynamic operating environment.

Europe's response will shape its competitiveness for years to come. Against this backdrop, the case for further integration is no longer a policy choice but a strategic imperative. Completing the Capital Markets Union and advancing the Banking Union are essential steps in mobilising capital to finance the investment we need. At a time when scale and coordination matter more than ever, fragmentation and national silos serve only to limit our competitiveness and weaken our resilience. Undoubtedly, Europe is strongest when it is united, and in an increasingly contested world, strength is exactly what we need to project.

At UniCredit, we see the benefits of the federal model every day. While many financial institutions are starting to talk about these imperatives, we are already delivering concrete action towards a more integrated banking system. Our pan-European network allows us to leverage the identities and experiences of our individual banks, while benefitting from the reach and scale of a single regional platform that operates seamlessly across the continent.

Our increased stake in Alpha Bank illustrates this ambition in action. It strengthens our presence in key European markets with strong growth potential, enhances our ability to serve clients' cross-border needs and delivers value for shareholders, while supporting Alpha Bank's strategic objectives and franchise strength. This collaboration, supported by the Greek government, offers Greek companies access to our pan-European network and enhances the country's role as a key player in European banking integration.

While celebrating these milestones, organic growth remains the primary engine of the Group's Strategy. As ever, our focus remains on deepening client relationships, expanding activity in our core markets and continuing to improve the quality and sustainability of our earnings. This disciplined strategy, in tandem with a proactive approach to expansion and further integration, ensures that growth is resilient, repeatable and aligned with the long-term interests of our shareholders.

Andrea's tenure as UniCredit CEO has thus far been about unlocking the Group's potential by establishing the foundations for a new phase of disciplined growth and value creation. As our strategy evolves towards a further acceleration from this strong base, growing emphasis will be placed on identifying and activating new sources of value that can generate greater dynamism across the entire Group. This endeavour is underpinned by sustained investment in our people, in advanced technologies such as artificial intelligence, and in the continued integration of our pan-European network.

Throughout this next phase of transformation and growth, the Board of Directors will continue to work in close partnership with the Management team and CEO, providing oversight, support and constructive challenge. This strong alignment between the Board and executive leadership is a key strength of the UniCredit Group structure and an important foundation for sustainable value creation.

As we look ahead to Europe's future, there are real causes for optimism. Though we are being challenged on many fronts, these pressures have also delivered clarity across the continent about what is required to strengthen our competitiveness and resilience. There is sustained momentum building towards a more integrated Europe – one that leverages our inherent advantages and acts with greater coordination and scale.

UniCredit approaches this next phase with clarity of purpose and confidence in our Vision. We have built a resilient and dynamic model capable of navigating wider macroeconomic headwinds, which will ensure we can remain firmly by our clients' side no matter the circumstances. As we enter a new phase with UniCredit Unlimited, we are ready to take the bold steps necessary to deliver on this ambition, delivering sustainable results for our shareholders and empowering communities to progress across the continent.

As ever, our greatest asset will be our people. They truly embody our Values of Integrity, Ownership and Care. It is their dedication and passion that drives us forward every day, and this is reflected in our most recent results. I wish to congratulate them and thank all of them for their continued hard work.

We look ahead to the rest of this year with confidence in our strategy and a firm belief that UniCredit is well positioned to shape its next phase of growth.



Thank you,

Pietro Carlo Padoan
Chairman UniCredit S.p.A.

LETTER FROM THE CHIEF EXECUTIVE OFFICER

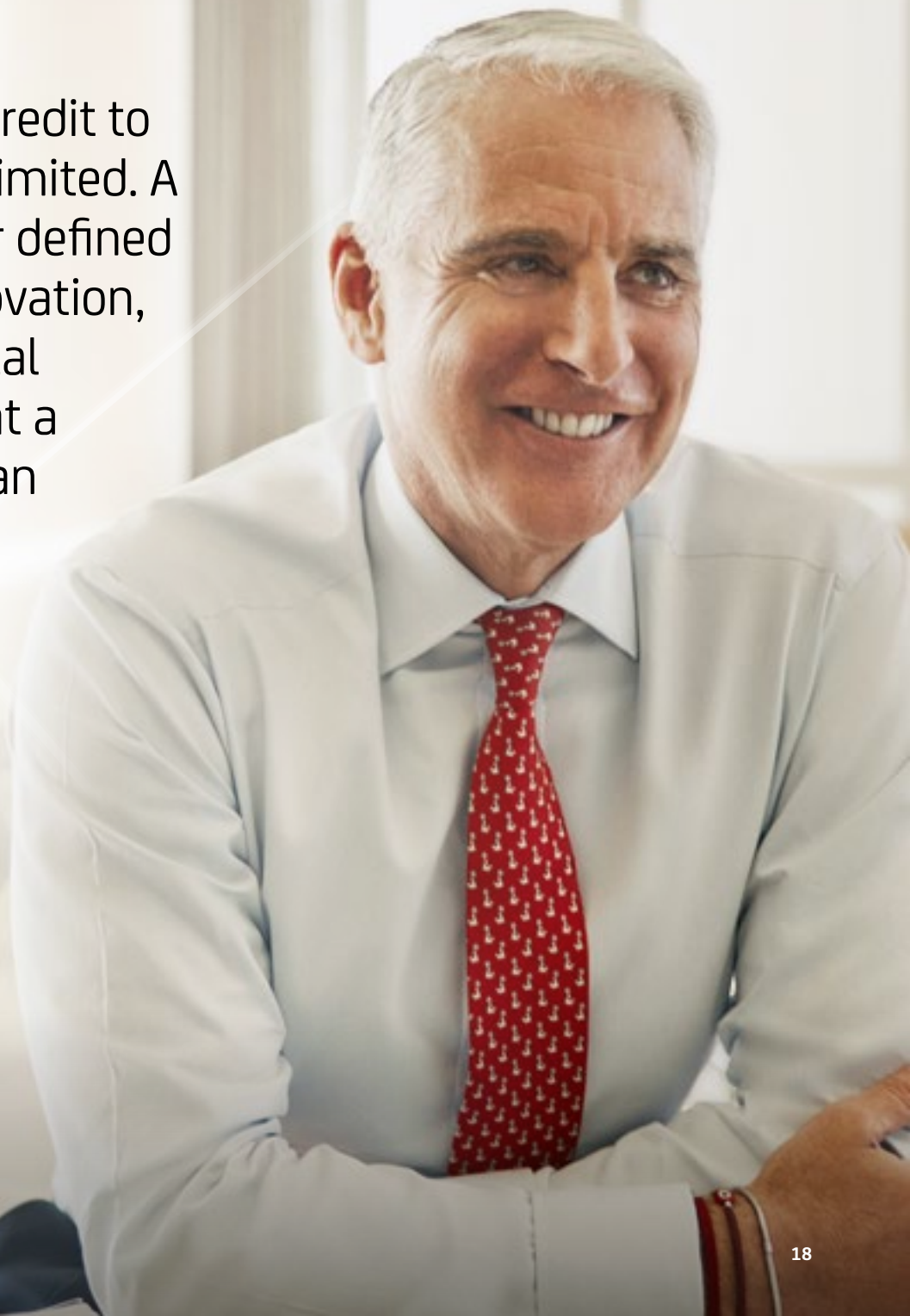
A new path for a new era of European banking

“

It is time for UniCredit to become truly unlimited. A bold new chapter defined by ambition, innovation, and a fundamental rethinking of what a European bank can and should be.

Andrea Orcel

Chief Executive Officer UniCredit S.p.A.



LETTER FROM THE CHIEF EXECUTIVE OFFICER » CONTINUED



UniCredit honoured with multiple achievements across Europe



UniCredit enters single-A territory as Fitch upgrades issuer rating to A-



UniCredit receives its second single-A rating



UniCredit obtains its third single-A rating as Moody's upgrades the issuer rating to A3



Named Bank of the Year in six countries

Dear Stakeholders,

In recent years, UniCredit has established a track record of excellent performance across a range of economic conditions. In an environment shaped by volatility and structural change, we have delivered high-quality earnings, robust capital generation and disciplined growth; all underscored by the Group's outstanding efficiency and RoTE. These outcomes reflect deliberate choices about how we allocate capital and manage risk, demonstrating an ingrained resilience and sustainability within our strategy.

When I arrived at UniCredit in 2021, the Group faced significant challenges and required a decisive change in direction. Through our UniCredit Unlocked strategy, we fundamentally reshaped the Bank, establishing the foundations needed to unlock its untapped potential by unifying our people around a single Vision, Strategy and Culture. This was accompanied by a fundamental overhaul of our operating model – transforming our efficiency while simultaneously investing in our people, digital capabilities, product platforms and distribution. This transformation enabled us to create an environment rooted in empowerment, allowing our teams to deliver exceptional results with clarity and purpose.

Together, we have moved the Group from laggard to leader in our sector, enabling us to deliver like never before for our clients, and empower communities to progress across the continent. Now, it is time to go even further by launching UniCredit Unlimited, an ambitious new chapter that will transcend traditional boundaries and rewrite what is possible within the financial sector — built on the same foundation of trust and empowerment that has guided our progress so far.

Another Year of Record-Breaking Results

Our 2025 results again mark the strongest performance in UniCredit's history, and our 20th consecutive quarter of profitable growth.

Net Profit reached €10.6 billion, up 14% year-on-year, while RoTE increased to 19.2%, underscoring the strength of our disciplined, capital-generative model.

These results were delivered notwithstanding €1.4 billion of extraordinary charges, deliberately frontloaded to further strengthen our medium-term trajectory. We closed the year with a robust CET1 ratio of 14.7% and announced a leading shareholder distribution of €9.5 billion, including €4.75 billion in cash dividends.

Operational efficiency remained best-in-class, with a cost-income ratio of 38%, reflecting continued discipline in execution.

Looking ahead, our ambition is to deliver approximately €13 billion of net profit and a RoTE above 23% by 2028, with further improvement through 2030. We remain focused on consistent outperformance through the cycle and confident in our ability to sustain profitable, capital-generative growth and superior distributions over the coming years.

A Changing Financial Industry

Despite another year of excellent performance, we cannot afford to stand still. The world around us continues to change at remarkable pace, and the second quarter of this century will likely represent the greatest transformation our sector has experienced for a generation. Advances in artificial intelligence, data and digital infrastructure are not simply enhancing existing models, but redefining how financial services are produced, distributed and consumed. In this context, banks cannot rely on legacy advantages or incremental improvement. Remaining competitive will instead require a willingness to constantly evolve to keep pace with a rapidly changing financial ecosystem.

LETTER FROM THE CHIEF EXECUTIVE OFFICER » CONTINUED



As a result, client expectations are already shifting. Our businesses and communities increasingly expect financial services to mirror the speed, simplicity and personalisation they experience in other parts of their lives. AI is transforming interactions from onboarding and credit assessment to advice and servicing, while digital adoption and enhanced data integration enable faster, better-informed decisions. Simultaneously, fintech entrants and platform-based providers continue to raise expectations around user experience and digital responsiveness.

UniCredit Unlimited

Against this backdrop, it is time for UniCredit to become truly unlimited. This bold new chapter will be defined by ambition, innovation, and a fundamental rethinking of what a European bank can and should be. Our goal remains to build the bank for Europe's future. To achieve this, we must anticipate how people will live, work, and interact with financial services and act before these changes become expectations.

This means reimagining how capital, expertise, and technology can work together to create value for clients, communities, and our people. By combining the strength of a traditional bank, the agility of a fintech and the dynamism of a technology company, we will deliver solutions that are faster and more intuitive than ever before. In doing so, we will create a personalised offer that truly puts the client of today and tomorrow at the centre of all that we do — strengthening the trust that underpins every interaction.

UniCredit Unlimited reflects our unwavering belief in the potential of our people, our clients, and our communities. I am inspired every day by the talent and dedication of colleagues across the Group, and I know they will embrace the next step of our journey with the energy and creativity required. Together, we'll elevate empowerment to an even higher level and set new standards for European banking, enabling each of us to deliver growth, service, and impact without limits.

UniCredit Unlocked was a remarkable transformation for the bank. The plan we are launching now is even more ambitious, but we are moving forward with a proven track record of delivery and a powerful confidence in our abilities. I am convinced that this time we can go even further, taking UniCredit to new heights and delivering on our ambition to build the bank for Europe's Future.

Yours,

Andrea Orcel

Chief Executive Officer UniCredit S.p.A.

WHY UNICREDIT

Unmatched structural advantages

Leveraging our structural strengths to propel our acceleration and the next phase of growth.

Attractive geographic mix

- > Unique pan-European footprint
- > Access to high GDP growth and high stability
- > Limited exposure to FX and geopolitical risk



Quality client mix

- > Primary client relationships
- > Exposure to more profitable client segments
- > European network effect for our SMEs and our people



Best-in-class product mix

- > Deployment of capital at high RoAC
- > Capital-light revenue, diversified and growing faster than capital heavy
- > Ongoing internalisation increasing retained value on all products



Attractive geographic mix

Truly pan-European Group with 13+1 banks across Europe, with top 3 positions in 90% of our markets, giving scale and diversification.

13+1

Banks embedded in the fabric of Europe

>95%

Presence in EU¹ with fewer geopolitical and limited FX risks

5x

Higher, more profitable cross-border vs. domestic share

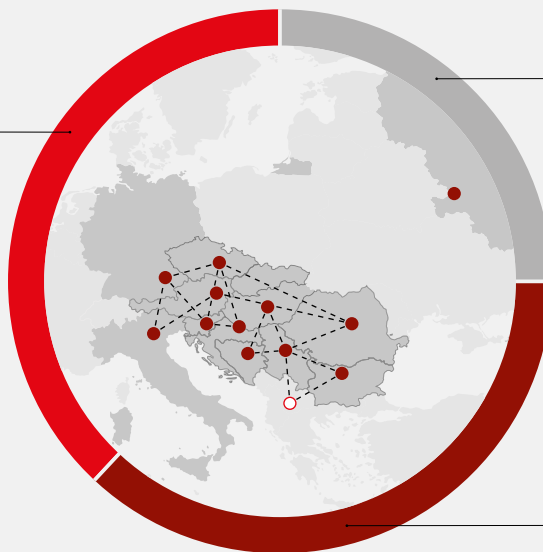
Top 3

Market share in 90% of our markets

Group Net Profit share² 2028

38%

Italy
Standing as our capital-light engine



25%

CEE & Greece
2x GDP growth vs. EU

37%

GER & AUT
With GER set to benefit from fiscal stimulus

1. Share of Customer Loans in countries part of the European Union.

2. Summing expected divisional Net Profit 2028. Commerzbank equity contribution – net of hedges – allocated to GER and CEE & Greece proportionally to CBK excluding mBank and mBank share, respectively. Alpha equity contribution allocated to CEE & Greece.

WHY UNICREDIT > CONTINUED

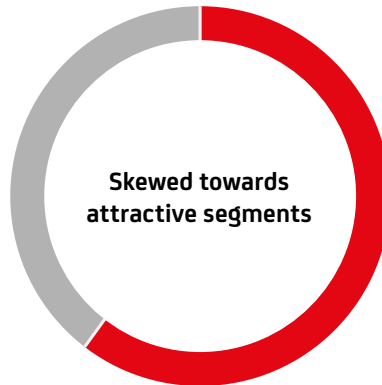


Quality client mix

More than 20 million longstanding client relationships, with strong focus on Private, Affluent and SMEs.

>20m

Clients with primary relationship connected across Europe



60%

Revenue from Private, Affluent and SMEs

>35%
RoAC

c.45%
Fees & Net Insurance / Net Revenue



Best-in-class product mix

Group product factories combined with local reach.

3

Group product factories

Group Fees & Net Insurance share 2028

46%

Individual

28%

Payments

26%

Corporate

High-quality lending

#1
NII RoAC

- > Microbusiness lending
- > UCX Consumer
- > Trade Finance
- > UCX Micro
- > UCX SMEs

Capital-light revenue

increased weight

Top-Tier
Fees & Net Insurance / Net Revenue

Best-in-class products

- > Cross-border payments
- > Investments
- > Insurance
- > Advisory
- > CRM



STRATEGIC FRAMEWORK

Evolving and accelerating our winning Strategy

Four years on from UniCredit Unlocked – a proven, winning strategy – we have continued to evolve. 2025 was marked by acceleration and proved we can translate potential into results. Now we are positioned to enter a bold new phase.



1

United by one Vision, one Purpose, one Culture and one Strategy.

➔ Read more on **pages 14–16**

2

Leveraging our scale while empowering our banks and our people.

➔ Read more on **pages 17–19**

3

Transcending the benchmark by daring to disrupt, innovate and rethink.

➔ Read more on **pages 20–23**



Executing our Strategy across all ESG dimensions.

➔ Read more on **page 24**

STRATEGIC FRAMEWORK >> CONTINUED

1 One unifying direction

Unified and empowered to deliver for all our stakeholders:

One inspiring Purpose

Our Purpose is to Empower Communities to Progress, while ensuring long-term, sustainable growth and delivering value to all our stakeholders.

By operating with the right Principles and Purpose, we have the power to deliver outstanding value for our clients and communities, our people, our stakeholders and investors.

We are a principles-driven organisation, and we actively engage with and extensively listen to all our stakeholders equally.

At UniCredit, we are committed to maintaining high standards of integrity, transparency, professionalism and cooperation in managing our relations with regulators and EU authorities, and in performing advocacy activities.

We engage with national, European and international regulators to improve the EU sustainable finance framework and facilitate the transition to a low-carbon economy. Contributing to discussions held by EU institutions and participating in the development of a sustainable financial framework is central to fostering long-term economic growth for all our stakeholders.



STRATEGIC FRAMEWORK > CONTINUED

Our stakeholders



Our shareholders

c.350

Institutions met during 2025

€9.5bn¹

2025 distribution

€36bn

2021 – 2025 cumulative distributions

As a unique pan-European champion, we leverage Group synergies to provide superior capital generation and shareholder distributions.

Our UniCredit Unlocked Strategy has been consistently delivering unmatched value, quality lending and investing to secure sustainable, quality growth and remuneration.

We maintain open and transparent communication with our investors through regular updates, financial disclosures and proactive engagement. Through annual general meetings, investor calls and roadshows, we provide platforms for dialogue, addressing queries and fostering mutual understanding.

We also engage with investors on Environmental, Social and Governance (ESG) topics, highlighting our sustainability initiatives and aligning our practices with investor interests in responsible growth.



Our clients

c.15k

Group-wide business hires since 2021

c.90%

Branches refurbished in Italy

22

Net Promoter Score, +4 increase vs. 2024 on a recasted basis

Our clients are at the heart of everything we do.

We build our business around their needs, providing choice through best-in-class products and innovative solutions.

Our teams deliver exceptional service and personalised support, forging strong relationships and consistently exceeding expectations. Through our service model, we leverage a range of distribution channels – physical and remote branches, call centres, internet and mobile – accessible to our clients anytime, anywhere.

We continuously invest in technology and data to anticipate emerging needs and deliver increasingly seamless experiences. By listening closely to our clients, we refine our approach and evolve our services to ensure we remain their trusted financial partner over time.



Our people

35,000

People involved in Culture Day in 2025 and Unlocking Excellence Roadshows

c.36

Hours of training per employee per annum

c.1%

Gender Pay Gap in comparable roles

Our people are our greatest asset.

We listen to them and are committed to fostering an environment where they feel valued, trusted, empowered and accountable, so they can focus on bringing value to client-facing activities and achieving excellence.

With our shared Vision and clear Culture, our teams are united and inspired to drive our business forward, aligning individual aspirations with organisational goals. We invest in professional growth through training, and clear career paths that recognise and reward performance.

With a shared belief in our Purpose, we take pride in who we are and in the collective impact we can make.

1. Subject to supervisory, board of directors and shareholders' approval.

STRATEGIC FRAMEWORK >> CONTINUED

One winning Culture

At UniCredit we have created a new benchmark for banking, keeping our clients truly at the centre and unlocking the potential of our people.

Our Culture is key to our success in unifying and inspiring our people to work as a team and achieve excellence

in the right way. Our Culture is fuelled by passion and enthusiasm, spreading positive behavioural change throughout our bank.

Collectively, we are working to achieve our Vision to be the Bank for Europe's Future as one team of people in true

partnership with our clients. A better bank, creating better outcomes; strongly grounded in our Principles and Values; and delivering sustainable, quality growth and value.

Values

Integrity

- > We act in the best interests of our customers.
- > We are honest, straightforward and transparent.
- > We do the right thing – even when no one is watching.



Our Values are the foundation of our identity – what we pass down to our people and what our people share and deliver through their actions.

Our people are at the heart of our decision-making, ensuring we deliver for our clients in a straightforward and transparent way. We are committed to helping our customers, communities and each other by treating everyone with respect and valuing our differences.

Our Employer Value Proposition brings our Values to life and ensures everyone at UniCredit is motivated to actively contribute to Unlocking a Better Tomorrow.

Through a single voice, we are building a shared narrative across the Group and increasing the awareness and attractiveness of our brand.

Ownership

- > We deliver on our promises and take accountability for our actions and commitments.
- > We are empowered to make decisions and learn from failure.
- > We speak up – to express an idea, an opinion or when we see something wrong.



Caring

- > We care about our customers, communities and each other.
- > We are eager to help one another and for our people to thrive.
- > We treat each other with respect and value our differences.



Nurturing our diverse talent base

We have long recognised that an equitable, inclusive and diverse workforce is vital to the success of our business and creates a fair and positive working environment. We believe that when Diversity, Equity and Inclusion (DE&I) work in harmony, great things happen.

International mindset

40%

International presence in the Board of Directors

38%

International presence¹ in the Leadership team²

Female representation

53%

Board of Directors

58%

Across the Group

62%

International presence in the Group Executive Committee

46%

Across the Group Executive Committee

32%

In the Leadership team²

1. International presence refers to people originating from countries outside of Italy.

2. Leadership team refers to Group Executive Committee and its first reporting line.

STRATEGIC FRAMEWORK > CONTINUED

2 An empowered pan-European business model

Sustainable growth and competitive advantage built on strong foundations – our 13+1 leading and empowered banks, supported by the scale of the Group.

Decision-making moving us closer to clients and communities, within the Group strategic framework.

Enhancing our product offering: three global product factories



Corporate Solutions

Empowering corporates to progress.



Individual Solutions

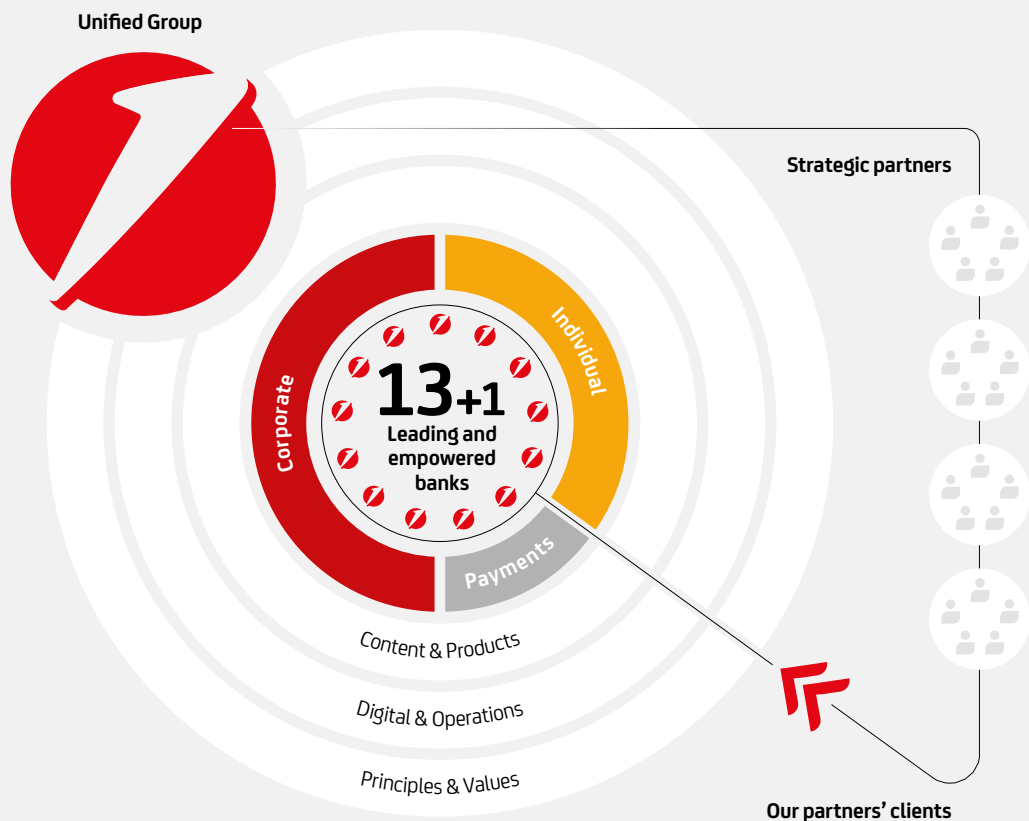
Advising clients to achieve their investment and insurance objectives.



Payments Solutions

Every European client's first choice for payments.

HOW WE CREATE VALUE



STRATEGIC FRAMEWORK > CONTINUED

Best-in-class product factories reaching clients global players don't

Our banks are close to their clients and leverage common strengths: three high-quality product platforms supported by an ecosystem of strategic partners, a centralised and efficient Group Procurement function – all streamlined and simplified by our Digital and Operations team.

Our clients access our services through local banks and the offering from our three global product factories – Corporate, Individual and Payments Solutions – comprehensively meeting their needs. Each of these platforms delivers best-in-class solutions, developed in-house or through our dynamic ecosystem of trusted partners.

Corporate



Advisory & Financing Solutions

Highly specialised advice and access to capital markets; a market leader offering tailor-made financing solutions.

Group Trade & Correspondent Banking

Wide range of Trade Finance and Working Capital Solutions as well as Securities in CEE.

Client Risk Management

Providing top-tier solutions across multiple asset classes and channels.

Individual



Group Insurance

Best-in-class Insurance Products and Services offered across all countries through constant dialogue with partners and other factories.

Group Investment Product Solutions

State-of-the-art investment solutions built in-house or jointly with external asset managers for all Group clients.

Group Investment Strategy

Long-standing macroeconomic research and unified Group investment strategy, bringing expert investment insight to our networks and to our clients.

Payments



Group Payments Solutions

Leading Cash Management, Payments, Acquiring and Issuing Solutions.

Group scale



Local reach

- ✓ Best-in-class products
- ✓ Ecosystem of strategic partners
- ✓ Diversified product portfolio

Empowered to execute and deliver for all our stakeholders

We have empowered our people and banks within a clear Group framework, underpinned by a culture of trust, ownership and excellence.

The result is a truly united pan-European commercial bank, with local coverage close to our 20m+ clients.

We have leveraged this reach to achieve targeted acceleration across geographies, clients and products, while further enhancing our operational and capital excellence.



STRATEGIC FRAMEWORK > CONTINUED

Digital and Operations

Strengthening our operating machine and becoming more efficient and resilient above benchmark.

1

Leaner corporate centre,
converging Digital & Data

+17%

FTEs on Change – as
Run becomes leaner

Zero

Major Cyber Security, Fraud
and Asset & Personnel
Protection incidents

➔ Read more about Digital & Data on **pages 53 – 57**

One Procurement

Taking back control and safeguarding our long-term interest.

1

Procurement office

>100

Vendors discontinued

-30%

Average cost avoidance
of contracts negotiated

A trusted ecosystem of partners

helping us meet every client need with precision and innovation.



Google



ALPHA BANK

Allianz

BlackRock



PICTET
1805

STRATEGIC FRAMEWORK > CONTINUED

3 A bold new strategic phase

2025, the culmination of five years of excellence, has positioned us to enter the next phase of growth.

A bold new era for our bank – defined by unlimited possibility, bold ambition, and a fundamental rethinking of what a pan-European bank should be.



UniCredit Unlocked

Set the benchmark
2021-2025

Winning proposition

Structural advantages combined with relentless execution have delivered 20 consecutive quarters of quality profitable growth, leading across all KPIs.

Strong momentum

Strong operating performance allowing absorption of one-off costs to prepare for the future, accelerating further into 2026.

UniCredit Unlimited

Transcending
our benchmark
2026-2030

Winning strategy

A strategy to deliver quality growth beyond peers while re-setting the efficiency frontier, elevating our long-term targets.

Superior equity story

Unmatched trajectory offering the best combination of profitable growth and distributions in the sector.

Accelerating towards
a decade of excellence



STRATEGIC FRAMEWORK > CONTINUED

UniCredit Unlocked (2021-2025)

UniCredit Unlocked released our potential, transforming us from laggard to a leader and **setting a new benchmark for banking**. With unmatched momentum, we are now leading the way in all metrics, including profitable growth and distributions.



STRATEGIC FRAMEWORK > CONTINUED

UniCredit Unlimited (2026-2030)

If UniCredit Unlocked freed up our bank's potential and set the benchmark, UniCredit Unlimited is about transcending it – enabling us to lead in a new competitive environment and push beyond the boundaries constraining legacy banks.

UniCredit Unlimited will provide a new blueprint that blends the strength of a traditional bank, the agility of a fintech and the dynamism of a technology company, to create a personalised offer that truly puts the client of today and tomorrow at the centre of all that we do.

Our people remain the linchpin across the two phases; they are dynamic, driven by excellence, and are continuously upskilling. They are able to adapt to the changing needs of our clients and the environment – delivering faster decisions, better service and more creative solutions.

We have the momentum, the strength and the Strategy. We are doubling down on our transformation and challenging every assumed limit of what UniCredit can be.

This is the start of a bold new era for our bank.

Winning Strategy

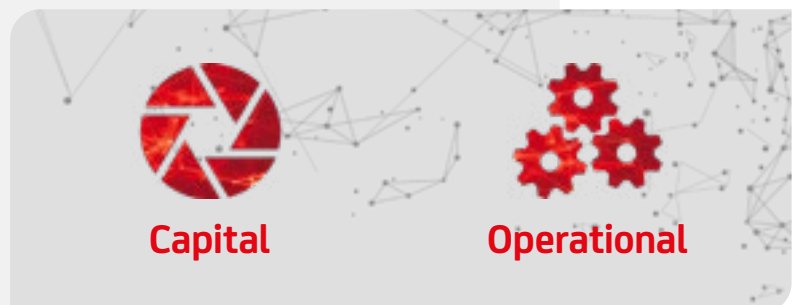
Unlimited Acceleration

Gaining quality profitable revenue and market share.



Unlimited Transformation

Re-setting the efficiency frontier.



STRATEGIC FRAMEWORK > CONTINUED



Unlimited Acceleration



Our People

They remain the engine of our success, delivering impact through a shared vision and winning culture, combined with relentless execution.



Our Factories

We continue to strengthen the connectivity between our product factories and our distribution that closely interprets our clients' needs.



Our Channels

We leverage a superior omnichannel model: physical, remote and digital – with AI elevating speed, accuracy and personalisation.



Digital, Data & AI

We are accelerating AI adoption across Client Service and Advisory, Technology and Operations – using it to deepen relationships, improve efficiency, increase speed and unlock new value.

Unlimited Transformation



Capital

- > Deploying capital only where returns justify it, redirecting it to the right geographies, the right clients and the right products.
 - > **Maximise our lending profitability;**
 - > **Increase capital-light revenue.**
- > Delivering the best combination of capital-light revenue growth and profitable NII.



Operational

- > **2021 – 2025:** Simplification and streamlining within traditional boundaries:
 - > Simplified and streamlined our bank;
 - > Fixed what was inherited and built a model capable of outperforming peers.
- > **2026 – 2030:** Reinventing and automating, testing new boundaries:
 - > We are automating at scale, embedding AI into every critical workflow – accelerating execution across Risk, Compliance, Finance, Operations, HR – removing friction and eliminating repetitive tasks.

STRATEGIC FRAMEWORK >> CONTINUED

Our ESG Strategy

At UniCredit we are committed to embedding sustainability in everything we do. We lead by example, which is why ESG (Environmental, Social and Governance) is at the heart of our strategic framework.

Our Purpose is to Empower Communities to Progress, guided by three Principles:



Holding ourselves to the highest possible standards to do the right thing for clients and communities.



Being fully committed to playing our part in supporting our clients in a just and fair transition.



Respecting and balancing the perspectives and priorities of all our stakeholders throughout our business and decision-making.

The context in which we operate is rapidly changing, influencing the regulatory agenda and the global sustainable finance market. However, despite shifts against ESG, Europe has reaffirmed its climate commitments and at the same time has become more flexible and business oriented.

We remain committed to our ESG Principles and are evolving our strategy to ensure we are delivering targeted, tangible impact, with an even sharper focus on customers and communities.

We are focusing on ESG where it matters by:



Environment

Driving value for our clients in the transition

We are matching our clients' evolving demands on transition with a dedicated business approach, while continuing to develop our environmental framework beyond decarbonisation.



Social

Championing Social: backing our communities, our people and our society

We are backing our communities with social financing and dedicated social projects combining volunteering and philanthropy, while supporting our people with focus on well-being and training.



Governance

Evidencing accountability and transparency, along with a robust ESG framework

We are providing transparency on our disclosure progress while strengthening our ESG governance and risk framework.

[→ Read more on page 72](#)

STRATEGIC FRAMEWORK > CONTINUED

ESG Day 2025

Our ESG Strategy is more than a framework; it is a commitment to active engagement. Our flagship event, ESG Day, serves as a key platform where our strategy meets action, and we bring key stakeholders to discuss concrete solutions.



Our third ESG Day entitled “A New World: Shaping the future of ESG” brought together colleagues, clients, partners and leading experts to confront the challenges and complexities of the green transition amid shifting global dynamics.

Against the backdrop of COP30, it focused on moving from rhetoric to action, exploring how banks can drive the sustainable transition, manage trade-offs and rebuild ESG on stronger, more credible foundations. The forum consisted of six distinct high-impact sessions, featuring a diverse mix of formats to engage our audience and featured renowned expert speakers from academia, business and policy, who shared insights on regulation, innovation and practical solutions for businesses.

Collaboration between banks and businesses was a key theme, highlighted by a panel on UniCredit’s new partnership with Ivy Decarb to accelerate decarbonisation in the textile industry.

➔ [Read more on page 64](#)

Social impact also featured prominently, with discussions on the role of banks in driving progress and investing in education. We also showcased the achievements of the Skills for Transition Programme, and the Foundation’s flagship social projects.

➔ [Read more on page 68](#)

10

Countries participated

>10,000

Participants (online and in-person), including over 6,000 UniCredit employees

67%

Of attendees at the live event were key clients and strategic partners



ACCELERATION IN 2025

Acceleration in 2025

Together, every change we make, every month of the year, across all our businesses and geographies, drives our acceleration and transforms potential into unlimited possibility.

-  Clients
-  Geographies
-  People & Culture
-  Organisation & Processes
-  Digital & Data
-  Finance
-  ESG
-  UniCredit Foundation

Our 2023 achievements

See how we unlocked transformation in our 2023 Annual Reports and Accounts.

[→ Read more here](#)



2023

2024

Our 2024 achievements

See how we set the benchmark for excellence in banking in our 2024 Annual Reports and Accounts..

[→ Read more here](#)



2025

JANUARY



Revamped Culture and Strategy Roadshow

2025 edition of the roadshow kicks off, engaging more than 27,000 colleagues across 18 visits in 11 countries.

UniCredit named Top Employer

For the ninth consecutive year, UniCredit has been recognised as a Top Employer in Europe.



Launch of UniCredit for CEE 2025

Expanding our support for micro and small enterprises across CEE.

UniCredit Bulbank goes digital

Bulbank Mobile launches fully digital investment services for clients.



ACCELERATION IN 2025 » CONTINUED

- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

FEBRUARY

**New partnership with Quant>ICO**

Unlocking new investment opportunities in high-potential Italian businesses.

Shaping the future of payments in Austria

Bank Austria elevates payments with new technology for customers and clients.

**UniCredit leads Slovakia's largest ever corporate refinancing**

Landmark financing package worth €3.6 billion.

Setting a new benchmark for corporate credit approvals in Slovenia

Further streamlining our processes to deliver a faster, simpler and more efficient services to our clients.

MARCH

**Completed the acquisition of Aion Bank and Vodeno**

UniCredit takes a bold step in digital banking.

A year of partnership with Scuderia Ferrari HP

Bound by Passion. United in Excellence.



APRIL

Next-generation call centre launched in Hungary

Improving service and efficiency for customers.



ACCELERATION IN 2025 » CONTINUED

- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

Landmark €2.4 billion FlixTrain transaction

UniCredit supports transformative growth in European mobility and technology.



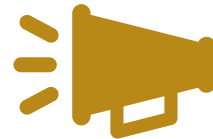
MAY



UniCredit's inaugural Longevity Forum
Leading Europe's conversation on longevity.



UniCredit launches partnership with Google Cloud
Accelerating digital transformation across our core markets.



1Q25 Group Results

Best quarter in our history.
Execution of our winning strategy, underpinning record results.



Fast-tracking credit decisions in Serbia

Streamlined processes drive improved customer satisfaction.

Embedding innovation with Banxware

Partnership combines banking expertise with fintech innovation to transform SME financing.



JUNE



Successfully launched U Share
Employee Share Ownership Plan empowers employees.

Completing the internalisation of our life insurance business in Italy
Creating a leader in the market and driving efficiency, product innovation and quality of service.



ACCELERATION IN 2025 » CONTINUED

- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

JULY



New housing loan for non-residents in Bosnia and Herzegovina
Empowering citizens abroad to invest.



UniCredit partners with Wise
Delivering faster, smarter international payments.



Major hiring initiative in Italy launched
Building the workforce of tomorrow with the "Follow Your Talent" campaign.



Supporting historic green bond issuance in Romania
Largest issuance of green, corporate and non-financial bonds for Electrica Group, totalling €500 million.



DealSync: Our AI-powered M&A platform
Using AI to democratise M&A for SMEs.



Innovative student banking solution in the Czech Republic
UniCredit launches new student account to support the next generation.



2Q25 and 1H25 Group Results
Record 2Q completes our best 1H ever. Another milestone in our acceleration.



Merger with Alpha Bank Romania completed
UniCredit's market position and corporate and retail segments strengthened with over 300 branches strategically located for customer convenience.

ACCELERATION IN 2025 » CONTINUED

- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

SEPTEMBER

**Stablecoin initiative launched**

UniCredit unites with European banks to launch a MiCAR-compliant Euro Stablecoin.

**20 years of UniCredit and HypoVereinsbank**

More than 5,000 colleagues celebrate historic milestone together.

OCTOBER

A transformative chapter for the UniCredit Foundation

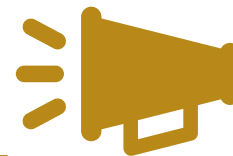
From shared vision to systemic impact, the UniCredit Foundation continues its journey of transformation.



€550m

Leading largest corporate financing deal in Croatia

UniCredit and Zagrebačka banka finalise a refinancing agreement for Fortenova Group, securing €550 million in debt refinancing.

**3Q25 and 9M25 Group Results**

Record 3Q completes our best 9M ever, reinforcing our unique equity story.

**Increased stake in Alpha Bank Greece**

Strengthened our strategic partnership with Alpha Bank, increasing stake to c.29.5%.

BancoSmart 2.0 introduced

Advancing our digital transformation with a faster, simpler and more sustainable ATM experience.



ACCELERATION IN 2025 » CONTINUED

- Clients
- Geographies
- People & Culture
- Organisation & Processes
- Digital & Data
- Finance
- ESG
- UniCredit Foundation

NOVEMBER

Security Days

Strengthening security awareness across the Group with two days of interactive sessions.



UniCredit hosts ESG Day 2025

Over 10,000 participants came together for insightful panels and speeches about the future of social and environmental strategy.

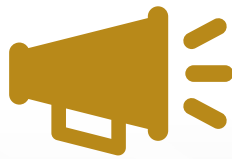
20 years of the Carta Etica Fund

€47 million allocated for social initiatives since 2005.

DECEMBER

onemarkets Funds
surpasses €30bn in AUM

A significant milestone that reflects the strength of our product factories and the trust of our clients.

**4Q25 and FY25 Group Results**

From UniCredit Unlocked to UniCredit Unlimited. Accelerating towards a decade of excellence.

CULTURED DAY
UniCredit hosts Culture Day 2025

Fourth edition brings together colleagues to celebrate shared Values and UniCredit's Culture evolution.

2026 – 2030

UniCredit Unlimited

Transcending our benchmark

- > A winning strategy to deliver quality growth beyond peers while re-setting the efficiency frontier and elevating our long-term targets.
- > Unmatched trajectory offering the best combination of profitable growth and distributions in the sector.

ACCELERATION IN ACTION



Clients at the centre

Disciplined focus on high-value client segments and strengthening our best-in-class product factories. Clients choose where, when and how they interact with us – and we adapt.

Building out our asset and wealth management offering



DECEMBER



Group

PRODUCTS AND SERVICES

Our unwavering client focus, unified market view, and a steady pipeline of innovative equity, multi-asset, thematic, systematic and alternative products are powering our next phase of asset management growth. This is as onemarkets reaches over €30bn in AUM since its launch in 2022.

We are always focused on keeping our clients at the centre of everything we do – and asset management is no different. In 2025, we have sought to embed this principle further within the business, which we continue to build and round out with new elements.

At the beginning of the year, we established The Investment Institute, which aligns the market views of our Research and Group Investment Strategy teams to provide a single, coherent view to our clients that can inform their investment decisions. The Investment Institute specialises in producing accessible, digestible and relevant content to help decode complexity and unlock opportunities for our investor clients.

From concept to pan-European presence

This principle of keeping clients at the centre has also driven rapid growth in our onemarkets Funds. Launched from scratch in 2022, they reached €30bn in assets under management (AUM) across our Group countries in 2025 – underscoring the strength of our product factories and our ability to deliver best-in-class, client-centric solutions at scale.

Starting in Italy, Germany and Austria, our onemarkets offering quickly expanded to Central and Eastern Europe, Greece (via our partnership with Alpha Bank)

and beyond. Today, onemarkets Funds are available in 11 countries. This rapid growth reflects our ability to combine local distribution strength with global investment capabilities, ensuring clients have access to high-quality, diversified solutions.

We have also taken another major step forward in Central and Eastern Europe, with the expansion of the onemarkets offering to Slovenia in June, followed by Serbia in December.



ACCELERATION IN ACTION CONTINUED

Driving growth through innovation

Over the course of 2025, our asset management platform has continued to evolve, introducing new strategies to meet changing market dynamics and client expectations. Recent roll-outs include:

- > Longevity themed funds, addressing the demographic trend towards longer lifespans and adapting to changing wealth planning needs.
- > Target maturity and guaranteed solutions to provide stability and predictability.
- > European Equity Stars, leveraging our regional insights and ESG expertise.

These innovations have been complemented by UniCredit Premium One, our first in-house life insurance solution, which channels investments into dedicated onemarkets insurance funds – showcasing the integration of asset management, insurance and private banking and wealth management to deliver holistic wealth solutions.

We have also increased our focus on alternative assets. As part of this, we brought the Franklin Lexington PE Secondaries Fund (FLEX-I), the first evergreen private equity fund focused on the secondaries market, to our wealth clients in Italy. The fund is positioned against a backdrop of strong growth in the secondary private equity market, which is expected to exceed \$5 trillion over the next five years.

Furthermore, we have established a new strategic partnership with Quant>ICO, which provides successful Italian family business owners with access to high-potential mid-sized Italian companies through an innovative club deal model – combining capital, expertise and entrepreneurial networks to support corporate growth.

In 2025, we made our ambition clear: to unlock further growth by strengthening our client focus, doubling down on providing high-quality content to clients, deepening our presence in existing markets and expanding into new ones – all while rolling out new solutions in line with client priorities.

Internalising our life insurance business in Italy



JUNE



Italy

PRODUCTS AND SERVICES

A milestone in our journey to create a leading life insurance company in Italy.

In June 2025, we completed the internalisation of our life bancassurance business in Italy, acquiring full control of our joint ventures with CNP Assurances and Allianz, and renaming them UniCredit Life Insurance and UniCredit Vita Assicurazioni, respectively.

This move is also in line with our ongoing strategy to internalise key parts of the product value chain, having also begun the process of internalising our back office for securities services in Italy and Germany at the beginning of the year. The new internalised life insurance entities are expected to substantially contribute to the €0.4bn growth in insurance annual revenues targeted by FY 2027, compared to FY 2024.

Under the leadership of Alessandro Santoliquido, who was appointed CEO of both companies alongside his role as Head of Group Insurance, the two companies are expected to merge in 2026. This represents a significant expansion of our Client Solutions factories, holding a leadership position in high-value segments such as unit-linked and term life policies.

With these joint ventures internalised, we are now building an efficient company in a fee-based sector where we are already one of the leading players. At the same time, we are drawing on synergies to further strengthen our service levels, improve the value for money we offer to customers, and drive a substantial growth of the business.



ACCELERATION IN ACTION CONTINUED

€2.4 billion FlixTrain transaction supports transformative growth in European mobility and technology



MAY



Germany

PRODUCTS AND SERVICES

At UniCredit, we are committed to enabling growth and transformation in Europe's most strategic sectors – a commitment reflected in HypoVereinsbank (HVB)'s pivotal role in a landmark transaction for FlixTrain

In May 2025, HVB financed a major deal for FlixTrain, a subsidiary of global travel tech company Flix SE. The company ordered 65 new European high-speed trains from Spanish manufacturer Talgo to meet the growing demand for fast and affordable rail travel. The total order volume, including certain maintenance services, is worth up to €2.4 billion, of which more than €1 billion has already been committed.

By assuming a significant share of debt capital in the first tranche, we supported the structuring of the deal and achieved the first major financing milestone. This contribution enables Flix to accelerate its transformation and expand its presence in the high-speed rail market, significantly improving the availability of private long-distance trains in Germany and Europe.

In this transaction, we leveraged the expertise of our Infrastructure and Export Financing team in European rail transport and our Tech Coverage team's understanding of the needs of a fast-growing, VC-backed travel tech platform. Together, these capabilities demonstrate the strength of UniCredit as a pan-European group and our ability to deliver tailored solutions for clients driving innovation and sustainability.

For more than a decade, our Berlin-based Tech Industry Coverage Team has been at the forefront of supporting innovative and fast-growing technology companies across Germany and Europe. Acting as an integral part of the Tech Industry Network, the team connects founders, venture capital firms and advisors to foster a dynamic European tech ecosystem and create new international champions such as Flix. According to the EY Start-up Barometer, 75% of the 200 most funded tech companies benefit from the expertise and support of our Tech Coverage Team.

This leadership position underscores our commitment to enabling growth and transformation in one of Europe's most strategic sectors.



ACCELERATION IN ACTION CONTINUED

Shaping the future of payments in Austria



YEAR ROUND



Austria

PRODUCTS AND SERVICES

Advancing our ambition to bring smarter, more flexible payment solutions to clients across all segments.

In 2025, Bank Austria took significant steps to strengthen its payments business, transforming the payments experience for customers and clients.

In September, we completed the sale of UniCredit Bank Austria's 50.1% stake in card complete Service Bank AG, which was a key in bringing the full payments value chain in-house and strengthening our position in the Austrian payments market.

UniCredit Bank Austria is now directly offering credit card issuing and acquiring products, and in turn, bringing important areas of the business back in-house. In March, it introduced a modern, next-generation credit card, equipped with the latest technology and functions. The new Bank Austria credit card enables simple and secure payments to over 100 million merchants worldwide, improved travel insurance cover, and all functions are seamlessly integrated into the MobileBanking app. It is also compatible with Apple Pay and Google Pay.

In July, even more features were added, enabling customers to take control of their finances more than ever before via the app. Now they can autonomously block cards, order replacements, change limits, activate/deactivate eCommerce and view wallet tokens.

The Touch Card

As we transform payments, we're not just innovating – we're making it more inclusive. Around 253 million people worldwide live with visual impairments, and in February, UniCredit Bank Austria partnered with Mastercard to launch the Touch Card – the first payment card in Austria designed for tactile recognition.

With distinctive notches for debit and credit cards and designed in collaboration with organisations such as the Royal National Institute of Blind People (RNIB) and VISIONS, the Touch Card enables visually impaired customers to identify their cards quickly and independently, enhancing accessibility and convenience.

This innovation anticipates the Accessibility Act, which came into force on 28 June 2025, and goes beyond compliance to set a new benchmark for accessible banking.

In Austria, this commitment extends to the branch network. 100 percent of its branches are barrier-free and have tactile guidance systems for people with visual impairments, mobile induction devices for people with hearing impairments and self-service devices that are suitable for wheelchair users and have a keyboard with voice output. The bank also offers comprehensive barrier-free online service.

Brand new point-of-sale terminals

For businesses, July brought the launch of a brand-new acquiring solution with its point-of-sale (POS) terminals and eCommerce capabilities on a futureproof state-of-the-art omnichannel platform. This is designed to enable business clients to accept a broader range of payment methods quickly, easily and securely, while establishing a direct relationship with UniCredit rather than relying on third-party providers.

This is a major step in our ambition to bring smarter, more flexible payment solutions to our clients across all segments. This new service gives businesses more control, better support, and direct access to card schemes and digital wallets.

Initially targeted at micro and small businesses – segments where demand is high and growth potential is considerable – the solution provides access to a premium product that was previously available only to larger enterprises. The service is now fully rolled out to all client segments in Austria, creating new opportunities for both clients and the bank.

For our bank, this initiative is strengthening client relationships through end-to-end payment solutions, expanding market reach, and ensuring that customer interactions remain entirely within the bank.



ACCELERATION IN ACTION CONTINUED

Leading Croatia's largest private corporate refinancing



OCTOBER



Croatia

PRODUCTS AND SERVICES

Demonstrating our leadership in the Croatian corporate banking market.

In October 2025, Zagrebačka banka and UniCredit Group finalised a refinancing agreement for Fortenova Group, securing €550 million in debt refinancing. This transaction is the largest private corporate financing arranged by a single banking group in Croatia, reinforcing Fortenova Group's financial position and supporting its continued growth and stability.

As Croatia's largest company and a major employer in Southeast Europe with more than 45,000 employees, Fortenova Group plays a crucial role in the regional economy. This refinancing marks a significant milestone in Fortenova Group's ongoing restructuring, operational improvements and strategic vision for sustainable growth. It enables continued investment in operations and contributes to the development

of Croatia's economy and the wider Southeast European region.

Through this deal, we have demonstrated our strong commitment to supporting key players in the region with tailored financial solutions. It reflects our leadership in the Croatian corporate banking market, focus on fostering strong European businesses, and position as a trusted partner in driving the long-term success of major corporate clients.

Leading €3.6 billion corporate refinancing in Slovakia



FEBRUARY



Slovakia

PRODUCTS AND SERVICES

Combining our local expertise and pan-European reach to deliver complex financing solutions.

In 2025, UniCredit Bank played a leading role in Slovakia's largest-ever corporate refinancing, supporting Slovenské elektrárne with a landmark €3.6 billion financing package.

Acting as Global Coordinator and Facility Agent, we structured and managed the transaction, which comprised a three-year amortising loan, a five-year bullet loan and a two-year revolving facility.

The refinancing delivers significant benefits, including reduced interest costs, the release of company assets from collateral and strengthened long-term financial stability for Slovakia's leading energy producer.

Our role in this transaction underscores our strong commitment to the region and its ability to deliver complex financing solutions for strategic industries with our local expertise and pan-European reach.



ACCELERATION IN ACTION CONTINUED

New housing loan for non-residents of Bosnia and Herzegovina



JULY



Bosnia and Herzegovina Mostar

PRODUCTS AND SERVICES

Providing tailored financial solutions that meet the needs of clients across all our markets.

In July, we launched a new housing loan for non-resident citizens of Bosnia and Herzegovina who live and work abroad but wish to invest in real estate in their home country.

Eligible clients are those who have resided abroad for more than one year and have been employed with their

current employer for at least one year. The loan is intended exclusively for the purchase of real estate within Bosnia and Herzegovina.

The loan offers a fixed interest rate throughout the entire repayment period, giving clients security and predictability when planning monthly obligations. UniCredit Bank also waives the processing fee, reducing costs and simplifying the path to real estate investment.

As a reliable financial partner, we are continuously developing offers that meet clients' needs. This housing loan for non-residents reflects our commitment to supporting BiH citizens who, although physically distant, continue to invest in their homeland – fully aligned with our strategy to deliver tailored solutions for customers and clients across all markets.

Leading Europe's conversation on Longevity



MAY



Group

PRODUCTS AND SERVICES

A foundation for our work on demographic change, supporting clients as they navigate Europe's longevity transformation.

In 2025 we hosted the inaugural UniCredit Longevity Economic Forum which brought together policymakers, business leaders and Nobel laureates, to explore how increasing lifespans are reshaping society, the economy and the future needs of our clients.

The discussions throughout the 2025 event highlighted a shared understanding: longevity is not only about living longer but about enabling people to thrive throughout extended lives. Shifts in work, consumption, education and personal wellbeing were central themes, underscoring the profound changes already influencing households, businesses and financial decision-making.

To support this evolving landscape and the needs of our clients, we launched a comprehensive research platform designed to help us understand and

respond to longevity's long-term implications. This includes the UniCredit Longevity Index, the Empowered Living Indicator, and a series of thematic Observatories, developed with the UK's National Innovation Centre for Ageing and Fidelity International.

These tools assess how well countries support longer, healthier lives across factors such as individual behaviour, healthcare systems, physical

environments and social conditions – insights that enable us to provide better-informed guidance and solutions to clients planning their futures.

The Forum has become a foundation of our work on demographic change, strengthening our role as a bank that anticipates future needs and supports clients as they navigate Europe's longevity transformation.



ACCELERATION IN ACTION CONTINUED

Introducing fully digital investment services in Bulgaria



JANUARY



Bulgaria

CHANNELS

Advancing our strategy to expand high-value financial services through our digital channels.

In 2025, we introduced a new “Investments” feature in Bulbank Mobile, offering both Investment Plans and Direct Investments, enabling individual users in Bulgaria to seamlessly invest in onemarkets funds directly from their smartphones.

Customers can now choose from top-tier global investment funds under the onemarkets umbrella, including renowned names such as BlackRock, J.P. Morgan and Fidelity. They can also opt for recurring monthly investment through Investment Plans or make a one-time contribution via Direct Investment.

With just a few taps, they can build their investment portfolio without visiting a branch.

This initiative marks a significant milestone in our strategy to expand high-value financial services through digital channels.

It reflects our commitment to transparency, flexibility, and technological excellence – making investing smarter and more inclusive.

Following the launch of the end-to-end investment process, digital sales now account for 65% of all investment transactions. Bulbank Mobile has

become the preferred banking channel, with over 98% of customer operations conducted digitally. Users perform more than 1.3 million payments monthly, totaling over BGN 1 billion – a powerful demonstration of how our digital strategy is delivering results and transforming the way we serve our clients.



Enhancing digital accessibility and expanding payment options in Bosnia and Herzegovina



JULY



Bosnia and Herzegovina Banja Luka

CHANNELS

Making banking more accessible, secure and improving the everyday client experience.

In Bosnia and Herzegovina, we continued to respond to our clients' needs by improving the digital solutions they rely on every day. At UniCredit Bank Banja Luka, we have enhanced our m_bank mobile application to promote greater digital accessibility and to include a range of improvements – including TalkBack functionality, improved colour contrast,

enhanced readability, larger icons and an optimised button layout. These changes are all designed to simplify navigation and create a more user-friendly experience and also support clients with visual or accessibility challenges.

2025 was also the year we brought Apple Pay to our clients in Bosnia and Herzegovina, becoming one of the first banks on the local market to do so. By introducing this modern, secure and convenient payment method, we have

demonstrated our ability to innovate and respond to evolving client expectations in all markets.

These initiatives demonstrate our continued commitment to strengthening digital services for our clients – making banking more accessible, more secure and improving the everyday banking experience. Together we are meeting the real needs of clients and customers and setting benchmarks for our competitors.

ACCELERATION IN ACTION CONTINUED

Advancing our digital transformation through BancoSmart 2.0



OCTOBER



Italy

CHANNELS

Delivering faster, simpler and more sustainable self-service banking.

In 2025, we took a major step forward in our digital transformation with the launch of BancoSmart 2.0, a new interface for UniCredit ATMs. Designed to deliver a faster, simpler and more sustainable experience, BancoSmart 2.0 sets a new benchmark for self-service banking.

Through the following enhancements, we are simplifying the everyday banking experience:

- > Quick Withdrawals, the last withdrawn amount is immediately visible after card insertion.

- > Digital Receipts, option to receive receipts via email or opt out of non-mandatory ones to reduce paper usage.
- > More Visible and Intuitive Functions, directly accessible from the main menu
- > Graphic Style aligned with other UniCredit digital channels, like the Mobile Banking App.
- > Guided Processes, to facilitate the experience for even less experienced users.

The complete release of BancoSmart 2.0 is progressive. In 2025, it was already available on cash withdrawal-only ATMs, and it is being distributed to Advanced ATMs (those with deposit functions). Its arrival on Quick Cash Desks is expected in 2026.

This is a part of our broader investment programme to modernise our self-service infrastructure and branch network. To date, almost 90% of UniCredit branches have been upgraded, creating a truly omnichannel experience for clients. In parallel, we are implementing a major ATM renewal plan, replacing more than half of our machines with latest-generation models by 2027.

With our investments in Self Service Banking, we are accelerating the digital transformation of our branch network, creating a distinctive, sustainable, and truly omnichannel experience for our clients.



ACCELERATION IN ACTION CONTINUED

Uniting with European banks to launch a Euro-denominated stablecoin



SEPTEMBER



Group

CHANNELS

Paving the way for a new standard in the digital asset space that will support Europe's growth.

In September 2025, we joined forces with nine major European banks – ING, BNP Paribas, Banca Sella, KBC, Danske Bank, DekaBank, SEB, CaixaBank and Raiffeisen Bank International – to launch a Euro-denominated stablecoin.

This digital payment instrument, built on blockchain technology, aims to become a trusted European payment standard within the digital ecosystem. By using blockchain, stablecoins enable fast, secure and low-cost transactions, making them an attractive option for both retail and corporate users in the evolving landscape of digital finance.

For UniCredit, this partnership is a chance to help define the digital finance ecosystem. Stablecoins will enable 24/7 access to efficient cross-border payments, programmable payments, and improvements in supply chain management and digital asset settlements, which can vary from securities to cryptocurrencies.

The stablecoin will be regulated by EU's "Markets in Crypto-Assets Regulation" (MiCAR) and is expected to be first issued in the second half of 2026.

The stablecoin consortium, with its founding members, has formed a dedicated entity, Qivalis, which has been set-up in the Netherlands and has submitted an application for an electronic money license with the Dutch Central Bank.

The initiative will provide a real European alternative to the US-dominated stablecoin market, contributing to Europe's strategic autonomy in payments.

By supporting a trusted, regulated solution for on-chain payments and settlement, UniCredit is helping to pave the way for a new standard in digital assets – one that underpins Europe's growth and financial sovereignty.

Unlocking high potential investment opportunities through partnership with Quant>ICO



FEBRUARY



Italy

PARTNERSHIPS

Strategic partnership supporting high-potential businesses, empowering entrepreneurs and creating long-term value for investors.

In February 2025, we launched a strategic partnership with Quant>ICO, an independent club deal company, with the aim of offering selected investors privileged access to high-potential investment opportunities in Italian mid-sized enterprises.

Through this collaboration, we are acting as Quant>ICO's exclusive partner in identifying family offices, entrepreneurs

and professionals interested in joining the initiative. With our multi-product platform, international network and deep knowledge of investment banking, we are supporting high-potential businesses with highly credible development and growth plans.

The project brings together some of Italy's most prominent entrepreneurial families, with plans to invest in approximately ten to twelve transactions over 4-5 years. Each deal will involve equity tickets ranging from €30 million to €80 million per target company.

This innovative and flexible investment model is designed to empower entrepreneurs and create long-term value for investors. By combining capital with expertise, the initiative aims to strengthen Italy's mid-sized corporate sector and foster sustainable growth.

The partnership with Quant>ICO complements our already consolidated offering in co-investments in club deals, where, thanks to several milestone transactions, we are considered among the leaders in Italy.

ACCELERATION IN ACTION CONTINUED

A year of partnership between UniCredit and Scuderia Ferrari HP



YEAR ROUND



Group

PARTNERSHIPS

Bound by Passion, United by Excellence. In 2025, our multi-year partnership with Scuderia Ferrari HP continued to evolve, uniting two renowned Italian brands that share a passion for high performance and excellence.

Guided by the banner 'Bound by Passion. United in Excellence', the partnership has opened up new banking opportunities and exclusive experiences for our customers, clients and colleagues, and has brought our bank closer to the global community of Ferrari fans.

Building a global community

From international moments to landmark events such as the Drivers' Presentation in Milan's Piazza Castello, which gathered more than 20,000 fans and 5,000 UniCredit employees, and through numerous local initiatives across Europe, the partnership – which began in September 2024 – has turned motorsport into a shared experience for Ferrari fans, and our clients and customers.

Across the year we brought this to life in the communities and markets we serve, with local activations, branding, displays and events in our bank branches,

Through live events, original videos and exclusive content, we amplified the Scuderia Ferrari HP and UniCredit brand across Europe, and our shared values of excellence, performance and innovation to a new community of customers and clients. Stories, behind-the-scenes moments and the voices of those who live and breathe the paddock every day made the partnership more tangible, authentic and engaging. These campaigns contributed to deeper engagement with younger and digitally active audiences and millions of Ferrari fans.



Additionally, thanks to our partnership with Teach for Italy, the first pilot edition of the UniCredit and Scuderia Ferrari HP Summer School was launched in July 2025, helping fellows and students in educationally disadvantaged areas build skills in STEM.

UniCredit Scuderia Ferrari Metal Card

A major milestone in our partnership was the launch of the UniCredit Scuderia Ferrari Metal Card at an exclusive event in Milan with F1 drivers Lewis Hamilton and Charles Leclerc. This premium Mastercard credit card crafted from metal in the iconic Ferrari Mugello Red and engraved with the legendary shield and provides customers in Italy with exclusive benefits.

Developed through our collaboration with Ferrari, the card offers clients broad spending capacity, zero foreign currency fees and a suite of elite services, including:

- > Fast Track security access at major airports;
- > Priority Pass entry to more than 1,700 airport lounges;
- > 24/7 concierge services;
- > Exclusive Mastercard Priceless, Reserved and Travel Rewards benefits

Cardholders have been able to enjoy access to the dedicated Ferrari Benefits Catalogue, featuring curated Ferrari products, limited-edition merchandise and unique experiences available exclusively through the partnership.

Creating unique client experiences across Europe

Throughout 2025, we collaborated with Scuderia Ferrari HP to develop exclusive experiences and storytelling that brought our clients closer to the world of Formula

This included special invitations to 12 of the most exclusive Grand Prix events taking place in Europe and worldwide in 2025 and visits to iconic motorsport locations such as Scuderia Ferrari's state-of-the-art headquarters in Maranello in Italy, where clients from Italy, Germany, Austria, Bulgaria, Croatia and Client Solutions received an exclusive tour and were able to enjoy the famous test track in a Ferrari sports car.

We also brought our partnership to life at major international industry conferences, featuring Ferrari replicas at UniCredit-branded stands at events such as Sibos in Germany, Euroconference in Hungary and Salone dei Pagamenti in Italy – all of which attract tens of thousands of visitors. Alongside this, we hosted successful local initiatives across UniCredit premises, from the Bank Austria Forum in Vienna.

ACCELERATION IN ACTION CONTINUED

Partnering with Banxware to transform SME financing



JUNE



Germany

PARTNERSHIPS

Milestone in our strategy to combine the trust of a universal bank with the agility of a fintech.

In 2025, UniCredit advanced its platform strategy through HypoVereinsbank's partnership with Berlin-based fintech Banxware, delivering fast, digital credit solutions for SMEs.

Small and medium-sized enterprises (SMEs) are the backbone of the German economy and a key client segment for UniCredit. In 2025, we strengthened our commitment to this sector through HypoVereinsbank's partnership with Banxware, a leading fintech specialising in embedded lending technology. Together, we are redefining how SMEs access financing – seamlessly, digitally, and directly within the platforms they use every day.

Banxware provides state-of-the-art embedded lending capabilities, while UniCredit brings financial strength, regulatory expertise and decades of corporate banking experience. This combination enables businesses to secure funding without lengthy, paper-based processes. Applications can be completed in minutes, with decisions typically within 24-72 hours and funds available within days¹ giving entrepreneurs the agility to act when opportunities arise.

Our joint offering includes:

- > **Banxware Sofortfinanzierung, an instant term loan up to €250,000** for short-term needs;
- > **HVB FlexFinancing credit lines up to €5 million** for companies with strong growth ambitions.

This partnership is more than a product launch – it represents a strategic shift towards embedded finance. By integrating lending into leading online platforms, we meet customers where they do business and remove traditional barriers. The result is faster, more flexible financing aligned with the digital economy.

For UniCredit, this cooperation marks a key milestone in our broader platform strategy. Together with Banxware, we are shaping the future of corporate banking – combining the trust and reliability of a universal bank with the agility and innovation of a fintech.

¹ Banxware Sofortfinanzierung is paid out within 24 hours, HVB FlexFinanzierung within 3 days.



ACCELERATION IN ACTION CONTINUED



Faster, smarter international payments with Wise



JULY



Group

PARTNERSHIPS

International payments are a cornerstone of our strategy, as we aim to become every European's first choice for payments.

This ambition is embedded in our multi-year acceleration plan, where we aim for payments to contribute €0.4bn to our total €1.4bn target for fee growth by 2027. Our approach focuses on capital-light, scalable, fee-based services that deliver tangible benefits for clients.

Building on a strong foundation

The foundation of our international payments offering, UC PayFX, was launched in 2021 and expanded to retail clients in 2022. Enabling them to send wire transfers from their Euro accounts into a huge range of currencies, including exotic currencies such as the South-Korean Won and Egyptian Pound, it has helped us double the number of active retail accounts and grow retail transaction volumes by more than 50%. Our adoption of Swift GPI in 2024 added to the offering, enabling real-time tracking and fast settlement for cross-border transfers.

These achievements earned us considerable industry recognition, including Euromoney's Best Cash Management Bank for two consecutive years in 2024 and 2025, and the TMI Award for Best Solution Innovation in Payments in 2025.

The next step: near-real-time international retail payments

In 2025, we became the first major European bank to launch a faster international payments service for retail and private clients, in partnership with Wise Platform and other Financial Institutions. This new solution allows clients to:

- > Transfer money abroad as quickly as a domestic payment in 10 major currencies, including USD, GBP, CHF, HKD, SGD and INR;
- > Access real-time exchange rates and transparent pricing, with no hidden fees;
- > Enjoy a mobile-first, guided user experience.

We aim to extend coverage to all European retail clients by 2027, adding more currencies and geographies.

Impact and outlook

This innovation directly benefits retail and private clients, offering speed, cost efficiency and transparency. It also strengthens UniCredit's position as a leader in payments, supporting our strategic goal of sustainable fee growth. Looking ahead, we will continue to expand this service, integrate additional partners and enhance user experience – ensuring UniCredit remains at the forefront of payment innovation in Europe.

ACCELERATION IN ACTION CONTINUED

Driving innovation and growth through our Mastercard Partnership



YEAR ROUND



Group

PARTNERSHIPS

Our strategic partnership with Mastercard has been instrumental in strengthening our position in the European market and advancing our vision to become the first choice for payments across Europe.

In 2023, we formed this multi-market partnership with Mastercard and since then we have launched new products in 12 European markets, enabling cards to perform e-commerce transactions in each of our banks.

By leveraging Mastercard's global expertise and advanced payment technologies, we deliver secure, reliable and innovative solutions to our customers – ensuring operational excellence and differentiated services.

Delivering tangible innovation for clients

This collaboration has enabled UniCredit to enrich its offering with cutting-edge features that meet evolving customer needs:

- > Click-to-Pay and Digital Wallet integration, providing seamless, secure payment experiences;
- > Access to Mastercard's Priceless platform, creating exclusive experiences and benefits for customers;
- > Harmonised payment solutions across pan-European markets, improving operational efficiency and card acceptance worldwide;
- > Introduction of sustainable card materials, reinforcing UniCredit's ESG commitments.



Impact and stakeholders

The partnership provides direct benefits for our clients, who enjoy modern, frictionless payment experiences, and communities, through sustainable product innovation. It also supports colleagues, enabling consistent delivery of advanced solutions across markets.

It is also delivering tangible results. Since the partnership started in 2023, it has increased card transactions by 20% and the Mastercard ecosystem has helped drive the digitalisation of payments by increasing card usage to a 2:3 ratio versus cash across Group transaction volumes, with further growth potential ahead.

Looking ahead, UniCredit will continue to scale these innovations across Europe, integrating marketing initiatives and sustainability features to deepen customer relationships and strengthen our competitive position in the payments space.

ACCELERATION IN ACTION CONTINUED



Geographies

Capital and investments redirected to geographies offering the strongest opportunities.

Strengthening our market position through merger with Alpha Bank Romania



AUGUST



Romania

A pivotal moment in our growth story as we build a stronger, more profitable bank.

On 18 August 2025, we completed the merger of UniCredit Bank Romania and Alpha Bank Romania – a major step forward in strengthening our position in one of our most important growth markets.

This has brought together two institutions with deep Romanian market expertise and long-standing client relationships, bolstering our market position across corporate and retail banking and sustainable growth strategy. At the point of completion, we held 11% of banking assets, 13% of loans, and

11% of customer deposits – a significant milestone demonstrating UniCredit's capacity for rapid, effective integration at scale.

As a result, Alpha Bank Romania customers can now benefit from enhanced banking experience as a part of UniCredit with an expanded range of products and services, a larger branch and ATM network, and leading banking technology.

The new UniCredit Bank Romania operates approximately 300 branches strategically located for customer convenience, ensuring efficient access to various financial solutions. Customers can access a comprehensive network of

900 ATMs nationwide. The combined bank employs over 4,800 staff, including former Alpha Bank Romania colleagues.

Alpha's long-standing presence in Romania, that continues via its 9.9% stake in UniCredit Bank Romania, reinforces our strategic role in Eastern Europe, a region in continuous development.

Looking back from 2026, the merger stands out as a pivotal moment in our growth story. We have created a stronger bank, that is better positioned to unlock new potential and drive accelerated, profitable growth both for our bank and our customers.



ACCELERATION IN ACTION CONTINUED

Unlocking growth through our strategic partnership with Alpha Bank Greece



OCTOBER



Group

Unlocking growth and delivering beyond expectations with Alpha Bank. Cementing our position as a leading pan-European bank.

In 2025, we strengthened our strategic partnership with Alpha Bank, increasing its stake to approximately 29.5%. This move reflects our commitment to growth through partnerships that combine local strength with UniCredit's pan-European capabilities. Greece, with its robust recovery investments in energy and infrastructure, offers significant potential, and Alpha Bank's strong regional presence makes it an ideal partner for cross-border business.

Delivering tangible results for clients

By connecting Alpha Bank to UniCredit's global product factories, we have been able to extend our advanced solutions

in trade finance, payments, brokerage and asset management to its clients. This collaboration has already delivered beyond expectations:

- > Securing €1 billion in assets under management for onemarkets funds in Greece, representing over 10% of Alpha Bank's total AUM;
- > Enabling us to support the majority of Alpha Bank's European emission allowance trades, with projected volumes of up to €12 billion in 2025;
- > Facilitating joint transactions such as the EBRD's €161 million sale of a stake in Bank of Cyprus and coordinated coverage for Greek and CEE clients; and
- > Prompting over 30 knowledge-sharing sessions on compliance, operations

and client experience – strengthening collaboration between teams.

This partnership delivers clear benefits for clients, who gain access to best-in-class products and cross-border expertise, and for colleagues, who benefit from shared knowledge and integrated operations. It also supports regional economic growth, reinforcing our role as a trusted partner in a rapidly evolving market.

The next phase will focus on deepening cooperation with international clients, leveraging UniCredit's network to support Greek investors abroad and international clients seeking opportunities in Greece. This cross-border approach will unlock further growth and cement our position as a leading pan-European bank.

Launch of UniCredit for CEE 2025



JANUARY



Group

We have taken another major step forward in the expansion of Onemarkets in Central and Eastern Europe.

The onemarkets Fund combines UniCredit's deep client knowledge with the expertise of leading global asset managers – including Amundi, Allianz Global Investors, BlackRock, Fidelity, J.P. Morgan, Pictet and PIMCO – offering a broad range of bond-weighted and equity-weighted balanced products to meet diverse investor needs.

In June 2025, we expanded our onemarkets Fund offering to Slovenia and in December to Serbia. This follows successful launches in Italy, Germany and Austria in 2022, and subsequent rollouts in Greece, Czech Republic, Slovakia,

Bulgaria, Hungary, Romania and Bosnia and Herzegovina. With this latest addition, our bespoke investment solutions are now available in 13 European countries, and clients have already entrusted around €30 billion in assets under management to the onemarkets platform.

This expansion is part of our strategic plan focused on extending our reach and delivering high-quality, targeted solutions to private clients across CEE.

At the same time, we introduced a holistic umbrella framework for micro and small businesses in the region, with the opportunity to provide up to €2.3 billion in favourable financing solutions alongside accounts management and advisory services. This initiative builds on the success of UniCredit for CEE 2024, which

delivered more than €2 billion in financing and supported over 9,300 micro and small corporate clients across CEE.

These achievements reflect our commitment to driving growth and innovation in the region – helping businesses thrive and giving private clients access to world-class investment opportunities.



ACCELERATION IN ACTION CONTINUED



People & Culture

Investing in our people and winning Culture. The linchpin of our success.

When Strategy meets Culture to power Innovation and Growth



YEAR ROUND



Group

Culture & Strategy Roadshow and Culture Day brought colleagues together across our bank in 2025 to shape our future through shared Values and bold ideas.

Culture & Strategy Roadshow

The Roadshow returned with a fresh format and new stops, creating even more opportunities for colleagues to connect directly with UniCredit's leadership. Over 27,000 participants came together to explore strategy, strengthen Culture and celebrate collective achievements.

In 2025, it made 18 visits to 11 countries across Europe. This included key markets in Central and Eastern Europe, as well as Germany and Austria, and for the first time it visited all 7 Italian regions and Holding.

Originally launched to deepen understanding of UniCredit's core Values, the Roadshow has evolved into a dynamic platform for strategic dialogue, innovation and local insights. It is a local lens into local opportunities and challenges, offering colleagues the chance to pitch their ideas to the Group CEO and Leadership team and shape our bank's future success.

With more than 1,700 ideas shared across Europe, the Roadshow is not just a conversation – it is driving excellence across UniCredit.

Culture Day

This was supported by Culture Day which returned with its fourth edition in December, bringing together 8,000 colleagues and senior leaders across the Group to celebrate the remarkable individuals shaping our Culture evolution and reflect on the key pillars of our progress.

Leaders from across the bank shared their insights on themes such as driving innovation, embedding ideation into our Culture, fuelling growth, reimagining

client service, and scaling ideas beyond borders. This included innovations such as the Virtual Mortgage Center, Smarter ATM Interface and Portfolio Reporting Tool, as well as the Innovation Hub, the Problem-solving Hackathon and many more.

Culture Day was a celebration of extraordinary people who have brought UniCredit's Values to life and a springboard into a new year and a future of even greater impact.



ACCELERATION IN ACTION CONTINUED



Well-being Focus: Building a culture of care and connection



Reinforcing our commitment to building a safe, supportive and healthy workplace for all.

From 7 to 11 April, we hosted our first Well-being Focus, a week dedicated to inspiring, educating and empowering colleagues across all our countries to embrace a culture of care and connection in everyday life.

Over 16,000 people joined online and in-person over the five days, with strong engagement across internal and external platforms.

Well-being is the foundation for everything we do at UniCredit – driving productivity, creativity and the energy we bring to the workplace.

Throughout the week, we opened dialogues across all five pillars of well-being – physical, social, career, financial and mental – reinforcing our commitment to a safe, supportive and healthy workplace for all.

Colleagues heard personal stories and insights from renowned speakers and UniCredit's leaders, and had the opportunity to participate and engage in the following sessions:

- > A panel discussion featuring five of our senior leaders which focused on our holistic approach to well-being and reaffirmed our Group-wide commitment.
- > A motivational keynote from former basketball player Riccardo Pittis, who emphasised the direct link between personal well-being and professional excellence.
- > A Social Well-being Talk led by Group Strategy & ESG focused on volunteering opportunities at UniCredit and our bank's role in driving collective action and social impact.
- > Career Well-being Talk featuring historian and lecturer, Dr Eliza Firby explored intergenerational dynamics at work, generational differences and work-life balance.
- > Financial Well-being Talk led by Group Client Solutions shared essential financial habits, advice on smart saving and investment to debt management and focused on how to build lasting financial security.
- > A powerful Mental Well-being Talk hosted by Andrea Bariselli, clinical psychologist and neuroscientist, on boosting motivation, resilience, and productivity to support both personal and professional performance.

ACCELERATION IN ACTION CONTINUED



20 years together: HypoVereinsbank and UniCredit celebrate historic milestone



SEPTEMBER



Germany

In 2025, HypoVereinsbank marked two decades within UniCredit Group – a journey defined by transformation, excellence, and shared success.

Over these two decades, HVB has evolved into Germany's most profitable, efficient and best-capitalised universal bank – a cornerstone of the Group and a trusted partner for clients across industries and borders.

The merger in 2005 was the largest cross-border banking integration in Europe at the time, laying the foundation for our shared success. Today, Germany contributes around 20% of our net profit, reflecting HVB's capacity for transformation, operational efficiency and strong customer focus.

This is particularly evident in rising satisfaction among medium-sized enterprises – a segment where HVB continues to deliver tailored solutions and sustainable growth.

Together, we have built more than a bank – we have built a legacy. The positive impact of our actions can be felt across communities and markets, thanks to the dedication and resilience of HVB employees. Their commitment is at the heart of the “Together” campaign launched in 2025 which featured a series of internal and external initiatives to celebrate this anniversary, engage employees and strengthen the sense of belonging across the organisation.

This included the Culture Summer Lounge, regional running activities in ten cities, promoting health and team spirit, and a dedicated exhibition at HVB Tower. The campaign culminated in Unlocking Excellence, an event held on 22 September which brought together over 5,000 colleagues to reflect on the key milestones in HypoVereinsbank and UniCredit's history, and honour outstanding contributions from employees through the Excellence Awards. It also included a pitch session, where colleagues shared forward-looking ideas for the future.

At the heart of these celebrations was a clear message: **#TogetherWeBelong**. The day demonstrated the excellence which defines HypoVereinsbank and the foundations we have built for even greater growth, innovation and success in the future.

ACCELERATION IN ACTION CONTINUED



Building the workforce of tomorrow – investing in talent across UniCredit



JULY



Italy

People are the engine of our success. By empowering talent, we are building a stronger, future-ready UniCredit.

As part of our Strategic Plan, we have continued to invest in our people and in 2025 we launched a major hiring initiative in Italy.

Under the campaign “Follow Your Talent. It Will Lead You to Us”, launched in July, we set out to recruit 1,000 new colleagues, with a strong focus on young talent for our Italian commercial network.

Our recruiting strategy introduced a new career path specifically for young talent in junior advisory roles within the Italian commercial network. This path begins with a three-month internship, either curricular or extracurricular, followed by an apprenticeship. We also launched dedicated campaigns for professional profiles, supported by local UniCredit colleagues, and strengthened recruitment channels through partnerships with universities, schools

and regional stakeholders, besides a referral campaign dedicated to specific roles. This campaign highlights our commitment to creating an environment where people can grow, unlock their potential and contribute to the success of our clients and communities.

This is a part of wider efforts to invest in talent in Italy and across the Group. Since 2021, we have welcomed c.5,000 new team members in Italy, strengthening our workforce and Commercial Network with new talent and fostering cross-generational collaboration. The percentage of colleagues under 35 in Italy has nearly doubled in four years, rising from 7.7% to 15%.

In addition, in 2025, we welcomed over 4,000 new colleagues across the Group as a part of our ambition to accelerate commercial growth, strengthen client relationships and build new capabilities. More than half of these hires were under 30 years old – reinforcing our view that

the bank’s future will be powered and shaped by the next generation and the capabilities they can bring in areas such as data and AI.

Over 80% of these under-30 hires joined our Business and Digital areas, underscoring our focus on technology and efficiency. Of these, more than 90% were in Business roles, strengthening a core area essential for growing the bank and delivering greater value to clients.

At UniCredit, when we talk about talent, we mean going beyond the traditional search for talented individuals and focusing on recognising, developing and nurturing the talent within each person through dedicated mapping, development and training programmes.

This is a deliberate investment in talent and new hires to drive our next phase of growth. By empowering new talent, we are building a stronger, future-ready UniCredit.

ACCELERATION IN ACTION CONTINUED



Organisation & Processes

Simplifying and streamlining. A leaner, faster, more agile bank.

Setting a new benchmark for corporate credit approvals in Slovenia



FEBRUARY



Slovenia

Further streamlining our processes to deliver a faster, simpler and more efficient service for our clients.

In February 2025, UniCredit Banka Slovenija introduced the Fast Track initiative to optimise credit approval processes for corporate clients, reinforcing our commitment to operational excellence and putting clients at the centre.

The initiative is designed to simplify processes, leverage automation, and embed partially data-driven decisioning, significantly reducing time to approval and delivering faster, more transparent and predictable outcomes.

By enhancing speed, consistency and ease of application through a streamlined questionnaire, the initiative improves client experience while strengthening operational efficiency and risk management. Ultimately, it positions UniCredit to build deeper client trust, accelerate growth and set a new benchmark for a modern, client-first credit process.

The Fast Track initiative focuses on credit exposures up to €0.5 million, upgrading and simplifying the existing credit process and introducing a delegated approval model within the CIB division. The process is based on predefined criteria that ensure consistency and compliance, with selected steps automated to accelerate decision-

making. By standardising the process and leveraging automation where applicable, our bank is reducing processing times, improving efficiency and enhancing transparency.

As a result, time to approval for credit proposals meeting the pre-set criteria decreased by four days in 2025. The project also rationalises criteria for exposures up to €0.5 million and transfers approval authority to the CIB division, enabling faster decisions. Looking ahead, the focus will be on analysing cases that do not meet the

criteria and identifying opportunities to process more clients through the simplified and fast-track approach.

The benefits of this project are twofold – enhancing client service through an easy-to-complete questionnaire and reduced paperwork, and equipping colleagues with a streamlined tool to process applications faster and deliver more consistent, predictable results. This dual benefit strengthens client relationships while ensuring efficiency and compliance with our bank's standard.



ACCELERATION IN ACTION CONTINUED

Fast-tracking credit decisions in Serbia



JUNE



Serbia

Transforming our approach to credit decisions, offering the right products to our clients at the right time.

In the standard credit process, more than 20 documents are required for a final decision, involving multiple bank structures and often leaving clients waiting several weeks for feedback.

To change this, at UniCredit Bank Serbia we introduced a new approach: leveraging internal and external data, processing it in advance and applying defined criteria to create a list of customers eligible for fast-track actions and maximum credit limits.

This includes both existing and potential clients, boosting acquisition and cross-selling opportunities.

With analysis of the data in advance, preparing a credit application now takes less than one hour, requires fewer than 10 documents, and decisions are typically made within one to two days.

This has freed up capacity across several teams, improved standard processes and customer satisfaction.

We have also extended this approach to the annual review process. Now almost 40% of existing borrowing customers benefit from fast reviews, with the opportunity to access additional products – such as working capital, IRS, factoring, FX forward, credit cards and overdrafts – without extra effort.

The benefits are clear: smarter data analysis and streamlined processes mean better targeting and the ability to offer the right products to our most valuable customers.



ACCELERATION IN ACTION CONTINUED



Digital and Data

Accelerating the adoption of AI. Turning scale and innovation into competitive advantage.

Accelerating digital transformation through our Google Cloud partnership



MAY



Group



In 2025, we took an important step forward in our digital transformation journey by entering into a strategic partnership with Google Cloud.

Under this agreement, UniCredit will migrate large sections of its application landscape – including legacy systems – onto Google Cloud's secure and scalable platform. This transition will cover all 13 banks across our Group, providing a unified foundation that enhances agility, scalability and operational resilience. The move positions UniCredit to adapt quickly to future market expansions or acquisitions, ensuring we remain competitive in a rapidly evolving financial landscape.

The deal stands as a major milestone on our Digital transformation journey. Securing a high-level deal with a top cloud services provider and laying the foundation for a single AI platform across the Group, it delivers on some of the key ambitions we identified when we updated our Digital strategy in 2024.

These are central to our ambition to become the bank for Europe's future – enabling us to modernise our technology, accelerate AI adoption and create new business opportunities, while maintaining the highest standards of security and resilience.

A unified foundation for growth: harnessing AI to transform banking

Beyond cloud migration, the partnership establishes Google Cloud as UniCredit's primary platform for AI workloads, leveraging advanced technologies such as Vertex AI and Gemini models. These capabilities will empower us to:

- > Develop and refine new service offerings
- > Drive internal efficiencies
- > Create industry-leading customer experiences

Potential practical applications include AI-driven insights for investment banking, enhanced customer interactions, operational process optimisation, financial crime prevention and the development of new AI-powered financial products.

This AI-first approach will enable UniCredit to create industry-leading customer experiences and unlock new revenue streams, reinforcing our position as a digital innovator.

Strategic alignment and future opportunities

The partnership goes beyond infrastructure. It lays the groundwork for broader collaboration with Google, including potential integration of other Google services, such as the Google Maps platform, to enrich customer journeys and optimise operations.

Impact and outlook

This partnership represents a step-change in UniCredit's technology footprint, advancing critical areas such as AI, data and infrastructure across our core markets. Looking ahead, this collaboration will serve as a catalyst for future innovation, while strengthening resilience and supporting sustainable growth.



ACCELERATION IN ACTION CONTINUED



DealSync: Leveraging AI to democratise M&A for SMEs



JULY



Group

Across the bank, we are focused on using digital tools to expand our support to new client segments in a standardised and accessible way.

This is particularly valuable in helping us reach small and medium-sized enterprises (SMEs) that might otherwise not be able to access our services.

Mergers and acquisitions is one example of a space that has traditionally been the preserve of large corporates when it comes to bank support, with smaller businesses typically working with boutique advisories with limited networks. Our DealSync platform is changing that. Designed for SMEs with EBITDA between €1 million and €20 million and active in seven countries, DealSync leverages artificial intelligence to make M&A advisory accessible, scalable and profitable for this vital segment of the economy.

The opportunity here is significant. Small and medium-sized enterprises make up 99% of all European companies and in Germany and Italy alone, there are

around 3,500 M&A transactions annually, totalling €140 billion—of which €50–60 billion are smaller deals with an enterprise value below €50 million.

A digital marketplace for growth

DealSync acts as a digital marketplace, matching buyers and sellers across UniCredit's client base and beyond. It aggregates M&A interest, screens opportunities and supports introductions at scale. The platform uses machine learning to assess the likelihood of successful deals, while automating key processes such as document generation for pitches, teasers and contracts. This low-touch model enables UniCredit to serve a market worth an estimated €50bn in total M&A transaction value across Italy and Germany – and more once you add Central and Eastern Europe.

Since launch, DealSync has delivered impressive results:

> 450 signed mandates and 3,000+ leads across Italy, Germany, Austria and Romania.

> First transaction completed in July 2025: D.M. Barone S.p.A.'s acquisition of Re Roberto S.p.A., creating Sicily's leading independent pharmaceutical distributor. UniCredit supported both sides, while providing financing to the buyer and wealth management services to the seller.

DealSync's success has also attracted industry attention, winning an ABI Award for Innovation in 2025 and ranking as a finalist for Gartner's Eye on Innovation Award for EMEA.

What's next

DealSync exemplifies UniCredit's commitment to digital transformation and client-centric innovation. By combining AI-driven efficiency with relationship banking, we are unlocking new growth opportunities for SMEs and creating fresh revenue streams for the Group. The next phase will focus on expanding the platform's reach, enhancing predictive analytics and integrating additional financing solutions – cementing UniCredit's role as a trusted partner for businesses of all sizes.

ACCELERATION IN ACTION CONTINUED

A bold step in digital banking: Our acquisition of Aion Bank and Vodeno



MARCH



Group

An investment in strengthening our technological capabilities and accelerating the growth of our business.

On 6 March, we closed the acquisition of Aion Bank, an innovative digital bank, and Vodeno, the flexible, cloud-based technology platform that underpins it, in a move that marks the beginning of a new era of quality growth powered by investment.

The closing of this transaction – first announced on 24 July 2024 – has laid the technological foundation for establishing a full-scale bank in Poland and a banking model that combines the agility of a fintech with the strength, trust and competence of a European universal bank.

This is perfectly aligned with the next acceleration phase of our UniCredit Unlocked strategy, enabling us to accelerate our organic growth by entering new markets, businesses and client segments. It also further demonstrates our discipline and strong execution in the M&A space and our laser focus on investments that enhance our ability to support clients and communities across Europe.

The transaction also marks an acceleration of our activity in the digital banking space, standing as one of the first moves by a bank to acquire full ownership of a new technology (without any dependencies on third-party core banking providers), ensuring strong differentiation from pure technology providers, neobanks and incumbents undergoing digital transformation.

Since the acquisition, we have already returned to the Polish market, bringing a new and distinctive banking experience that balances the trust and stability of a traditional bank with the innovation and advanced customer experience of a fintech. As a next step, we also plan to expand this unique platform into several Western European countries.



ACCELERATION IN ACTION CONTINUED

The Poland platform features an all-in-one mobile app encompassing all daily banking and investment solutions, supported by an omnichannel model with 11 flagship branches, expanding to 40 by 2026, a modern investment product platform, and dedicated teams within Wealth Management and Client Solutions. The bank started operations across all business lines, including retail and private banking, alongside a decisive move into the fast-growing large corporates and investment banking space, and expanded focus on serving SMEs.

Poland now serves as UniCredit's innovation and digital hub, supporting the Group's pan-European expansion.

This new acquisition also positions us well to offer Embedded Finance solutions, expanding Aion Bank and Vodeno's existing Banking-as-a-Service (BaaS) offering across Europe, with local IBANs already available in Belgium, Germany, Poland and Sweden. These enable us to offer regular services such as payments, credit and investment products, but also, crucially, to embed our services – ranging from account access and deposits to lending, payments and loyalty programmes – directly into non-banking digital platforms, facilitating seamless customer experiences.

Next-generation capabilities

Through the combined capabilities of Aion and Vodeno, we now have access to an innovative, scalable, and flexible cloud-based platform, based on API connectivity and with smart contract technology built in – all of which can be integrated with the processes and procedures of a fully-fledged bank. This is the foundation for a digital offering that combines the high-quality user experience of a neo-bank with the financial strength, trustworthy brand and regulatory oversight of a traditional player.



To facilitate this growth, we are investing up to €200 million, on an iterative basis, with payback expected in under two years.

Strategic benefits

Thanks to the acquisition, UniCredit now owns a next-generation core banking technology, with a cloud-based, fully operational and scalable digital banking platform and a comprehensive range of products for high-value segments (including key targets such as SMEs and high-net-worth individuals). It also has the capabilities to:

- > Further enhance in-house technological expertise, leveraging a separate team of expert technologists and developers, enhancing our capability to innovate, adapt swiftly to market changes and dramatically reduce time to market.
- > Obtain a separate innovation and testing hub, to develop, test and launch new solutions and functionalities.
- > Pursue new targeted client segments and market expansion through a flexible platform, enabling a more viable and profitable entrance into new European markets, by leveraging a primarily digital banking model that minimises costs, accelerating time-to-market and integration of new solutions.
- > Bolster our embedded finance proposition, delivering new services to marketplaces, e-commerce, and retailers as well as providing Banking-as-a-Service for select fintechs.
- > Enhance the proposition for individuals and SMEs, fostering our competitive edge in the digital banking landscape for SMEs and individuals, positioning UniCredit as a leader in innovation and customer experience.

ACCELERATION IN ACTION CONTINUED

Next generation call centre system improves customer service and efficiency



APRIL



Hungary

Advancing our strategy to simplify operations and deliver innovative digital solutions.

In 2025, we introduced a new cloud-based call centre system in Hungary as part of the Genesys Project, designed to enhance customer service, improve efficiency and enable the implementation of more digital solutions such as AI-based voicebots and digital assistants. The project started in December 2023 and reached commercial go-live in April 2025, with all automated services available from August 2025.

The new platform, Genesys, was implemented first in Hungary following our decision to adopt a single Group-

level platform. Alongside this, we have replaced the previous core-based system with a new telephone banking interface, to help execute transfer orders and view service history for identified customers.

The redesigned IVR menu structure now routes calls more efficiently, reducing waiting times and speeding up processing. Authenticated customers can access automated services without an agent, while agents benefit from immediate visibility of customer data, shortening conversations. The IVR is fully editable, allowing quick updates for new messages and menu items to manage ad-hoc events and improve customer notifications.

Automation was a key focus, with new services including a “panic button” that instantly blocks all digital channels and bank cards to prevent fraud. This feature was also added to the mBanking app in December 2024. Four additional automated functions were introduced: unblocking eBanking, sending new eBanking passwords, and issuing activation codes for mBanking and mToken.

This marks another step in our strategy to simplify operations and deliver innovative digital solutions that enhance customer experience across the Group.

AI Track 2025: Adopting new, innovative ways of working



OCTOBER



Group

Continuing to accelerate the adoption of AI – a core pillar of our Digital Strategy.

We have been providing ongoing training and education in how to make the most out of AI.

Over the course of 2025, our dedicated AI Track has helped thousands of colleagues across UniCredit gain a solid foundation in artificial intelligence. Through nine dedicated modules, the programme has helped build and enrich our teams' common understanding of AI and how it can empower them in their everyday work – with over 5,000 connections to our live sessions, and over 800 colleagues already certified via AI Track since October.

The programme was complemented by a series of webinars dedicated to Generative AI. These sessions sparked lively discussions and provided answers



to colleagues' most pressing questions about prompting and productivity. Engagement was overwhelming – with almost 25,000 connections across sessions in Italian and English.

Adoption of AI will remain at the heart of our Digital Strategy in 2026. We are already working on the next phase of our learning journey, designed to deepen knowledge and expand practical applications across the Group.

ACCELERATION IN ACTION CONTINUED



UniCredit Foundation

Purpose in action: from shared vision to systemic impact

A transformative chapter for the UniCredit Foundation.

2025 was a pivotal year for the UniCredit Foundation as it continued its journey of transformation.

Renewed governance

In October, the UniCredit Foundation's Board was streamlined from nine to five members to become even more impactful, cohesive, and effective. Moving beyond geographical representation, the new Board unites strong and complementary expertise that reinforces governance and strengthens alignment with the Foundation's mission.

Strengthening education through strategic action

In 2025, the renewed Board announced a **€30 million budget for education** – in line with 2024 – reinforcing its long-term commitment to unlocking the potential of the next generation.

Of this amount, €11.4 million was dedicated to supporting grassroots initiatives, including the €6 million Edu Fund Platform, designed to identify programs capable of addressing the multidimensional nature of educational poverty and generating long-lasting impact across the 13 UniCredit countries, including Poland.

An additional €5.2 million was invested in the future of outstanding students and researchers in STEM, Economics, and Finance, providing scholarships, fellowships, and research grants at all academic levels – from bachelor's to postdoctoral.

These opportunities enable talent to thrive and contribute meaningfully to shaping the society of tomorrow.

Furthermore, €1.3 million was committed to engaging UniCredit employees in meaningful social initiatives, strengthening the Group's core value of care and reinforcing its bond with local communities. Activities such as matching employee donations and supporting communities in times of crisis or need, bring this commitment to life, demonstrating that positive change is most powerful when created together.

Digital evolution

Complementing these strategic steps, the Foundation unveiled a completely redesigned website – a modern, intuitive platform that reflects its evolved identity and commitment to tackling educational poverty across Europe.

➔ [Visit the new UniCredit Foundation website here](#)

FINANCIAL REVIEW

Accelerating towards a decade of excellence

Entering 2026 with strong momentum and sizeable buffers, aiming to double-down on transformation, deliver a superior investment proposition and accelerate towards a decade of outperformance.

UniCredit Unlocked
Set the benchmark
2021-2025

QUALITY TOP-LINE GROWTH

Top-tier

Supported by rising rates – while laying the foundations for the future

Net Revenue

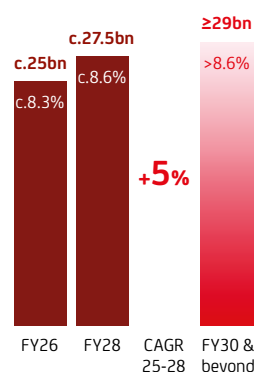
Net Rev. / RWA (%)

€16.3bn

FY21, 5.0%

€23.9bn

FY25, 8.3%



UNMATCHED OPERATIONAL EFFICIENCY

Best-in-class

Transformation within traditional boundaries

Costs

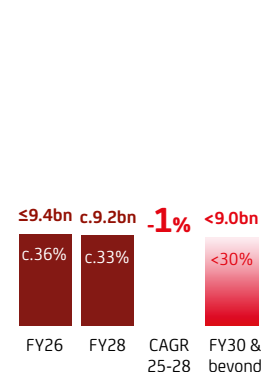
Cost income (%)

€9.8bn

FY21, 54%

€9.4bn

FY25, 38%



PROFITABLE BOTTOM-LINE GROWTH

Maximising profitability

While preserving top-line growth

Net Profit

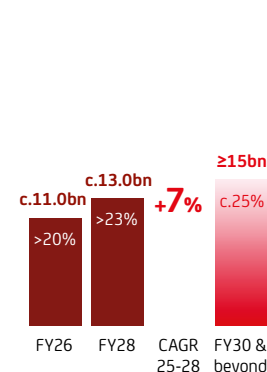
RoTE (%)

€1.5bn

FY21, 7%

€10.6bn

FY25, 19%



BEST-IN-CLASS OCG SUPPORTING DISTRIBUTIONS

Unmatched

Allowing for superior per share growth and distributions

Cumulative distribution

€36bn

FY21-25

c.€30bn¹

FY26-28

80%
Ordinary
Pay-out

c.€50bn¹

FY26-30

>4.5bn excess capital to be deployed to further improve our organic or inorganic growth or returned, evaluated yearly

UniCredit Unlimited
Transcending our benchmark
2026-2030

Capturing quality market share while maintaining NII RoAc at c.20% and growing capital light as % of revenues

Redefining best-in-class transformation, transcending boundaries and stepping up to a class of our own

Maximising profitable growth through quality growth while taking efficiency to the next level

Unmatched per share growth and best-in-class distributions with excess capital returns evaluated yearly

1. Distribution ambitions are calculated assuming the current 80% ordinary payout and subject to the achievement of Plan targets, including organic capital generation. Potential additional distributions from excess capital return or deployment to be assessed annually. All distributions are subject to supervisory, board of directors and shareholders' approvals.

FINANCIAL REVIEW » CONTINUED

2021-2025

We maximised efficiency, both operational and capital, while reigniting quality top line growth, delivering unmatched returns on tangible equity and sector-leading distribution growth.

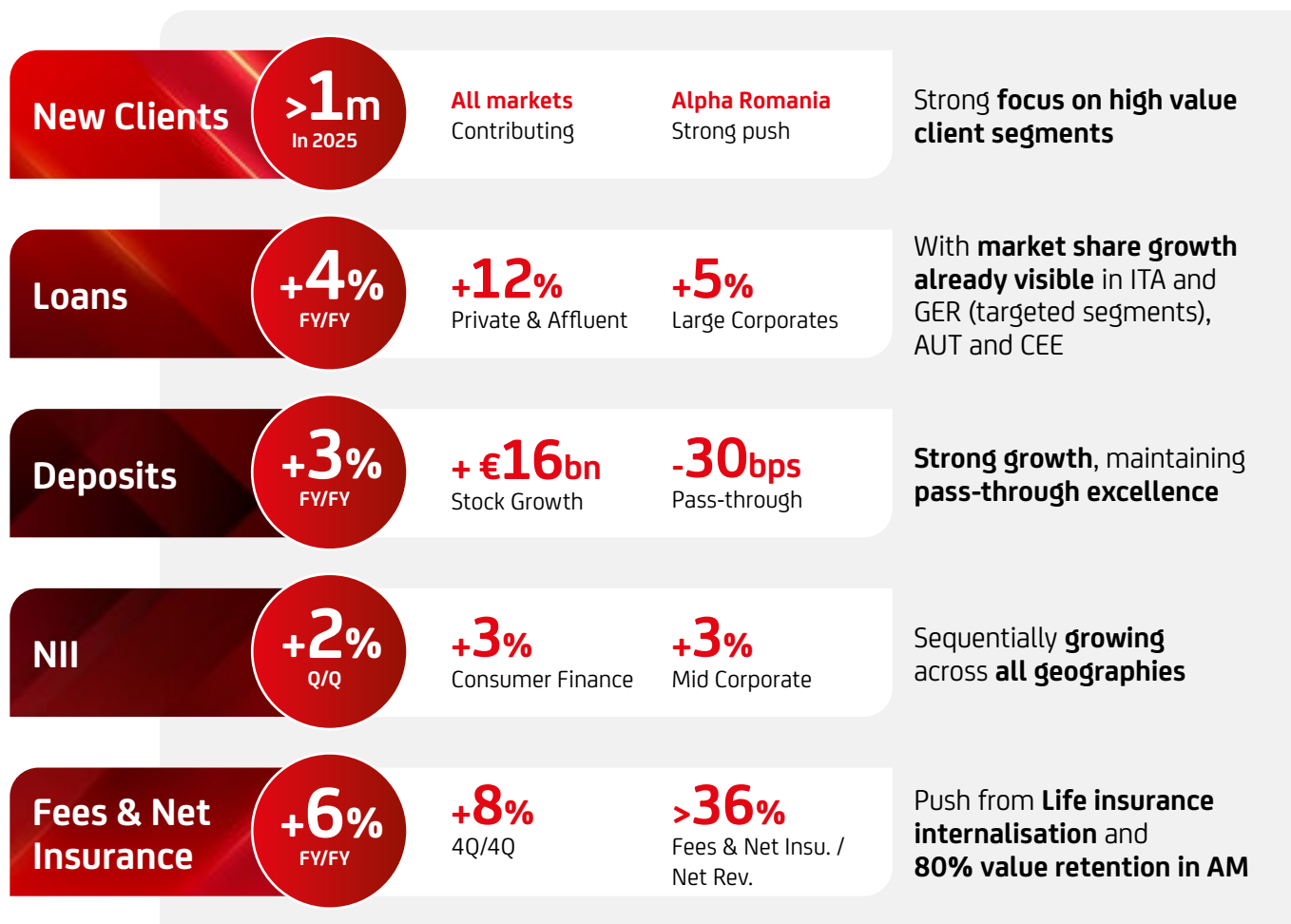
We laid strong foundations for the future, leveraging a supportive rates and Cost of Risk environment.

We are closing 2025 with record results – and entering the new year with strong momentum and a stronger underlying run rate than expected.

We were able to take 1.4 billion in extraordinary charges which together with our overlays of 1.7 billion – that remain intact – and our Excess Capital greater than 4.5 billion, further protect and strengthen our future trajectory.



Commercial acceleration already in flight



FINANCIAL REVIEW » CONTINUED

2026-2030: Further upgrading our profitable growth trajectory

We will change gears, striving to transcend the boundaries of service, productivity and efficiency that still constrain legacy banks.

Trajectory underpinned by quality profitable growth, operational excellence, and capital excellence.

On top line, we aim to grow more than the peer group both in absolute terms and in quality, with a stable and controlled Cost of Risk.

On costs, we aim to reset efficiency frontier, shifting transformation from simplification to reinvention.

On capital, we aim to deliver the best combination of profitable NII and rising capital light revenues, maintaining one of the strongest balance sheets in Europe.

Continuing a disciplined approach to our three financial levers

OPERATIONAL EXCELLENCE

Superior risk-adjusted top-line growth

Growing in absolute terms and with higher-quality growth, driven by capital-light investments that more than offset Russia, with a rather stable Cost of Risk

CAPITAL EXCELLENCE

Cost base well under control
Re-setting the efficiency frontier with upgraded cost ambition while transforming and investing

QUALITY PROFITABLE GROWTH

Continued capital excellence
Re-setting the efficiency frontier, delivering the best combination of capital-light revenue growth and profitable NII

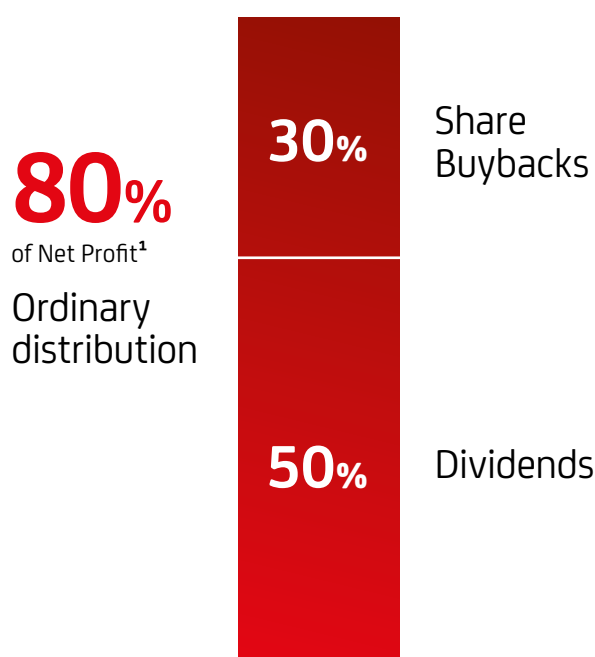


FINANCIAL REVIEW » CONTINUED

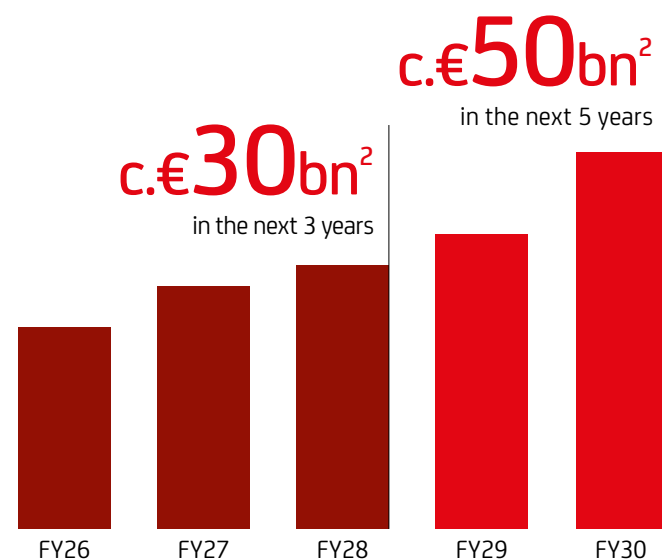
Confirming outsized distributions trajectory

Continuous focus on driving excellent results, leading to top tier shareholder remuneration. A distribution policy which reflects confidence in the sustainability and quality of our earnings.

Confirming ordinary distributions



Aiming for an attractive ordinary **distribution and dividend trajectory, with further upside through** excess capital deployment or return



Excess Capital to 12.5-13% CET1r Target

> €4.5bn

to be deployed to further improve our organic or inorganic growth or returned, evaluated yearly

+ €9.5bn²
Planned 2025 distribution

1. Net profit means stated net profit adjusted for impacts from DTAs and tax loss carry forward ("TLCF") resulting from sustainability test.

2. Distribution ambitions are calculated assuming the current 80% ordinary payout and subject to the achievement of Plan targets, including organic capital generation. Potential additional distributions from excess capital return or deployment to be assessed annually. All distributions are subject to supervisory, board of directors and shareholders' approvals.

ESG REVIEW



Environment

Driving value for our clients in the transition

At UniCredit, we are committed to meeting our clients' evolving transition needs with a focused, dedicated approach. At the same time, we are developing our environmental framework beyond decarbonisation.

Through our dedicated **Green Finance offer** we are:



Supporting clients on key deals with our sectoral and ESG expertise.



Developing innovative sustainable financial solutions aligned with evolving clients' needs.



Simplifying and standardising ESG products for SMEs.

Financing the transition to green steel in Germany



Germany

UniCredit acted as the sole ECA (Export Credit Agency) coordinator and agent structuring financing of over €1.7 billion for one of Europe's largest decarbonisation initiatives, Stahl-Holding-Saar Group's transformation project Power4Steel. The financing is complemented by substantial equity contributions and €2.6 billion in subsidies from the federal government and the state of Saarland and includes two ECA-backed tranches from Oesterreichische Kontrollbank AG (OeKB) and Italy's SACE. The project will gradually replace blast furnaces with a direct reduction plant and two electric arc furnaces. Hydrogen-based steel production will reduce CO₂ emissions for SHS by around 55% by 2030, with climate neutrality planned by 2045.



ESG REVIEW » CONTINUED

Supporting the energy transition by:



Enhancing client dialogue on transition with dedicated engagement initiatives.



Expanding our capabilities and evaluation of clients' Transition Plans.



Strengthening partnerships to scale up our approach to small businesses.

Driving textile supply chain decarbonisation with Ivy Decarb



Italy

UniCredit is partnering with Ivy Decarb to accelerate the decarbonisation of the Italian textile sector – a key driver of the economy, and enhance supply chain resilience.

This collaboration aims to drive investment in energy-efficient machinery for Italian textile manufacturers, supported by tailored advisory and financing solutions on Ivy Decarb's digital marketplace.

The marketplace helps manufacturers identify how they can reduce their carbon footprint and engage with producers that make the necessary machinery and equipment. With UniCredit plugged into the marketplace, textile manufacturers can also benefit from tailored advisory and financing solutions to fund these investments – ensuring they remain adaptable and resilient while driving long-term value creation.

The marketplace is also designed to be scalable and will enable future expansion across other sectors and UniCredit's core markets.



Accelerating ESG adoption in Romania



Romania

Over 1,300 companies across 12 cities joined our national awareness programme ESG Journey. By securing 75% C-level participation we have ensured that sustainability is recognised as a strategic priority at the highest levels of corporate leadership.

To move from theory to execution we launched the ESG Lab, an intensive eight-week accelerator for large SMEs. The 2025 cohort represented a combined €1.1 billion in turnover and 5,700 employees, providing these high-impact businesses with the tools to decarbonise.

The programmes' success is reflected in a top-tier Net Promoter Scores (NPS) of 83 for ESG Journey and 94 for ESG Lab, underscoring UniCredit's role as a trusted partner in the green transition.

ESG REVIEW » CONTINUED

Committing to our **Net Zero ambition** through:



Our Transition Plan, through which we continuously strengthen our support for clients, accelerating their transition.



Continuous improvement in line with requests from external stakeholders and compliance with key regulatory requirements as expected for a systemic bank.



Evolving our Net Zero approach, by benchmarking our methodologies against peers' practices and addressing stakeholders' requests.

Supporting a historic green bond issuance in Romania



Romania

Electrica Group is a leading player in Romania's electricity distribution, supply and production market, and one of the country's most important energy service providers. It made its debut in the EUR International Debt Capital Markets in July 2025 with the largest green, corporate and non-financial bond issuance on the Romanian capital market, totalling €500 million.

As one of the mandated joint bookrunners and acting as roadshow coordinator, UniCredit played a key role

in this landmark transaction. The deal reinforces our ESG commitments and strengthens our position as the bank of choice to support clients in a just and fair transition.

This success was made possible through close collaboration between local coverage in Bucharest, Central and Eastern Europe, Debt Capital Markets, and the Corporate IG Bond Syndicate team, delivering a high-profile mandate that highlights UniCredit's ability to combine local expertise with regional capabilities.



Supporting Nature by:



Developing new products and solutions that help our clients understand, manage and respond to nature-related risk and opportunities.



Enhancing our risk framework to include clients' nature-related considerations.



Fostering our knowledge on Nature by engaging with relevant external stakeholders and associations.



Raising awareness about the importance of biodiversity across our bank and among our key stakeholders.

One4Planet: Promoting the sustainable use of water in Italy



Italy

Our One4Planet range of ESG loans, intended for exclusive green projects, was strengthened with a new solution designed for Corporate businesses looking to invest in projects that promote the sustainable use of water. The loans provide two possible areas of intervention:

- > Water management: interventions in the distribution network aimed at reducing drinking water waste.
- > Reuse treatments: construction, maintenance and modernisation of plants for the collection, treatment and purification of wastewater

From November 2025, these products were made available in our ESG product catalogue, expanding the One4Planet

range and enriching solutions for Small and Medium Corporate businesses (excluding micro-enterprises).

Water is a resource that is essential for our economy and this is a topic we have featured during our ESG Tech Days – which have connected Corporate and Large Corporate clients with innovative start-ups driving ESG transformation.



Social

Championing Social: backing our communities, our people and our wider society

We have a dedicated social financing offer, contribute to social projects via volunteering and donations, and support our people with our focus on well-being and training.

Our **social financing offer** is focused on:



Providing support via micro-credit, impact financing and loans to disadvantaged areas.



Supporting our communities with programmes promoting sustainable business practices for SMEs.



Progressing our social strategy to better support youth.



ESG REVIEW » CONTINUED

Our **social contribution** is composed of voluntary initiatives with a tangible social impact on communities, which go beyond our core banking business:



We carry out targeted social initiatives at Group and country level to address specific community needs (e.g., Austria Social Awards).



We strengthen our social impact by engaging in strategic partnerships that promote cultural heritage and territorial development.



We provide additional social support to communities through sponsorships and donations.



We promote employee volunteering and financial education projects to support our communities.



The UniCredit Foundation has a mission to ensure students in Europe have equal access to education.

- It fights educational poverty, leveraging dedicated international partnerships, grassroots initiatives and research projects
- Empowers talent and promotes scholarship programmes and research pathways



Scaling impact through the Edu-Fund Platform



UniCredit Foundation

In November 2025, the UniCredit Foundation launched the second edition of the UCF Edu-Fund Platform, an initiative designed to tackle educational poverty and promote equal access to quality education in the European countries where our bank operates.

This was an important step, further reinforcing the Foundation's commitment to unlocking the potential of young people and building on the success of the first edition with 30 high-impact funded programmes.

- > Up to €6 million will be dedicated to programmes targeting lower and upper secondary school students (aged 11 to 19).
- > 13 countries across Europe will address key educational challenges such as preventing school dropouts and preparing students for the labour market (vs 12 last year).

The Platform is open to non-profit organisations with proven experience in education and offers three funding streams – small, mid and large-scale. Grants range from €100,000 to over €1 million, supporting local, national and transnational programmes.

The second edition of the UCF Edu-Fund Platform followed the UnConference, a two-day event at UniCredit's headquarters that brought together 100 participants, among whom the winning organisations from the first edition. Five roundtables set out to build strong alliances between schools, key partners and communities, by addressing institutional gaps and areas for development.

Through the Edu-Fund, the UniCredit Foundation is not only funding projects, it is also building a stronger, more inclusive future for education across Europe.

 [Find out more here](#)

ESG REVIEW » CONTINUED

Building skills for a just and fair transition



Skills for Transition is a social programme, fully funded by our bank, to provide strategic training for young people – including students and those not in education, employment or training (NEETs) – and companies expected to be impacted by the green transition.

By providing participants with the skills they need to meet the demands of a changing world, this initiative supports our strong commitment to promoting a just and fair transition, as well as its consistent support for education – a key driver for Europe's future.

In 2025, the programme completed its first edition across six Group countries: Italy, Germany, Bulgaria, Czech Republic, Slovakia and Romania, and the following three streams.

Skills for Workers: over 300 companies from the Group's six countries enrolled their employees in training courses targeted at the Agri-food, Real Estate and Construction, and Transportation and Storage sectors.

> Over 12,000 hours of training completed

Skills for NEETs: through targeted upskilling and reskilling initiatives, this stream was launched in April 2025 to empower NEETs to enter the labour market and pursue specialised training in green sectors. This was developed by the social cooperative Glocal Factory S.C.S. and its European partners.

> Approximately 15,000 hours of training completed

Skills for Students: developed by Politecnico di Milano (POLIMI) Graduate School of Management, it offered students two educational paths: a master's programme for recent graduates and a four-month bootcamp for students and graduates.

> Over 33,000 hours of training completed



Carta Etica Fund: 20 years of solidarity and impact



In November 2025, UniCredit celebrated the 20th anniversary of the Carta Etica Fund – an initiative that has transformed a simple, everyday gesture into a powerful driver of social change and solidarity.

The concept is simple: for every purchase made with our “ethical” cards, we allocate 0.2% to the Carta Etica Fund, at no cost to the customer. These contributions support projects that address community needs, enhance local areas, and promote the inclusion of vulnerable people:

> Over €47 million allocated since 2005 (as of December 2025)
> 1,500 social initiatives carried out

These projects have tackled a wide range of social issues across Italy, including educational poverty, homelessness, student well-being and education, diversity and inclusion in sport, and accessibility.

The impact of the Carta Etica Fund continues to grow:

> 80 third-sector organisations received €1.6 million for local projects (in 2024)
> 157 projects received €3.1 million (2024-2025)
> 120% increase in contributions to the Fund reflecting the strength of our customers' commitment and UniCredit's dedication to creating lasting change (2020-2024)

Carta Etica is a key part of our broader commitment to sustainable development and Purpose to Empower Communities to Progress. It demonstrates how small, everyday actions can deliver extraordinary results.



ESG REVIEW » CONTINUED

Supporting **our people** by:



Ensuring positive working conditions.



Granting equal opportunities and strive for the highest working standards, across the key pillars of education, work – life balance and DE&I.



Fostering ESG knowledge and understanding, for example through our internal quarterly newsletter ‘Our Voice from ESG’, and dedicated ESG trainings.

Advancing our commitment to sustainable mobility in Italy



Italy

We have reinforced our commitment to sustainable mobility and collectively reducing our environmental impact through a number of initiatives.

As a result, in 2025, the emissions avoided by colleagues, working in the main offices across Italy, travelling to and from their workplace, amounted to approximately 150 tons – the equivalent of 37 hectares of forest or 55 football fields.

On 17 September, we launched “Muoviamo il Futuro”, where colleagues were encouraged to choose sustainable transport options for their daily commute. As a part of European Sustainable Mobility Week, we hosted the event in all of Italy’s seven regions – creating a unique moment of engagement and awareness.

Participants who registered sustainable journeys through the app received a special gift at the “Go for Green” corner, managed by the ESG Italy team.

The initiative was also celebrated on our social media channels, with many colleagues sharing photos and comments using the hashtags #GoForGreen and #MuoviamollFuturo. A small gesture yet a big step toward a greener future.



ESG REVIEW » CONTINUED



Governance

Evidencing accountability and transparency, along with a robust ESG framework

At UniCredit, we are providing transparency on our disclosure progress, while strengthening our ESG governance and risk framework.

Making progress on **our ESG disclosure** by:



Improving it over the years in line with evolving market standards.



Embedding our annual sustainability disclosure, into our Management Report in alignment with CSRD requirements.

To strengthen **our risk framework** we are:

- > Integrating ESG risk into our risk management processes and procedures, in alignment with EBA guidelines on managing ESG risk
- > Progressively enhancing our comprehensive policy framework to manage environmental and social risks in controversial sectors

Our **ESG governance** includes clear ESG Product Guidelines, which were introduced in 2022, and we enhance them continuously to align with the highest standards with the aim of preventing greenwashing and social washing risks.

- > The Guidelines establish a consistent and comprehensive methodology for the classification and reporting of our ESG offering and serve as a basis to build on our sustainability ambitions and metrics.

- > This includes a methodology to classify financial products and services offered by UniCredit Group as Green, Social, Transition or Sustainability-linked. ESG products include different product categories considering Environmental, Social and Governance characteristics. The policy specifies the classification logic, the eligibility criteria, the applicable environmental and social requirements.

- > The Guidelines cover the Group's Legal Entities and business lines: lending products, bonds, investment products, hedging products, capital market products, transactional products and insurance products. They are regularly reviewed to amend or include additional qualifying activities and/or criteria based on market trends or business needs and to comply with regulatory requirements.



ESG REVIEW » CONTINUED

Our Total Tax Contribution

At UniCredit, we believe that transparency in our contribution to public finances is essential. We therefore provide a clear overview of our Total Tax Contribution for FY 2025.

We use the cash basis criterion, which is the sum of actual payments made in the year net of refunds obtained, as opposed to the accrual principle usually followed in ordinary financial statements. In the case of compensation with tax credits due to an overpayment in previous years, the net amount of taxes actually paid has been considered, while tax credits granted by specific tax rules do not offset the amount of taxes paid.

Social and pension contributions are not included.

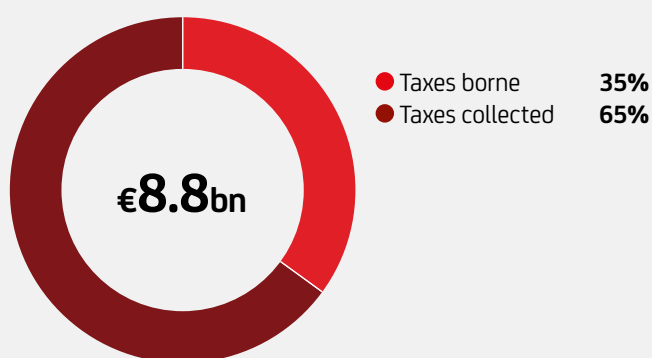
The information covers main legal entities and branches including main Italian and foreign controlled legal entities of UniCredit S.p.A. (representing over 99% of total revenues based on CbCR).

Total Tax Contribution in 2025 is equal to **€8.8 billion** (2024: €7.3bn) of which:

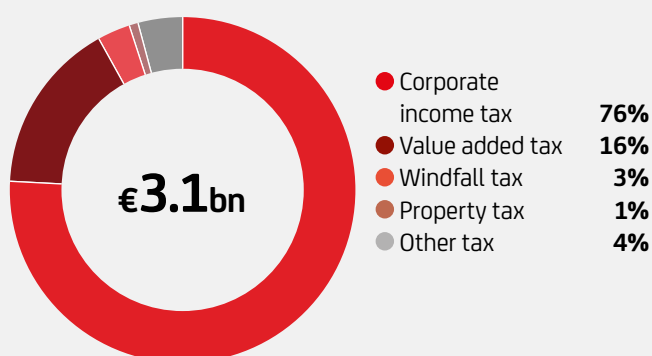
> **€3.1 billion** (2024: €2.0bn) **taxes borne** that constitute a cost for the Group and are paid to the tax authorities among the various jurisdictions on its income or property.

> **€5.7 billion** (2024: €5.3bn) **taxes collected** that the Group collects from other parties on behalf of governments.

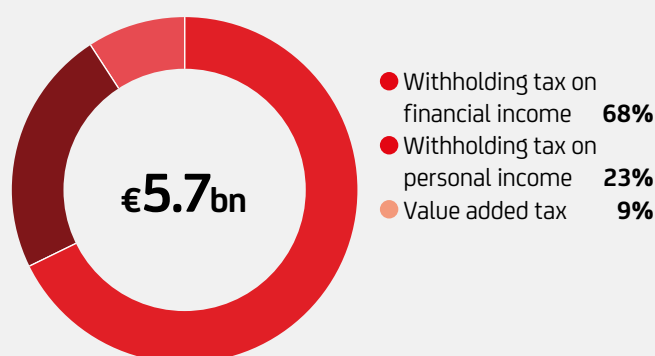
Total Tax Contribution



Taxes borne



Taxes collected



Executing our Strategy across all ESG dimensions

In 2025, we recorded a solid performance and successfully met all our ESG targets.

Solid performance achieving our 2025 ESG targets

ESG penetration

● FY25 Actual ● FY25 Target



ESG lending¹

Environmental lending of €11.3bn and social lending of €5.5bn in 2025.

19%

15%

ESG investment products²

ESG penetration rate remains stable at 50% (c. €107bn stock).

50%

50%

Sustainable bonds³

€5.9bn issuance in 2025 with a focus on corporates and financial institutions in alignment with Group Strategy.

15%

15%

Environment

ESG lending, sustainable bonds and Net Zero commitments

→ Read more
on page 73



Social

Social financing and contribution to support our communities

→ Read more
on page 74



Governance

ESG aligned remuneration, solid risk and policy framework

→ Read more
on page 75



1. KPI calculated as ESG new production Including Environmental, Social and Sustainability linked lending, divided by MLT loans new production in given period

2. Penetration rate over total stock, based on Art. 8 and 9 SFDR regulation

3. LT Credit. KPI calculated as ESG All regions' bonds, including sustainability linked bonds, divided by all regions' bonds in given period

ESG REVIEW » CONTINUED

Environment

We continued to advance our sustainability ambitions, bringing **environmental lending to €11.3 billion** in 2025 and reducing emissions baselines across all Net Zero sectors.

Over the past few years, we have strengthened our client engagement through dedicated partnerships (**Open-es, Fondo Ambiente Italiano**) to support clients in their transition and innovation efforts.

In 2021, we launched Open-es, an inclusive and collaborative ecosystem committed to achieving ESG targets and implementing innovative solutions. This involves more than 40,000 companies and 30 partners. **Building on this, in 2025, we launched Open-es Connecting Innovation by UC Start Lab, a digital format for companies active on Open-es.** This allows us to showcase UC Start Lab startups through sector-based sessions (first event on the Circular Economy)

We also launched **a new collaboration with Ivy Decarb** to support the decarbonisation of Italy's textile sector and its supply chains.

We are also working to **expand our action beyond climate** by engaging with relevant external stakeholders and associations:

- > In line with the Finance for Biodiversity Pledge (which we joined in 2022 as the first Italian Bank), in 2025 we started to **disclose our progress against each pledge commitment through an official repository.**
- > We collaborated with UNEP FI, contributing to the drafting of the pilot PRB Nature Impact Target Setting for Banks Guidelines. We also provided feedback on an ongoing initiative on the Circular Economy–Nature nexus.
- > To broaden our ESG offering beyond climate-related topics, **we launched One4Planet – Water Management in Italy** – a new ESG-linked innovative loan designed to support investments aimed at reducing water waste and enhancing water reuse.



Throughout 2025, we continued to pursue our ambition to become a **Net Zero bank**:



Our Transition Plan supports our ambition through 2030 interim Net Zero targets on six sectors, including Oil & Gas, Power Generation, Automotive, Steel, Shipping and Commercial Real Estate.

With revised metrics introduced in 2025 for Oil & Gas and Power Generation, we have broadened our target coverage.



The Group continued to progress versus its Net Zero targets, with a positive evolution of Net Zero emissions across all sectors relative to previous year and initial baseline.



We also launched dedicated local initiatives such as “ESGeht doch!” in Germany, to support SMEs in developing their Transition Plans, and the “Salotti Energia” series in Italy, to engage with corporate clients on sustainability topics.

ESG REVIEW » CONTINUED

Social

Since January 2025, we have provided **€5.5 billion in social financing** via micro-credit, impact financing and lending to disadvantaged areas.

In 2025, we continued to strengthen our commitment to supporting people and communities across our markets.

Our **social financing reached €5.5 billion**, enabling microcredit, impact financing and loans to disadvantaged areas. We are also developing a strategy to improve Financial Health and Inclusion as per our Principles for Responsible Banking (PRB) Commitment.

→ [Read more on our website](#)

We provided **c.€71 million in social contribution** through dedicated initiatives (including more than **15,000 hours of employee volunteering**). Notably, over the past three years **the Foundation has deployed €80 million** to tackle educational poverty, through international partnerships, grassroots initiatives and dedicated research projects. All these initiatives have reached and impacted more than 750,000 students, 10,000 schools and 18,000 teachers across all Group territories. Additionally, over the past three years, more than 300 scholarships and grants were awarded to students and researchers to **nurture talent and foster knowledge creation**.

We have also invested in **financial education and ESG awareness initiatives, reaching 292,000 beneficiaries** across our countries.

Our **Banking Academy in Italy** has contributed to these results through two new projects, Conta per Me, targeted at primary schools, and a new fraud prevention course.

Our **Skills for Transition Programme** continued to scale up, delivering 60,000 training hours (c.33,000 students, c.12,000 workers and c.15,000 NEETs) to support young people and businesses in acquiring the skills required for the ongoing transition.

We further supported our communities through **dedicated partnerships** (e.g., FAI, Rise Europe, Venice Sustainability Foundation) and through **local initiatives** such as the UniCredit Bank Austria Social Awards, which, through 300 projects awarded, have distributed €1.5 million to local communities since 2010.

We also continued to foster ESG awareness among our employees by launching a dedicated biodiversity training for all colleagues and an 'ESG outlook' training for Executives, which assessed macro trends and industry impacts with a specific focus on agriculture. Online training courses for all UniCredit employees also cover Natural Capital and Circular Economy topics.



1. Gross monetary amount paid in support of communities and projects, including Sponsorship & Donation (calculations based on B4SI framework).

ESG REVIEW » CONTINUED

Governance

The solid ESG governance built in the past few years, supported our ESG results and significant DE&I achievements.

Over the years, we have built a solid ESG governance, promoting accountability through the inclusion of **sustainability KPIs in CEO and top management remuneration, ESG representation within the Group Executive Committee, and robust credit and policy frameworks**, together with clear **product Guidelines**.

In 2025, this enabled **significant DE&I achievements**:

- > **Gender Pay Gap** in comparable roles at c.1%
- > **Strong representation of women**
 - 53% on the Board of Directors (BoD)
 - 58% across the Group
 - 46% in the Group Executive Committee (GEC)
 - 32% in the Leadership Team (GEC & direct reports)

> **Strong international presence**

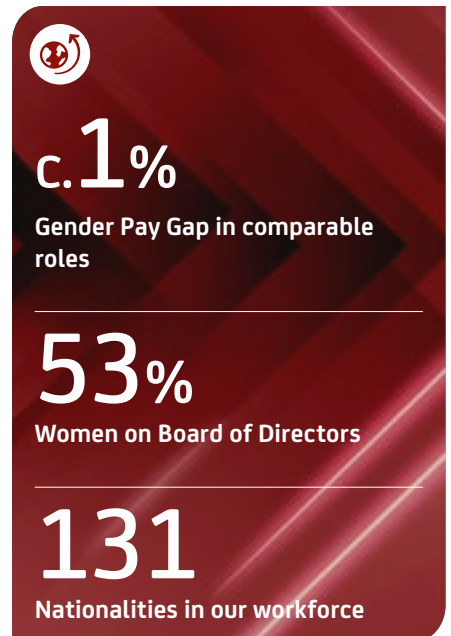
- 40% on the BoD
- 55% across the Group
- 62% in the GEC
- 38% in the Leadership Team

> **Multicultural diversity**

- Global workforce of 131 nationalities
- Representation across 4 generations

Over the past few years, we have also strengthened our shared Culture through dedicated roadshows, which brought together 27,000 colleagues across 11 countries, and our annual Culture Day.

[➔ Read more about Culture Day here](#)



DOUBLE MATERIALITY ASSESSMENT

Strengthening our Sustainability Statements and Double Materiality Assessment

This year marks our second reporting cycle under the Corporate Sustainability Reporting Directive (CSRD), a transition that continues to shape and strengthen the way we understand, manage and communicate our sustainability performance as a **pan-European banking group supporting the real economy.**

Building on the robust foundations laid in 2024, we have further refined our Sustainability Statements to reflect deeper integration of the European Sustainability Reporting Standards (ESRS) into our business processes, risk management frameworks and strategic planning **across our activities and value chain.**

Throughout 2025, we advanced the maturity of our Double Materiality Assessment, enhancing both the granularity of our impact analysis and the clarity with which we disclose financial and non-financial opportunities.

This process confirmed the continued relevance of our core sustainability priorities, while enabling targeted refinements to reflect evolving regulatory expectations, stakeholder perspectives and risk dynamics. This edition incorporates improved data quality, strengthened internal controls, and shows a number of quantitative indicators, enabling stakeholders to better appreciate not only what we have achieved, but also how the identification of material impacts, risks and opportunities informs our decisions, and our long-term ambitions.

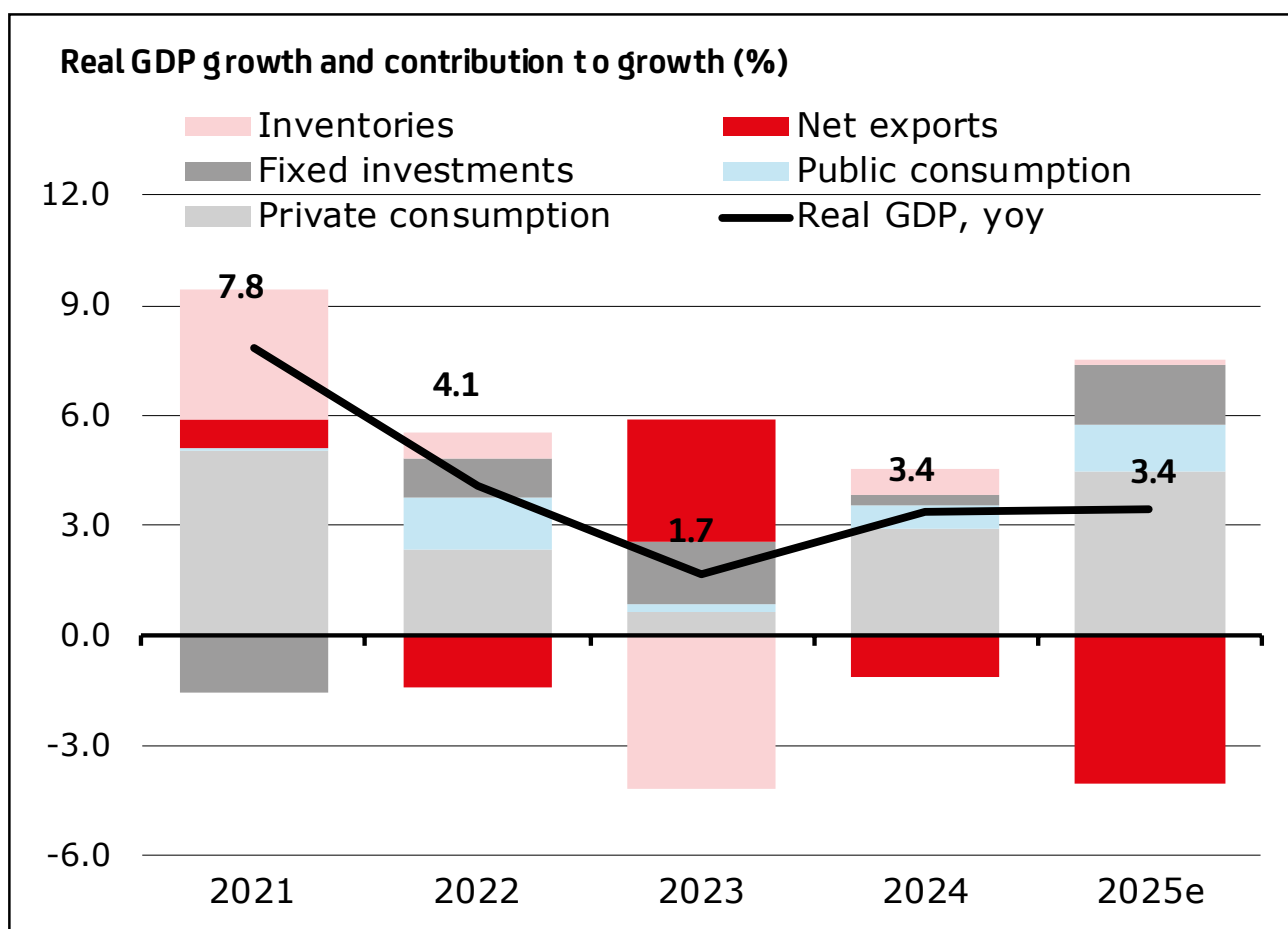
As we continue our journey with the CSRD framework, our commitment remains unchanged: to provide transparent, meaningful and decision-useful information, reinforcing trust and supporting our mission to generate sustainable value for our customers, investors, employees and the communities we serve.

The Sustainability Statements set out in detail the outcomes of this process and the related disclosures prepared in accordance with the ESRS.

[!\[\]\(c80134b111ceae9172eafdd3a547dc96_img.jpg\) Read more on page 119](#)



BULGARIAN ECONOMY IN 2025



Source: National Statistical Institute, UniCredit Bulbank

In 2025 Bulgaria became a fully-fledged member of the border-free Schengen area. This led to a drop in economic losses and air pollution associated with the long queues of vehicles that previously waited for hours to pass border controls. The road transport and tourism sectors are likely to benefit the most; however, positive effects will extend to all export-oriented sectors, as Schengen membership will help Bulgarian companies deepen their integration into Western European supply chains.

As a result of complex negotiations in the very beginning of 2025, a pro-European government was formed with a mandate to complete the process of country's accession to the euro area and to accelerate structural reforms, including those under the Recovery and Resilience Plan (RRP). After fulfilling all related requirements, Bulgaria received approval to join the euro area as of the beginning of 2026. This further supported already very strong domestic demand, allowing real GDP growth to reach an expected 3.4% in 2025. Economic growth could have been even stronger were it not for the decline in exports, which - alongside certain one-off domestic factors - was largely attributable to the

large-scale disruption caused by the Trump administration's increase in international trade tariffs.

A key factor in maintaining economic growth on a high trajectory during the last year was the strong increase in household incomes, which significantly outpaced cumulative consumer price inflation. Average wages are expected to record real growth of around 7% in 2025, thereby continuing the trend observed over the past two decades, during which this indicator posted an impressive average annual real increase of 6.8%. As a result, the convergence of living standards in Bulgaria toward those observed in the most developed EU member states continued, with GDP per capita in Bulgaria relative to the euro area average likely reaching approximately 67% in 2025, from 63.4% in 2024.

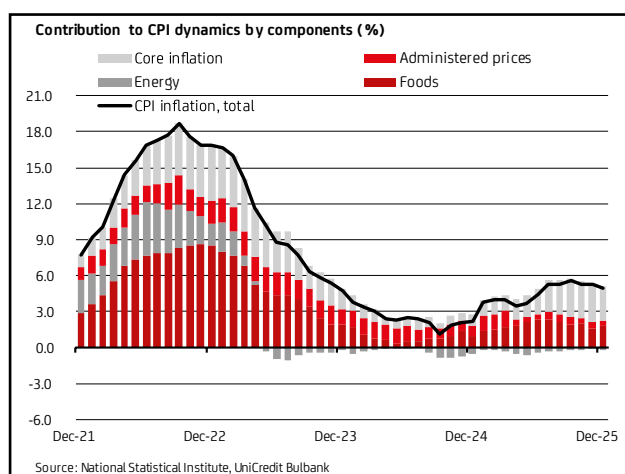
Average annual consumer price inflation accelerated to 4.6% in 2025, compared with 2.4% in 2024. The uptick in inflation reflected a combination of factors, including strong income growth, supported by double-digit wage increases in the public sector, and the rapid expansion of household credit. Additional upward pressure on consumer prices stemmed from increased

BULGARIAN ECONOMY IN 2025 (continued)

consumption ahead of the planned replacement of the BGN with the new national currency - the euro - from the beginning of 2026, as well as the persistence of very high house price growth of around 15% per year.

Against the backdrop of very strong economic growth and one-off consumption stimuli associated with the change of the national currency, the authorities recorded a very strong increase in fiscal revenues. This development, combined with improved absorption of EU funds - primarily under the RRP - allowed the budget deficit to remain close to the government's targeted level of 3% of GDP. At the same time, public debt rose to approximately 28% of GDP by the end of the year, as the government chose to secure additional public resources in order to finance strategically important projects, including the construction of two new reactor units at the Kozloduy nuclear power plant.

At the end of 2025 political instability re-emerged following the resignation of the government amid mass protests. These protests were driven by public dissatisfaction with the lack of progress in combating corruption, as well as by the government's failure to secure sufficiently large support for the fiscal consolidation measures proposed in the budget plan for 2026, which were sharply criticized by opposition parties and representatives of the business community.



MACROECONOMIC INDICATORS	2025	2024	2023	2022	2021	CHANGE 2025/2024
Nominal GDP ¹ (BGN million)	222 185	202 861	185 233	168 360	139 602	9.5%
GDP per capita ¹ (BGN)	34 630	31 513	28 738	26 112	21 535	9.9%
Real GDP growth ¹ , swda (%)	3.4	3.4	1.7	4.1	7.8	+0.0 pp
LEONIA, avg (%)	2.07	3.52	3.10	0.02	(0.58)	(1.5 pp)
Inflation, eop (%)	5.0	2.2	4.7	16.9	7.8	+2.7 pp
Inflation, avg (%)	4.6	2.4	9.6	15.3	3.3	+2.1 pp
Unemployment rate, SA ¹ (%)	3.6	4.2	4.3	4.1	5.2	(0.6 pp)
Official exchange rate, eop (BGN/USD)	1.67	1.87	1.80	1.85	1.73	(10.4%)
Official exchange rate, avg (BGN/USD)	1.74	1.81	1.81	1.86	1.65	(4.0%)
Current account balance ² (BGN millions)	(10 107)	(2 769)	(2 171)	(2 349)	273	539.2%
Current account balance ² / GDP ¹ (%)	(4.5)	(1.4)	(1.2)	(1.4)	0.2	(3.8 pp)
Net foreign direct investments ² (BGN millions)	5 026	4 349	7 223	5 590	1 671	30.5%
Net foreign direct investments ² / GDP ¹ (%)	2.3	2.1	3.9	3.3	1.2	+0.4 pp
Gross foreign debt, eop (BGN millions)	106 121	98 744	89 480	86 428	80 716	10.9%
Gross foreign debt / GDP ¹ (%)	47.8	48.7	48.3	51.3	57.8	+0.6 pp
Public debt, eop (BGN millions)	61 781	47 782	41 388	37 095	32 528	29.3%
Public debt / GDP ¹ (%)	27.8	23.6	22.3	22.0	23.3	+4.3 pp
BNB FX reserves (BGN millions)	78 419	82 255	81 999	75 151	67 666	(4.7%)
Budget balance, cash basis / GDP ¹ (%)	(3.1)	(3.0)	(3.0)	(0.8)	(2.8)	(0.1 pp)

Source: Eurostat, Bulgarian National Bank, National Statistical Institute, Ministry of Finance and UniCredit Bulbank projections

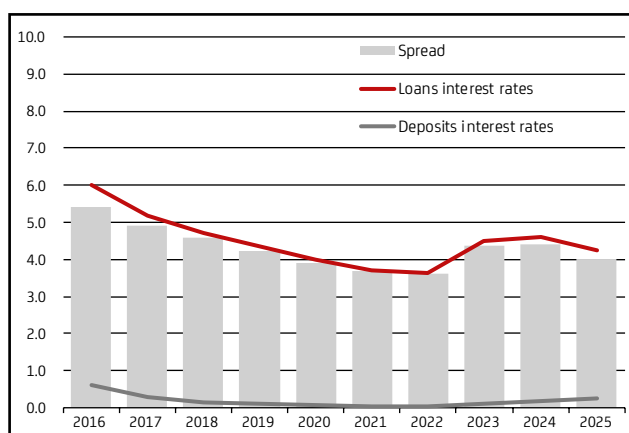
¹ UniCredit Bulbank forecast for 2025

² Data as of November 2025

BULGARIAN ECONOMY IN 2025 (continued)

BULGARIAN BANKING SECTOR IN 2025

Bulgarian banking sector successfully completed the process of preparation for the country's entry into the euro area. Commercial banks upgraded their IT infrastructure, payment systems, and ATMs, ensuring that all operations could be conducted in euros from the first day. Synchronization with European payment systems was finalized. In parallel, regulatory compliance was ensured, including updates to reporting practices, risk management procedures, and capital requirements. To facilitate a smooth transition to the euro, local commercial banks invested more than BGN 400 mln in system adaptation, staff training, and the organization of information campaigns for clients explaining the conversion process and the use of the new national currency – the euro.



The significant decline in interest rates in the euro area over the past year was largely transmitted to euro-denominated lending rates in Bulgaria. In particular, the average interest rate on euro-denominated loans fell markedly to 4.26% in 2025 from 5.42% in 2024. As a result, the cost of euro-denominated credit converged toward that of BGN denominated loans (averaging 4.24% in 2025). This is consistent with the trend observed in the previous several years, when local market remained insulated from the changes in external monetary conditions, since the pricing of BGN loans is linked to movements in deposit rates attracted by banks from households and firms domestically.

In the context of abundant domestic liquidity, which received additional support from the redirection of lev-denominated funds into the banking system in preparation for the forthcoming change of the national currency, deposit interest rates recorded a modest increase. More specifically, the average interest rate on lev-denominated deposits rose to 0.16% in 2025, from 0.13% in 2024. Similarly, the average interest rate on euro-denominated deposits increased to 0.34% from 0.28% a year earlier.

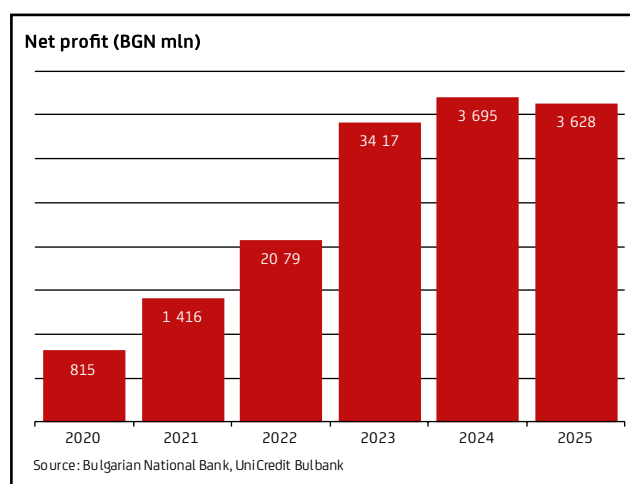
Against the backdrop of favourable interest rate conditions, demand for new credit remained high throughout the year. Growth in household lending (21.1% y/y) was virtually unchanged compared with the previous year (20.8%). Retail credit growth was primarily driven by mortgage lending, which grew by

28.2% y/y. At the same time, growth in corporate credit reached 10.1% y/y, with the expansion of loans denominated in foreign currencies slightly outpacing that of BGN denominated loans.

Administrative expenses increased by a modest 3.8% y/y, helping to keep the cost-to-income ratio calculated on a consolidated level below 40% benchmark for a third consecutive year. Concurrently, the combination of strong economic growth and robust credit expansion contributed to a further decline in the share of non-performing loans, which fell to just 3.1% - the lowest level observed in the history of the Bulgarian banking sector since the onset of the democratic transition.

The banking sector reported a slight 1.8% y/y decline in net profit to BGN 3.6 bn in 2025, which in absolute terms remains close to the highest level ever recorded (BGN 3.7 bn in 2024). The high profitability in the previous year was driven mainly by strong credit growth and tight control over operating costs, despite the additional expenses incurred by banks in connection with the adoption of the new national currency - the euro.

Against this highly favourable backdrop, 2025 is set to go down in history as the second strongest year in the modern history of the Bulgarian banking sector. The local banking system is among the best capitalized in the whole European Union, with very high liquidity ratios, while return on equity at the consolidated level (18.2%) remained well above the cost of capital for yet another year.



BULGARIAN ECONOMY IN 2025 (continued)

BANKING SYSTEM KEY FIGURES	2025	2024	2023	2022	2021	CHANGE 2025/2024
INCOME STATEMENT (BGN MLN)						
Operating income	8 068	7 885	6 912	5 276	4 452	2.3%
incl. Net interest income	5 638	5 566	4 846	3 227	2 757	1.3%
incl. Net non-interest income	2 429	2 319	2 066	2 049	1 695	4.7%
Operating costs	3 122	3 007	2 705	2 448	2 215	3.8%
Operating profit	4 946	4 878	4 207	2 827	2 237	1.4%
Provisions (net)	749	614	444	588	661	21.9%
Pre-tax profit	4 197	4 264	3 763	2 239	1 576	(1.6%)
Net profit	3 628	3 695	3 417	2 079	1 416	(1.8%)
BALANCE SHEET (BGN MLN)						
Total assets	227 036	191 611	172 075	155 406	135 410	18.5%
Loans to customers (incl. non-residents)	127 254	110 609	97 394	86 081	75 875	15.0%
thereof: Non-performing loans	3 941	3 807	3 853	4 447	4 969	3.5%
Deposits from customers (incl. non-residents)	173 046	148 935	136 768	126 197	109 356	16.2%
Shareholders' equity	29 702	23 155	20 019	17 281	16 607	28.3%
KEY PERFORMANCE INDICATORS (%)						
Loans-to-Deposits ratio (on residents)	72.0	72.4	69.2	67.4	68.6	(0.4 pp)
Cost / Income ratio	38.7	38.1	39.1	46.4	49.7	+0.6 pp
NPLs ratio	3.1	3.4	4.0	5.2	6.5	(0.3 pp)
Cost of Risk ¹	0.7	0.6	0.5	0.8	1.0	+0.1 pp
ROAE (after tax)	15.7	17.2	18.3	12.3	8.9	(1.5 pp)
ROAA (after tax)	1.8	2.0	2.1	1.4	1.1	(0.2 pp)
RESOURCES (NUMBER, EOP)						
Acting commercial banks at the end of the period	23	23	23	25	25	0

Source: Bulgarian National Bank

¹ Provisions flow / Avg gross loans

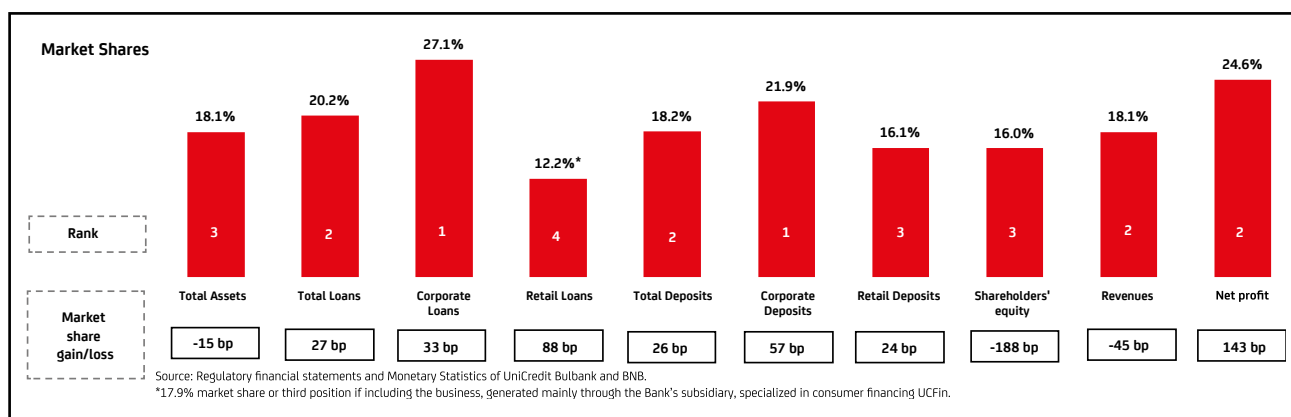
MARKET POSITIONING

UniCredit Bulbank stands out as the only major bank in Bulgaria that has delivered **sustained, fully organic growth** over the past decade - while key competitors expanded through acquisitions. In the absence of any M&A related growth levers, the bank has consistently safeguarded its leadership position. In 2025, UniCredit Bulbank closed the year as the undisputed market leader in corporate banking (loans and deposits), the most active retail lender among its main peers, and the most efficient bank in the country, maintaining the lowest cost/income ratio. With approximately one quarter of the Bulgarian banking system's net profit generated by UniCredit Bulbank in 2025, the Bank once again outperformed the sector across the core profitability metrics.

UniCredit Bulbank remained **among the strongest capitalized and most liquid banks in the market**, with a standalone CET1 ratio of 20.6%, supported by a standalone net profit of BGN 903.2 mln. The Bank continued to sustainably outperform the sector

in both ROA and ROE for another consecutive year. In addition, UniCredit Bulbank further strengthened its market position by increasing its market shares in corporate loans, retail loans, corporate deposits and retail deposits, while widening its positive gap versus the banking system in terms of cost/income ratio.

The Bank's strong performance was driven by its **well-diversified business model and solid financial foundations**, underpinned by a very robust capital and liquidity position and disciplined risk management. Record-high new loan production, a further reduction in the NPE ratio, and a consistently prudent risk approach were central contributors to these results. Complementing this, the Bank delivered excellent excess-liquidity management, advanced its digital transformation efforts, optimized liquidity through streamlined internal policies and maintained a strategic focus on capital-light, fee-generating products. Together, these factors were key enablers of the Bank's outstanding performance.



The Bank's market position is anchored in its **sustainable business strategy**, its **outstanding reputation** and a **consistently customer-centric commercial approach**. This includes an unwavering commitment to delivering a superior customer experience and driving innovation across all business lines. Digitalization of products and services, process streamlining and operational efficiency remain top strategic priorities, ensuring the Bank continues to evolve and lead in an increasingly competitive market environment.

UniCredit Bulbank serves **more than 1 million customers** through a nationwide network of 161 points of presence and is an integral part of UniCredit, a successful PanEuropean Commercial Bank with a unique and seamlessly connected Western, Central, and Eastern European footprint. The Bank benefits significantly from its strong integration within the Group, generating substantial synergies - particularly in international business - thereby reinforcing its competitive positioning and enhancing its ability to support clients with cross-border needs.

In 2025 UniCredit Bulbank reached an 18.1% market share in Total Assets, reflecting a +17.5% y/y increase compared with

the banking system's overall growth of 18.5%. The Bank also maintained a solid position in Shareholders' equity, holding a 16.0% market share.

Building on a finely tailored commercial approach focused on establishing longterm relationships with both corporate and individual clients, UniCredit Bulbank remains **one of the top lenders in the Bulgarian market**. The Bank holds a 20.2% market share in Total Gross Loans, which increases to 20.4% when including the business generated predominantly through its consumer-finance subsidiary, UniCredit Consumer Financing (UCFin).

Both the Banking System and UniCredit Bulbank delivered lending growth well above the pace of the economy, with the Banking System expanding loans by 15.7% y/y and UniCredit Bulbank outperforming with 17.3% y/y growth.

From a commercial standpoint, the Bank delivered its **highest-ever new business production** in 2025.

In the Corporate Loans, UniCredit Bulbank maintained its position as the absolute market leader with a 27.1% market share. The

MARKET POSITIONING (continued)

Bank continued to serve as **the primary financial partner for companies** operating in Bulgaria, as reflected in its dominant standing within the non-financial corporate sector, where it holds more than one-fifth of the banking system's total exposure (21.6% market share as of December 2025).

Despite a challenging operating environment and in line with its disciplined risk approach, UniCredit Bulbank (including UCFin) outperformed the Banking System in Retail Loans, delivering 24.9% y/y growth compared with 20.7% for the sector. This resulted in a +60 bps increase to a record-high 17.9% market share (including UCFin), marking **48 consecutive months of market share expansion**. Growth was driven by strong, double-digit performance in both Mortgage and Consumer Lending, positioning UCB as the top performer among its main peers in Retail Loan growth.

In Mortgage Loans, UCB achieved a remarkable 32.4% y/y increase, reaching a 20.3% market share. Consumer Loans, supported significantly by UniCredit Consumer Financing, also outpaced the market with 14.4% y/y growth vs 12.8% for the Banking System, resulting in a +22 bps increase to a 15.1% market share. In 2025 the Bank recorded its **highest-ever new production volumes in both consumer and mortgage loans**.

In 2025 UCB strengthens its position as a **trusted leader in the deposit market**, posting 18.0% y/y growth and expanding its market share by 26 bps to 18.2%.

In Retail Deposits, the Bank achieved 21.6% y/y growth, outperforming the market increase of 19.8%. Market share reached 16.1%, up 24 bps y/y. The deposit dynamics remained aligned with the Bank's strategic objective to optimize excess liquidity and to redirect customer funds toward investment products available on the financial markets.

In the Corporate segment, UCB retains its strong leadership position, reaching a market share of 21.9% (+57 bps y/y) and preserving a substantial competitive advantage of almost BGN 3.4 bn compared to the second-largest player.

Amid ongoing consolidation in the banking sector, which strengthened economies of scale for UCB's competitors and the system overall, UniCredit Bulbank continues to demonstrate operating efficiency compared with the banking system, supported by a fully organic growth model. The Bank reports a **Cost/Income ratio significantly below the market average**, underscoring its strong focus on disciplined cost management and sustainable profitability (27.3% for UCB incl UCFin vs. 36.6% for the market).

Despite the challenging market environment, UniCredit Bulbank maintained a stable market share in Revenues at 18.1%, fully aligned with its 18.1% share in Total Assets. Market share in Gross Operating Profit rose to 20.7%, reflecting sustained operational efficiency and a consistent focus on cost discipline.

With a Net Profit of BGN 903.2 mln, the Bank generated nearly one quarter of the Banking System's 2025 Net Profit (24.6% market share incl. UCFin), marking another consecutive year of leadership. UCB **outperformed the market average across all core efficiency and profitability indicators** - ROA, ROE, Net Profit Margin, and Cost to Income Ratio - while maintaining a significantly lower NPE ratio.

UNICREDIT BULBANK ACTIVITY REVIEW

Unconsolidated Financial Results

Despite the macroeconomic headwinds and continuing geopolitical tensions and facing the challenge of 2026 EUR adoption, in 2025 UniCredit Bulbank managed to preserve and consolidate its profitability and efficiency by reporting the Net profit of BGN 903.2 mln and retaining the lowest cost/income ratio for the sector.

Keeping our clients at the centre, with focus on creating positive customer experience, digitalization, diversifying the product and service's offers, building lean processes along with its excellent reputation helped **UniCredit Bulbank to mark another successful year.**

In 2025 Operating income amounted BGN 1 346.7 mln (down by -6% y/y), with Net interest income totaled BGN 755.2 mln (-2.7% y/y), where lower income from excess liquidity, decreasing EUR interest rates and the gradual increase in deposits' rates are partially offset by higher lending NII and higher income from securities.

Net fees and commission income (BGN 349.1 mln), up by 10.7% y/y, thanks to growth in all main categories: fees from transactional services (account services and packages), fees from financial and brokerage services and investment fees. The growth was driven by increased economic activity in the country, by dedicated commercial actions of business divisions especially on high value added financial services areas (trade finance,

investment products, corporate finance advisory, etc.) and actively supported by OneMarket platform for AuM products.

Net gains on financial assets and liabilities held for trading and hedging derivatives (incl. FX revaluation) decreased by -8.9% y/y to BGN 138.3 mln, where growth in FX trading income was offset by lower y/y net income from derivative instruments.

Dividends and net gains/(losses) from financial assets mandatorily at fair value and at fair value through other comprehensive income reported a decrease by BGN 75 mln y/y, mainly due to lower income from dividends in 2025.

Other operating income/expense, net are in the amount of BGN -8.3 mln, where the main contributor in 2025 is the decrease in other income, mainly due to higher income in 2024 related to the new strategic partnership with an international card scheme. The decrease in other operating expenses is related to lower annual contribution for Deposit guarantee fund and Resolution and restructuring fund.

Operating expenses (BGN -379.5 mln) increased by 4.1% y/y, coming from: staff expenses, related to selective salary review and additional social payments and depreciation costs, related to various transformation and digitalization strategic projects. Annual decrease in other administrative expenses is mainly driven by the lower Information, communication and technology expenses (ICT) expenses.

In thousands of BGN

INCOME STATEMENT	YEAR		CHANGE	
	2025	2024	%	AMOUNT
Net interest income	755 240	775 891	(2.7%)	(20 651)
Net fee and commission income	349 077	315 405	10.7%	33 672
Net gains on financial assets and liabilities held for trading and hedging derivatives	138 278	151 845	(8.9%)	(13 567)
Dividend income and net gains from financial assets MFVPL and at FVTOCI	112 342	187 298	(40.0%)	(74 956)
Other operating income/expenses, net	(8 283)	1 422	682.5%	(9 705)
OPERATING INCOME	1 346 654	1 431 861	(6.0%)	(85 207)
Operating expenses	(379 488)	(364 674)	4.1%	(14 814)
GROSS OPERATING PROFIT	967 166	1 067 187	(9.4%)	(100 021)
Net impairment (loss)/reversal on financial assets	80 905	(9 253)	(974.4%)	90 158
Provisions for risk and charges	(1 362)	16 797	(108.1%)	(18 159)
Income from property, plant and equipment	16	179	(91.1%)	(163)
Income tax expense	(143 564)	(127 666)	12.5%	(15 898)
NET PROFIT	903 161	947 244	(4.7%)	(44 083)

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Unconsolidated Financial Results (continued)

In line with the trend in Operating income, Gross operating profit declined by -9.4% to BGN 967.2 mln.

As of December 2025 **Net Impairment (loss)/reversal on financial assets** represented a positive amount of BGN +80.9 mln, supported by update of the risk profile (ratings), related to new Securitization contract and implementation of new gross LGD model, with material loan-loss provision releases across both performing and non-performing portfolios in the major business segments.

REVENUE STRUCTURE	YEAR	
	2025	2024
Net interest income	56%	54%
Net fee and commission income	26%	22%
Net income from dividends, trading income, hedging derivatives and investment securities and other net operating income/expenses	18%	24%
OPERATING INCOME	100%	100%

At the end of 2025 Provisions for risk and charges represented are at the amount of BGN -1.4 mln.

In 2025 **Net interest income** remained the **major item in revenues composition** for UniCredit Bulbank, with share of 56% (54% in 2024). However, the share of non-interest income slightly decreased to 44% in 2025 vs 46% in 2024.

Interest income calculated using the effective interest method (BGN 932.3 mln) stayed almost flat (-0.2% y/y) and is primarily earned from the lending business, which accounted for 82% of total interest income, affirming the Bank's strategic focus on commercial banking and the commitment to the local economy. **Interest income from customer loans and debt securities at amortized cost** (BGN 767.6 mln) increased by 2.7% y/y, while **interest income from investment securities**

(BGN 75.0 mln) marked significant y/y increase by 85% and accounted for 8% from interest income (vs 4% in 2024). In 2025 **interest income from loans and advances to banks and debt securities** decreased to BGN 90.0 mln at the end of the year and marked 10% from interest income (compared to 16% in 2024).

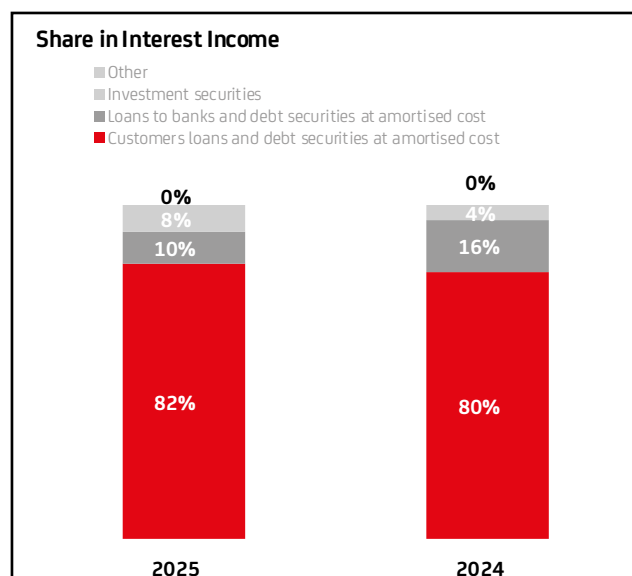
Interest expenses (BGN -177.1 mln) increased by 11.9% y/y, where the main contributor is the y/y increase in interest expense on deposits from customers (BGN 15.7 mln growth), representing 19% of total interest expenses vs 11% for 2024. **Interest expenses on issued debt securities** (BGN -104 mln in 2025) and **interest expenses on derivatives used for hedging** (BGN -11.2 mln) also reported an annual growth and at the end of 2025 accounted, respectively, 59% vs. 60% and 6% vs 3% in 2024 of total interest expenses. **Interest expense on deposits from banks** (BGN -28.4 mln) decreased by 30.3% y/y, stated a share in total interest expenses of 16% (26% in 2024).

In 2025 the Bank continued its strong focus on deepening the penetration in capital light fee generating products. Partnership programs in the area of investment products, adding new functionalities to the digital channels and further enhancements of cards business continued to be the key drivers for enlarging fee-generating product portfolio. All this, along with the traditional strong synergy with the external product factories for consumer financing and leasing made the net fees and commissions income again one of the key drivers for revenue growth.

Net fee and commission income accounted for 26% of total operating income and recorded a growth of 10.7% y/y. Net fees on accounts services and packages rose by 12.5% y/y. Net fees from financial and brokerage services marked 19.4% y/y growth, while net fee for collection and payment services stated -9.4% y/y drop. Other net fees and commissions (BGN 21.5 mln) increased by 43.8%.

Operating expenses increased annually by 4.1%, which is driven by: a growth of 7.9% y/y for **personnel costs** (reaching BGN -201.7 mln), in line with the general labor market trends for salary review and additional social payments adjustments, **general and administrative expenses** (BGN -119.6 mln) decreased by -1.2% y/y, as above stated mainly due to lower ICT expenses, partially compensated by y/y higher advertising, real estate and other expenses. **Expenses for amortization, depreciation and impairment losses on tangible and intangible fixed assets, investment properties and assets held for sale** rose by 2.7% y/y to BGN -58.2 mln.

Profit before tax reached BGN 1 046.7 mln and as a result **Net profit after tax** stated BGN 903.2 mln (-4.7% y/y), which represents 25% from the Net profit of the Bulgarian banks.



UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Unconsolidated Financial Results (continued)

Unconsolidated Assets and Liabilities

In thousands of BGN

STATEMENT OF FINANCIAL POSITION STRUCTURE	YEAR		CHANGE	
	2025	2024	%	AMOUNT
ASSETS				
Cash and balances with Central Bank	3 827 942	5 755 504	(33.5%)	(1 927 562)
Investment securities, pledged investment securities and non-derivative financial assets held for trading	2 974 430	2 359 131	26.1%	615 299
Derivatives held for trading and held for hedging	165 287	166 563	(0.8%)	(1 276)
Loans and advances to banks and debt securities at amortised cost, net	5 712 950	2 478 542	130.5%	3 234 408
Loans and advances to customers and debt securities, net	27 806 610	23 605 471	17.8%	4 201 139
Property, plant, equipment, right of use assets and investment properties	228 483	235 282	(2.9%)	(6 799)
Intangible assets and other assets	300 401	296 361	1.4%	4 040
TOTAL ASSETS	41 016 103	34 896 854	17.5%	6 119 249
LIABILITIES AND EQUITY				
Deposits from banks	2 211 370	2 088 730	5.9%	122 640
Deposits from customers and other financial liabilities at amortized cost	31 145 193	26 418 924	17.9%	4 726 269
Financial liabilities held for trading, derivatives used for hedging and fair value changes of the hedged items	185 287	215 199	(13.9%)	(29 912)
Debt securities issued	2 464 527	1 743 506	41.4%	721 021
Other liabilities	242 992	279 814	(13.2%)	(36 822)
TOTAL LIABILITIES	36 249 369	30 746 173	17.9%	5 503 196
SHAREHOLDERS' EQUITY	4 766 734	4 150 681	14.8%	616 053
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	41 016 103	34 896 854	17.5%	6 119 249

Total assets the Bank increased by 17.5% y/y, reaching BGN 41 016 mln. In 2025 the balance sheet trends were driven by the Bank's strategy for liquidity optimization and organic growth. Total assets development was supported by the increase in customer deposits and other financial liabilities at amortised cost (+17.9% y/y). However, on the assets side an increase of net customer loans and debt securities at amortised cost was recorded also (+17.8%), reinforced by Loans and advances to banks and investment securities, and Investment securities, pledged investment securities and non-derivative financial assets held for trading.

Net loans and advances to customers, incl. debt securities at amortised cost increased to BGN 27 807 mln, primarily component related to net loans and advances to customers at amortized costs (almost 18% y/y growth). The production of the consumer lending to individuals continued to be performed via the Bank's specialized subsidiary – UniCredit Consumer Financing. As a result of this strong growth, **net loans and advances to customers, incl. debt securities** already constitute more than half (68%, + 0.2 pp y/y) of the total assets of the Bank, confirming its strategic commitment on **sustainable development of traditional commercial banking**.

Investment securities portfolio (investment securities, pledged investment securities and non-derivative financial assets held for

trading) increased to BGN 2 974 mln, (+26.1% y/y) and retained their share in total assets of 7%. The majority part of portfolio comprised of Bulgarian government bonds.

In 2025 **Net loans and advances to banks and debt securities at amortised cost** more than doubled their volume and marked BGN 5 713 mln and at the end of 2025 this position represented 14% of total assets.

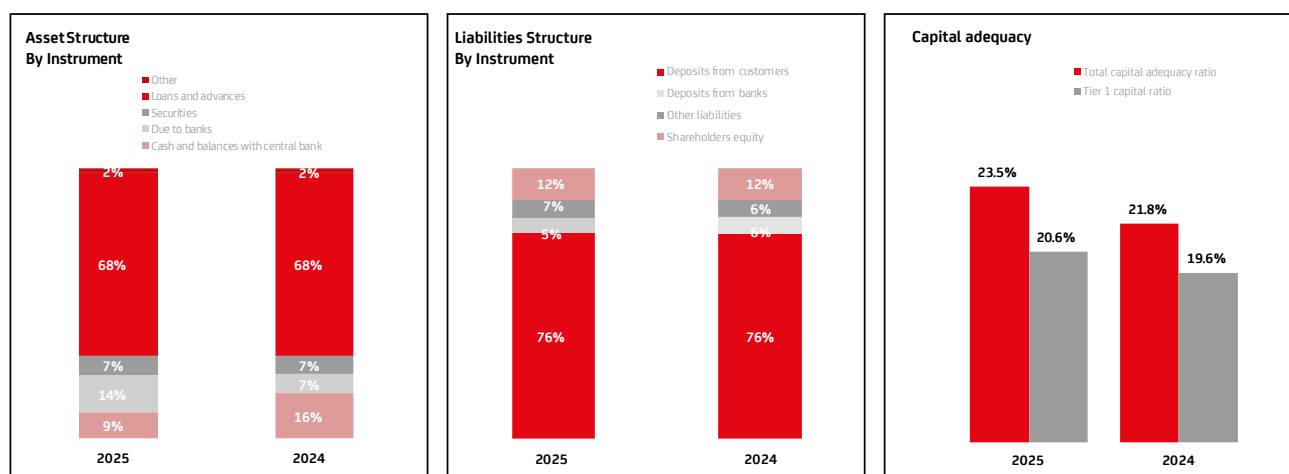
Intangible assets and other assets are at the amount of BGN 300 mln (1% share of total asset) and comprise of other items on the asset side of the statement of financial position, such as intangible assets, investments in subsidiaries and associates, current and deferred tax assets, other assets, mainly receivables and prepayments, and foreclosed properties.

Customer deposits and other financial liabilities at amortized cost reached BGN 31 145 mln and kept their very high share in total liabilities (excl. equity) of 86%. Thus, the Bank affirms its self-funding profile. Taking advantage of its strong market position and impeccable reputation, UniCredit Bulbank achieved growth in customer deposits of 17.9% y/y, in both segments Retail and Corporate. In 2025 **Net loans/deposits ratio** is remained at 89%.

Deposits from banks at the amount of BGN 2 211 mln, remaining with insignificant share in total liabilities (6% in 2025 vs 6% in 2024).

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Unconsolidated Financial Results (continued)



Shareholders' equity reached BGN 4 767 mln, with 12% share in total liabilities and equity and up by 14.8% y/y.

In compliance with Basel III (CRD IV) regulatory framework, in 2025 UniCredit Bulbank fulfilled **with significant excess** the minimum requirements including regulatory buffers for total capital adequacy ratio and for Tier 1 ratio. The **total capital adequacy ratio registered 23.5%** and **Tier 1 ratio reached 20.6%**. The comparable levels of total and Tier I capital adequacy indicate the **high quality of the capital instruments**.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Unconsolidated Financial Results (continued)

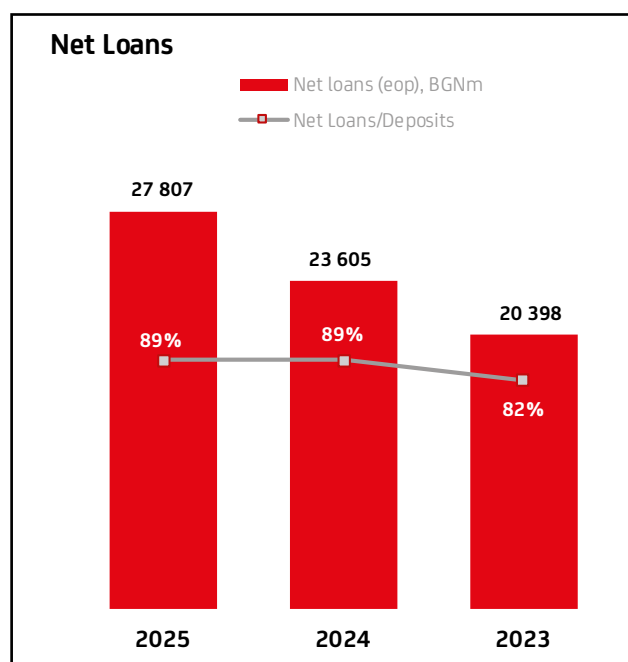
Customer Loans

While managing to be one of the most active Bank on the loans market in 2025 Unicredit Bulbank growing fully organically and relentlessly **supported its clients and the real economy**. We worked together in a rapidly changing business environment, always supporting our customers and our people. **The commercial initiatives were addressed to providing a comprehensive range of financing products** tailored for the specific needs of the customer and covering the full range of not only banking services but also leasing and consumer financing solutions.

UniCredit Bulbank affirmed its market position among Top 3 banks with **net customer loans, incl. debt securities** at the amount of BGN 27 807 mln and **gross customer loans, incl. debt securities**, amounting to BGN 28 422 mln. The Bank continued to be one of the biggest players on the Bulgarian lending market with a share of 20.2%.

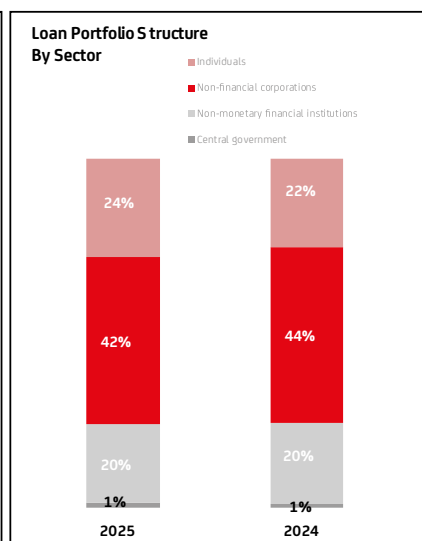
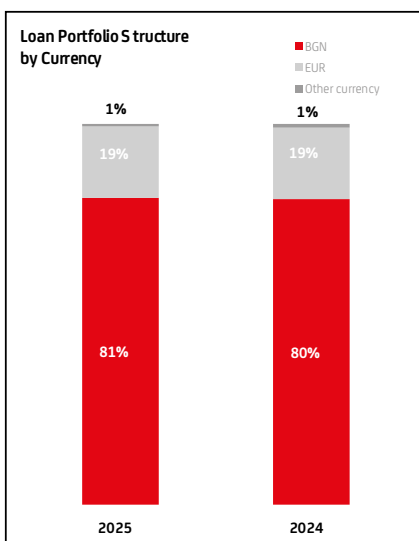
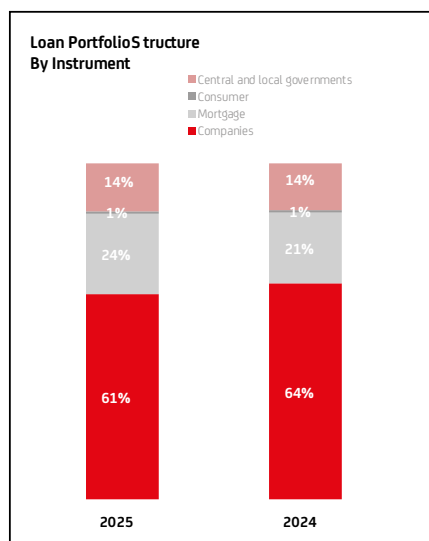
Loans to companies and central and local government (incl. debt securities) represented the largest portion (75%) of Bank's loan portfolio and amounted to BGN 21 467 mln, up by 13.1% y/y. With regard to corporate customers, the Bank is indisputable leader and continuously facilitated sound businesses initiatives and profitable projects. The differentiated strategy by corporate sub-segments, along with the long-term trusted relationships and high quality of risk management resulted in effective financing solutions for the customers. **Loans to individuals** amounted to BGN 6 955 mln, significantly rose by 30.6% y/y, representing 25% share of total loans. In 2025 mortgage loans marked a positive trend of 32.5% y/y, reaching BGN 6 762 mln. Their share in loans to individuals increased to 97% (almost 24% share in total gross loans and advances to customers and debt securities at amortized cost).

At the end of 2025 loans and advances to customers at amortized cost (not incl. debt securities) in BGN grew by 16.9% y/y, keeping



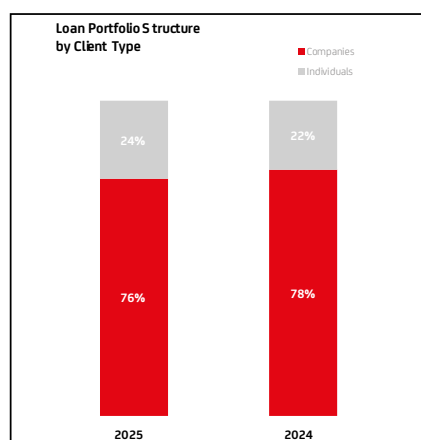
their share of 81% in Bank's gross loan portfolio. The share of loans in EUR stayed at 19% in the end of 2025, while the loans in other currencies remained immaterial with less than 1% share.

Regarding the **structure by economic sectors**, over the course of the past 12 months, loans granted to non-financial corporations represented the largest portion in the total loans volume. They took the share of 42%, while the loans to non-monetary financial institutions increased its share to 20%. The share of loans to individuals represented 24% of total loans portfolio, while the loans to central government remained at 1% in 2025.

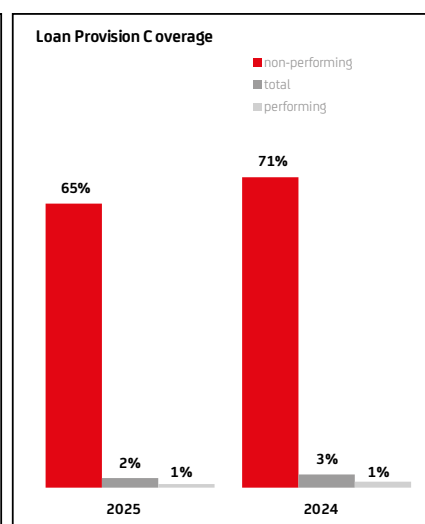
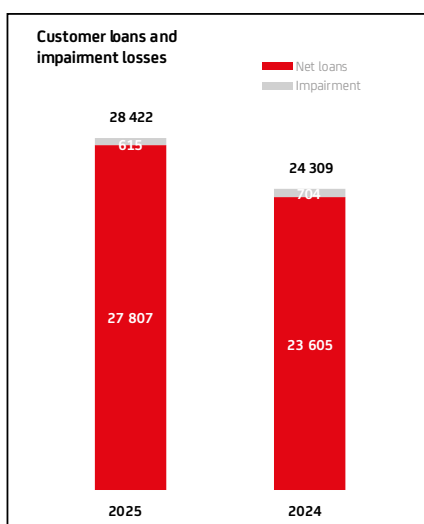
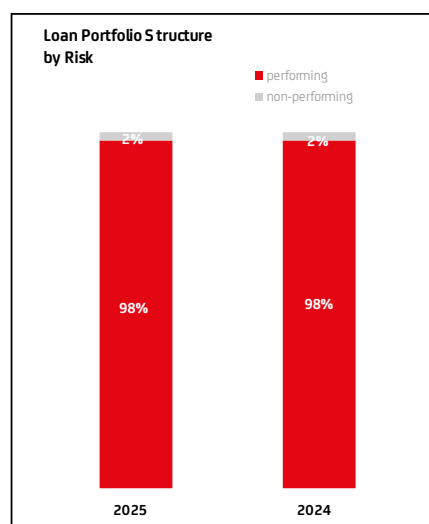


UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Unconsolidated Financial Results (continued)



With regard to assets quality, benefitting from a continued disciplined risk approach the performing loans portfolio (incl. debt securities) stayed at 98% (17.1% y/y growth) and amounted to BGN 27 820 mln. As of December 2025 the Bank reported NPE ratio at 2.1%, 0.2 pp better vs. a year ago (2.3%). NPE coverage ratio reported 65.1% (71.4% in 2024) for non-performing exposures. Total loan loss impairment allowances decreased on an annual basis and reached BGN 615 mln. Total coverage ratio is set at 2.2% (2.9% for 2024).



In terms of industry structure at the end of 2025 the most significant growth in share was achieved by sector Sovereign (increase by BGN 692 mln y/y), followed by Manufacturing (BGN 662 mln). In line with the Bank's strategy, Housing loans registered an increase by 32.5% y/y. At the end of 2025 the largest areas of concentration were Financial services (20%), Manufacturing (14%), Sovereign (14%) and Housing loans (24%).

Thousands of BGN

INDUSTRY STRUCTURE	2025		2024	
	AMOUNT	SHARE	AMOUNT	SHARE
Financial services	5 581 110	20%	4 947 947	20%
Manufacturing	4 074 551	14%	3 412 915	14%
Sovereign	4 057 640	14%	3 365 849	14%
Commerce	3 160 348	11%	3 014 179	12%
Construction and real estate	2 379 456	8%	2 064 474	8%
Transport and communication	619 439	2%	724 515	3%
Services	650 453	2%	582 259	2%
Agriculture and forestry	503 661	2%	534 667	2%
Tourism	441 137	2%	339 858	1%
Retail (individuals)	6 954 667	24%	5 324 311	22%
Housing loans	6 762 463	24%	5 105 552	21%
Consumer loans	115 626	0%	129 771	0%
Other	76 578	0%	88 988	0%
TOTAL LOAN PORTFOLIO	28 422 462	100%	24 310 974	100%

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Unconsolidated Financial Results (continued)

Customer Deposits

UniCredit Bulbank confirmed its position as one of the major contributors on the market of customer deposits with **18.2% market share** leveraging on its distinguished reliability and faithfulness.

In 2025 UniCredit Bulbank's **Deposits from customers and other financial liabilities at amortized cost** grew by 17.9% y/y to BGN 31 145 mln supported by both Retail and Corporate segments, where the Bank continues to be one of the most trusted and preferred banks.

UniCredit Bulbank became the Bank of choice for the individual clients and companies thanks to its undisputable safety and stability as well as excellent reputation.

In terms of clients type, Deposits from individuals had an upward momentum of 21.2% y/y, ending 2025 at BGN 17 509 mln and the company's deposits (incl. budget and state deposits, leases and factoring related liabilities) also grew by 13.8% y/y to BGN 13 637 mln. In 2025 the share of Individuals deposits reported 56% in customer deposits, compared to 44% share of deposits from companies, signaling once again the solid funding profile of UniCredit Bulbank with well-diversified and stable deposits franchise.

With regard to the **product structure**, current accounts increased by 17.5% y/y with share at 75% year-end. Term deposits also increased by 16.1% y/y and kept its share in total funds to 18%. Saving and other accounts remained with 7% share close to prior year level.

In terms of **currency distribution**, the structure of deposits remained balanced, 68% share of BGN denominated deposits vs

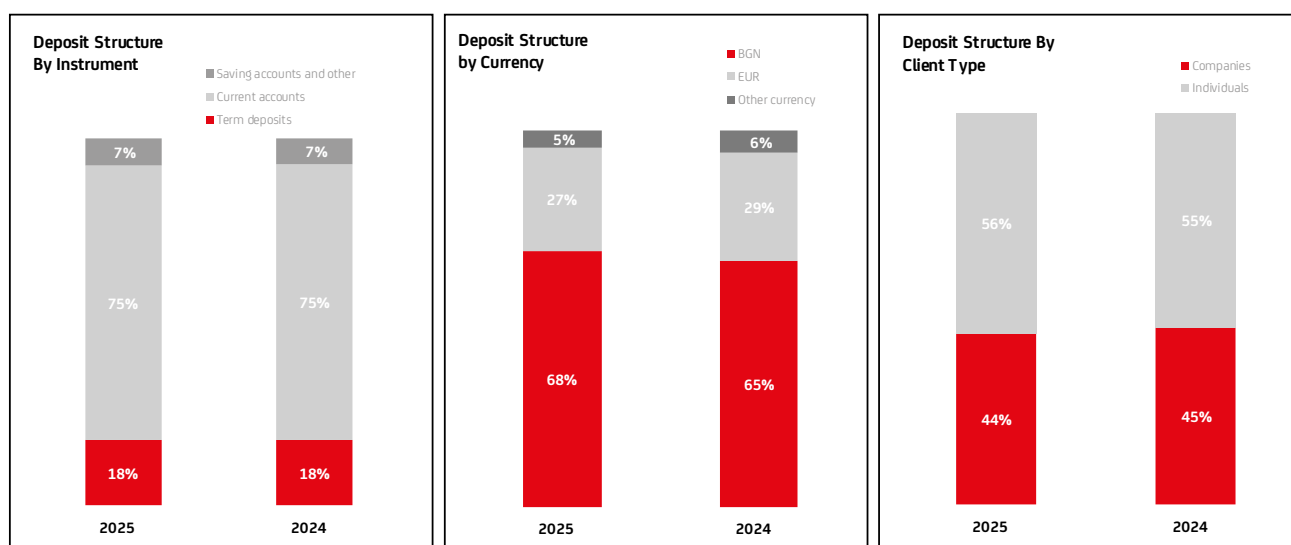
32% in EUR and other currencies. The growth of the deposit base is predominantly driven by BGN denominated deposits which increased by 23% y/y, while those in other currencies grew by 8.5% y/y.

Following customer behavior trends, the Bank continuously enriched its product portfolio. Besides the standard deposits, a variety of long-term investment and saving solutions are offered to customers, such as structured deposits, mutual funds, life insurances and pension funds of Allianz, OneMarket funds (investment solutions offered to UniCredit customers, combining products developed inhouse and via strategic partnership with leading asset managers like BlackRock, PIMCO, J.P. Morgan, and Fidelity).

Events after the reporting period

According to the Law on the Introduction of the Euro in the Republic of Bulgaria, as of 1 January 2026, the euro becomes the official currency and legal tender in Bulgaria. The official exchange rate is set at BGN 1.95583 for 1 euro. The introduction of the euro as the official currency in the Republic of Bulgaria represents a change in the functional (reporting) currency of the Company, which will be reflected prospectively and does not represent an event after the reporting period that requires an adjustment in the financial statements for the year ending 31 December 2025. The Company does not expect any significant effects from the translation of the opening balances as of January 1, 2026 into euros and from the process of changing the functional (reporting) currency.

There are no other significant events after the reporting period with effect on the financial statements as of December 31, 2025.



Risk Management

Credit Risk

In a context of intensification of geopolitical and trade tensions - including renewed global protectionism, supply chain fragmentation and energy vulnerabilities - heightening the risk of adverse credit outcomes, existing managerial overlays on geopolitical risk have been re-assessed to ensure a more consistent and forward-looking quantification of potential losses.

Bulgaria is heavily dependent on the one of the largest oil refineries in the Balkans and the country's biggest industrial enterprise. In response to geopolitical developments Bulgaria has adopted extraordinary measures to safeguard operational continuity and national energy security.

For economies with a high dependency on a single supplier or critical infrastructure, the risk is not limited to the immediate presence of sanctions but extends to the possibility of future restrictions or regulatory changes. These dynamics can lead to:

- Volatility in energy markets and sudden supply chain disruptions
- Margin compression for corporates and increased operating costs
- Elevated credit risk, particularly in energy-intensive sectors.

Such uncertainty underscores the need to incorporate geopolitical risk factors, ensuring resilience against potential shocks even when sanctions are not actively enforced.

To quantify the potential effect of the energy price shock on default rates of Bulgarian corporates existing Group Satellite Model for corporate counterparts were used, that incorporates oil price among the input variables.

Main assumptions are:

- Reference scenario: Recession scenario (IFRS 9 Adverse), consistent with the overlay calculation framework
- Applied shock: Average Oil price increase of 30 USD/Bbl in 2026 compared to 2025
- Macroeconomic variables: GDP and inflation aligned with the Recession scenario.

The analysis shows that, under this ad-hoc "adverse" scenario for Bulgaria, the annual Default Rate for the corporate portfolio would increase of +40% compared to IFRS 9 Adverse.

This delta was applied in addition to contributions from Satellite Models and Sectoral Models, to capture the risk of future restrictions or regulatory changes.

In line with the latest Group Governance Operative Guidelines the accumulated GPOL related to private mortgage loans and CREF exposures will be reallocated to the Corporate segment in order to reflect adequately the elevated underlying risk in the energy-intensive industries and will be applied since December 2025.

The estimation approach of the re-assessed Geopolitical Corporate overlay remains coherent with the one currently in production. As

of December 2025 the Group introduced new energy-intensive portfolio, now covering 17 business sectors, each assigned a GPOL amount, resulting in new GPOL of BGN 127.3 mln.

Pro-active staging (recognition Watch List 1 classification as a qualitative criterion for Stage 2 allocation) is applied to the revised GPOL perimeter with overall expected credit losses (ECL) impact on stand-alone level of BGN 3.3 mln, which as of December 2025 is booked as post model adjustment.

Taking into consideration the uncertainty regarding global geopolitical developments, the Group has decided to extend the amortization period to three years, reflecting the expectation that elevated risk levels will persist longer than originally anticipated.

The overall annual growth of the customer gross loan portfolio (not incl. debt securities) is 17%, out of which 12% in Corporate and 31% in Retail segments. Main focus are renewable energy projects and construction in Corporate segment and mortgage lending to private Individuals in Retail segment. This improvement reflects several factors, including recoveries from old fully provisioned NPE cases, transfers of exposures back to the performing portfolio, write-offs related to debt cessions, and strong growth in gross exposures across both segments. Although several significant corporate exposures migrated from performing to impaired portfolio during the year, overall new inflows into the impaired portfolio remained within expected levels.

In the beginning of the year the Bank has introduced several measures. One of which is the WL1 removal as qualitative criteria for Stage 2 for Corporate and Micro segments as outcome of Group model maintenance cycle ordinary activity executed pursuant to UniCredit IFRS 9 Global Rules and completed in Q1 2025. This resulted in lower Stage 2 gross carrying amount, reducing its share of the entire portfolio to 9.04%, a decrease of 392 bps. Another measure is the inclusion of land plot collaterals as credit risk mitigant for expected credit losses.

In the second half of the year the Bank has entered into new Securitization contract with a foreign private investor for overall volume of BGN 4.1 billion. According Group instructions all transactions, which were part of the old GPOL perimeter and became part of the new Securitization, were excluded from the GPOL portfolio and the accumulated post model adjustment of BGN 15.6 million was released.

In terms of cost of risk, the Bank is recording net release for the whole year at a level of 36 bps, mainly related to already mentioned measures and implementation of new gross LGD model, with material loan-loss provision (LLP) releases in the amount of BGN 74.4 million across both performing and non-performing portfolios in the three major business segments. Nevertheless, loan loss provision coverage is at a comfortable level for both portfolios.

During the year two post model adjustments booked in 2024 related to Physical risk and removal of Margin of conservatism

Risk Management (continued)

went into production and were switched off. As of year-end Overdue factor, which has been booked in 2024, remained as post model adjustment. In 2025 a new Management overlay related to new EAD model was introduced in Corporate segment.

In Terms of Risk Weighted Assets, following a regulatory approval received in Q1 2025 the Bank reverted to Standardised Approach for the portfolio rated under local rating models. The Bank has prudently reviewed its processes and model landscape availing for better capital efficiency through:

- Optimal usage of guarantee schemes and credit risk protections
- Strengthening the collateral monitoring and optimal usage for capital and risk mitigation purposes
- Synthetic Securitization on Corporate and SME Portfolio
- Other efficiency measures

The Monitoring team continues to be strongly focused on streamlining the overall monitoring and Watch List process. The Monitoring function both in Corporate and Retail continues to be significantly involved in the collateral management process, including renewal of statutory validity, market appraisal and insurance, delivering periodic reports to the respective business/competence lines.

Continuous improvements in underwriting systems and processes remain a key priority resulting in further enhancements in the underwriting framework aimed at simplifying processes:

- Continuous implementation of initiatives focused on improving the underwriting credit process, automating verifications, and integrating additional automatic data from internal and external sources
- Initial steps are taken toward the introduction of an automated approval process for the Private individuals and Micro segments
- A transactional score for Micro business customers is introduced enabling assessment of the credit risk based on clients' transactional behavior
- Emphasis is placed on further enhancements to the standard corporate underwriting credit process including simplification of credit workflows in the corporate underwriting system

The Bank continues to ensure strict adherence to the credit risk framework regulating lending activities in Retail and Corporate segments:

- Focus remains on expanding the scope credit-specific metrics/thresholds when performing creditworthiness assessment
- Continued enhancements to credit monitoring process, including strengthening of the Unlikely-to-Pay (UTP) process
- Amendments in Credit decision-making framework in respect of appropriate authorization levels and limits aligned with the approved credit risk appetite

- Addressing the EBA and ECB priorities, the Bank has already embedded the elements of C&E risks into internal regulatory framework, Risk appetite framework, and Credit Risk Policy, internal rules and procedures for corporate clients.
- Second Level Control Framework: As at 2025 YE, all second level controls assessed as applicable for UniCredit Bulbank, have been fully implemented. No structural issues in the credit sub-processes are detected.

Transactions categorization and a transactional model for Micro customers have been introduced as additional layer for credit risk assessment. Meanwhile, all models are subject to annual ongoing validation, where the assessment criteria are defined by the UniCredit Group internal framework and ECB instructions.

Capital adequacy is assessed both under the regulatory Pillar 1 perspective and the internal Pillar 2/ICAAP view. Regulatory capital requirements for credit risk are calculated under Standardised Approach for all exposure classes except for exposures to Financial Institutions and Large Corporates rated under Group-wide rating models as well as Other non-credit obligation assets. For these three exposure types Foundation Internal Rating Based Approach (F-IRB) is used. Regulatory capital requirements for operational risk are quantified under the Standardised Approach.

In parallel to regulatory capital calculation, the Bank also maintains a full-scale economic capital quantification based on Advanced Internal Rating Based Approach (A-IRB), reporting and stress testing as part of its Internal Capital Adequacy Assessment Process (ICAAP). Along this process the Bank has also implemented the Group Risk Appetite Framework which explicitly defines the level of risk it is prepared to accept in pursuit of its strategic objectives and business plan, taking into account the interest of its customers and shareholders as well as regulatory requirements.

Financial risk and models (market, counterparty and liquidity risks)

Within 2025 the Financial Risk Management (FRM) function in UniCredit Bulbank performed strict monitoring and control and executed regular assessment of the market, IRRBB, liquidity and counterparty credit risk, in compliance with the set external and internal regulations and the defined Risk Appetite Framework and strategy. The policies and operational framework continued to be transformed with focus on simplification and empowerment without sacrificing group-wide compliance and stringent risk standards. An underlying theme for all financial risk management areas was the preparation for EUR adoption, which involved business strategies and IT infrastructure.

Over the year, the Bank continued to leverage on the Group risk measurement and reporting infrastructure enhancing the harmonization and simplification. With a solid foundation from the previous years, the focus was on improving reporting tools and employing data quality tools for achieving reliable, timely

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Risk Management (continued)

and automated managerial and regulatory reporting for IRRBB and Liquidity. The Bank responded promptly to supervisors' requirements continuing the weekly SSM liquidity exercise throughout the course of the year and executing a joint JST and SRB exercise at the end of November, during which UC Bulbank was subject to an individual delivery to the regulator.

Behavioral and financial risk modelling, in line with EBA Guidelines, continued to be pivotal in the area of IRRBB and Liquidity risk management. The Bank enhanced the Non-maturity Deposits and Term Deposit roll-over behavioural models' responding to the rigorous validation process. Modeling plays a key role in the risk management of Financial risk with a complete integration in the regular stress testing activities in the fields of liquidity and interest rate risk. The rules on management of credit spread risk (CSRBB) were enhanced with an internal taxonomy and clear reporting and monitoring guidelines.

Regarding risk control activities, the FRM function continued to supply the bank's management with daily limit compliance reports. These consisted of Value-at-Risk metric complemented by stress-oriented FX, interest rate and credit spread sensitivity measures, combined with stop-loss and operative liquidity triggers. Within Financial and Credit Risk Committee – ALCO session, the Bank's management was regularly updated with a comprehensive summary of potential profit and loss impacts of extreme shifts in FX, interest rates, credit spreads, as well as of market liquidity squeeze impacts on all portfolios.

In the area of market risk controls, UniCredit Bulbank continues to use the Group internal model IMOD for daily managerial control and economic capital assessment, leveraging on Group market risk methodology and architecture.

Important activity in the field of Market risk management in 2025 was the constant enhancement in the methodology and processes for Market Risk Own Funds Requirement and Risk Weighted Assets calculation applying current standardized approach for Market Risk. Since the beginning of the year, reporting and Risk Weighted Assets calculation has been performed based on the new Basic Approach for Credit Valuation Adjustment (CVA) capital charge relying on automated calculations in the Group systems and local data quality activities. Go-live of reporting based on Fundamental Review of Trading Book (FRTB) was postponed for beginning of 2027 in compliance with the Capital Requirements Regulations III, but the FRTB figures were closely monitored, and the reliability of the methodology and outcomes regularly verified. Another important activity in 2025 was a comprehensive Euro adoption testing across systems, evaluating risk metrics after the replacement of BGN with EUR.

Non-Financial Risk

The main focus of the Non-Financial Risk (NFR) function activities in 2025 was adequate managing of the overall operational and reputational risks exposure of the bank, as well as assessment and

mitigation of identified risks, and evaluation of new emerging risk.

On top of the regular annual operational risk activities, within 2025 several new initiatives and processes were implemented, as well as some existing ones were further changed and improved:

- The introduction of the New Standardized Approach according to the requirements of Basel IV and EBA RTS took place in 2025.
- A change in the Operational Risk loss methodology related to the new Operational Events Taxonomy has been performed during the year and the new taxonomy has been implemented in all regular activities.
- Risk and Controls Self-Assessment (RCSA) activity cycle was further developed, the number of the mandatory key end-to-end (E2E) assessed processes has been enlarged - from 18 to 24; the scope of the assessed processes was increased too and in addition to business processes -1 digital process (IT solution) as well as 1 security process (Asset protection management) were also included; the number of validation checks performed by NFR was also increased.
- Participation of NFR in the annual activity regarding the 2025 Group Operations RCSA. On a risk-based approach a sample of 5 sub-processes was selected by the Holding for RCSA assessment, completed by Operations and validated by NFR. The scope of the procedures/sub-processes was enlarged.
- One new Key Risk Indicator (KRI) was created related to Payments aiming to monitor monthly availability of the service SEPA Credit Transfer (Payment Acceptance service (BISERA7-EUR);
- Four new digital risk indicators were created and will be tracked through Second level control monitoring:
 - Obsolete infra software components (%)
 - Number of take the risks on vulnerabilities appl+infr (for non UCS-served)
 - Number of Red-Wave vulnerabilities in take the risk (both Applications and Infrastructures) have a defined remediation plan
 - Overdue critical vulnerabilities on internet exposed applications/infrastructures
- Following the new Operational Risk methodology the Scenario Analysis process has been reviewed and changed. It was necessary to present and provide one scenario for each proposed group storyline covering the 12 risk categories as per the new Operational Risk taxonomy. According to an ECB request to analyze the ESG risk, 3 Group storylines are mandatorily evaluated.
- The NFR activities regarding Digital Risk and Second Level Control Framework were increased with new important process changes regarding ICT and Cyber Risk Management Framework: update of Common Control Objectives Library;

Risk Management (continued)

Risk Identification methodology section improvement; new obligation of performing DORA annual reporting and the related “Report on the review of the ICT Risk Management Framework” was set, etc

- Non-Financial Risk performed second level control checks on implementation of DORA regulatory requirements. In the scope were selection of 45 DORA requirements. Main Outcomes: All checked DORA requirements are fully covered. The NFR made a proposal for improvement regarding ICT Risk management methodology.

All key activities and results of the Operational Risk Identification (e.g. Internal losses, External data, Scenario analysis), the Assessment Measurement (e.g. KRI, RCSA, ICT Project Risk Assessment, Cyber SRA activity, etc.) and the Addressing – Mitigation activities (e.g. Operational Risk priorities and Strategies) were regularly reported to the Non-Financial Risk and Controls Committee – General Session (NFRC-GS) for approval or for information in order to provide adequate awareness to the senior management on the operational risk exposure of the Bank. The Committee meetings are held quarterly and attended by the Bank’s senior management.

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.

The outcome of the 2025 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 2025 Audit Report on Operational risk management and measurement processes was issued with overall Adequate evaluation and no findings.

Within 2025 the Non-Financial Risk continued to develop and strengthen the reputational risk process in compliance with the UniCredit Group principles, policies and rules for monitoring the reputational risk exposure via adoption and implementation of key Group documents regulating the area. The Non-Financial Risk and Controls Committee – Reputational Risk Session (NFRC-RRS), is the decision-making body for reputational risk topics and holds monthly meetings to discuss deals and issues in the scope of the reputational risk.

The operational and 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 ensure the outstanding risk awareness at Bank level. In the end of 2025, a new RepRisk tool was presented. Additional trainings were conducted for Business structures and specialist functions, which are involved in the overall reputational risk assessment process.

In 2025 the NFR continued organizing dedicated trainings aiming to improve the expertise of the branch managers and supervisors of the retail network of the bank regarding operational risks in their daily activities. In 2025 online trainings were conducted 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.

Non-Financial Risk also participated and/or monitored in several key business, regulatory or digital transformation projects of the Bank.

Related to Euro Adoption Program, Non-Financial Risk actively participated in the monitoring of the project. Main project outcomes by the end of 2025-January 2026. Currency transition completed successfully. Post go-live phase is set to August 2026, when the remaining tasks will be completed, in accordance with the law requirements.

During the year main changes within the reputational risk policies were:

- Regarding the Defense sensitive sector policy:
 - Munition stores (retail sellers) are not subject to the Reputational Risk Annual Clearance, without prejudice to the usual assessments of the business (e.g. bad news, legal proceedings, etc.)
 - The regulation does not cover investment products which are regulated by the Product Guidelines.
- Regarding Reputational Risk Quantification Model:
 - Inclusion of Customers’ claims within the model inputs
 - Change in the way the climate scenarios’ drivers are transformed into shocks.

2026 Outlook

The risk management activity planned for 2026 - implementation of automatic decision in Retail segment (Micro and Mortgage Lending), enrichment of system interfaces for smoother and faster processing of climate risk assessment for corporate clients.

For 2026 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 (SAS FM Tool); Monitoring of Safer Payments system enhancements; New Digital Onboarding solution
- ICT & ICT Security Risks - ATM obsolescence
- Conduct and Fraud Risks Transformation Related Risks –main focus on: Monitoring of the Euro Adoption project implementation phase outcomes and post go-live activities in 2026
- Reputational risk.

Risk Management (continued)

Climate-related and environmental risks (ESG)

UniCredit Group has spent four years working towards the end-2024 deadline to meet the supervisory expectations of the ECB's Guide on climate-related and environmental (C&E) risks. As a result, UniCredit Bulbank has established foundational governance, data, and refined processes related to C&E risk assessment.

C&E risk assessment in credit business continues to receive heightened attention from credit institutions as well as from EU banking regulators and supervisors. On January 2025, the EBA published its Final Guidelines on the management of ESG risks, which will take effect in January 2026. ECB has specified C&E risks as an ongoing area of focus in its strategy for 2025-2027.

Addressing the EBA and ECB priorities and following the Group ESG Roadmap UniCredit Bulbank has already embedded the elements of C&E risks into internal regulatory framework, risk appetite framework and lending policies, internal rules and procedures.

In 2025 the Bank continues to apply C&E considerations into two main credit processes:

- 1) Origination/annual review for corporate credit clients
- 2) Collateral Evaluation

Collateral evaluation process, to be applied to both Corporate and Retail clients, embedding relevant Transition and Physical Risk components as per EBA Guidelines.

In 2025 the Bank has enhanced their tools, techniques, and data frameworks aiming for deeper integration of these risk factors.

UniCredit Bulbank follows several Group policies regarding sensitive sectors that may have significant implications on the environment and the society. Strict monitoring and evaluation are being performed on counterparties and deals within the Coal Sector, Defense / Weapons Industry, Mining Industry, Water Infrastructure/Dams, Civil Nuclear, Oil & Gas, Rainforests, and Tobacco industry sector. The analysis is performed in line with all ESG criteria, requirements, standards, and best practices, and ensures that all such standards and local and international regulations are met.

In 2026, the Bank will continue to develop the activities in these areas in line with the Group approach and all applicable regulations, standards, and best practices. Regulators are progressively increasing their attention to nature capital related items both in terms of assessment and risk management (ECB guide on C&E risk, EBA guideline on ESG risks, EU Taxonomy) and disclosure (e.g. CSRD) to gain a better understanding of how vulnerable the economy and the financial system are to nature will be enriched degradation. Starting from 2026, the due diligences of our clients through C&E scoring questionnaire will be enriched with a more comprehensive set of indicators on nature related factors such as Biodiversity and Pollution KPIs.

Balance Sheet Management

In 2025 UniCredit Bulbank continued to maintain strong balance sheet with solid liquidity levels, favorably positioning the Group for utilizing growth opportunities in the future. In 2025 UniCredit Bulbank maintained its leading position in lending market, growing the net loan portfolio (not incl. debt securities at amortized cost) by 17.6% to BGN 24 118 mln. The Group funding profile continued to benefit from its robust customer deposits franchise, which at the end of 2025 amounted to BGN 31 145 mln (+17.9% y/y). Thanks to faster growth in Retail segment, the liquidity profile of the customer's deposits was further improved in terms of stability and diversification. Despite the strong lending growth, the primary funding gap, defined as the difference between customer deposits and net loans (not incl. debt securities at amortized cost), remained well high in the positive territory of BGN 7 027 mln.

All **liquidity risk metrics** for another year in a row remained at sizably **comfortable distance from regulatory and internal limits**. **Liquidity Coverage ratio (LCR)** reports a level of 183% as of December 2025 (180% in 2024) confirming **strong short term liquidity position**. The **Net Stable Funding Ratio (NSFR)** reached solid **168%** as of December 2025 (166% in 2024), with the trend influenced by the strong lending activity. The internal managerial metric of **structural liquidity** (Structural Liquidity Ratio / SLR) improved in 2025, **reaching historical peak of 121%** (107% in 2024). It was driven by capturing the full potential of the banks' balance sheet structure via behavioural modelling of both non-maturity and term deposits and thanks to issuance of iMREL eligible instruments.

In order to support from own funds perspective, the **strong business growth** and the corresponding **increase in risk-weighted assets**, in March 2025 the Bank issued an iMREL/SNP bond for a **nominal amount of EUR 370 mln** (floating rate instrument linked to 3m Euribor).

Thus, the **total nominal amount of debt meeting the iMREL requirements reached EUR 1 255 mln** (where EUR 980 mln is senior non-preferred debt and EUR 275 mln is Tier 2 notes, approved by the BNB for recognition in own funds).

Being part of UniCredit Group, whose resolution strategy is of the type "Single Point of Entry", UniCredit Bulbank issues the iMREL instruments (SNP and T2) only within the Group, with a buyer UniCredit S.p.A.

Over the course of 2025 UniCredit Bulbank continued to pursue an active, but careful investment policy entirely in line with the approved strategy, rules and limits and with a view of maintaining a sound short-term and structural liquidity position of the Bank. In 2025 UniCredit Bulbank continues its prudent approach in new investment acquisition striving for optimal return on acceptable risk basis as well as giving high consideration on the capital consumption in line with the capital optimization strategy of the UniCredit Group. As of December 2025, the investment portfolio (including debt securities at amortized cost) reached BGN 6 558 mln notional amount, of which almost 95% represents the

exposure towards BG sovereign, thus confirming the commitment of UniCredit Bulbank towards support of the Bulgarian economic development.

The bond portfolio also served as a **liquidity cushion**, being partially pledged as collateral for funds attracted from state budget entities and banking institutions. Moreover, the government bonds in the investment portfolio are treated as high-quality liquid assets for the purpose of liquidity coverage ratio calculation.

In 2025 UniCredit Bulbank further strengthen the balance sheet **interest rate profile**. Regulatory metrics on interest rates sensitivity are favorably positioned within the regulatory limitations - **EV SOT as of end of 2025 is -4.76% vs regulatory limit of -15% of Tier 1 capital and NII SOT as of end of 2025 is -0.94% vs regulatory limit of -5% of Tier 1 capital**. In 2025, despite exploiting the natural hedging opportunities for the BGN denominated position, the core insensitive components of the **BGN Non-maturing deposits** were under-replicated due to target replication amount significantly increasing in 2025 and the lack of BGN denominated derivatives market Bulgaria. For **EUR Non-maturing deposits**, taking advantage of the liquid EUR derivatives market, the Bank continued using the concept of partial term hedge in combination with standard rolling hedging structures to protect against potential future re-allocation towards term deposits considering the positive rate interest rate environment.

In 2026 UniCredit Bulbank will continue to fulfill its role of the main counterparty of the Bulgarian citizens, companies and government providing high quality financial services, while at the same time **targeting to maintain the strong liquidity position**. Interest rate risk management **strategies will be further enhanced since fully-fledged Replication via EUR interest rate swaps would be achievable**. The core activity in the area of Balance Sheet Management would aim to prepare the Bank for further enhancing its product offering and utilizing the opportunities in the area of interest rate risk and liquidity management once having the full access to the well-developed and mature EURO financial market.

Since 2022 UniCredit Bulbank has had an active synthetic securitisation program to improve its capital optimization strategy and benefit in terms of new lending capabilities.

In May 2025, based on an economic analysis of future expected costs and benefits of the Silver transaction (originated in 2022) and complying with all regulatory requirements, the Bank exercised its Early Termination option. Following the termination – although an additional 1-year period is running for workout purposes – the financial guarantee is no longer valid for new credit events and for regulatory purposes the transaction is no longer included in the securitisation framework.

In June 2025 the Bank closed a new synthetic securitisation transaction (A.R.T.S. Silver-2), achieving significant risk transfer with respect to a portfolio of performing BGN- or EUR-denominated

Balance Sheet Management (continued)

SME and corporate exposures originated by the Bank in its usual course of business. The risk transfer was achieved using a credit risk mitigation instrument; the securitised exposures remained exposures of the Bank. A financial guarantee agreement was signed with a private investor (Protection Seller), with Effective Date June 2025. The structure of the transaction contains a Senior, Mezzanine and Junior tranches, with the Junior Tranche (First Loss Tranche) and the Senior Tranche retained by the Bank and the Mezzanine Tranche (Protected Tranche) being covered via a funded credit protection, in the form of a collateralized financial guarantee, with collateral being held with a high-rated custodian. The transaction achieved a Significant Risk Transfer (SRT) as per the Securitisation Regulation in force and was designated as a Simple, Transparent, and Standardised (STS) securitisation within the meaning of article 18 of Regulation (EU) 2402/2017. The impact was reported for regulatory purposes for the first time as of the Supervisory Reporting Date of June 2025. As of the end of 2025 the outstanding securitised amount (Reference Portfolio Notional Amount) equaled BGN 3 924 mln.

Regulatory Affairs

Following the establishment of close cooperation between the ECB and BNB in 2020 as well as identification of UniCredit Bulbank AD as a significant supervised entity as one of the few significant supervised entities in the country, the ECB as the competent authority directly supervises the Bank during 2025.

Local Regulatory Affairs Team continued to perform its activity as single point of contact (SPOC) for all local and European banking authorities. Main achievements of the team and the Bank are maintaining proactive communication with local ECB/JST representatives on relevant topics as well as proper and timely addressing of all regulatory requests for information/data delivery. During the period the Bank actively cooperated with BNB on all processes relevant for successful transition to Euro from January 2026.

As part of the SREP process, regular quarterly meetings of the Bank's control functions with JST took place in order regulator to be updated on the development during the year. Final ECB/BNB decision with results of full SREP valuation held in 2025 was received in Dec 2025 with no qualitative recommendations, confirming for another year in a row strong performance of the Bank in all areas (business model, governance, capital and liquidity etc.). In addition, all supervisory reviews and on-site inspections held during the year also were finalized with no material findings.

Compliance

Compliance with the existing regulatory framework is an essential requirement for the effectiveness of the overall corporate governance within UniCredit Bulbank AD and its subsidiaries. Its main role is to ensure adequate identification, measurement and management of the risk related to compliance, as well as to ensure through the design, development and implementation of policies, processes and procedures to be in compliance with the requirements of the Bulgarian legislation. Compliance plays an important role in the processes of creating and implementing of new products, processes, business initiatives, commercial campaigns, marketing materials, and sets rules of conducts, guidelines, and standards - for perimeter of competence - to be observed.

Compliance pays special attention to the risk assessment of non-compliance to which the Bank and its companies may be exposed, using different approaches based on current assessment of the Group's activities, the regulatory framework and corporate environment.

In order to be in compliance with the requirements specified in the local legislation and the Group procedures, the Compliance team implements valuable and effective controls, which are designed to identify and mitigate the Regulatory risk. In this regard the Compliance function in UniCredit Bulbank AD continuously keeps a deep understanding of all processes in the Bank and its subsidiaries, as well as of issues/risks that may affect currently or in future the implemented Compliance controls. The Compliance with regard to some regulatory area (e.g. AML, Financial sanctions,

GDPR, MiFiD, Outsourcing, Customer Protection etc.), directly and independently performs controls and risk assessments, defines corrective actions when needed, ensures regular monitoring of processes and periodically reports to its Management, Supervisory Board and UniCredit Group the evaluation of risk exposure of the Bank and its subsidiaries, as well as the individual risk assessment of different competent lines.

Throughout 2025 Compliance continued focusing its efforts to strictly follow the requirements of the local regulations and UniCredit Group's policies and procedures. The Bank's processes and controls for prevention of money laundering, terrorism financing and financial sanctions are designed and implemented in the Bank in order to meet the highest industry standards, with a continuous focus on innovation and reaching of better excellence in both areas – prevention of money laundering and financial sanctions. In 2025, Compliance continued to strictly control the activities related to the imposed international financial sanctions, as well as to monitor the implementation of the measures, limited the risks of sanctions violation and circumvention.

In addition to the specified above, Compliance was actively involved in the initiatives related to optimization and automation of Bank's processes, implementation of new products through providing competent opinion, changing or creating of new rules and procedure in the Bank and its subsidiaries, in order to be in compliance with regulatory requirements and Group rules and procedures.

Corporate Banking

Financial Result

Corporate Banking (CB) net revenues, including the leasing and fleet management subsidiaries, increased y/y, driven by stronger fees and commissions generation, foreign exchange gains and trading activities. The significant loan volume growth enhanced commercial activity for market expansion/customer acquisition, business initiatives and local contests supported the increase of net revenues and managed to offset the pressure of the decreasing market rates and the strong competition in customer lending rates.

Throughout the year ESG principles were further embedded across the business, guiding key decision and supporting responsible growth. CB continued to expand its sustainable financing offering, support clients in their transition and align with regulatory and international standards, while remaining fully committed to its Net Zero ambitions.

Performance by Segments

In 2025 all corporate segments delivered a strong performance, driven by a client-focused approach that supported the solid growth in both loans and deposit volumes. Revenue generation remained robust with higher growth of fees and commission income. The quality of the loan portfolio in all corporate segments remained sound, reflecting disciplined credit underwriting, proactive portfolio management and balanced sectoral and client mix.

Corporate Solutions Performance

Product lines provided significant growth in fees and commissions, improving their share in total revenues. Targeted and effective product campaigns during the year contributed to these excellent results.

Trade and correspondent banking increased y/y revenues for another consecutive year, leveraging on the unique service model, strong commercial effort and focus on enhancements of digitalization and further penetration on high value-added client solutions.

Payment solutions business maintained steady growth throughout the past year reinforcing its position as a trusted and preferred partner in the field of payments and electronic banking services.

Advisory and Financing Solutions were focused on green initiatives and social impact banking with delivering by all product functions of complex and tailor-made solutions, incl. Corporate Bonds issues.

During 2025 the Bank strengthened its position as a trusted partner for foreign exchange and liquidity solutions among both domestic and international institutions, while reaffirming its role as a leading market maker in Bulgarian government bonds. UniCredit Bulbank supported the Bulgarian government in the placement of Eurobonds on the international capital markets and

assisted in the successful public offering on the Bulgarian Stock Exchange for a client of the Bank.

Deposits

Deposits in corporate banking registered double-digit increase vs. previous year, confirming Bank's leadership position on the market, supported by the introduced fully digital accounts opening and focused effort to increase the attracted funds.

Loans

In 2025 corporate banking loans registered higher growth than the banking system, which reflected in the increased market share and reaffirmed the leadership position on the market. The Bank continued to support the Bulgarian economy and local communities for sustainable development, large-scale infrastructure projects, self-consumption solutions and circular economy initiatives.

The high-quality financing, provided by the CB division, is supplemented by the digitalization and increase of services offered, ensuring our customers a quick, secure and convenient access to the banking solutions.

Service Model and UniCredit Unlocked strategic initiatives

The plan was introduced in December 2021 and already showed our ability to execute and deliver sustainable outcomes. In 2025 started the second phase of the strategic plan for acceleration and unleashing the full potential.

The Bank is continuing to optimize further its internal processes and products through several simplification initiatives focused on improvement of the client experience, leveraging on higher automation of internal processes and reducing of the Time-To-Cash through simplification of credit processes and increase of the share of the automated contract preparation.

Product/Coverage Model

The CB Division differentiates itself on the local market through a service model crossing client segments coverage with corporate solutions. The segment coverage delivers a personalized relationship depending on the size and ownership of the company via a dedicated professional (Relationship manager), who follows in depth the corporate client's business needs, while the corporate solutions provide sophisticated products and services in a specific area. The main focus is providing tailor-made solutions and delivering and making accessible to the maximum extend all possible Bank operations in the online banking. Bulbank Online is developed as a virtual ecosystem for complete banking experience for companies, as a strategic goal of Corporate Banking is to offer an optimal number of services for our customers entirely digitally.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Corporate Banking (continued)

In 2025 the Corporate Solutions remained focused on innovation and digitalization, targeting improved customer experience which directly reflects in net promoter score of the customer satisfaction. This strategy will be continued also in 2026.

UniCredit Unlocked strategic initiatives

The strategic plan was implemented through several initiatives for digitalization and internal processes optimization, leveraging also on the implementation of several new EU financial engineering instruments and numerous amendments of existing ones.

The development of Data Driven Services was on focus in 2025. New digital services, products requests and specific tools for analysis were implemented in the online banking platform, resulting in speeding-up the time to delivery and providing added value for our clients. The main focus remained on providing end-to-end digital functionalities for a fully digital customer experience.

In 2025 UniCredit Bulbank has started active promotion and onboarding of clients to the new digital solution for clients behavior analysis based on payments activities. The solution is created with the feedback of the clients – companies from different sizes, industries and origins who participated in R&D interviews and UX tests for developing the application.

In 2025 UniCredit Bulbank has released a new functionality of the Digital Documents Exchange (DDE) platform, allowing the clients not only to provide electronically sign documents requested by the Bank through a trusted communication channel, but also to initiate the process of documents exchange by themselves. Many small enhancements were added to the platform during the year, improving the clients' satisfaction and covering variety of services of the Bank.

In 2025 UniCredit Bulbank started the active onboarding of clients for DDE. The solution was first on the market (banking sector) and has proven so far its role in improving customer experience and speeding-up the services.

A major milestone in 2025 was the successful implementation of the **Euro Adoption project**, ensuring a seamless transition to the new currency in all touchpoints for the corporate clients - dualcurrency visualization of the Bank Tariff, Bank statements, the amounts in Bulbank Online, unified SEPA payments, automated data conversion, and support for SEPA Instant.

In 2025 the Bank continued to expand the end-to-end digital journey for companies mainly in the online banking platform Bulbank Online. Guided by the strategic commitment to customer centricity, we deepened the development of the platform with new digital services, streamlined product requests, and advanced analytical tools that make banking faster, simpler, and more intuitive for our clients legal entities. These enhancements not only accelerated timetodelivery but also strengthened the value proposition for our clients. Recognizing the efficiency and cost advantages of digital operations, we introduced a differentiated

tariff model for legal entities, offering more favourable pricing for digital services compared to offline paperbased processes — a clear incentive for businesses to embrace faster, more sustainable banking.

Based on representative survey the clients/non clients legal entities in 2025 rated **Bulbank Online with NPS +60 which is 15 pts ahead of competitors** confirming the online platform as the best digital banking on the market.

A major launch in 2025 was **Master Control in Bulbank Online** - innovative selfservice usermanagement solution. This Bulbank Online functionality gives customers access to detailed information about the banking client, including all data for the legal entity, all accounts subscribed to online banking, all users, as well as activated digital functionalities and requests. With secure, seamless accessrights management and automated verification through public registers, Master Control sets a new standard for transparency, autonomy, and operational efficiency in corporate digital banking.

In 2025 the second phase of the project **Digital Products, Financial Indicators** in Bulbank Online has been launched. The new sub-menu **PeertoPeer Comparative Analysis** introduces a powerful new capability: enabling businesses to benchmark consumer behavior in their merchant locations using anonymized transaction data and interactive dashboards. This feature provides actionable insights into purchasing patterns, customer profiles, transaction volumes, and competitive positioning, helping companies make informed decisions and strengthen their market strategies.

To enhance accessibility, Bulbank Online and the Digital Document Exchange Platform (DDE) became fully accessible of mobile devices for Android and iOS.

Cross-divisional Initiative

Successful joint initiative between Retail division and Corporate division continues to be on focus in 2025. The combined commercial efforts between CB and Retail resulted for a consecutive year in increase in the number of net banking customers / individuals with payroll accounts at UCB and use of additional products and services. New offers were created – packages with different preferential price/term conditions to respond to the customer needs. There is also a special focus on Corporate Social Responsibility package, helping our CB clients become better employers for their employees.

In 2025 more focused commercial efforts were invested in onboarding the management of existing corporate clients to become private banking customers.

European Funds

UniCredit Bulbank is a leader on the Bulgarian market, providing a variety of financing products with preferential conditions to micro, small and medium-sized enterprises as well as for large companies. Some products are based on partnerships with

Corporate Banking (continued)

European Investment Fund, European Investment Bank, European Bank of Reconstruction and Development and local institutions as the Bulgarian Development Bank, National Guarantee Fund, State Fund Agriculture, Fund Manager of the Financial Instruments in Bulgaria, etc.

Currently, UniCredit Bulbank has a large portfolio of subsidized loans. In the past year we have prolonged with additional three years the inclusion period of a guarantee instrument with the National Guarantee Fund. In addition, we have prolonged the EIF Invest EU Uncapped (Umbrella facility) instrument until December 2027. Moreover, in 2025 we won a tender procedure of the FMFIB for the new instrument combining guarantee with grant – Circular economy, which will allow us to finance sustainable projects up to EUR 325 mln (total portfolio volume). In the last days of 2025 we have signed new agreement for EUR 50 mln guarantee with the EBRD for the Invest EU product.

In 2025 the main active guarantee agreements were:

- EIF Invest EU (Umbrella facility) – combination of 6 instruments with focus on sustainability, digitalization and innovations and cultural and creative sectors. It provides 50% guarantee for the eligible companies
- EIF Invest EU RRF – Combination of 2 guarantee instruments, Competitiveness program and additional limits with focus on sustainability and group ESG strategy. It also provides 50% guarantee for the eligible companies.
- National Guarantee Fund – NGF 6 – well known guarantee program from the business, with competitive eligibility checks for Investment loans, working capital, bank guarantees and letters of credits, multi-purpose credit lines, and special sub-portfolio for credits with signed contracts under the Operative programs. The scheme is eligible for SME's and provides 50% guarantee.
- National Guarantee Fund – NGF – PRSR – limited program on a Country level shared with all Banks which has signed contract with the National Guarantee Fund. It's suitable for credits with signed contracts under the Agricultural program. The scheme is eligible for SME's and provides 50% guarantee.
- EIB Risk sharing Facility - suitable for Large companies, MidCaps. Main advantages – 50% guarantee, eligible for existing exposures, not only for new transactions. It provides full capital relief for the guaranteed part and full delegation to UCB for inclusion of each transaction in the guarantee portfolio.
- EBRD Risk sharing Facility - suitable for Large companies, MidCaps. Main advantages – up to 65% guarantee, eligible for existing exposures, not only for new transactions. It provides capital relief for the guaranteed part, with eligibility approval by EBRD on a case by case basis.

Client Risk Management and Treasury

During 2025 Treasury successfully optimized structural risks and liquidity management, driving solid revenue generation and Risk-Weighted Asset efficiency in a context of declining interest rates. The Corporate Treasury Sales (CTS) team maintained its strong market presence by delivering tailored risk-mitigation solutions across interest rates, FX, and commodities.

By staying close to its clients, the team strengthened existing partnerships, established new ones, and prepared for the business transformation opportunities arising from the Eurozone integration.

CTS continued to structure innovative, high value-added solutions for eligible clients, leveraging its deep expertise and UniCredit's diverse product portfolio. In line with the Group strategic guidelines, CTS expanded its product range by introducing investment solutions aimed at corporate clients.

To enhance its coverage in the management of currency and commodity risk, the unit introduced a new derivative instrument — nondeliverable forward (NDF) — designed to hedge price risk in exotic and less liquid currencies, as well as in precious metals.

The Brokerage and Institutional Sales team maintained the high quality of its services in equity and fixed income trading for institutional, corporate and individual investors, and successfully attracted new clients across all three segments.

At the start of 2026, the Treasury is well-positioned to manage effectively the risk-return profile of the Bank's portfolio, leveraging improved liquidity conditions and full access to Eurozone financial instruments.

Corporate Treasury Sales and Brokerage and Institutional sales will maintain their focus on providing high value-added products and services to the Bank's clients, supporting them at every stage of their financial risks management and investment objectives execution.

Specialized Lending

Specialized Lending within Advisory and Financing Solutions as part of Group's Corporate Solutions Team, hold and share a deep expertise and knowhow in providing complex, tailor-made financing solutions in loan origination of Project Finance, Commercial Real Estate Finance, Corporate Structured Finance, Acquisition and Leverage Finance transactions to corporate clients and professional real estate investors. Thanks to professional commitment of all teams and strong collaboration among different functions both in local and Group level, for consecutive year the Bank has asserted itself as the leader on the local market and the preferred choice for investors of large scale, complex and innovative projects. The Bank, through Specialized Lending teams, supported the investments of both international and local

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Corporate Banking (continued)

renowned investors and start-ups, thus bringing to Bulgarian economy a number of unique and vital investments and ESG solutions in energy, IT and real estate with top-tier A class real estate projects.

2025 was a successful year in terms of realization of new business opportunities while strictly adhering to risk appetite strategies. Despite highly competitive market but thanks to clear focus, dedication and professionalism, Specialized Lending continued its growth in terms of revenues and loan volumes and kept overall notable market presence with clear ESG focus.

The tailor-made advanced Specialized Lending financing solutions were structured to conform the objectives and constraints of each project and/or industry. This approach was in line with the corporate targets and values while ensuring the best possible terms and conditions from clients' and risk perspective. Financing wise, the focus continues to remain on professional investors and financially sound projects. Given the significant size of underlying assets and related debt quantum, portfolio-type of financing has been the prominent way of raising large-scale debt volumes to support sponsors' targets and ensure future flexibility.

Advisory

In 2025 the Advisory unit - a function within Advisory and Financing Solutions – continued to be a preferred partner and advisor to local and international counterparties on transactions in Mergers and Acquisitions (M&A) and Capital Markets - Equity (ECM) and Debt Capital Markets (DCM) areas.

The M&A team further continued its endeavors in business development confirming its position as a leading advisor in the market and successfully securing sell-side mandates in sectors such as Consumer Goods and Information technology, which are expected to close in 2026. Having been recognized as a leading advisor in the Energy and Infrastructure sector, the team further established its strong positions across other industries, both independently, and through active and efficient collaboration with other pan-European Corporate Finance Advisory (CFA) teams of UniCredit Group

During 2025 the equity and debt capital market origination activities in Bulgaria continued to be dominated by issue of Debt instruments. UniCredit Bulbank, together with UniCredit Bank GmbH, were engaged for the issuance of Government Euro Bonds placed on the international capital markets in 2025.

In 2026 the focus of Capital Markets activity remains at providing the bank's expertise in support to the corporate customers in implementation of their equity and debt capital markets projects and rendering services for envisaged debt raising and public equity offerings for customers with established sound business model with potential for growth and attractive for investors, including transactions on international capital markets, in cooperation with the UniCredit Group's ECM and DCM teams.

As a part of the leading commercial banks in Bulgaria, the Advisory team will continue to leverage on the existing client base of UniCredit Bulbank and on the close collaboration with the UniCredit Group's Corporate Finance Advisory (CFA), Equity Capital Markets (ECM) and Debt Capital Markets (DCM) platforms in support of the clients for implementation of their investment programs, to generate new business opportunities, provide tailored advice and deliver high value solutions to its clients.

Trade and correspondent banking

In 2025, leveraging on the full commitment, flexibility and expertise of our people we managed to reconfirm the Bank's role as a preferred Trade Finance, Cash & Clearing, Global Security Services and Factoring partner for both domestic and international corporate clients and financial institutions of all sizes and industries.

The proactive management of the well-diversified correspondent banking network by the Correspondent Banking team, provides the customers with fast and reliable payment solutions in various currencies and supports their trade finance activities throughout the globe. The Bank is among the preferred trade finance service providers in the country for the international financial institutions, thus generating additional business opportunities for the other product areas and corporate segments.

For Trade Finance area 2025 was a year of strong positive trend of development in terms of business generation and main KPIs' achievement, showing y/y growth in commercial results of all main product lines, leveraging on the team's high level of advisory expertise, excellent execution and ability to structure customized and complex transactions, while applying and managing prudent risk approach. The digitalized trade finance services continued to be key advantage for our clients, ensuring easy and secure process for their trade activities. In 2025 we worked to enhance the online channel for advisory and issuance of Bank guarantees and letters of credit, to guarantee easy and smooth transition to EUR currency for clients, while keeping high excellence of provided solutions. The quality of services was verified by our clients in the Euromoney survey 2025 for another consecutive year, recognizing UniCredit Bulbank as the Best Trade Finance Bank in Bulgaria, confirming our market leadership position for another consecutive year.

In the Global Securities Services area, a strong focus was placed again on the continued development of the custody IT system, fine tuning of certain functionalities and further improvement of billing. Constant strive for operational process optimization was in place to ensure first-class service level for the wide range of domestic and international institutional clients. A single technical solution, servicing the diverse operational activities linked to the custody services offered, has led to considerable improvement, and shortening of the process times. The necessity of further increase of the systems' efficiency and capacity has been raised by a continuous significant increase of clients' assets under

Corporate Banking (continued)

custody and intensifying of clients' transactions on the local and international financial markets. The bank being pioneer in the first cross border merger of assets of local mutual fund abroad has gained special experience and has added clients' structured deals to its portfolio. The EUR adoption transformation of the systems and processes has finished successfully. The leading position of UniCredit Bulbank in the provision of securities services was reaffirmed, for the 12th year in a row, by the Global Finance Magazine award for Best Sub-custodian Bank in Bulgaria.

In 2025 Factoring business continued its positive trend of development for another consecutive year of stable market environment and good potential for growth. The active commercial performance during the whole year led to diversification and enlargement of the client portfolio, which reflected in achievement of good results and business growth. Increased factoring products' outstanding debt, as a result of the strong commercial focus on boosting the utilization levels, was the main driver for sustainable income generation in the challenging competitive environment. Factoring turnover grew for another consecutive year, following the ambitions to enlarge and diversify the client portfolio and boost cross-sell opportunities.

In terms of product portfolio composition, the volumes of domestic factoring solutions continue to be with the biggest share in the factoring portfolio, with growth in both main categories: recourse and non-recourse businesses. Export factoring achieved increase in business volumes, following clients' demand for customized approach and individual solutions. The factoring product line continued to rely on its excellent expertise in the international area, very good practices within UniCredit Group and worldwide partners within FCI as a major factoring business network. Reverse factoring continued to grow, driven by the market demand of flexible financial services and easy process of financing not only for the company but for its counterparties as well. The key success driver was the continuous activities and commercial focus on several regular initiatives providing the client with advisory services completely in line with their working capital needs.

All provided services and customized solutions are fully digitalized through eFactoring.bg. The web-based factoring platform has been a key benefit for the clients for years, providing transparent, easy and fully electronic process. During the whole year, the Bank continued to work on application enhancements, guaranteeing smooth process not only in terms of provided solutions to clients but also ensuring smooth transition to EUR currency for clients. The growth of the turnover through the electronic channel each year confirms the clients' choice of using the platform and reaffirms the benefits for the company and its counterparties. The industry focus in 2025 continued to leverage on traditionally strong industries in terms of factoring opportunities and business saturation such as commodities, trade and services, heavy and light industries, transportation and storage.

Payments solutions

In 2025 we reconfirmed our position as a trusted and preferred partner, demonstrating resilience and sustainable growth throughout the year. By delivering innovative services and maintaining a strong focus on customer experience, we continued to lead the transformation in payments and digital banking.

We successfully launched a unique settlement/clearing solution, positioning the bank as the first on the Bulgarian market to offer such a solution, enabling us to expand our client base and strengthen our leadership as a provider of cutting-edge digital services.

We strive to provide innovative services and enhance the existing. We delivered a new bulk payments format for our corporate customers that is synchronized with the modern payments standards of the SEPA zone and SWIFT, based on ISO 20022 which is being adopted for the migration of interbank payments systems to XML formats. This enhancement delivers a more flexible and enriched customer experience, aligning payment capabilities with the latest market trends. The bank also introduced the necessary changes to comply with the latest requirements of the EPC and SWIFT about interbank financial messaging.

In parallel with the migration to the new euro currency we delivered to our customers incoming cross-border SEPA Instant payments.

In response to rapid technological advancements and evolving client expectations, the bank will continue to modernize electronic payment channels, ensuring a seamless and secure digital experience.

Our unwavering commitment to service digitalization and product innovation remains central to achieving sustainable long-term results, fully compliant with all applicable regulatory requirements.

Card Business

2025 was another very successful year for our Issuing and Acquiring business. Number of transactions with our Credit and Debit cards increased by 14% and the volume on ATM+POS grew with +13% compared to previous year. Payments share from total Card spending grew from 43% in 2024 to 48% in 2025. Our Credit cards in circulation increased with +2.5% and the Debit flat y/y.

New fully Digital debit cards issued during the year increased with +33% y/y.

POS business grew significantly mainly due to enlarging POS fleet (+6%) and merchants using acquiring service (+13.6%). POS acquiring volumes increased with 13.5% and number of transactions with 15%. At the same time we focused also on new functionalities, such as accepting e-comm payments through ApplePay and GooglePay and new opportunity for e-comm business growth, based on PayByLink method.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Corporate Banking (continued)

2026 Outlook

The GDP growth for 2026 will be driven by a projected pick-up in domestic demand and exports as well as by public and private investments.

The membership in the euro zone brings several benefits for businesses, including the elimination of currency risk, lower exchange and transactional costs, easier access to European financing and investments, increased trust and a stronger reputation.

In 2026 the CB strategy is focused on continuing the sustainable and resilient long-term growth, keeping leadership position on the market, enhancing customer experience, advanced digital channels with constant focus on improvements and innovations and market expansion through customer acquisition.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Retail And Private Banking

Overview

In 2025 Retail Division delivered record high commercial and financial results, in preparation for the adoption of the euro, supported by disciplined strategic focus and execution. Revenue growth remained strong throughout the year, underpinned by a balanced mix of interest income and fee-based revenues.

With a clear focus on customer experience, we managed to achieve fourth consecutive year with growing number of clients in a market with negative demographic development, and we continued to raise satisfaction across all channels — branches, mobile, and the call center — achieving a statistically significant lead over competitors.

Our revenue performance was driven primarily by expanding commercial activity, high demand for lending products, and sustained customer acquisition in both private individuals and micro business segments. Rising transaction volumes, improved customer engagement, and increased utility of digital channels contributed significantly to fee income. Despite a competitive and dynamic market environment, the Bank maintained strong pricing discipline and consolidated its leading market position through differentiated product offerings.

Retail customer deposits grew solidly across all segments (+22% y/y total) in the context of expected accession to the eurozone. Driven by strong client trust and effective relationship management, the bank's market share in deposits of households increased with 24 bps during the year. The structure of attracted funds remained focused on demand deposits, in line with market trends.

The achieved results were also supported by intensive depositing of cash by clients due to the euro conversion and several key initiatives, we launched to facilitate the clients - removal of the cash deposit fee at branches and ATMs for the period June–December and possibility to open fully functional daily banking plan Plus with 50% life time discount for the accounts opened by new clients before and amid the Euro conversion. As a result of the initiatives, we achieved a 40% increase in the number of customer cash deposits and more than 3 000 new plans opened with 90% of them initiated by new customers.

Key trends in deposit development reflected clients' preference for flexible and accessible products, with selective shifts toward high-yield investment solutions in response to evolving market conditions. The Bank successfully navigated these changes leveraging further on business model transformation to position ourselves as market maker, leading in innovations and with consistent communication.

Alternative investment products continued to gain momentum, supported by heightened investor interest. Still, we keep our strong emphasis on enhancing financial education to drive awareness, accessibility, and participation in investment opportunities, in an underdeveloped domestic market. In result, our assets under

management increased with 13% in 2025, being above average for the local market.

We managed to sustain and increase our market share in Assets under management — as of Q3'25 data, the Bank registers (+29 bp) y/y market share growth to 28.9%.

Diversification of investment strategies and top-class asset managers remain major advantage for the Bank. We are focused on building-up that value proposition with new capital guaranteed solutions to be introduced in 2026.

The Bank continued our success story, achieving 48 consecutive months increased retail loans market share (+59 bp during the year).

Retail lending portfolio grew with 25% on an yearly basis, supported by strong origination volumes in both the households and microbusiness segments. Newly extended loans saw record high levels, reflecting increased economic activity and robust customer demand for financing. Mortgage lending remained a key growth area with 32% annual growth of balances, and 64 bp increase in market share, driven by stable property market conditions and competitive product expertise provided by our advisors, while consumer lending benefited from our specialized subsidiary for consumer financing (UniCredit Consumer Financing), and improved streamlined digital process, gaining +22 bp in market share.

Our advantage over competitors continued to stem from superior customer experience, advanced digital capabilities, and consistent delivery of tailored financial solutions. The quality of portfolio remains in excellent condition with stable low level of the major risk indicators, giving the comfort to continue our growth strategy.

Consistent actions have been taken to reduce the required documentation by leveraging on information from external sources, as well as enabling a fully remote process for the Bank's clients. Over 94% of our clients submit electronically signed documents. The results of all these efforts are confirmed by the high scores in the regularly measured customer satisfaction with the product. The Customer Satisfaction Index for the product increased from 4.51/5 in January 2025 to 4.89/5 in December 2025.

Micro Business lending exhibited stable growth (+12%), supported by increased demand for investment financing and working capital solutions. Our comprehensive advisory capabilities further strengthened our position as a trusted financial partner for businesses of all sizes.

Main Activities, Initiatives and Achievements

2025 was a pivotal year in preparing the banking system for the introduction of the euro.

UniCredit Bulbank successfully implemented all required changes across its digital channels, including:

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Retail And Private Banking (continued)

- Automatic conversion and redenomination of accounts, products, and balances
- New payment formats aligned with the updated requirements and specifics of euro-denominated transfers
- Updated product applications and processes adapted to the new currency environment

These changes were deployed without service interruptions and with minimal impact on customers, thanks to a robust technological infrastructure and meticulous planning.

Throughout the year, the Bank executed several major initiatives aimed at enhancing customer experience, accelerating digital transformation, and reinforcing longterm growth, all in preparation for the adoption of the euro. Significant progress was achieved in upgrading digital platforms and expanding the range of remote services.

During the year we launched important new fully end-to-end digital processes in our mobile app, including:

- First for UniCredit Group & Bulgarian market end-to-end Voluntary Pension Fund Process
- End-to-end process for one-time investment in OneMarkets fund – enabling customers to invest entirely digitally, without visiting a branch
- End-to-end process for “Active Protection” insurance – providing additional coverage in case of accidents
- New Bulbank Mobile biometric-powered self-reactivation process – significantly improving the customer experience, giving the ability to the customer to active in self-service mode the mobile banking app, without the need to call the Contact Center or visit a branch
- New Automatic Customer Identification Process for individuals - enabling customer identification before the call is connected to an operator by leveraging IVR, using the mobile banking as a channel to confirm the identity
- Digitalization of voucher cards in partnership with Kaufland – allowing customers to add and manage voucher cards directly within the app
- Complete redesign of Bulbank Mobile – featuring a modernized interface, improved navigation, and a more intuitive user experience
- New process for managing card limits – enabling customers to control their card limits in real time
- Further enhancement of Beyond banking service – sales of vignette via mobile

New product launches delivered additional value to customers, combining innovation with simplicity, transparency, and improved accessibility. Our Mobile application achieved 4.7 rating in App store and won recognition by Global Finance: Best Mobile Application (Bulbank Mobile) 2025, and Best online product offer

2025. The users active in it reached >70% in December.

In addition to development of digital processes, the Bank advanced several strategic projects focused on sustainability, risk efficiency, and operational resilience. Investments in ESG-related solutions, enhanced risk analytics, and strengthened governance frameworks contributed to the longterm stability and responsible growth of the institution.

During the year, we approved the new concept for our young clients, designed to cover the entire customer lifecycle — from early childhood, through adolescence, and continuing into adulthood when clients enter the workforce and receive their income in accounts held with the Bank. This strategy is a key element in our long-term approach to building and maintaining sustainable client relationships.

In parallel, we continued our initiative to simplify our product portfolio. As part of this effort, we discontinued the offering of the package program Modula, directing clients instead toward our daily banking plans, which fully meet their needs and provide a clearer, more modern, and more convenient product structure.

We have improved our financing offer for agricultural producers by introducing a special register for loans secured by subsidies. We have increased the amount of working capital loans for micro-companies, which are provided through a simplified process and with minimal required documentation.

In the light of EuroAdoption program were rendered several initiatives aiming to improve customer data base quality – e.g. standardization and validation of clients' data; decommissioning of old archiving system for storage of client's files and development of new one seamlessly integrated with the core Banking system.

The year concluded with strong momentum, affirming our strategic direction and positioning the Bank for continued success in the years ahead.

Development of Distribution Channels

2025 was a year of significant progress in the digitalization of UniCredit Bulbank, with mobile banking continuing to serve as the primary channel for customer service and sales. The number of active Bulbank Mobile users exceeded 800 000, reinforcing the application's position as the most preferred digital channel among our clients.

Transaction volumes through mobile banking continued to grow, with customers executing more than 1 500 000 transfers per month. The Bank now offers over 20 fully digital end-to-end processes, enabling customers to manage their finances quickly, conveniently, and securely.

Bulbank Mobile maintained its leading positions across all major app stores, with ratings increasing to 4.7 in App Store, 4.8 in Google Play Store and 4.8 in Huawei App Gallery.

Bulbank Mobile continues to be the most commented and rated

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Retail And Private Banking (continued)

app in all three store, in the financial category with more than 220k ratings with comments.

These results reflect the high level of customer satisfaction and trust in our digital services. Digital sales through Bulbank Mobile recorded a 26% y/y increase, reaching the highest levels of digital sales to date.

2025 reaffirmed Bulbank Mobile's position as the leading mobile financial services application in Bulgaria. With a record number of active users, strong growth in digital sales, and a wide range of new functionalities, UniCredit Bulbank continues to drive the digital transformation of the banking sector.

In terms of additional services in the mobile banking, the app is offering municipality taxes payment towards 100 municipalities in Bulgaria, while the utility bills providers to which the customers may pay a bill are more than 600.

In 2025 UniCredit Bulbank's Contact Center continued its focused efforts on improving operational efficiency and enhancing customer satisfaction. Service Level increased by 19%. The number of sales generated through the Contact Center increased by 12% compared to 2024. The Net Promoter Score improved by 19%, reaching 66 points, highlighting the positive impact of the initiatives implemented to improve the overall customer experience.

During the year, several strategic service transformations were successfully delivered. The UniCredit Leasing line was transferred to Contact Center operators at UniCredit Bulbank, aiming to improve service quality, provide extended service hours, and ensure more efficient support for frequently asked customer inquiries.

As part of the ongoing optimization of the operating model, selected service activities were transferred from the branch network to the Contact Center. This strengthened centralized servicing, improved client accessibility, and increased operational efficiency, reinforcing the Contact Center's role as a key channel for consistent and high-quality customer support.

New Virtual Assistant called "Niki", serving as a Voice Bot solution in the Contact Center was introduced in a pilot mode in the end of 2025. The Voice Bot supports customers by answering frequently asked questions, offering immediate access to information, and handling routine inquiries, allowing human agents to focus on more complex customer needs.

During 2025, the Virtual Region of the bank was also expanding in terms of new activities and digital services. In Q4'25, the Bank has launched a new concept for Virtual Mortgage Center. It offers specialized service, with a remote end-to-end process from the initial consultation to the moment of digital signing and disbursement of the mortgage deal. Virtual Mortgage Center is aimed at clients who are looking for flexibility and time savings – people with dynamic daily lives, Bulgarians living abroad, as well as all those looking for convenience and speed. The consultation and entire journey is happening with video meetings with qualified

mortgage experts. Another milestone in the development of our Virtual Region which was the introduction of the new concept Comfort by UniCredit – rebranding of our remote model for servicing customers. Comfort by UniCredit Bulbank complements the capabilities of the branches by providing to its clients a personal remote banker and access to all products and services, entirely remotely.

Successful migration of the ATM fleet related to the EURO adoption, which was a primary task during the entire 2025. Smooth transition was in place during the New Year's hours and the first days of 2026. The customers were able to withdraw BGN till last hours of 2025 and EURO banknotes right after 1 Jan. 2026. Based on the constant communication campaign held during the entire 2025 towards the customers for putting all their BGN cash into the banks, the deposited amounts have increase with ~20% on annual bases. UniCredit Bulbank continues to hold the 1st position as a market share in deposited amounts via ATM network.

2025 was marked with our efforts for efficient transformation of bank's Retail branch network from operations to consultations. With focus on increase of productivity and clear service model that develop Prime clients in both segments, we managed to maintain efficient physical presence.

During 2025 we refurbished some key locations, ensuring better customer experience for our clients and stimulating working conditions for our employees

Expansion of the Agent model was also one of the key priorities in 2025 Retail Network Transformation with focus on keeping the access to bank's services in smaller towns and remote locations.

Private Banking

UniCredit Bulbank received the prestigious award for Best Private Banking Bank in Bulgaria from the reputable international media PWM/The Banker for 2025. The 17th edition of the Global Private Banking Awards included more than 350 applications from 120 institutions across 55 countries. Awarded financial institutions are evaluated based on a range of criteria, including asset allocation, innovation, growth strategies, customer service, sustainable and responsible management, and more.

In 2025, our main focus was on building and strengthening bestinclassbusinessrelationshipsandofferinghighqualityproducts for clients in the private banking segment – funds, investment certificates, brokerage services, as well as comprehensive financial solutions tailored to clients' individual needs. We now offer individually structured investment certificates fully aligned with the client's profile and preferences.

Our bankers continue to enhance their skills in fund investments, drawing on group expertise and leveraging the OneMarkets Fund platform. Cooperation with Schoellerbank in the field of private banking is also progressing. Schoellerbank colleagues visit Bulgaria monthly, providing valuable opportunities for discussion

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Retail And Private Banking (continued)

and exchange of experience.

The daily banking plan for private clients with MasterCard World Elite has been improved, and the payment program simplified. In 2025 we expanded our offerings with new OneMarkets fund solutions.

In mortgage lending, one of the key success factors is our cooperation with the corporate banking and credit risk teams, enabling us to structure complex financing solutions and contribute to the overall increase in market share at yearend.

Alongside our strong focus on excellent customer service, our goals include continuous improvement of investment performance and profitability, while further strengthening the culture of compliance with internal regulations and risk management.

The year 2025 was marked by a turbulent period of trade wars and temporary truces. Many countries reached swift tariff agreements. These agreements helped calm financial markets but did not resolve underlying geopolitical and economic tensions. Amid fragmented global trade and rising risks, we managed to stay close to our clients through a series of market presentations, specialized meetings, and regular updates on investment portfolios and market conditions. This enabled us to better understand clients' sentiment regarding market developments, learn about their financial plans, and tailor financial solutions accordingly. These results were largely driven by strong sales growth and effective management of the deal pipeline.

2025 was another successful year for Private Banking, with excellent financial results, steady growth of the client base, high levels of customer satisfaction, the introduction of new products, and strict operational risk control. We maintained our leading reputation and enhanced our value proposition for private clients.

2026 Outlook

Looking ahead, we remain firmly committed to continuing our transformation. Our vision continues to be towards being the digital leader on the local market, while keeping the human centric approach in servicing our clients from all segments. We

will expand the digital capabilities in our digital channels, by offering more end-to-end processes for the most used products and services. We will further improve the customer support experience through Contact Center. The upgrade of the Voice Bot will also be a focus by including additional FAQs and end-to-end activities, aimed at improving efficiency and delivering more personalized customer interactions.

We will continue to further develop our initiatives for Retail Network transformation and constant monitoring on productivity and efficiency to support our actions in proper resource allocation. And providing all the necessary resources for development of Prime clients' service in all segments. We plan to continue Agent model roll-out.

Further simplifications are also in the planned activities for the year – digital signing and process optimization for business packages opening, optimizing the branch process for distraint accounts, decommissioning of old products. In investment products area, we continue diversifying our product offer provided by the Product factories of the Group as well as leveraging on the OneMarkets fund investment opportunities. Financial literacy and client awareness activities, e.g. investment forums, seminars, remain major part of our agenda.

We will continue our strategy of optimizing and automating processes related to lending, reducing complexity, operational risk and manual steps by introducing automated approval for private individuals and Micro business loans. We are starting 2026 with introduction of a mortgage loan offer with a fixed interest rate for the first 5 years, providing predictability in loan expenses planning. In addition, throughout 2026 the major strategic initiative in lending will be implementing of new process and system for Micro business Lending, which aims to simplify the complete lending flow for companies.

We will continue to evolve, adapt, and deliver value to all stakeholders, ensuring sustainable growth and continued success.

Chief Operating Office

In 2025 the Chief Operating Office (COO) translated UniCredit's strategic agenda into measurable outcomes through disciplined execution and transparent tracking of goals and results. The year culminated in the seamless implementation of the Euro Adoption Programme on January 2026, delivered under robust governance, clear readiness criteria, and end-to-end business-continuity measures. In parallel, the COO teams strengthened operational and cyber resilience (security-by-design, DORA-aligned controls), accelerated targeted digitalization across core platforms and channels, advanced responsible AI, and drove process harmonisation and customer-journey simplification. Value-for-money delivery, lifecycle transparency, and third-party oversight were reinforced across sourcing and supplier management, while ESG commitments translated into tangible energy-efficiency improvements across the real-estate footprint. The operating model emphasised simplification, Lean-driven continuous improvement, data-driven decisions, and audit-ready documentation. Together, these efforts enabled compliant product delivery, selected innovations, and quantifiable efficiency gains.

Focus on Digital & Information office (CDIO)

The Digital and Information Office delivered targeted modernization and controlled execution across core platforms, channels, and data capabilities. Its work combined disciplined delivery of the euro transition with selective innovation, particularly in AI enabled support and customer facing automation, under robust governance and security. The function reinforced scalability and resilience while improving end to end process quality and user experience.

Euro Adoption Program

The Bulgarian Euro Adoption Program represented a critical national initiative designed to ensure an orderly, secure, and fully compliant transition from the Bulgarian Lev (BGN) to the Euro. Launched in 2022, the program faced several postponements arising from shifts in governmental leadership, evolving fiscal policy priorities, and the requirement to align with the broader European regulatory framework.

For UniCredit Bulbank, the initiative constituted the most significant strategic program in 2025 and culminated in a smooth, well-governed, and controlled implementation in January 2026. Despite two national postponements, the Bank maintained consistent execution discipline through a comprehensive institution-wide roadmap structured around defined milestones, readiness criteria, and continuous monitoring.

The Bank undertook extensive preparatory activities across all operational domains, including large-scale systems modernization, regulatory alignment, customer communication, risk mitigation planning, and operational continuity assurance. More than 150 applications and components were impacted, with over 600 employees directly engaged in preparation and execution efforts.

In total, more than 4 300 documents and interfaces were updated to ensure compliance, accuracy, and readiness for the currency conversion.

A series of full end-to-end conversion trials and dress rehearsals were conducted to validate technical preparedness and business continuity under real-scenario conditions. These exercises encompassed account and transaction conversion, fee and statement processing, regulatory reporting, and settlement activities. Additionally, collaboration with more than 40 external vendors ensured interface compatibility, quality assurance, and harmonized execution procedures throughout the transition.

To support transparency and governance, the Bank introduced the EUR Tracker — an institution-wide monitoring tool integrating thousands of activities into more than 90 structured milestones, with real-time status visibility for all stakeholder groups.

Key deliverables included the implementation of dual-currency presentation across all customer channels, synchronized conversion of all accounts and transactions, and the establishment of efficient cash logistics across branches and ATMs. In December the Bank also deployed an AI-powered EUR Chatbot on its public website to support customer inquiries before and after the transition, ensuring a consistent and informed customer experience.

SEPA Instant and BLINK payments were fully operational immediately following the currency switch, enabling real-time euro transaction processing (≤ 10 seconds) on a 24/7/365 basis. The Bank also played a leading role in supporting the initial and post-adoption distribution of euro banknotes and coins, contributing 16% of the nationwide cash supply delivered to customers.

Throughout the entire process, UniCredit Bulbank remained firmly committed to supporting the national transition plan and securing a seamless, reliable, and customer-centric introduction of the Euro for clients, partners, and the broader financial ecosystem.

Digital Innovation and AI Solutions

Beyond euro adoption, the Digital and Information Office advanced its innovation agenda with a responsible AI approach. In July, the Bank launched **DigiMate, its AI powered virtual assistant** for People and Culture, built on BgGPT, the national open large language model for Bulgarian language. DigiMate provides accurate, timely responses and releases approximately 15% of HR capacity for higher value activities. Together with AI features introduced during the euro transition (such as progress tracking and customer guidance), these deliveries demonstrate pragmatic use of AI, business impact under robust data governance, privacy, and security controls.

Core Banking and Digital Channels

The technology backbone was reinforced through the introduction of **a new document management platform, a tariff deviation**

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Chief Operating Office (continued)

management tool, and advanced automation in underwriting processes, targeting operations streamline, manual effort reduction and lowering operational risk. Customer experience was elevated via the **Virtual Mortgage Center**, providing instant online access to mortgage experts, and the introduction of children's debit cards to foster financial literacy. Digital channels underwent a major redesign of the mobile banking application for faster, more intuitive journeys, complemented by new self service capabilities such as secure application reactivation. Extended SEPA processing windows and enhanced transaction capabilities improved speed and reliability across channels, reinforcing the bank's positioning in digital banking.

Regulatory, Infrastructure and Risk Management

Compliance and resilience remained central throughout 2025. Strategic initiatives under **the Digital Operational Resilience Act (DORA)**, **AnaCredit**, **SAF T**, and the rollout of a new antimoney laundering solution were successfully completed, reinforcing operational integrity and reliability. A comprehensive disaster recovery exercise validated continuity capabilities, while an advanced data warehouse loading solution enabled faster and more dependable data processing. End user device upgrades, perimeter firewall enhancements, and the replacement of outdated equipment in branches and data centers further strengthened stability and protection against emerging cyber risks.

Focus on Security

Security maintained a strong, preventative control environment aligned to evolving regulatory expectations and operational needs. Efforts focused on hardening cyber resilience, strengthening monitoring and response capabilities, and elevating fraud prevention during the euro transition period. The program remained evidence driven, emphasizing compliance by design, secure information lifecycle management, and continuous awareness.

Cyber Resilience and Regulatory Compliance

UniCredit Bulbank operated within a robust control environment throughout the year, with no material information-security incidents recorded. Major deliveries included renewal and migration of SIEM hardware, timely implementation of DORA Phase I and II obligations, and deployment of specialized data-sanitization software to ensure secure information-lifecycle management. Collectively, these initiatives improved detection, prevention, and response capabilities against cyber threats.

Support for Euro Adoption and Anti-Fraud Measures

Security systems were prepared end-to-end for Bulgaria's euro transition, ensuring operational continuity, data integrity, and compliance throughout the changeover. In the final quarter, ten

large-scale employee training sessions were conducted across headquarters and branches, complemented by three targeted customer awareness campaigns through digital banking channels, reinforcing resilience against fraud attempts and strengthening customer confidence.

Fraud Prevention and Business Impact

Sustained preventive measures and enhanced monitoring delivered tangible business value, preventing losses of EUR 3.5 mln in 2025. This outcome underscores the effectiveness of the bank's security investments and its commitment to protecting customers and operations.

Focus on Operations

The Operations function plays a pivotal role in enabling UniCredit Bulbank to grow, remain efficient and deliver highquality services while absorbing an increasing business and project workload, including the euro adoption program. In 2025, Operations continued to execute its longterm strategy for continuous improvement, optimization and efficiency across the value chain.

Continuous Improvement & Optimization

In 2025 the function delivered tangible productivity gains, while fully supporting business growth, a demanding project agenda and the euro conversion program. These improvements were realized without compromising service quality, regulatory adherence or project delivery. Operations also aligned its organizational structure to the Group operational model, harmonizing at Group level and adopting a forwardlooking design by value chain. The fivetower model Payments, Daily Banking, Markets & Investments, Corporate Lending and Individual Financing, strengthens competitiveness and readiness to support growth.

Growth Absorption

Operations successfully absorbed doubledigit volume growth in 2025 without a proportional increase in resources. Payments rose by 12.7% in domestic and 13.2% in international flows. Card activity increased across the board, with debit card transactions up 15%, credit card transactions up 19%, ATM transactions up 4% and POS transactions up 12%. The loan portfolio expanded by 17% at Bank level, with origination momentum driven by mortgages for individuals and guaranteeschemebacked lending for companies; new contracts grew 28% in Retail, 5% in SME and 18% in Corporate. KYC workloads increased by 30% for both SME and Corporate (onboarding and reviews). Distraints processing rose by 10%, while certificates issued and inquiry responses increased by 14%. In Markets and securities, volumes advanced as well: securities trades and corporate events were up 9.2%, OMF and Amundi funds up 10.6% (with OMF alone up 163.6% versus 2024), FX and MM interbank trades up 3.6%, client FX trades up 5.5%, and activities related to reporting and static data maintenance for financial instruments trading up 10%. These

Chief Operating Office (continued)

outcomes reflect higher productivity, process simplification and the deployment of digital and RPA solutions across backoffice activities.

Automation & Digital Transformation

The function accelerated automation and digitalization across Operations, expanding the use of Robotic Process Automation, smart workflows and digital channels. These initiatives reduced manual effort and error risk, shortened turnaround times and improved transparency along end-to-end processes, reinforcing the scalability of the operating model.

Key Projects (with emphasis on EUR adoption project)

Operations played a central role in the delivery of major payments and regulatory initiatives, including SEPA rerouting, SEPA Instant and successive phases of the Payment Strategy, as well as CBPR+, Target2 and the Eurosystem Collateral Management System led by the Bulgarian National Bank. The team also contributed to Trading Centralization, the Siron Embargo replacement and the redesign of the Document Management System, enhancing customer service, regulatory compliance and end-to-end process efficiency while optimizing the cost base. Within the euro adoption program, Operations led four critical streams - Payments, Lending, Securities & Treasury and Cash Conversion - securing a smooth and controlled transition.

Service Quality and “Run the Bank”

Throughout 2025, Operations maintained high service quality across all runthebank activities, delivering within committed SLAs, complying with the regulatory framework and sustaining strong internal client satisfaction.

Focus on Real Estate

In 2025, Real Estate team made significant progress in process optimization and resource management. Alongside business-priority initiatives (such as the development of self-service zones, agency branches, optimization of spaces for business purposes, etc.), the team launched centralized document storage by relocating 16 000 archive boxes from the branch network, introduced a new electronic channel for document exchange with institutions (40% of incoming documents are now electronic), initiated the ESG project related to the replacement of the façade of our HQ Sveta Nedelya, and provided the necessary equipment for money processing as part of the Euro adoption project.

Focus on Procurement, Cost & Third Party Management

In 2025, the Procurement and TPM strategy was fully aligned with the Bank's strategic priorities, reflecting prevailing market conditions, persistent price pressures on essential goods and

services, and constraints in resource availability. The function consistently ensured business continuity and value for money through disciplined demand management, competitive sourcing, and robust supplier governance.

Procurement Support for the Euro Adoption Program

A principal priority was the Euro Adoption, aimed at ensuring a smooth and timely transition in accordance with the National Plan. In this regard, the team conducted targeted negotiations and comprehensive assessments with all relevant suppliers, including core banking system providers, application vendors, BORICA (as the authorization center), and multiple international partners, diligently addressing risk requirements and key obligations under the Digital Operational Resilience Act (DORA). All necessary activities for the upgrade of ATM and POS devices were duly contracted, and end-to-end logistical arrangements were established to secure the timely provisioning of the branch network, head offices, and clients with the new euro banknotes and coins within the mandated deadlines.

Support to Strategic Initiatives and ESG Integration

In parallel, the Procurement and TPM function secured the timely delivery of critical products and services on the most favorable financial terms, thereby supporting strategic initiatives in digitization, digital sales, and energy efficiency. In line with the Bank's ESG commitments, the team implemented energy-efficiency measures to reduce energy losses and the overall carbon footprint, including improvements to the energy efficiency of owned buildings (thermal and waterproof roof insulation), replacement of lighting across the branch network with LED solutions, and installation of specialized solar-control film on the HQ “Sveta Nedelya” building. Sourcing and supplier selection were executed via the SAP Ariba platform in strict adherence to the principles of transparency and competition, fostering reliable and low-risk supplier relationships.

DORA Compliance and TPRM Enhancements

The year 2025 was pivotal for achieving compliance with DORA and for strengthening resilience vis-à-vis external providers. The Group and local Third-Party Risk Management (TPRM) frameworks were brought into full alignment with DORA, covering the entire lifecycle of third-party engagements, from onboarding and due diligence to ongoing monitoring, remediation, and exit/transition. The Bank successfully completed the first submission of the Register of Information (ROI) to the European Central Bank (ECB), and the TPRM tooling was further enhanced to meet additional regulatory requirements, including AI-related risk assessments. Risk assessments performed during 2025 identified no contracts with high or medium-high residual risk, evidencing a mature control environment and the effectiveness of the Bank's risk-mitigation measures.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Chief Operating Office (continued)

Focus on Bulgaria – Products COO

The Bulgaria - Products COO function acted **as a strategic counterpart to the business lines**, harmonizing processes and safeguarding operational readiness for new products and regulatory changes. Through rigorous process design and documentation activities, it supported EURO adoption Programm while enabling selected innovations in lending, payments, and investments. The portfolio delivered clear value by strengthening compliance, simplifying the customer journey, and achieving quantifiable efficiency gains.

Strategic Projects and Euro Transition

The Bulgaria- Products COO function reinforced its role as a trusted key partner for the successful execution of the Bank's strategic project portfolio. Among the key initiatives delivered were **the Digital Archive**, a new system for storing and managing banking and client documentation, and comprehensive **readiness for EURO adoption Programm**: dual currency display across all channels, planning and managing cash availability, and deploying **the AI-powered EUR Chatbot**. Additional strategic deliveries encompassed **AnaCredit, DORA compliance, Credit Risk Model Roadmap, Avature, BASEL IV**, and new tools for tariff deviation and quality management.

Process Digitization and Operational Excellence

The function accelerated digitization by supporting business process owners with end-to-end process structuring and ensuring compliance through accurate documentation. More than 15 new digital workflows were introduced, including Direct Investments, 'Active Protection' insurance, Pay-by-Link payments, and Bulbank Mobile reactivation. Over 10 customer journeys were analyzed for Group-level harmonization in consumer and mortgage lending, KYC, and payments. In total, 45 process changes and more than 50 efficiency initiatives were executed, underscoring the commitment to simplification and operational excellence.

Innovation and Product Development

Beyond process optimization, the team provided critical support in shaping and implementing new products. Its expertise in aligning processes with regulatory and internal standards enabled the launch of seven new solutions, including the **Children Debit Card** to promote financial literacy, **'Platinum SMART Credit'** for individuals, structured products for corporate clients, and advanced FX risk-management tools such as non-deliverable forwards and dual-currency deposits. The function also facilitated strategic partnerships with clearing service providers for the electricity and natural gas markets and supported new investment solutions under **Allianz UNiverse**, reinforcing the Bank's value proposition.

Focus on Simplification

UniCredit Bulbank advanced its transformation strategy through **the "Keep It Simple" Operational Excellence program**, designed to foster a culture of simplification and efficiency. The initiative focused on removing bureaucratic hurdles, optimizing internal processes, and delivering greater value for employees and customers. Supported by strong leadership commitment and a structured approach, every improvement idea was evaluated, tracked, and executed.

To embed these changes, the Bank invested in capacity building **through Lean methodology training, interactive tools, and gamified learning experiences**. Dedicated focus time allowed employees to work on process improvements, reinforcing a culture of continuous enhancement. Recognition programs such as **"Bravo Idea" celebrated collective success** and encouraged scaling of local pilot projects across the organization.

The results were tangible: more than 48 key processes optimized, 1.6 mln sheets of paper eliminated, and over 10 000 working hours recovered. This commitment to innovation and efficiency was further validated by the prestigious Lean Six Sigma Award, recognizing UniCredit Bulbank's leadership in the change.

The initiative is built on a clear philosophy: simplification is a continuous journey requiring a permanent mindset shift rather than a one-time effort. The team embraces the concept of marginal gains, recognizing that consistent small improvements lead to exponential growth over time. Past ideas are regularly revisited, acknowledging that solutions once considered unfeasible may become viable as technology and context evolve.

2026 Outlook

The COO function enters 2026 positioned as a **globally integrated service organization** delivering reliable, secure and efficient operations in support of UniCredit's strategic ambition. Operating as **one coordinated engine**, the function enables business growth while ensuring robust operational control, prudent risk stewardship and consistent execution across all countries and franchises.

Aligned with Group values, the COO function prioritizes **disciplined delivery, transparency and audit-ready evidence**. Standardized reporting, strong consolidation practices, including ongoing euro-related activities where relevant, and data-driven capacity management form the foundation for traceability and high-quality regulatory disclosures. Shared KPIs and quarterly OKRs reinforce end-to-end accountability and the systematic demonstration of control effectiveness.

Technology and digital enablement remain central pillars. The function will continue the modernization of core platforms and data through controlled upgrades, expanded observability,

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Chief Operating Office (continued)

reinforced identity and access governance and cloud adoption under Group baselines. Business-continuity and disaster-recovery capabilities will be regularly tested, documented and evidenced to ensure resilience and service continuity under all conditions.

Cyber resilience will advance through security-by-design principles, DevSecOps practices, intelligence-led monitoring, risk-based vulnerability management and validated incident-response procedures. These measures support full alignment with evolving supervisory expectations and further strengthen UniCredit's operational security posture.

A key evolution in 2026 will be the responsible scaling of **automation and artificial intelligence** across processes and operations. AI-enabled insights, analytics and workflow support will enhance productivity, reduce complexity and increase straight-through processing. Deployment will follow rigorous governance frameworks addressing model risk, data protection, fairness, security and regulatory compliance, ensuring that AI adoption enhances service quality while preserving clear human accountability.

Operational excellence will progress through the harmonization and simplification of end-to-end processes, reducing friction and

increasing consistency across priority customer and colleague journeys. Workplace and asset stewardship will optimize the physical footprint, complete critical relocations, digitize inventories and embed ESG considerations, strengthening reliability, sustainability and cost efficiency.

Commercial discipline and third-party oversight will be further reinforced. Competitive sourcing, lifecycle transparency, strengthened contractual rights, resilience obligations and comprehensive regulatory registers will support timely, high-quality and cost-effective delivery while safeguarding Group interests.

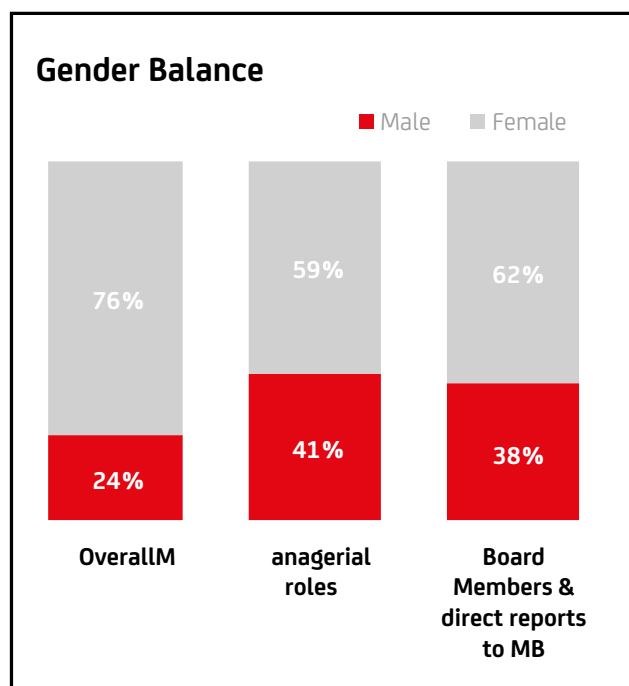
Collectively, these priorities ensure that the COO function continues to deliver **smarter, safer and simpler operations at scale**, enabling UniCredit to grow. By combining resilient operational foundations with modern digital capabilities and responsible AI adoption, the function provides the consistent, secure and efficient services required to support the Group's long-term performance and strategic direction.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

People & Culture

In 2025 People & Culture (P&C) continued following its strong focus to ensure right people in the right places, building the workforce for the future, investing in employees' growth and recognition, fostering inclusive culture and working environment in order to unlock the full potential of our people while promoting UniCredit Bulbank as best place to work. The main goal of all activities following the employee lifecycle was to support reaching the strategic goals of UniCredit Bulbank while adhering to our values, partnering the organization during its transformation journey and supporting a positive working environment with skilled, engaged and committed workforce.

The number of employees (FTEs) of the Bank decreased from 3 134 to 3 038 (from 3 582 to 3 455 on consolidated basis) in alignment with the Strategic plan, driven by continuous investments in digitalization activities, new opportunities for remote work with customers and directing operations to digital channels like mobile/online services, simplification of the organization, adopting new service model in some of our segments and general increase of the productivity thanks to simplified and enhanced processes and systems. In terms of gender distribution, the proportion of female/male overall is ~76%/24%; the ratio for the managerial positions is quite balanced – 59%/41%, while for the top managerial positions (CEO level and the level below) the ratio is ~62%/38%. The average age of the employees is 43 years, and from educational structure perspective most of the Bank's employees have university education (nearly 80%).



Diversity, equity and inclusion (DE&I) remained a key priority across the organization in 2025, fully embedded in the People

& Culture agenda and consistently present on the managerial radar in all business functions. DE&I principles are integrated into internal policies and operational processes throughout every stage of the employee lifecycle, including attraction and recruitment, compensation and benefits, learning and development, and succession planning.

In 2025 the sustained efforts to advance gender equity and foster an inclusive working environment continued to receive external recognition via the EDGE Assess Certification — the leading global assessment and business certification for gender and intersectional equity. This achievement stands as a strong testament to our ongoing commitment to further improve and promote a culture where everyone can thrive.

In 2025 UCB celebrated an important milestone for our organization: the launch of the GenZ Community — the first employee network inspired and created by participants in our TomorrowZ program. This initiative represents a meaningful investment in strengthening our DE&I culture and clearly demonstrates how the joint efforts of People & Culture and a group of highly motivated colleagues can create something truly impactful for our future growth. The GenZ Community serves as an excellent foundation and a powerful example that will inspire the development of additional employee networks in the years ahead.

Our consistent employer branding efforts delivered also strong results in 2025. A total of 220 students participated in six tailor-made learning initiatives designed to deepen their understanding of the banking industry. The Bank also strengthened its visibility on the talent market by presenting itself as an employer of choice at 19 career forums. In addition, thanks to the dedication of our colleagues, 225 highschool students gained practical banking experience - an investment in the next generation of talent and a meaningful contribution to our community.

In the attraction phase UCB also focused on building and advancing strategic partnerships. Through strong collaboration with educational institutions the Bank delivered future-relevant skills and created meaningful educational impact. Young people were equipped with essential financial literacy, ESG knowledge, digital capabilities, and people skills through established UniCredit Bulbank programs and expert-led training sessions.

Building on these strong partnerships 2025 also saw the successful implementation of several key initiatives that further expanded our engagement with young talent. Programs such as “Business Talks with UniCredit Bulbank” at UNWE, “FutureReady @ UniCredit Bulbank” at the Faculty of Economics and Business Administration of Sofia University “St. Kliment Ohridski”, and “UniCredit Academy – From Vision to Action” at the University of Economics – Varna played an essential role in strengthening our presence across academic ecosystems.

In 2025 the People & Culture team reviewed significant number of job applications, yet the labor market continued to become

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

People & Culture (continued)

increasingly challenging and competitive. Particularly demanding were the segments requiring highly qualified banking specialists and roles in specific domains, including Digital. In addition, recruitment in geographic areas with higher turnover - such as the capital and other major cities - remained complex due to local labor market dynamics.

Throughout the year the recruitment process continued to be optimized to ensure greater efficiency and effectiveness. Key improvements included the full implementation of the new Groupwide digital recruitment tool Avature. This enhancement supported the Bank's efforts to attract and secure top talent in a competitive environment.

Frontline empowerment remained a strategic priority in 2025, demonstrated by the significant share of colleagues working directly with customers ~54%. This continued focus enables faster decisionmaking, strengthens client relationships, and ensures that impact is delivered where it matters most.

In 2025 we hired 267 new people (303 on consolidated basis). Our Internship program remained a key priority – it is an effective channel for early engagement of Gen Z, maximizing the effect from the partnerships with universities and decreasing significantly the onboarding period and time-to-productivity for interns hired on permanent positions. In 2025 almost 150 young professionals (170 on consolidated basis) received the opportunity to conduct an internship with the bank. 30 of our interns (30 on consolidated basis) were offered a permanent job.

The Remuneration policy was in line with the Group approach and with the European and local legislative requirements. Market trends have been closely monitored through participation in salary survey, analyzing the results and taking the needed actions in order to provide sustainable and competitive remuneration to employees, ensuring correlation with the bank's performance. The overall benefits portfolio is among the best ones in the country and is an important additional factor for attracting and retaining employees. The same role pay-gap is one of the focuses of the remuneration policy in order to ensure fair treatment of both genders. It is regularly measured and analyzed, and respective measures if needed are incorporated with regards to the remuneration decisions. At June 2025 the same-role pay-gap, measured through the common for all UniCredit Group countries methodology, was just below 0.5%, which is considered technically no gap and an excellent achievement. The end of year measurement proved the pay-gap is consistently maintained throughout the year and was a bit below 0.4%.

The voluntary turnover on Bank level decreased – from 9.4% in the previous year to 8.1% in 2025 and on consolidated level was from 10.3% to 8.4%, driven by targeted remuneration policy, initiatives on attracting the right profiles and assuring enhanced onboarding and induction process. These rates are way below the available market benchmarks and are another testimonial of the strong people strategy in the organization.

In 2025 People and Culture maintained a strong focus on learning and development, empowering our people to grow and helping the Bank realize its full potential.

We continued leveraging on the Group e-learning platforms, ensuring democratic access to learning for all employees. With more than 60 000 online trainings, PLUS and MyLearning offer a smooth user experience and supports self-paced learning, fostering a stronger appetite for continuous development. As a result, 81% of all training hours delivered in 2025 came from e-learning.

The well-being of employees remained a priority also in 2025. Our approach was centered on promoting and further enhancing existing tools and initiatives that support our people. The hybrid way of working – allowing remote work on selected days – together with the early retirement program and the opportunity for colleagues on parental leave to contribute to bank-relevant projects, played an important role in maintaining a strong sense of belonging to UniCredit Bulbank as a supportive and inclusive workplace.

We continued to invest in strengthening managerial capabilities by engaging leaders across the Bank in a Culture & Wellbeing training program. Delivered locally by internal trainers, the program equipped 55 managers from various structures with the knowledge and tools needed to foster a healthy, supportive, and sustainable work environment. This initiative reinforced the crucial role managers play in shaping our culture and promoting employee wellbeing. As part of our wellbeing awareness initiatives UCB introduced additional topics essential for both physical and mental health, including “Change Begins with Your Mindset,” “How to Manage Anxiety,” and “Risk Factors and Effective Approaches in Diabetes Treatment.” Building on this foundation, we launched a pilot edition of an enhanced wellbeing concept that integrates healthy habits into employees' daily routines through short, practical wellbeing moments. These micropractices are linked to one of UniCredit's five wellbeing pillars and are designed to encourage simple, consistent actions that support overall wellbeing. The full rollout of this upgraded concept will continue in 2026.

At organizational level two new initiatives were introduced - “5 Minutes More” and “Time to Focus”. Both supported our broader wellbeing approach by helping colleagues manage their workload more effectively and encouraging healthier, more balanced work routines. “5 Minutes More” offered practical guidance on smarter email and meeting etiquette, empowering employees to enhance productivity through simple, effective habits and existing digital tools. Complementing this, the “Time to Focus” initiative established a protected twohour weekly slot during which no internal meetings were allowed, giving employees uninterrupted time to concentrate on essential tasks and perform at their best.

In 2025 nearly 750 colleagues from the Retail and Corporate sales force completed targeted training programs focused on

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

People & Culture (continued)

customer service, relationship management, selling techniques, portfolio management, and negotiation skills. The training agenda in both segments continued to prioritize strengthening customer relationships and enhancing service excellence. In Corporate Banking, the emphasis remained on developing longterm, valuecreating partnerships and supporting sustainable business origination.

Within Retail Banking, we organized a series of regional events under the motto “Invest Today, Succeed Tomorrow,” aimed at colleagues in Branch Manager, Teller and Customer Advisor roles. A total of 450 employees participated, further reinforcing the Bank’s commitment to building capabilities that drive superior customer experience and commercial performance.

In 2025 the Bank continued to embrace new ESG practices and its journey to a more sustainable and responsible business. A strong focus was put on providing additional insights to our sales force about the integration of climate risk and Net Zero into the credit process, the EU taxonomy, Transition Plan, etc. Adhering to holistic ESG learning approach, we continued to raise awareness on relevant ongoing ESG topics throughout the different levels of the organization leveraging on our integrated group and local training offer. In line with the DE&I commitment and with the aim to reinforce an inclusive working environment were organized several awareness events and workshops aiming to demonstrate the talents of differently abled people and how the Bank can support them to unlock their potential.

As a responsible and sustainable organization, UniCredit Bulbank has ensured that all laborrelated documents are available for electronic signature. Today, almost 100% of employee documentation is signed digitally, significantly reducing paper consumption, courier costs, and physical storage expenses. To further enhance the employee experience, digital employee files were introduced, enabling secure storage of electronically signed documents. Colleagues can access their personal documents at any time through the SelfServices portal, ensuring convenience, transparency, and efficiency.

In 2025 UCB also implemented a new digital solution to support employee access to information. DigiMate, our chatbot built on BgGPT — the first open AI language model adapted to the Bulgarian language — assists employees in quickly finding information on training, benefits, processes, and People & Culture policies. Designed to improve efficiency and reduce administrative friction, DigiMate provides accurate and timely support across a wide range of topics. And the best part: DigiMate is continuously evolving, expanding its capabilities to offer even greater value to our colleagues.

During periods of transformation, managers naturally act as catalysts for employee growth and organizational success. Therefore, we remain committed to strengthening their knowledge and leadership skills. In 2025 we introduced an onboarding training for first-time managers. As a next step in the managerial learning path we added the training “Leadership in Action”. Specifically

for Retail Branch Managers we delivered interactive sessions on corporate values with an open format that encouraged honest dialogue, shared insights and meaningful peer-to-peer learning.

In 2025 accelerating the development of high potential employees and fully unlocking their capabilities remained a central priority within the Learning & Development Strategy.

The TomorrowZ program was successfully completed, engaging 11 motivated Generation Z colleagues. Designed to amplify the voice of younger talent and support their professional growth, the program offered a tailored learning journey and the opportunity to participate in real business projects. Through these experiences, participants saw firsthand how proactive behavior, fresh ideas, and strong pitching skills can drive the organization forward.

EmpowerED is our development program designed to identify and support employees with relatively short professional experience who demonstrate strong potential to grow into future managerial roles. Participants engage in a comprehensive mix of training initiatives, strategic meetings, stretch assignments, mentoring, and other development activities that accelerate their readiness for leadership responsibilities. The program currently includes 35 participants, who successfully completed their firstyear learning journey in 2025.

Other groups of courses, stimulating the professional excellence and personal productivity of the employees, were the numerous business/process related trainings from the Retail and Corporate Banking learning paths, certification programs in Accounting, Risk, Compliance and Security, trainings on Agile methodology, project management, specialized IT topics, etc. Compliance and Security related topics kept on taking a tangible part of the training agenda also for 2025, with particular Group focus on cyber security, AI and data management.

2026 Outlook

In 2026 People & Culture will continue to act as a strategic partner, change agent, and datadriven function, supporting sustainable business and leadership growth. Our efforts will remain focused on assuring we have the right people, with the right skills, at the right place, while delivering a premium employee experience and strengthening open communication with colleagues and local communities.

Employer branding initiatives will continue, ensuring the Bank maintains its strong reputation as an employer of choice. New initiatives will be launched to enhance the employee experience journey and address the business challenges and priorities identified for 2026. Building the workforce for tomorrow, trainings on skills of the future, including digital savviness and AI literacy, investing in our people and ensuring leaner and modern organization where they can thrive, will remain key enablers, supporting greater people engagement, productivity and impact across the organization.

Customer Experience and Complaint Management

Customer Experience Management

In 2025 UniCredit Bulbank continued to purposefully strengthen its customercentric model, guided by its core corporate values – **Integrity, Ownership and Caring**. The customer perspective remains a leading factor in decisionmaking and a key instrument for achieving sustainable business results and longterm trust.

Throughout the reporting period, the Bank systematically collected, analyzed and utilized feedback from clients, prospective clients, employees and various complaint channels. Based on this information, multiple initiatives were developed and prioritized, aimed at optimizing customer journeys, increasing satisfaction and enhancing operational efficiency.

UniCredit Bulbank conducted a significant volume of research, contributing to the effective prioritization of key improvements and the ongoing enhancement of customer pathways. Our goal remains unchanged: **to provide consistent, transparent and timely service that anticipates and exceeds customer expectations**.

In 2025 we focused our efforts on open communication and fast response — two elements that strengthen trust and reinforce a sense of partnership.

Drawing on a broad range of customer insights — from surveys to signals for improvement - we identified key themes shaping the modern customer experience. In line with UniCredit Bulbank's strategy for digital transformation, these insights enabled us to further enhance processes, products and services, making them not only effective but fully oriented toward customer convenience.

Today we look ahead with confidence. We work to deliver a customer experience that is **sustainable, innovative and humancentered**. UniCredit Bulbank continues to strengthen its role as a reliable partner, offering solutions that meet the dynamic needs of the market. We believe that the bank's success begins with the success of our clients.

Customer Satisfaction and Experience

In 2025 UniCredit Bulbank continued its strategic commitment to deeply understanding customer needs and creating solutions that elevate their experience. In our efforts to build stronger customer relationships and meet client expectations, we prioritized the significant expansion of collected feedback. As a result, more than 88 000 customer feedback entries were collected and analyzed, providing critical insights for sustainable and customer-oriented decisions.

Retail Banking - Research confirmed UniCredit Bulbank's leading position:

- **Individual clients** highly valued the quality of service, resulting in an **NPS of 40 points**, exceeding the market average by **+13 points**.
- **Microbusiness** segment, we achieved recordhigh results with an **NPS of 46 points**, outperforming the market by **+26 points**.

Several feedbackdriven projects were carried out across key product lines — mobile banking, current accounts, mortgage and consumer lending, as well as callcenter interactions. These initiatives provided valuable information for future improvements.

Corporates - UniCredit Bulbank also strengthened its leadership reaching an **NPS of 32 points**, with **+15 points** above the competitors' average. This reflects stable, long-term partnerships grounded in trust, expertise and an individualized approach.

Additional feedback was collected following specific interactions across various channels, enabling a more precise understanding of corporate clients' needs.

Customers experience measurement programs — applied both in Retail and Corporate Banking - provide a solid foundation for continuous improvement. They support the identification of key expectations, challenges and opportunities, transforming them into concrete actions to enhance processes, products and service quality.

Reputation

UniCredit Bulbank's reputation remains strong among individual, corporate and prospective clients. Feedback collected through surveys in 2025 clearly shows that the bank is perceived as **stable, innovative and easy to work with**, with a noticeable focus on modern solutions and a seamless customer experience.

Clients consistently identify UniCredit Bulbank as a **reliable financial partner**, characterized by transparency, professionalism and a high service culture. Our image as a stable and respected international institution continues to be one of the key reasons for client trust and preference. This sustained market capital is the result of consistent efforts, strategic investments and an ongoing drive for improvement.

Complaints and Compliments Management Process

UniCredit Bulbank treats both positive and negative feedback with equal importance. Customer feedback is a strategic resource that enables continuous improvement of services and processes. Clients are encouraged to share concerns or positive experiences so that we can deliver individual solutions and implement meaningful enhancements based on real data.

The specialized **Complaints Management and Customer Care** unit reviews each complaint individually. Every client receives an official response through their preferred communication channel within the legally required timelines.

The complaints management process is centrally governed and fully aligned with UniCredit Group's Global Policy and relevant legislation. This ensures transparency, structured handling and the ability to conduct detailed rootcause analyses. Feedback is regularly reported to the bank's senior management, relevant business units and the Group.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Customer Experience and Complaint Management (continued)

Compliments are also centrally registered and shared with employees, as positive examples contribute to a culture of recognition and motivation. In support of the culture of seeking positive feedback, the initiative for encouragement of employees and structures with more compliments, has been continued during 2025.

In 2025 the Bank continued to implement improvements to the process, following the latest trends and aiming to stay ahead of customer expectations. After the introduction of a robotic process that automates the handling of feedback submitted via the corporate website form in 2024, we implemented a new robotic process for complaints received in the physical locations of the bank. The robot automatically extracts and transfers data into the complaints register, removing one step, saving time by removing the need to input data also in the Complaints register.

In 2025 the Bank processed 2 755 complaints and 608 compliments. The number of compliments has increased by nearly 50%, proving that the actions are in the right direction. By the December, the average response time had been maintained at 8 days. This demonstrates that the improvements in efficiency

and our commitment to timely customer service are sustainable.

These results are evidence for our consistent work oriented towards transparency, quality and respect of customer's voice. Through innovation, process optimization and human approach, UniCredit Bulbank will continue to build high standards for customer satisfaction and trust.

2026 Outlook

UniCredit Bulbank will continue to build on its strong customercentric culture through active monitoring and analysis of feedback across all channels. In 2026 the Bank's key priorities will include further digitalization of the customer experience, enhancement of feedback collection tools, improving communication and response speed, strengthening the internal culture centered around customer orientation

Our goal is clear: **to deliver an even smoother, more personalized and innovative customer journey**, enhance satisfaction and reinforce client trust.

Corporate Social Responsibility

Building Stronger Communities, Together

Our commitment to inclusive growth and shared prosperity

Throughout the past year, UniCredit Bulbank reaffirmed its responsibility as leading bank by actively contributing to the prosperity of its stakeholders and the development of local communities. The Bank served as a key partner in the implementation of numerous initiatives across education, innovation, culture and the arts, business development, and social entrepreneurship. In parallel, UniCredit Bulbank and its employees once again demonstrated their strong social commitment by providing substantial financial support to vulnerable groups within society.

Education as a Cornerstone of UniCredit Bulbank Sustainability Agenda

Through strong partnerships, enriched academic content, and active involvement in national initiatives, UniCredit Bulbank continued to invest meaningfully in Bulgaria's next generation - expanding access to education and fostering a culture of innovation, responsibility and **empowering communities to progress**.

In 2025 we once again placed education at the heart of our social engagement, investing in projects that support learning, youth development, and academic excellence across Bulgaria. Through partnerships with **Teach for Bulgaria, Junior Achievement Bulgaria**, and other leading institutions, the Bank strengthened its longterm commitment to the national educational ecosystem.

As part of its broader academic engagement, UniCredit Bulbank continued its involvement in longterm programs such as the **Summer Academy "Burov"** and the eighth edition of **Teenovator**. Teenovator is a free entrepreneurship program for 10th and 11th graders - develops teamwork, creativity, and startup skills through weekly mentoring. We further contributed to educational development through the **"Sustainable Consumers"** initiative of the **ESG Lab at Sofia University**, Bulgaria's first nationally representative study on attitudes toward sustainable transformation. Following international methodologies, the research will provide publicly accessible data to inform national sustainability discussions.

The Bank also strengthened academic content by backing the publication of an **ESG workbook for Sofia University's Faculty of Economics and Business Administration**, emphasizing the central role of sustainability in today's learning environment.

UniCredit Bulbank supported the students at the **National High School of Science and Mathematics at the 16th World Mathematics Team Championship (WMTC) 2025**, where they proudly represented Bulgaria and won an impressive 18 medals - 2 gold, 13 silver, and 3 bronze. Their achievements place them among the most promising young mathematicians globally and reaffirm Bulgaria's strong position in mathematical sciences.

Sustained support for entrepreneurship plays a vital role in unlocking talent, accelerating growth, and enabling individuals to turn potential into lasting impact.

The training program of the **Council of Women in Business in Bulgaria (CWBB) – Leadership Academy "Succeeding in Bulgaria"** – was once again held with great success, further demonstrating UniCredit Bulbank's strong commitment to supporting the professional growth and career development of young women. The initiative consists of a series of free training sessions designed for women in managerial positions as well as those leading their own businesses, offering meaningful opportunities for learning, advancement, and empowerment.

In 2025 UniCredit Bulbank reaffirmed its role as a trusted partner to **Bulgaria's leading universities**, supporting their academic communities in meaningful and practical ways:

- **Economic University – Varna:** the Bank supports third and fourthyear students in Economics, Finance, Business Administration, IT, and Mathematics, actively participating in events and discussions that foster dialogue and knowledge exchange.
- **Technical University – Sofia:** the collaboration continued to thrive, reflecting the bank's commitment to developing future talent in both technological and financial fields.
- **University of National and World Economy (UNWE):** joint public discussions, lectures, and initiatives helped enhance students' professional development and broaden their opportunities for growth.
- **Sofia University "St. Kliment Ohridski":** UniCredit Bulbank remains a longterm partner of the Master's program in Responsible and Sustainable Management, supporting the transition of companies and institutions toward a greener and more socially responsible economy - an important element of the Bank's ESG strategy.
- **National Academy of Art:** through its partnership with the Academy, the Bank provides graduating artists with a platform to present their work at UniCredit Studio. Many emerging talents have launched successful careers after exhibiting there, enriching Bulgaria's cultural landscape.
- **The National Academy of Theater and Film Arts:** the students from Scenography participated in exhibition at UniCredit Studio.

Innovation is in the main role

The focus on innovation remained a core priority for UniCredit Bulbank in 2025, as the Bank actively supported forwardlooking ideas and transformative solutions across multiple sectors. Throughout the year, it served as a key partner in some of Bulgaria's most influential forums and conferences, all dedicated to advancing digital transformation, sustainability, and constructive dialogue between business, institutions, and society.

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

Corporate Social Responsibility (continued)

By engaging with platforms that bring together leaders from the private sector, public administration, academia, and civil society, UniCredit Bulbank helped accelerate technological progress, promote responsible business practices, and drive sustainable transformation at both national and regional levels.

Key Innovation and Sustainability Events Supported by UniCredit Bulbank

- **Financial Forum “Innovations” – Bank of the Year Association** Brought together leading Bulgarian and international representatives from banking, nonbank financial institutions, technology companies, and academia to discuss cutting-edge financial trends.
- **Green Transition Conference – Dir.bg** The largest and most influential CEE platform dedicated to the European Green Deal and the transition to netzero economies. The event united visionaries committed to driving sustainable transformation and building actionable, crosssector partnerships.
- **“Construction of Tomorrow” – Investor.bg** A forwardlooking conference examining how AI, smart technologies, green materials, and sustainable architectural practices are reshaping infrastructure and urban development. Topics included urban planning, energy efficiency, green buildings, ESG in construction, innovative financing, and advanced industrial technologies.
- **Industry Forward Forum** As a main partner, the Bank supported this key platform for industrial companies, manufacturers, digital entrepreneurs, SME owners, and providers of cutting-edge industrial solutions. The event focused on automation, robotics, AI, and circular economy practices, offering deep insights into industrial innovation and efficiency.
- **The Sound of Money**, a specialized financial forum covering macroeconomics, financial policy, real estate, stock markets, ESG strategies, entrepreneurship, and leadership.
- **Business and Regions Conference – BGlobal Media** Now in its sixth edition, the forum examined the role of companies in sustainable regional development and encouraged constructive dialogue among businesses, institutions, and local communities. UniCredit Bulbank’s partnership reinforced its commitment to regionfocused economic progress.
- **TEDxVitosha: Puzzles & TEDxCOUNTDOWN 2025** TEDxVitosha showcased visionary speakers offering new perspectives on science, technology, creativity, and human resilience. TEDxCOUNTDOWN focused on climate change, ESG, and global responsibility, featuring Bulgarian changemakers and innovators. Both editions aligned with the Bank’s mission to promote forwardthinking ideas and knowledge exchange.
- In support of social entrepreneurship, the Bank participated in major events such as **Horizons 2025 – the President’s Gala**

Dinner with the Business and served as General Partner of the **Banking and Finance Forum: The Future of Money** for the eighth consecutive year, contributing to discussions on regional and global financial trends.

UniCredit Studio Remained a Vibrant Center for Culture and the Arts

In the past year UniCredit Studio continued its mission of supporting young and emerging artists by offering a platform to develop and showcase their work to a wide audience. The gallery presented projects that were not only artistically compelling, but also carried strong social messages, exploring themes such as the environment, perception, support, and cultural identity. The artistic space strengthened its role as an active cultural hub, hosting diverse creative events and fostering meaningful encounters between artists and visitors. A major highlight was the Studio’s **100th exhibition**, marking a significant milestone in its commitment to nurturing new talent and innovative artistic expression.

Selected Exhibitions in 2025:

- **“Bulgaria in Four Seasons”, Collective Exhibition by UniCredit Bulbank Employees** Nearly 200 landscape photographs captured by colleagues across the country celebrated Bulgaria’s natural beauty and cultural landmarks.
- **“Imagination Is My Blood System”, Emil Stoychev & Alexander Sokerov** Part of a retrospective honoring Stoychev’s 90th anniversary, the exhibition presented works by the renowned artist through an original project by animator Alexander Sokerov.
- **“You Will Not See...”, Nevelin Ivanov-Nevo** Avantgarde works blending graphics, painting, and conceptual fashion showcased the bold visual language of the 2024 Stoyan Kambarev Foundation Visual Arts winner.
- **“The Invisible Wings of Sofia and Its Surroundings”, Rositsa Gurdzheliyska & Yordan Savov** Nearly 50 photographs and illustrations highlighted the winged inhabitants of Sofia, reminding viewers of the importance of nature in urban life.
- **“Depths of Perception”, Zheni Petrova** Ten abstract works explored the boundary between material reality and the inner world through texture, motion, and emotional depth.
- **“Attempt for Flying” by NATFIZ Scenography Students** The first collaboration between UniCredit Studio and NATFIZ presented student interpretations inspired by Yordan Radichkov, launching a new platform for young stage designers.
- **“Vitosha Without Frame”, Nanda Montesheva** A vivid, personal interpretation of Vitosha Mountain, created by the artist following her recognition at the 2024 Pictoplasma

Corporate Social Responsibility (continued)

Festival.

- **“Plays of Colors”, Daniela Yankova** The artist’s first solo exhibition offered serene landscapes and seasonal transitions, blending her banking career with artistic expression.
- **“Ash and Memory”, Axenia Avramova** An audiovisual installation transforming a charred tree trunk from the 2024 Voden wildfires into a powerful reflection on nature’s fragility.
- **“MIG -The City of Different Views”, Vicheslava Tashkova** A diploma project translating five visual impairments into tangible experiences, inspired by the artist’s personal journey with retinopathy.
- **“Lòno”, Yoana Angelova Todorova** Works combining clay and layered photographic exposures explored the theme of trinity, using paper as a central medium.
- **“Exhibition №100”, Anniversary Collective Showcase** A panoramic selection of the most significant works exhibited at UniCredit Studio since 2012, spanning painting, photography, scenography, digital art, and installations – in the form of collages.

In 2025 UniCredit Bulbank continued to play a key role in supporting Bulgaria’s cultural scene, deepening longstanding partnerships and expanding opportunities for artistic expression. The Bank sustained its collaboration with two major platforms - the **Cinelibri International Book to Film Festival** and the **Stoyan Kambarev Foundation’s “Flight in Art” Awards** - both central to its cultural mission.

As a longterm partner of **Cinelibri**, the Bank supported the festival’s 11th edition, which featured an expanded international program and several acclaimed screen adaptations. The Bank also continued its decadelong support for the **Stoyan Kambarev Foundation**, which remained a leading platform for emerging artists. In 2025, UniCredit Bulbank contributed special awards offering young creators opportunities such as solo exhibitions at UniCredit Studio and professional development support.

The Bank also continued its meaningful collaboration with the National Children’s Network through the Christmas campaign “Make Magic. Give a Book to a Child.” In 2025, the campaign donated over 6 500 books in less than 4 days, helping to overcome the shortage of age-appropriate books for many Bulgarian children.

In addition, UniCredit Bulbank supported the **National Festival of Youth Theatre Arts “Theatrical Sparks”**, now one of Bulgaria’s largest youth theatre platforms. Over its first three editions, the festival gathered more than 800 participants, offering young people a stage to develop creativity, teamwork, and artistic confidence.

Standing with Communities in Times of Need

Donations remained a vital pillar of UniCredit Bulbank’s social commitment in 2025, especially when communities

faced hardship and needed urgent support. Staying true to its longstanding dedication to vulnerable groups and children at risk, the bank continued to demonstrate solidarity through targeted contributions and meaningful partnerships.

In 2025 UniCredit Bulbank supported several communities facing severe distress. A major donation was provided to the National High School of Applied Arts “Tryavna School” after a devastating fire destroyed much of the building and left reconstruction dependent entirely on public support. The bank’s contribution helped accelerate repairs and ensured students could continue their education.

UniCredit Bulbank also assisted the Municipality of Rakovski following a destructive storm that left the area without electricity for more than two days. The donation supported the local administration in managing the aftermath and reaffirmed the Bank’s commitment to standing beside communities in times of need while strengthening local partnerships and municipal resilience.

Beyond emergency relief, the Bank continued its longterm partnership with **The Bulgarian Christmas**, one of the country’s most respected philanthropic campaigns under the patronage of the President of the Republic of Bulgaria. Dedicated to supporting the treatment of children with severe health conditions, the initiative remains a cornerstone of national charity efforts.

The 2025 edition launched in November and culminated in the traditional Christmas concert at the National Theatre “Ivan Vazov,” where nearly half of annual donations are typically collected. Through its ongoing involvement, UniCredit Bulbank once again demonstrated empathy, responsibility, and active engagement with significant national causes.

Partnerships

The Bank participates in an active partners’ ecosystem:

- Green Financing and in the HR Committees of American Chamber of Commerce in Bulgaria
- Green alliance in the British-Bulgarian Business Association
- Green Finance and Energy Center at the Bulgarian Stock Exchange
- German-Bulgarian Chamber of Industry and Commerce – regular ESG related events and partnerships
- UN Global Compact – global and local member
- Sustainable Finance working group at the Association of Banks in Bulgaria
- Deloitte, PwC – training partners
- Sofia University – partner in ESG Master and in ESG Academy
- JAMBA – an NGO related to hiring people with disabilities
- National Alliance for Responsible Employers – upcoming membership

Corporate Social Responsibility (continued)

- Bulgarian Business Leaders Forum
- Council of Women in Business in Bulgaria
- Forbes Women Forum
- Junior Achievement
- Reach for Change (+all the partners in the EU project consortium for the creation of a new financial instrument for social enterprises)
- Teenovator
- America for Bulgaria/BASE
- Teach for Bulgaria
- Bulgarian Donor's forum
- Single Step
- Sofia Development Association
- Interreg Finance for social change
- Bulgarian Center for Non-profit Law
- Trust for social achievement

ESG Governance and Strategy

Environmental, social and governance (ESG) factors are key factors in measuring the sustainability and social impact of a financial institution.

We want to set the bar for others, which is why ESG (Environmental, Social and Governance) is at the heart of our strategic framework. Our purpose is guided by three principles:

- We hold ourselves to the highest possible standards to do right by our clients and communities
- We are committed to playing a positive role in supporting our clients' transformation
- We respect and consider the perspectives and priorities of all our partners in our operations and decision-making processes

UniCredit Bulbank's strategy is in line with UniCredit's ESG strategy based on strong fundamentals and a set of interrelated elements to deliver value. Guided by our principles, we implement key enablers required to support strategic levers, which in turn allow us to achieve the ESG goals underlying our ambition. This interconnected framework ensures alignment and cohesion across all ESG initiatives, maximising our impact.

Ambition

- **Leading by example**
 - Fulfilling our Purpose of Empowering Communities to Progress.

Goals

- **Evolving in step with regulation and market forces**
 - ESG penetration targets allowing for a more transparent and meaningful view on our ESG performance while also aligning our lending portfolio with Net Zero emissions by 2050.

Levers

- **Championing Social**
 - Backing our communities, our people and our wider society.
- **Enhanced Client Support**
 - Leveraging Net Zero Strategy and Transition Plan.
- **Beyond Climate**
 - Weighing and evaluating natural capital risks and opportunities.
- **Evidencing Accountability**
 - Providing transparency in disclosure and impact assessment.

Enablers

- **Enriched Client Offering**
 - Expanding and diversifying our ESG business portfolio.
- **Lean Governance**
 - Clear ESG roles and responsibilities, embedding agency and ownership.
- **Robust Framework**
 - Effective and enhanced monitoring of our ESG risk and lending portfolio.
- **Empowered Culture**
 - Common Vision, Strategy, and Principles to Win. The Right Way. Together.

Our Principles guide our ESG strategy, in line with our Group Values

ESG continues to be a core focus and strategic priority for UniCredit Bulbank. Throughout 2024 new structure **ESG Strategy under CEO** was established which is responsible for the implementation of the Group ESG strategy on local level. More than 40 ESG reference points across the different functions of UniCredit in Bulgaria were identified and empowered to meet monthly, plan and share progress.

At UniCredit Bulbank, we strive to lead by example in advancing sustainability. We are committed to reaching **Net Zero on our own emissions by 2030** and have made tangible, consistent progress in reducing greenhouse gas emissions over recent years. Key initiatives include sourcing electricity from renewable sources and improving the energy efficiency of our premises.

In line with this commitment, UniCredit Bulbank continues to implement measures to minimize its environmental footprint. Since 2024 75% of the electricity we use comes from renewable sources. Additional actions include replacing company vehicles with more sustainable alternatives, reducing paper consumption through process digitalization, and implementing projects aimed at lowering overall energy usage.

We are also committed to reach Net Zero on our financed emission by 2050 and in line with UNEP Guidance for FIs, already disclosed on Group level in 2023 and 2024, to achieve the 2030 intermediate targets for seven of most carbon-intensive client sectors, in our portfolio: Oil&Gas, Power Generation and Steel. Our focus is to support the clients in the development and scaling up of innovative climate solutions and boosting our sustainable lending (green loans and sustainability linked loans) to support our clients in their journey to decarbonise.

ESG Governance and Strategy (continued)

As an integral part of the ESG strategy, the **ESG Product Guidelines** is designed to meet the objective of sustainability as it provides rules to ensure consistent classification and reporting of ESG financial products and services. The document is periodically revised to modify or include additional eligible activities and/or criteria based on market trends or business needs and to comply with regulatory requirements. The ESG Product Guidelines aim to establish a consistent and comprehensive methodology for classifying and reporting ESG product offerings and to prevent the risks associated with greenwashing and social-washing. ESG products include different product categories taking into account environmental, social and governance characteristics and cover all customer segments. They serve as a basis to further improve UniCredit's sustainability ambitions and metrics, to deliver on our commitment to support sustainable economic growth and the transition to a more inclusive, equitable society and a low-carbon economy.

The rule specifies the classification rationale, eligibility criteria, environmental and social requirements as follows:

1. Specific use:

- **Green financing** supports economic activities that contribute substantially to achieving one or more of the six environmental objectives set out in the EU taxonomy and which meet specific technical screening criteria. Green finance includes loan instruments used to finance or refinance, in full or in part, projects with specific and well identified objectives that are expected to deliver positive environmental benefits. The eligibility criteria for labeling loans with a specific use of proceeds as "green" are based on the EU taxonomy or with the International Capital Market Association principles.
- **Transition financing** supports business transition to a green or low-carbon economy. It can only be provided to companies that are committed to reducing their carbon footprint or achieving net-zero emissions targets and that are making the necessary investments to reach these targets. We are considering three distinct categories:
 - Loans to companies operating in Net Zero sectors, committed to decarbonization targets on the basis of a transition plan and not yet fully aligned to them, carrying out the economic activities listed in the Green Financing Criteria section and meeting the related eligibility criteria.
 - Loans to companies (including companies operating in Net Zero sectors, committed to achieving decarbonization targets based on a transition plan and not yet fully aligned with them), which are carrying out Transition Economic Activities in the EU taxonomy listed under Transition Economic Activities in the ESG Product Guidelines and meet the related eligibility criteria.
 - Loans granted to companies (including companies operating in Net Zero sectors committed to achieving

decarbonization targets based on a transition plan and not yet fully aligned with them), which carry out economic activities listed in the Green Financing Criteria section aligned to the EU Taxonomy Transition Economic Activities listed in the ESG Product Guidelines but do not meet the related eligibility criteria.

- **Social Financing**, based on UniCredit SpA Group's current Social Strategy, inspired by the Final Report on Social Taxonomy (February 2022), aims to provide access to financial services for vulnerable groups and support companies to become more socially oriented. The social finance products of the ESG Product Guidelines support also individuals and micro-enterprises with sustainable business projects that may be excluded from traditional banking offerings.

2. General purpose

Sustainability Linked Loans that incentivize the client's achievement of ambitious and pre-determined sustainability performance targets based on the Loan Market Association's (LMA) Sustainability-linked Loan Principles (SLLP), sustainability performance is measured through key performance indicators (KPIs) and the setting of sustainability performance targets (SPTs), which allow the measurement of improvements in the sustainability profile of clients.

One of the priorities of 2025 was the continuation of the implementation of the local ESG strategy. In accordance with the group's strategy, we have adopted objectives for both green financing and we have proposed to support our clients in the transition towards a more sustainable and fairer economy. We continued to finance businesses in the area of green energy, energy efficiency, green leasing and the green mortgage loan for individuals.

In 2025 the green financing new production to our clients in UniCredit Bulbank is circa BGN 594 mln and on consolidated level with UniCredit Consumer Financing and UniCredit Leasing circa BGN 624 mln.

The transition to a low-carbon economy puts electricity generation from renewable energy sources and electricity storage systems at the center of the global energy transformation. In recent years, in Bulgaria we have observed great interest in investing in electricity from renewable energy sources, both large infrastructure projects and investments in renewable energy sources for own needs. Since the beginning of 2025, we observe interest in investing in batteries as a following step towards balance of produced and used electricity. In 2025 we have financed projects for investing in batteries for over 1 200 mw/h capacity storage.

In 2025 the social lending new production to our clients in UniCredit Bulbank is circa BGN 249 mln and on consolidated level with UniCredit Consumer Financing and UniCredit Leasing BGN 251 mln.

We actively finance projects in healthcare and education,

ESG Governance and Strategy (continued)

recognizing these sectors as fundamental pillars for societal progress and long-term sustainable development. Furthermore, we empower younger generations by offering tailored solutions such as our mortgage product designed specifically for young families.

Our support for clients goes beyond financing. We strive to be a long-term partner, providing guidance and solutions that help them achieve sustainable growth and resilience. In 2023 we have started **series of workshops with our corporate clients** in order to increase ESG awareness and opportunities for the business transformation. In 2025 we continued to support our clients through thematic workshops. Two workshops for SME clients held: one on 11th of April, in Varna (with 100 customers), and one on 27th of June - in Burgas (with 60 customers). The topics are sustainability as a business driver, Green solutions, guarantee programs, panels with best practice sharing from customers.

ESG Day at UniCredit Bulbank, held on November 26, 2025, in Sofia, brought together over 50 business leaders, academics, and partners to discuss climate challenges and the path toward sustainable development. The key message was clear: sustainability is no longer optional it's a necessity. UniCredit Bulbank reaffirmed its commitment to supporting the green transition through sustainable investments and tailored solutions, while experts shared best practices for managing physical and transition risks. The event concluded with a strong call for collaboration between businesses, financial institutions, and society to ensure a successful shift toward a green economy.

We live in dynamic times and building new skills and knowledge is crucial and this is another area UniCredit is focused - not only internally, but also for its stakeholders.

We have launched UniCredit's programme **Skills for Transition**. It delivers strategic training to young people - including students and those not in education, employment or training (NEETs) - and companies expected to be impacted by the green transition, helping them to develop the skills they need to meet the demands of a changing environment whilst generating a measurable social impact. The initiative sits firmly in line with UniCredit's strong commitment to promoting a just and fair transition, as well as its consistent support for education - a key driver for Europe's future. Together, these form part of the Bank's stated purpose of empowering its communities to progress and underpin many of its ESG goals.

Skills for Transition is developed in three key areas:

- **STUDENTS** - The student stream, developed by POLIMI Graduate School of Management, offers selected students the chance to take part in two educational paths:
 - A Master's programme for recent graduates
 - A four-month Bootcamp for both current students and graduates

Both paths are aimed at increasing knowledge and awareness around the green transition, sustainable finance, and Net Zero targets, helping them to acquire skills that will boost their future employment prospects.

- **WORKERS** - training for employees in companies, with a focus on three sectors most affected by the transition: agriculture, construction, and transport & logistics; participation in the training is completely free for both companies and workers. Training is delivered through a digital platform, accessible 24/7 and in workers' local languages to ensure maximum flexibility.
- **NEETs (Not in Education, Employment or Training)** - In collaboration with a social cooperative, UniCredit's initiative is to support NEETs through skilling and reskilling, with the aim of helping them approach the job market or pursue a training path focused on green topics. The course is aimed at young people aged between 18 and 35 who are not in education, employment or training.

Financial education

Moreover, UniCredit Bulbank continue to carry out financial education and awareness initiatives focusing on priority target beneficiaries such as the young people. In 2025 year was added one more topic to the financial literacy trainings regarding the Euroadoption. Our colleagues with expertise in the finance voluntarily delivered training sessions across the country and we reached approximately 1 500 beneficiaries for financial education and over 7 000 individuals for financial awareness. These trainings are designed to empower young people with essential knowledge and skills, enabling them to make informed financial decisions and build long-term resilience

Building ESG Knowledge Across the Organization

In parallel, we continue to **increase ESG knowledge among our colleagues** through targeted trainings. In 2025, a series of ESG-focused trainings were organized with the goal of enhancing employees' knowledge and awareness of the latest trends, regulatory requirements and strategic approaches in the field of ESG. These initiatives aimed to strengthen internal capacity and ensure alignment with evolving sustainability standards.

Training sessions were organized on topics such as:

- **Integrating Climate Risks and the Net Zero Strategy in Banking** – 308 participants
- **Transition Plan with EY Denkstatt (May 20, 2025)** – 180 participants
- **Implementing Climate Risks and the Net Zero Strategy** – 91 participants

A specialized track under the **UC University ESG** umbrella covered various topics such as ESG strategies, governance, social

UNICREDIT BULBANK ACTIVITY REVIEW (continued)

ESG Governance and Strategy (continued)

impact, and product guidelines. These sessions attracted a total of **56 participants**, providing focused learning on key ESG themes.

At group level, an **Internal Certification Program** was also developed.

Beyond these, employees had access to a wide range of internal and external learning opportunities—some mandatory for all newly appointed employees, others open for self-enrollment or available by nomination. These included workshops on the **Corporate Sustainability Reporting Directive (CSRD)**, **EBA Guidelines on ESG Risks**, e-learning modules on **Sustainable Finance** and **ESG Fundamentals**, sector-specific Net Zero trainings, and product-focused ESG sessions.

These diverse formats reflect the organization's commitment to building ESG expertise across all levels.

The thirteen awards the Bank received in the field of ESG factors management are an objective evaluation of the progress of the bank vis-a-vis the market.

- b2b media Employer Branding Awards: HR Excellence for the program Transformation Station- I place
- b2b media Employer Branding Awards: Innovation in Talent Management for the program TomorrowZ - I place
- 24 chasa: Business Honoris Causa: Award in the category "Contribution to the Development of Education"
- SOS Children's Villages Bulgaria: "Platinum Partner for 2024"
- B2B Media: 'The Greenest Companies in Bulgaria' - Paperless Office - I place
- B2B Media: 'The Greenest Companies in Bulgaria' - Education and ESG - I place
- B2B Media: "The Greenest Companies in Bulgaria" - Banking Sector - II place
- B2B media: "The Greenest Companies in Bulgaria - Green Education Idea - II place
- B2B media: "The Greenest Companies in Bulgaria - ESG Leader - III place
- b2b Media Annual Awards: "Educational Idea" – I Place
- b2b Media Annual Awards: "Education-Oriented Project" – II Place
- b2b Media Annual Awards: "Project with a cause" – II Place
- b2b Media Annual Awards: "Innovative Project" – III Place

Community Engagement and Environmental Responsibility

UniCredit actively initiates projects and activities that create value for society and the environment. Through our volunteering and donation programs, we promote social responsibility as a mindset and encourage employees to take meaningful action.

Our flagship initiative, UniCredit Bulbank **Green Day**, held for the third consecutive year, inspired and united colleagues in the mission to protect nature and contribute to a better world for all.

Over **400 employees**, together with their families and friends, participated as volunteers. Activities included clean-up and improvement efforts across selected locations and protected areas nationwide. Locations covered: Burgas, Blagoevgrad, Varna, the protected area "Blatata" near Dolni Bogrov, Pleven, Plovdiv, Stara Zagora, Sofia (South Park), and Ruse.

This initiative reflects our commitment to environmental stewardship and community engagement, reinforcing UniCredit's role as a responsible corporate citizen.

EthiCitizen Initiative: Turning Sustainability into Action

As strong believers in sustainability and leading by example, UniCredit launched the EthiCitizen Challenge to help colleagues adopt more sustainable habits. The initiative lasted one month and engaged 207 participants, who successfully completed 1 092 challenges across various sustainability categories.

It is more than a platform - it's a catalyst for change, transforming sustainability from intention into impact. Created by students, EthiCitizen aims to foster sustainable habits in society through an engaging, gamified approach. Participants join the platform, select challenges, implement changes, report accomplishments, earn points, and compete with colleagues - winning not just the competition, but winning sustainable habits for life.

This initiative demonstrates UniCredit's commitment to empowering employees to integrate sustainability into their daily lives, making responsible choices simple, engaging, and rewarding.

Looking ahead to 2026 we remain committed to fostering sustainable growth. In line with the Bank's engagement to the communities it operates in, UniCredit Bulbank will continue to improve its service-model, optimize its productivity through more disciplined control and risk management as well as through strict capital and account balances management. ESG services will remain main focus, and key targets will be – to develop ecological and social client offers, to enrich the educational ESG approach with participation of clients, to widen the activities in the program of decreasing our carbon footprint, following the Bank's policy of full transparency, consistent communication and building of communities.

More information on ESG Governance and Strategy in UniCredit Group Sustainability Report: <https://www.unicreditgroup.eu/en/investors/financial-reporting.html>

CORPORATE GOVERNANCE DECLARATION

UniCredit Bulbank AD (the Bank) declares that it adheres to corporate governance good practices as a basis of modern business activity. Corporate governance is a system of balanced relations between the Bank, represented by its management bodies and all relevant stakeholders — shareholders, employees, clients, business partners, creditors, potential and future investors and society as a whole.

In its activity UniCredit Bulbank AD refers to corporate governance principles approved for all companies within UniCredit Group. These principles underlie all Group rules and procedures applicable for UniCredit Bulbank AD, inasmuch as they are not contrary to the effective Bulgarian legislation.

As a pan-European Bank, UniCredit is committed to the highest standards of corporate governance. The current practices have been developed by studying the best international practices and market expectations. UniCredit Group is fully transparent in the disclosure of governance practices, to help stakeholders, including investors, assess our Group in terms of management and effectiveness of our internal controls system. More information could be found on: <https://www.unicreditgroup.eu/en/governance.html>

The main documents regulating the corporate governance of UniCredit Group are available on UniCredit Group's website: <https://www.unicreditgroup.eu/en/governance/our-governance-system/articles-association-code-ethics.html>

Among them are:

- Articles of association;
- Code of ethics;
- Code of conduct;
- Whistleblowing;
- Anti-corruption policy;
- Conflict of interest policy.

UniCredit Bulbank AD declares continued commitment to applying rules and policies, which are creating the necessary conditions and enabling shareholders to exercise fully their rights.

UniCredit Bulbank AD guarantees equal treatment of all shareholders, including minority and foreign ones, as well as protection of their rights.

The Bank applies corporate information policy and provides the necessary information in accordance with the respective legal requirements of the Republic of Bulgaria in order to meet the needs of the shareholders and stakeholders so that they can receive full, up-to-date and reliable information about the activity of the Bank.

Management

According to the Statute of UniCredit Bulbank AD, approved by the General Meeting of the Shareholders, the main governing bodies of the Bank are: the General Meeting of the Shareholders, the Supervisory Board and the Management Board.

General Meeting of the Shareholders

The General Meeting of the Shareholders includes the shareholders entitled to vote who attend in person or through a lawful representative or through an explicitly authorized representative, who complies with the respective statutory requirements and whose attendance is registered with the Attendance Registration and Quorum Counting Commission.

The General Meeting of the Shareholders:

1. Amends and supplements the Statute;
2. Increases and decreases the capital;
3. Resolves on transformation of the Bank through merger by way of incorporation and merger by way of acquisition, de-merger by way of separation and de-merger by way of dissolution of the Bank;
4. Appoints and dismisses the members of the Supervisory Board and determines their remuneration;
5. Appoints and dismisses specialized audit companies which are registered auditors pursuant to the Independent Financial Audit and Assurance of Sustainability Reporting Act to audit and certify the annual financial statements of the Bank as well as the supervisory reports, identified by BNB. The Bank coordinates with BNB in advance the choice of registered auditors;
6. Approves the annual financial statement certified by the auditors, resolves on the distribution of the profit after tax, resolves on making contributions to the Reserves Fund from the net profit or from other sources, resolves on the payment of dividends;
7. Appoints liquidators upon dissolution of the Bank, except in the case of insolvency or compulsory liquidation;
8. Exempts from liability the members of the Supervisory Board and of the Management Board;
9. Resolves on the issuing of bonds, including bonds convertible into shares;
10. Appoints and dismisses the management of the Internal Audit;
11. Appoints and dismisses the members of the Audit Committee and determines their number, term of office and remuneration;
12. Appoints and dismisses the Chairman of the Audit Committee;
13. Resolves on other matters within its competence entrusted to it by law and the Statute.

CORPORATE GOVERNANCE DECLARATION (continued)

Supervisory Board

The Supervisory Board is empowered to exercise preliminary, current and subsequent control over the Bank's compliance with applicable laws, the Statute and the decisions of the General Meeting of the shareholders in the interest of the Bank's clients and shareholders.

The Supervisory Board does not take part in the ordinary management of the Bank.

The Supervisory Board consists of 3 (three) to 7 (seven) members appointed by the General Meeting of the Shareholders for a term of up to 3 (three) years. The exact number of the members of the Supervisory Board, their term of office and remuneration is determined by a decision of the General Meeting of the Shareholders.

A member of the Supervisory Board is a person who meets the statutory requirements for occupying the position, including reliability and suitability. The appointment of a member of the Supervisory Board is subject to the prior approval of the BNB/ECB.

Management Board

The Management Board manages the activities of the Bank by exercising its rights and obligations in accordance with the law, the Statute of the Bank, the Rules and the other internal rules of the Bank.

The Management Board is a collective management and representation body of the Bank exercising its powers under the control of the Supervisory Board.

The Management Board of the Bank consists of 3 to 9 (three to nine) members appointed by the Supervisory Board for a term of up to 3 (three) years. The exact number of the members of the Management Board, their term of office and remuneration is determined by a decision of the Supervisory Board.

A member of the Management Board is a person who meets the statutory requirements for occupying the position, including reliability and suitability. The appointment of a member of the Management Board is subject to prior approval of the BNB/ECB. No member of the Management Board can be at the same time a member of the Supervisory Board or an employee of Internal Audit.

Each governing body of UniCredit Bulbank has its own rules or procedure which describe the functions, rights and duties of the respective body and its members in detail. While performing their duties both the Supervisory and Management Board are governed by the law, regulatory framework of the Bank and UniCredit Group as well as the good practices of integrity and competence.

The Annual Report on the activity of the Bank for 2025 provides detailed information about the organizational structure of the Bank and the members of the management bodies.

Specialized bodies

Specialized committees have been set up to support the activity of the governing bodies of the Bank. Permanent committees are the forums of the Bank to prepare, discuss and take decisions.

Audit Committee

Pursuant to the Independent Financial Audit and Assurance of Sustainability Reporting Act an Audit Committee shall be set up at all banks to monitor the independence of the internal financial audit. Audit Committee members shall not be MB members and employees of the Bank or its subsidiaries. The majority of the AC members shall be external to and independent from the bank according to the legislative requirements. The major functions of the Audit Committee are as follows: monitor and control the financial reporting processes of the Bank and the independent financial audit, the effectiveness of the internal control system and mechanisms as well as risk management systems; evaluate the results of the work performed by the registered auditors and examine the status of relations with them; examine the adequacy and compliance with the applicable accounting principles used in the preparation of financial statements.

Supervisory Board Committees

1. Nomination Committee

The major function of the Nomination Committee 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.

CORPORATE GOVERNANCE DECLARATION (continued)

2. 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.

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 №4/2010 for the requirements of remunerations in banks.

3. Risk Committee

The Risk Committee is an independent permanent advisory body appointed and dismissed by the Supervisory Board of the Bank. It shall advise the SB and the Management Board (MB) of the Bank on the Bank's overall current and future risk appetite and strategy, taking into account all types of risks, to ensure that they are in line with the business strategy, objectives, corporate culture and values of the Bank. The Risk Committee assists the SB and MB in overseeing the implementation of the strategy by senior management of the Bank. The Risk Committee has advisory functions only, and the SB and MB retain overall responsibility for risks, the risk management and control. The main functions of the Risk Committee, among others, are:

- to monitor and advise on the effectiveness of the Bank's risk management system and to analyze the related periodic information;
- to monitor and advise on the effectiveness of the independent risk management function and the effectiveness of the risk structure in the Bank;
- to monitor and advise on the current risk situation of the Bank, the overall current and future risk appetite and strategy;
- to monitor and assist on the effectiveness of the implementation of the risk strategy by senior management;
- to oversee the implementation of the strategies for capital and liquidity management (including liquidity risk strategy,

liquidity risk tolerance, the Funding Plan, Intragroup Funding Plan, Investment Portfolio plan and Contingency Funding Plan) as well as for all other relevant risks of the Bank, in order to assess their adequacy against the approved risk appetite and strategy;

- to provide the Supervisory Board with recommendations on necessary adjustments to the risk strategy resulting from, inter alia, changes in the business model of the Bank, market developments or recommendations made by the risk management function;
- to review a number of possible scenarios, including stressed scenarios, to assess how the Bank's risk profile would react to external and internal events;
- to review the ICAAP, ILAAP and Recovery plan;
- to evaluate whether the prices of the bank products and services do properly reflect risks in accordance with the business model and risk strategy and, if necessary, to present to the SB and/or MB a remedy plan;
- to examine whether incentives provided by the remuneration system take into consideration the risk, capital, liquidity and the likelihood and timing of earnings and, without prejudice to the remuneration (compensation) committee of the Bank, to discuss them, at its sole discretion, with the SB;
- to review audit results and findings within the risk management area by the Bank's Internal Audit and External Auditors.

Management Board Committees

1. Financial and Credit Risks Committee with two separate sessions

1.1. ALCO session is dedicated to the management of liquidity and market risk. Financial risk management at UniCredit Bulbank comprises the activity related to all commercial and investment banking transactions as well as asset and liability management. Risk positions shall be analyzed by an independent market risk structure and compared to the risk limits approved by the Management Board and Financial and Credit Risks Committee.

1.2. Credit Risk session is dedicated to:

1.2.1. Monitoring, evaluation, classification, and provisioning of risk exposures for losses from impairment, forbearance and write-off's;

1.2.2. 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;

1.2.3. Proposals for changes in Credit Strategies, Retail and Corporate Credit Policy, rules, new credit products or changes and optimization in credit processes.

CORPORATE GOVERNANCE DECLARATION (continued)

2. Transactional Committee with two separate sessions

2.1. The Transactional Committee-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. Within the parameter of decision taking by the Transactional Committee-Credit Council Session (with fully alignment between Business and Risk) are:

(1) Small Corporates, Medium corporates Large corporates clients, International center clients incl. GAM and Group clients with local exposure up to the limit defined in the Internal Rules for corporate clients lending.

(2) Non material waivers and changes from technical character for exposures up to the limit defined in the Internal Rules for corporate clients lending which do not deteriorate risk profile of transaction (all members at the Transactional Committee-Credit Council Session have to vote with majority).

(3) Flexibility range regarding capital-light products (leasing and factoring frames) up to BGN 5 mln for exposures over BGN 50 mln - defined threshold in the Internal Rules for corporate clients lending.

(4) PI and Micro clients with local exposure up to the limit defined in the Internal lending rules for individuals and Internal Rules for Micro business lending.

(5) Non material waivers and changes from technical character for exposures PI and Micro clients over the limit defined in the Internal Rules for Small business lending and Internal lending rules for individuals, which do not deteriorate risk profile of transaction.

(6) Clients in a Restructuring or Workout: (i) the approval competences on specific types of transactions are determined in compliance with the "Rules of proceeding for overdue loans and loans in restructuring"; (ii) GAM and Group clients with local exposure up to the limit defined in Financial and Credit Risk Committee (FCRC), Credit Risk Session; (iii) Non material waivers and changes from technical character for exposures over defined in FCRC - Credit Risk session limits.

2.2. The Transactional Committee-Credit Committee Session is a collective body for taking credit decisions in accordance with the relevant resolutions of the Management Board and the Supervisory Board. The Transactional Committee-Credit Committee Session takes decisions on credit applications with total exposures of a single customer or obligor group over BGN 50 mln which are above the competence level of the Transactional Committee-Credit Council Session.

3. Project Portfolio and Real Estate Portfolio Committee with two separate sessions

3.1. Project Portfolio session dealing with prioritization, organization and approval all strategic initiatives of the Bank. This is the highest decision-making body in relation to all existing projects and programs for UniCredit Bulbank AD and its subsidiaries.

3.2. Real Estate Portfolio session with generic goal to steer the demand and change management process within the Bank and its subsidiaries, when it comes to Real estate related projects. Real Estate Portfolio Committee is the highest decision-making and escalation body of each project/program, run within UniCredit Bulbank and its subsidiaries' Real Estate project Portfolio.

4. Non-Financial Risk and Control Committee with 4 separate sessions

4.1. General NFRC session dedicated to Operational Risk mitigation measures and coordination of risk activities, regular analyses of the critical topics related to the Internal Control mechanisms and monitoring and prioritization of the corrective actions, assessment of the overall Internal Control System adequacy related to the Compliance area and providing support to the Management in taking decisions for mitigating such risks.

4.2. ICT Security & 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 actions and management of the legal entities in Bulgaria. The session is to support Security and the management to achieve the set objectives according to the business needs as well as the security related aspects to the main IT initiatives. All Security aspects are being constantly and closely monitored, if needed updated and validated by the session.

4.3. Reputational Risk session is a 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). Material events and other topics and business activities generated by UniCredit Bulbank or its subsidiaries, and evaluated by the Non Financial Risk, as High reputational risk. Its approval of High risk transactions is mandatory prior to their submission to Local Transactional Committee.

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

CORPORATE GOVERNANCE DECLARATION (continued)

5. Local Investment Committee to Private Banking

The Local Investment Committee to Private Banking is an internal collective authority of the bank set up to make decisions related to strategic allocation of the various classes of assets and to model portfolios on the basis of the Global Investment Strategy (GIS) of UniCredit Group corresponding to risk clients groups. The decisions of the Local Investment Committee assist the RM Private Banking Clients in optimizing offers.

6. Whistleblowing Committee

The Whistleblowing Committee mission is to provide for the establishment of a corporate culture based on ethical behavior and good corporate governance. For this purpose the Whistleblowing Committee has the following main responsibilities: to investigate, review and decide whether unacceptable conduct has occurred in the Bank and its Subsidiaries, to provide recommendations to People and Culture for disciplinary measures and to propose remediation actions to prevent future non-compliance with the applicable legislation and internal rules and standards.



Internal Control Mechanisms

Layers of the internal control system

The Internal Control System (ICS) is the set of rules, procedures and organizational structures aimed to ensure the correct functionality of our company.

The Internal Control System (ICS) consists of a set of rules, procedures and organizational structures which aim to:

- ensure that corporate strategy is implemented;
- achieve effective and efficient corporate processes;
- safeguard the value of corporate assets;
- ensure the reliability and integrity of accounting and management data;
- ensure that operations comply with all existing rules and regulations.

Risk Management

In its ordinary activity UniCredit Bulbank AD is exposed to various kinds of risks - market, liquidity, credit, operational and reputational risk, as individual risks are managed and controlled by specialized bank units. The applicable policies completely meet the requirements of group risk management standards as well as the requirements of the Bulgarian bank legislation.

Details about the risk management of the Bank are provided in the annual financial statements and activity reports of the Bank.

Compliance

Compliance function is integrated in the internal control system to prevent and manage the risk of regulatory non-conformities, breaches and conflicts of interests. The end purpose is to preserve the reputation of the Bank, the confidence of the clients and contribute to its sustainable performance by introducing strategic guidelines (policies and practices) and monitoring techniques with the purpose of preventive assessment.

Internal Audit

In accordance with the currently effective organizational structure of the Bank, Internal Audit is a unit functionally detached from the other structural units of the bank. It directly reports to the Supervisory Board (SB) of the Bank, where a linking unit between them is the Audit Committee having in its membership two members of the SB and one independent member. The Head of Internal Audit is appointed by the General Meeting of the Shareholders. The principles, organization and functions laid down in the Rules and Regulations of Internal Audit of the Bank are aligned with the provisions of Ordinance No 10 of BNB on the Internal Control in Banks.

In accordance with the rules and procedures of the Bank, the Management Board is not granted any administrative and financial instruments to influence the activity and findings of internal auditors. However, the management may request extraordinary inspections to be conducted in those areas of activity of the Bank that at its discretion show indications for an increased risk.

Information on proposals for acquisitions/mergers in 2025

As at the end of 2025 no proposals to UniCredit Bulbank AD were made for acquisition from/ merger to/with other companies.

This Corporate Governance Declaration is prepared in compliance with art. 40 of the Accounting Act and shall be an integral part of the Annual Report on the activity of UniCredit Bulbank AD for 2025 on an individual and consolidated basis.

For UniCredit Bulbank AD:

Tsvetanka Mincheva
Chairperson of the
Management Board
Chief Executive Officer

Ivaylo Glavchovski
Member of the Management Board and
Chief Executive Officer

SEPARATE FINANCIAL STATEMENTS

Independent Auditors' Report



KPMG Audit OOD
45/A Bulgaria Boulevard
Sofia 1404, Bulgaria
+359 (2) 9697 300
bg-office@kpmg.com
home.kpmg/bg



Baker Tilly Kiltou and Partners EOOD
5 Stara Planina Str., 5th floor
Sofia 1000, Bulgaria
+359 (2) 9580980
info@bakertilly.bg
www.bakertilly.bg

Independent Auditors' Report

To the shareholders of UniCredit Bulbank AD

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of UniCredit Bulbank AD ("the Bank") as set out on pages 1 to 106, which comprise:

- the separate statement of financial position as at 31 December 2025
- and, for the year from 1 January 2025 to 31 December 2025:
- the separate income statement
- the separate statement of comprehensive income
- the separate statement of changes in equity
- the separate statement of cash flows and
- notes, comprising material accounting policies and other explanatory information ("the separate financial statements").

In our opinion, the accompanying separate financial statements give a true and fair view of the unconsolidated financial position of the Bank as at 31 December 2025, and of its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Separate Financial Statements section of our report.

We are independent of the Bank in accordance with International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of the separate financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the separate financial statements of public interest entities in Bulgaria. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

SEPARATE FINANCIAL STATEMENTS (continued)

Independent Auditors' Report (continued)



INDEPENDENT AUDITORS' REPORT



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the following key audit matter:

Impairment of loans and advances to customers at amortised cost

As at 31 December 2025, the separate financial statements include:

- Gross loans and advances to customers at amortised cost of BGN 24,732,621 thousand (31 December 2024: BGN 21,218,773 thousand) and related impairment allowance of BGN 614,790 thousand (31 December 2024: BGN 702,845 thousand), as disclosed in note 27 to the separate financial statements.
- Net Impairment (loss)/ reversal on loans and advances to customers recognized in the separate income statement of BGN 67,451 thousand (2024: BGN (33,410) thousand), as disclosed in note 20 to the separate financial statements.

Also refer to the following notes to the separate financial statements:

- 3 (i) Impairment
- 4 (d) Credit risk

The key audit matter	How the matter was addressed in our audit
Impairment allowances for loans and advances to customers (collectively, "loans", "exposures") represent the Bank's best estimate of expected credit losses ("ECL") associated with these exposures at the reporting date. Measurement thereof requires the Bank to make complex judgements and assumptions. As described in note 3 (i), the expected credit losses have been determined in accordance with the Bank's accounting policies based on the requirements of IFRS 9 Financial Instruments ("IFRS 9"). As required by IFRS 9, the Bank estimates the expected credit losses considering a stage allocation of the loan exposures. For performing exposures (stage 1 and stage 2 loans in the IFRS 9 hierarchy), as well as individually non-significant stage 3 (non-performing) exposures, the expected credit losses are determined based on statistical models using the Bank's historical debt service data and also forward-looking information and macroeconomic scenarios. The key assumptions in this area are, among other things, the probability of borrower's default ("PD"), the assessment of the amount non-recoverable from the borrower in the event of a	Our audit procedures performed, where applicable, with the assistance of our financial risk management, valuation and IT audit specialists, included among others: — Evaluating the appropriateness of the loan impairment accounting policies and related methods and models against the requirements of the relevant accounting standard, our business understanding and industry practice. As part of the above, we challenged the Management Board on whether the level of the methodology's sophistication is appropriate based on an assessment of the entity-level and portfolio-level factors; — Making relevant inquiries of the Bank's risk management, internal audit and information technology (IT) personnel in order to obtain an understanding of the ECL estimation process, IT applications used therein, key data sources and assumptions used in the ECL model. Also, assessing and testing the Bank's IT control environment for access and program change; — Testing the design, implementation and operating effectiveness of selected key controls over the approval, recording and monitoring of loans, including, but not limited to, the controls

SEPARATE FINANCIAL STATEMENTS (continued)

Independent Auditors' Report (continued)



INDEPENDENT AUDITORS' REPORT



default ("loss given default", "LGD") and of the amount of exposure at default ("EAD"). In the wake of the economical volatility caused by geopolitical uncertainties and weak economic growth, measurement of the collective impairment allowance was associated with additional complexities and an increased estimation uncertainty. Among other things, the application of in-model and post-model adjustments was required from management in arriving at the year-end estimate of collective impairment losses.

For individually significant stage 3 exposures, expected credit losses are determined on an individual basis by means of a discounted cash flows analysis. The process involves subjectivity and reliance on a number of significant assumptions, including those in respect of the expected proceeds from the sale of any related collateral and minimum period for collateral disposal.

Given the above factors and complexities, we considered impairment of loans and advances to be associated with a significant risk of material misstatement in the separate financial statements, which required our increased attention in the audit and as such was determined to be a key audit matter.

relating to the appropriateness of the classification of exposures into performing and non-performing, calculation of days past due, stage allocation and calculation of the ECL;

— For a sample of loans, critically assessing, by reference to the underlying loan documentation (updated financial indicators, repayment pattern, default events, forbore status) and through inquiry with the loan officers and credit risk management personnel, the existence of any triggers for classification to Stage 2 or Stage 3 as at 31 December 2025.

For ECLs estimated on a collective basis:

— Obtaining the Bank's relevant macroeconomic forecasts and critically assessing the forward-looking information and macroeconomic scenarios used in the calculation of the ECL, by means of corroborating inquiries of the Management Board and inspecting publicly available information;

— Challenging the collective PD, LGD and EAD parameters for a sample of the Bank's portfolios, by reference to, among other things, our own analysis of the Bank's data on past default occurrence, realized losses on those defaults, contractual cash flows and contractual lifetime;

— Testing in-model and post-model related adjustments to reflect the current market volatility not reflected in the original ECL models. As part of the procedure, we evaluated the data, assumptions and methods used in calculating the adjustments by benchmarking with external data and performing sensitivity analysis;

— Recalculating the expected credit losses as of 31 December 2025 based on the Bank's ECL model for a sample of the Bank's portfolios.

For ECLs estimated on an individual basis:

— For loans classified as Stage 3, we challenged key assumptions in the Management Board's estimates of future cash flows used in the impairment calculation. This included evaluating the estimated time to sell and the realizable value of collateral by referencing underlying collateral agreements and appraisals. To independently assess their relevance and reliability, we compared the appraised values against market data on a sample basis.

For loan exposures in totality:

— Examining whether the Bank's ECL-related disclosures in the separate financial

SEPARATE FINANCIAL STATEMENTS (continued)

Independent Auditors' Report (continued)



INDEPENDENT AUDITORS' REPORT



	statements appropriately address the relevant quantitative and qualitative requirements of the applicable financial reporting framework.
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Information Other than the Separate Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the separate annual report and the corporate governance declaration, prepared by management in accordance with Chapter Seven of the Accountancy Act, but does not include the separate financial statements and our auditors' report thereon.

Our opinion on the separate financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Additional Matters to be Reported under the Accountancy Act

In addition to our responsibilities and reporting in accordance with ISAs, in relation to the separate annual report and the corporate governance declaration, we have also performed the procedures added to those required under ISAs in accordance with the New and enhanced auditor's reports and auditor's communication Guidelines of the professional organisation of certified public accountants and registered auditors in Bulgaria, the Institute of Certified Public Accountants (ICPA). These procedures refer to testing the existence, form and content of this other information to assist us in forming an opinion about whether the other information includes the disclosures and reporting provided for in the applicable in Bulgaria Chapter Seven of the Accountancy Act and Art. 100(m), paragraph 8, where applicable, of the Public Offering of Securities Act.

Opinion in connection with Art. 37, paragraph 6 of the Accountancy Act

Based on the procedures performed, our opinion is that:

- The information included in the separate annual report for the financial year for which the separate financial statements have been prepared is consistent with those separate financial statements.
- The separate annual report has been prepared in accordance with the requirements of Chapter Seven of the Accountancy Act.
- The corporate governance declaration for the financial year for which the separate financial statements have been prepared presents the information required under Chapter Seven of the Accountancy Act and Art. 100(m), paragraph 8, where applicable, of the Public Offering of Securities Act.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is responsible for the preparation of the separate financial statements that give a true and fair view in accordance with IFRS as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

SEPARATE FINANCIAL STATEMENTS (continued)

Independent Auditors' Report (continued)



INDEPENDENT AUDITORS' REPORT



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

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Separate Financial Statements

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,

SEPARATE FINANCIAL STATEMENTS (continued)

Independent Auditors' Report (continued)



INDEPENDENT AUDITORS' REPORT



we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We are jointly and severally responsible for performing our audit and for our audit opinion as per the requirements of the Independent Financial Audit and Assurance of Sustainability Reporting Act, applicable in Bulgaria. When accepting and performing the joint audit engagement, in relation to which we are reporting, we are also directed by the Guidelines for performing joint audit, issued on 13 June 2017 by the Institute of Certified Public Accountants in Bulgaria and by the Commission for Public Oversight of Statutory Auditors in Bulgaria.

Report on Other Legal and Regulatory Requirements

Additional reporting in relation to Ordinance No 58/2018 issued by the Financial Supervision Commission

Statement in relation Art. 11 of Ordinance No 58/2018 of Financial Supervision Commission ("FSC") on the requirements for protection of financial instruments and deposits of clients, for management of products and for granting or receiving remunerations, commissions, or other monetary or non-monetary benefits

Based on the audit procedures performed and the knowledge and understanding of the Bank's activity (investment intermediary), in the course and context of our audit of the separate financial statements as a whole, we identified that the designed and implemented organization for safeguarding of customers' assets complies with the requirements of Art. 3 – 10 of Ordinance No 58 of the FSC and Art. 92-95 of the Markets of financial instruments Act in relation to the activities as an investment intermediary.

Reporting in accordance with Art. 10 of Regulation (EU) No 537/2014 in connection with the requirements of Art. 59 of the Independent Financial Audit and Assurance of Sustainability Reporting Act

In accordance with the requirements of the Independent Financial Audit and Assurance of Sustainability Reporting Act in connection with Art. 10 of Regulation (EU) No 537/2014, we hereby additionally report the information stated below:

- KPMG Audit OOD and Baker Tilly Kiltou and Partners EOOD were appointed as statutory auditors of the separate financial statements of the Bank for the year ended 31 December 2025 by the general meeting of shareholders held on 26 March 2025 for a period of one year. The audit engagement was accepted by signing the Joint Audit Engagement Letter on 4 November 2025.
- The audit of the separate financial statements of the Bank for the year ended 31 December 2025 represents fourth total uninterrupted statutory audit engagement for that entity carried out by KPMG Audit OOD and ninth total uninterrupted statutory audit engagement for that entity carried out by Baker Tilly Kiltou and Partners EOOD.
- We hereby confirm that the audit opinion expressed by us is consistent with the additional report, provided to the Bank's audit committee, in compliance with the requirements of Art. 60 of the Independent Financial Audit and Assurance of Sustainability Reporting Act.

SEPARATE FINANCIAL STATEMENTS (continued)

Independent Auditors' Report (continued)



INDEPENDENT AUDITORS' REPORT



- We hereby confirm that we have not provided the prohibited non-audit services referred to in Art. 64 of the Independent Financial Audit and Assurance of Sustainability Reporting Act.
- We hereby confirm that in conducting the audit we have remained independent of the Bank.

Sofia, 27 February 2026

For KPMG Audit OOD:

Registered under No. 045 in the Register of the registered auditors

Sevdalina Dimova
Authorised representative and registered auditor,
responsible for the audit

45/A Bulgaria Boulevard
Sofia 1404, Bulgaria

For Baker Tilly Klitou and Partners EOOD:

Registered under No. 129 in the Register of the registered auditors

Galina Lokmadjieva
Authorised representative and registered auditor,
responsible for the audit

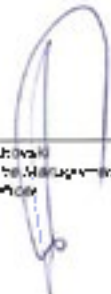
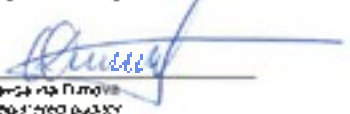
5 Stara Planina Str., 5th floor
Sofia 1000, Bulgaria

SEPARATE FINANCIAL STATEMENTS (continued)

Separate Income Statement

		In thousands of BGN	
	Notes	2025	2024
Interest income calculated using the effective interest method		932 346	934 130
Other interest income		4	26
Interest expense		(177 110)	(158 265)
Net interest income	8	755 240	776 891
Dividend income	10	110 514	211 049
Fee and commission income		481 364	418 622
Fee and commission expense		(132 267)	(133 217)
Net fee and commission income	9	349 097	315 405
Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	11	138 278	151 845
Net gains from financial assets measured at fair value	12	640	1 232
Net gains/(losses) from financial assets measured at FVTOCI	13	1 188	(24 983)
Other operating income	14a	13 137	38 186
Other operating expenses	14b	(21 350)	(37 764)
TOTAL OPERATING INCOME		1 348 654	1 431 881
Net income related to property, plant and equipment	15	16	179
Personnel expenses	16	(251 672)	(186 974)
General and administrative expenses	17	(119 631)	(121 087)
Amortization, depreciation and impairment losses on tangible and intangible fixed assets, investment properties and assets held for sale	18	(58 185)	(58 683)
Provisions for risk and charges	19	(1 362)	16 787
Net impairment (loss)/reversal on financial assets	20	90 906	(9 253)
PROFIT BEFORE INCOME TAX		1 048 725	1 074 910
Income tax expense	21	(143 564)	(127 666)
PROFIT FOR THE YEAR		905 161	947 244

These separate financial statements have been approved by the Management Board of UniCredit Bulbank AD on February 19, 2026.

 Ivan Kirilov Chairman of the Management Board and Chief Executive Officer	 Ivaylo Gluchkovski Member of the Management Board and Executive Officer	 Nadezhda Nadezhda Member of the Management Board and Chief Financial Officer
 George Ivanov Registered auditor Responsible for the audit and Authorized representative KPMG Audit LTD	 Galina Lakmecheva Registered auditor Responsible for the audit and Authorized representative Great Trust KROU and Partners EOOD	

The accompanying notes 1 to 49 are an integral part of these separate financial statements.

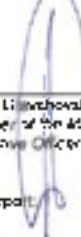
SEPARATE FINANCIAL STATEMENTS (continued)

Separate Statement of Comprehensive Income

		In thousands of BGN	
	Notes	2025	2024
Profit for the year		903 181	947 244
Other comprehensive income - items that will not be reclassified subsequently to profit or loss			
Actuarial gains/(losses)	43	5 081	(2 966)
Revaluation reserve on tangible assets	33	14 753	10 485
Revaluation reserve on equity investments recycled at equity		57	12
Income tax relating to items of other comprehensive income that will not be reclassified subsequently to profit or loss		(1 552)	(754)
		14 339	6 777
Other comprehensive income - items that may be reclassified subsequently to profit or loss			
Investment securities		58 273	50 422
Cash flow hedge		19 948	15 125
Income tax relating to items of other comprehensive income that may be reclassified subsequently to profit or loss		(7 658)	(6 551)
		68 553	58 996
Total other comprehensive income net of tax for the year		82 892	65 773
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		986 053	1 013 017

These separate financial statements have been approved by the Management Board of UniCredit Bulbank AD on February 18, 2026


Tsvetomir Minkov
Chairperson of the Management Board and Chief Executive Officer


Ivaylo Litchevski
Member of the Management Board and Executive Officer


Katerina Nikova
Member of the Management Board and Chief Financial Officer

In accordance with an Independent Auditors' Report:
KPMG Audit OOD
Registered under No. 045 in the
Register of the registered auditors

Katerina Nikova and Marianna POGOR
Registered under No. 129 in the
Register of the registered auditors


Simona de Donato
Registered auditor
Responsible for the audit and
Authorized representative
KPMG Audit OOD


Gauni L. Ntshadjeva
Registered auditor
Responsible for the audit and
Authorized representative
Baker Tilly Africa and Partners LLC

The accompanying notes 1 to 43 are an integral part of these separate financial statements

SEPARATE FINANCIAL STATEMENTS (continued)

Separate Statement of Financial Position

		in thousands of BGN	
	Notes	31.12.2023	31.12.2022
ASSETS			
Cash and balances with Central Bank	22	3 827 942	5 755 504
Non-derivative financial assets held for trading	23	200	586
Derivatives held for trading	24	131 427	127 221
Derivatives held for hedging	25	33 860	35 332
Loans and advances to banks and debt securities at amortized cost	26	5 712 050	2 478 542
Loans and advances to customers and debt securities	27	26 347 891	22 301 885
Pledged debt securities at amortized cost	27	1 458 719	1 303 586
Investment securities	28	2 194 837	2 069 481
Pledged investment securities	28	779 383	289 474
Investments in subsidiaries and associates	29	52 479	52 478
Property, plant, equipment, right of use assets and investment properties	30	228 483	235 282
Intangible assets	31	78 821	88 808
Current tax assets	32	53 871	-
Non-current assets and disposal groups classified as held for sale	34	16 280	-
Other assets	35	99 000	155 074
TOTAL ASSETS		41 016 103	34 896 854
LIABILITIES			
Financial liabilities held for trading	36	100 244	87 843
Derivatives held for hedging	25	89 802	118 828
Deposits from banks	37	2 211 370	2 088 730
Deposits from customers and other financial liabilities at amortized cost	38	31 545 180	20 418 824
Debt securities issued	39	2 404 527	1 743 506
Fair value changes of the hedged items in portfolio hedge of interest rate risk	25	(13 759)	8 524
Provisions	40	88 800	101 752
Current tax liabilities	32	-	47 736
Deferred tax liabilities	33	7 872	0 396
Other liabilities	41	140 320	120 880
TOTAL LIABILITIES		36 249 369	30 746 173
EQUITY			
Share capital		285 777	285 777
Reserves and other reserves		63 238	(17 307)
Retained earnings and statutory reserves		3 514 558	2 534 067
Profit for the year		903 191	847 244
TOTAL EQUITY	42	4 766 734	4 150 681
TOTAL LIABILITIES AND EQUITY		41 016 103	34 896 854

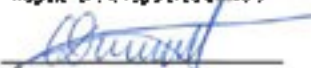
These separate financial statements have been approved by the Management Board of UniCredit Bulbank AD on February 18, 2024.


Ivaylo Glavchev
Chairman of the Management Board and Chief Executive Officer


Ivaylo Glavchev
Member of the Management Board and
Executive Officer


Neliya Neliya
Member of the Management Board
and Chief Financial Officer

In accordance with an Independent Auditors' Report
KPMG Audit OOD
Registered under No 045 in the
Register of the registered auditors


Svetlana Dimova
Registered Auditor,
Responsible for the audit and
authorized representative
KPMG Audit OOD

Baker Tilly Kluge and Partners EOOD
Registered under No 124 in the
Register of the registered auditors


Baker Tilly Kluge and Partners EOOD
Registered and for
authorized representative
Baker Tilly Kluge and Partners EOOD

The accompanying notes 1 to 49 are an integral part of these separate financial statements.

SEPARATE FINANCIAL STATEMENTS (continued)

Separate Statement of Changes in Equity

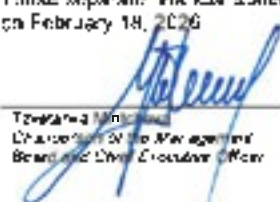
in thousands EUR

	Share capital	Statutory reserve	Residual surplus	Reserve for financial statements of the parent company	Cash flow hedge reserve	U.S. dollar reserve	Residual surplus	Total
Balance at 1 January 2024	265 771	342 376	3 175 529	(14 183)	(17 298)	(1 234)	11 862	1 467 441
Profit for the year	-	-	861 348	-	-	-	-	861 348
Dividend paid	-	-	-	-	-	-	-	(2 848)
Change of residual surplus in accordance with law	-	-	-	31 424	-	-	-	31 424
Change of residual surplus in accordance with law	-	-	-	-	15 12	-	-	15 12
Transfer of financial assets of the parent company to the subsidiary	-	-	1 112	-	-	-	1 447	1 447
Change of residual surplus in accordance with law	-	-	311	1 292	1 111	267	671	17 200
Change of residual surplus in accordance with law	-	-	1 364	41 164	11 473	(2 449)	8 871	54 123
Total comprehensive income for the year per IFRS	-	-	864 825	43 144	12 615	(2 449)	8 871	1 045 401
Balance at 31 December 2024	265 771	342 376	4 040 354	(14 183)	(17 298)	(7 493)	20 733	2 519 488

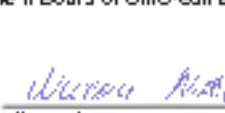
in thousands EUR

	Share capital	Statutory reserve	Residual surplus	Residual surplus of the parent company	Cash flow hedge reserve	U.S. dollar reserve	Residual surplus of the parent company	Total
Balance at 1 January 2023	265 771	342 376	3 175 529	(14 183)	(17 298)	(1 234)	11 862	1 467 441
Profit for the year	-	-	861 348	-	-	-	-	861 348
Dividend paid	-	-	-	-	-	-	-	(2 848)
Change of residual surplus in accordance with law	-	-	-	31 424	-	-	-	31 424
Change of residual surplus in accordance with law	-	-	-	-	15 12	-	-	15 12
Transfer of financial assets of the parent company to the subsidiary	-	-	1 112	-	-	-	1 447	1 447
Change of residual surplus in accordance with law	-	-	311	1 292	1 111	267	671	17 200
Change of residual surplus in accordance with law	-	-	1 364	41 164	11 473	(2 449)	8 871	54 123
Total comprehensive income for the year per IFRS	-	-	864 825	43 144	12 615	(2 449)	8 871	1 045 401
Balance at 31 December 2023	265 771	342 376	4 040 354	(14 183)	(17 298)	(7 493)	20 733	2 519 488

These separate financial statements have been approved by the Management Board of UniCredit Bank AG on February 18, 2025


Tzvetana Mitcheva
Chairman of the Management Board and Chief Executive Officer


Ivaylo Glaschev
Member of the Management Board and Executive Officer


Werner Kiese
Member of the Management Board and Chief Financial Officer

In accordance with an Independent Auditor's Report
KPMG Audit GmbH
Registered under No. 046 in the
Register of the registered auditors

Baker Tilly Kiese and Partners GmbH
Registered under No. 124 in the
Register of the registered auditors


Tzvetana Mitcheva
Registered auditor
Responsible for the audit and
Authorized representative
KPMG Audit GmbH


Tzvetana Mitcheva
Registered auditor
Responsible for the audit and
Authorized representative
Baker Tilly Kiese and Partners GmbH

The accompanying notes 1 to 43 are an integral part of these separate financial statements

SEPARATE FINANCIAL STATEMENTS (continued)

Separate Statement of Cash Flows

		In thousands of BGN	
	Notes	2023	2024
Net profit		903 181	947 244
Current and deferred tax, recognized in income statement	21	143 564	127 606
Adjustments for non-cash items			
Amortization, depreciation and impairment losses on tangible and intangible fixed assets, investment properties and assets held for sale	18	58 185	56 663
Impairment/(reversal) of impairment of financial assets	20	(88 250)	33 218
Impairment of fixed/deferred properties	14	54	-
Provisions, net	40	(6 622)	(36 537)
Unrealized fair value gain through profit or loss, net		(18 459)	(3 663)
Unrealized fair value loss/(gain) on FX revaluation		(137 502)	31 775
Net gain from sale of PPE and foreclosed properties		(97)	(475)
Net interest income	8	(755 243)	(775 891)
Dividend income	10	(110 514)	(211 243)
Increase in other accounts		36 732	15 256
Cash flows from profits before changes in operating assets and liabilities		44 926	182 006
Operating activities			
Change in operating assets			
Increase/Decrease in loans and advances to banks		(808 376)	861 777
Increase in loans and advances to customers		(4 094 280)	(3 260 817)
Decrease in financial instruments held for trading and hedging derivatives		10 775	37 267
Decrease in non-current assets held for sale		-	1 130
Increase/Decrease in other assets		84 696	(37 515)
Change in operating liabilities			
Increase in deposits from banks		146 825	457 059
Increase in deposits from customers		4 803 397	1 466 971
Provisions utilization		(2 358)	(3 550)
Decrease in other liabilities		(55 206)	(57 959)
Interest received		850 723	645 090
Interest paid		(173 245)	(164 397)
Dividends received		110 514	211 049
Taxes paid		(249 643)	(55 000)
Net cash flow from operating activities		766 854	687 107

SEPARATE FINANCIAL STATEMENTS (continued)

Separate Statement of Cash Flows (continued)

Notes	in thousands of pGN	
	2025	2024
Cash flow from investing activities		
Cash payments to acquire PPE	1'9 648)	(20 255)
Cash receipts from sale of PPE	87	478
Cash payments to acquire intangible assets	3' 7 413)	(15 852)
Cash receipts from sale of FVOCI assets	3'8 968	725 840
Cash payments to acquire FVOCI assets	(500 015)	(84' 842)
Net cash flow used in investing activities	(385 915)	(134 534)
Cash flow from financial activities		
Dividends paid	(360 539)	(523 846)
Cash payments related to lease liabilities	1'2 209)	(11 113)
Increase in debt securities issued	723 657	342 270
Net cash flows from/(used in) financial activities	341 909	(192 789)
Effect of exchange rate changes on cash and cash equivalents	(2 669)	4 947
Reversal of impairment of cash equivalents	20	58
Net increase in cash and cash equivalents	509 175	242 834
Cash and cash equivalents at the beginning of period	46	7 134 313
Cash and cash equivalents at the end of period	46	7 643 488

These separate financial statements have been approved by the Management Board of UniCredit Bank AG on February 18, 2026.


Giovanni Michelini
Chairman of the Management Board and Chief Executive Officer


Sergio Cusani
Member of the Management Board and Executive Officer


Peter A. Klose
Member of the Management Board and Chief Financial Officer

In accordance with an Independent Auditor's Report
dated April 2026
Registered under no. 645 in the
Register of the registered auditors

Itaker Frye Mészáros and Partners LLP
Registered under no. 125 in the
Register of the registered auditors


Stefania D'Amico
Registered auditor
Responsible for the audit and
Accounting representation
April 2026


Gábor Lakmész
Registered auditor
Responsible for the audit and
Accounting representation
Itaker Frye Mészáros and Partners LLP

The accompanying notes 1 to 49 are an integral part of these separate financial statements.

SEPARATE FINANCIAL STATEMENTS (continued)

Notes to the Separate Financial Statements

1. Reporting entity

UniCredit Bulbank AD (the Bank) is a universal Bulgarian bank established upon a triple legal merger, performed on April 27th, 2007 between Bulbank AD, HVB Bank Biochim AD and Hebros Bank AD.

UniCredit Bulbank AD possesses a full-scope banking license for performing commercial banking activities. It is domiciled in the Republic of Bulgaria with registered address city of Sofia, 7 "Sveta Nedelya" sq. and UIC 831919536 as per the Trade Register. The Bank is primarily involved in corporate and retail banking and in providing asset management services.

As of December 31, 2025 the Bank operates through its network comprising of 161 branches and remote locations.

2. Basis of preparation

(a) Statement of compliance

These separate financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU).

These separate financial statements have been prepared on unconsolidated basis as required by Bulgarian Accountancy Act.

These separate financial statements are approved by the Management Board of UniCredit Bulbank AD on February 18, 2026. They should be read in conjunction with the consolidated financial statements which are also subject to Management Board approval.

(b) Basis of measurement

These separate financial statements of the Bank have been prepared on the historical cost basis except for financial instruments measured at fair value or at amortized cost depending on asset classification, and Property, plant, equipment and investment properties that are measured at fair value.

(c) Functional and presentation currency

These separate financial statements are presented in Bulgarian Lev (BGN) rounded to the nearest thousand, except when otherwise stated. Bulgarian Lev is the functional and reporting currency of UniCredit Bulbank AD. Since January 01st 2026 the functional and reporting currency of the Bank is EUR following the Euro Adoption in Bulgaria.

(d) Use of estimates and judgement

The preparation of financial statements requires the Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an

ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in notes 4 and 5.

3. Material accounting policies

There have been no changes in material accounting policies for the periods presented in these financial statements, except for the change disclosed in 3 (j). In principal, whenever certain information in the current period is presented in a different way for the purposes of providing more reliable and relevant view of the financial position of the Bank, prior period information is also restated for comparative reasons.

(a) Interest income and expense

Interest income and expenses are recognized in the Income statement following the accruing principle, taking into account the effective yield/effective interest rate of the asset/liability in all material aspects. Interest income and expenses include the amortization of any discount or premium or other differences between the initial carrying amount of an interest bearing instrument and its amount at maturity calculated on an effective interest rate basis.

The effective interest rate is the rate that exactly discounts estimated future cash flows of the financial instrument over the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the effective interest rate includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific arrangement, transaction costs, and all other premiums or discounts.

Interest income and expense presented in the Income statement include:

- interest on financial assets and liabilities at amortized cost calculated on an effective interest rate basis;
- interest on Fair Value through other Comprehensive Income (FVTOCI) investment securities calculated on an effective interest rate basis;
- interest on financial instruments held for trading;
- interest on financial instruments designated at fair value through profit or loss;
- interest on derivatives designated as effective hedging instruments;
- excess liquidity interest based fees for accounts maintenance.

SEPARATE FINANCIAL STATEMENTS (continued)

(b) Fee and commission income and other operating income

Fees and commissions income and other operating income are accounted for in the income statement as the entity satisfies the performance obligation embedded in the contract, according to “IFRS 15 Revenue from Contracts with Customers” rules.

In particular:

- if the performance obligation is satisfied at a specific moment (“point in time”), the related revenue is recognized in the income statement when the service is provided;
- if the performance obligation is satisfied over-time, the related revenue is recognized in the income statement in order to reflect the progress of satisfaction of such obligation.

Due to the above mentioned rules, transaction fees coming from trading in securities are typically booked in the moment when the service is provided while fees related to portfolios management, consulting or fund management are normally recognized over the term of the contract (input method).

For this second type of fees, in fact, it is deemed that the input which is necessary to provide the service incorporated in the performance obligation is evenly distributed during the term of the contract.

If the timing of cash-in is not aligned to the way the performance obligation is satisfied, the Bank accounts for a contract asset or a contract liability for the portion of revenue accrued in the period or defers it in the following periods.

The amount of revenues linked to fees and commissions income and other operating income is measured based on contractual provisions.

If the amount contractually foreseen is subject, totally or partially, to variability, revenue has to be booked based on the most probable amount that the Bank expects to receive.

Such amount is determined on the basis of all facts and circumstances considered relevant for the evaluation, depending on the type of service provided and, in particular, on the presumption that it is not highly probable that the revenue recognized will not be significantly reversed.

Nevertheless, for the services provided by the Bank such a variability is not usually foreseen.

Finally, if a contract relates to different goods/services whose performance obligations are not satisfied at the same time, revenue is allocated among the different performance obligations proportionally to the stand-alone price of the single item delivered. These amounts will therefore be accounted for in the income statement on the basis of the timing of satisfaction of each obligation.

Fee and commission income and expenses that are integral to the effective interest rate on a financial asset or liability are included in the measurement of the effective interest rate thus presented as interest income or expense.

(c) Net gains/(losses) on financial assets and liabilities held for trading, including FX revaluation

Net gains/(losses) on financial assets and liabilities held for trading include those gains and losses arising from disposals and changes in the fair value of financial assets and liabilities held for trading (including derivative deals) as well as trading income in dealing with foreign currencies and exchange differences from daily revaluation of the net open foreign currency position of the Bank.

The Bank concludes derivative deals with customers which represents a margin driven business. The market risk on all such deals is covered through back-to-back deals concluded on the derivatives' primary markets (with counterparties being usually other banks part of UniCredit Group such as UniCredit SpA, UniCredit Bank Austria AG and UniCredit Bank AG). The whole realized and unrealized gains/losses on derivative related to customers' business and their respective back-to-back derivatives with banks are presented net and included as part of the net gains (losses) on financial assets and liabilities held for trading, including FX revaluation.

(d) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency at the official Bulgarian National Bank foreign exchange rate effective at the date of the transaction. All monetary assets and liabilities denominated in foreign currencies are translated at the closing foreign exchange rate being the official rate of the Bulgarian National Bank. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate effective at the date of the transaction. FX revaluation of equity investments classified in FVTOCI portfolio should be presented in FVTOCI revaluation reserve. As of each reporting date, all foreign currency denominated monetary assets and liabilities are revaluated using Bulgarian National Bank closing exchange rates. Any gain/loss is recognized in profit or loss.

(e) Net gains/(losses) on other financial assets designated at fair value through profit or loss

Net gains/(losses) on other financial assets designated at fair value through profit or loss include all realized and unrealized fair value changes and foreign exchange differences on assets which are managed on fair value basis and for which the Bank has applied “fair value option” upon initial recognition.

(f) Dividend income

Dividend income is recognized when the right to receive the income is established. Usually this is the ex-dividend date for equity securities.

(g) Leases

The Bank as a lessee applies the requirements of IFRS 16, and assesses whether a contract is or contains a lease, at inception of the contract. The Bank recognizes a right-of-use

SEPARATE FINANCIAL STATEMENTS (continued)

asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (under EUR 5 000). For these leases, as permitted by IFRS 16, the Bank recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate. The latter is determined on the basis of the cost of funding for liabilities of similar duration and similar security of those implicit in the lease contract.

The Bank has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

Lease payments included in the measurement of the lease liability comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Bank remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Bank incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If the lessor transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Bank expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Bank applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

(h) Financial instruments

(i) Recognition

The Bank initially recognizes loans and advances, deposits, debt securities issued and subordinated liabilities on the date at which they are originated. Regular way purchases and sales of financial assets are recognized on the settlement date. For assets carried at fair value any change in the fair value of the asset to be received during the period between the trade date and the settlement date is recognized in profit or loss or in equity, depending on IFRS 9 category. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognized on the trade date at which the Bank becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus (for an item not subsequently measured at fair value through profit or loss) transaction costs that are directly attributable to its acquisition cost.

Classification of the financial assets is based on business model and characteristics of the contractual cash flows.

SEPARATE FINANCIAL STATEMENTS (continued)

The analysis of the business model was conducted by mapping the business areas that make up the Bank's portfolios and by allocating a specific business model to each of them.

In this regard, the business areas that make up the banking portfolio have been assigned "held-to-collect" or "held-to-collect and sell" business models according to holding intentions and expected turnover of the financial instruments.

The business areas that make up the Bank's trading portfolio have been assigned an "other" business model in order to reflect trading intentions.

For the purposes of classifying debt financial instruments in the categories envisaged by IFRS 9, the business model analysis must be complemented by an analysis of contractual flows ("SPPI Test").

In this regard, the Bank has developed systems and processes to analyze the portfolio of debt securities and loans in place and assess whether the characteristics of contractual cash flows allow for measurement at amortized cost ("held-to-collect" portfolio) or at fair value with effect on comprehensive income ("held-to-collect and sell" portfolio).

The analysis in question was carried out both by contract and by defining specific clusters based on the characteristics of the transactions and using a specific internally developed tool ("SPPI Tool") to analyze the contract features with respect to IFRS9 requirements, or by using external data providers.

In application of the aforementioned rules, the Bank's financial assets and liabilities have been classified as follows:

(ii) Classification

a) Cash and balances with the Central Bank

Cash and balances with the Central bank include notes and coins on hand and unrestricted balances held with the Central Bank. They are carried at amortized cost in the statement of financial position.

b) Financial assets and derivatives held for trading

Financial assets and derivatives held for trading are those that the Bank holds for the purpose of short-term profit taking. These include securities, derivative contracts and other trading instruments that are not designated as effective hedging instruments, and liabilities from short sales of financial instruments. All derivatives with positive fair values and purchased options are reported separately as derivatives held for trading. All derivatives with negative fair values and written options are reported as financial liabilities held for trading.

Financial assets and derivatives held for trading are carried at fair value in the statement of financial position. After initial recognition these financial instruments are measured at their fair value through profit or loss.

A gain or loss arising from sale or redemption or a change in the fair value of a Held for Trading (HFT) financial asset is recognized in profit or loss. If the fair value of a financial instrument falls below zero, which may happen with derivative contracts, it is recognized as "Financial liabilities held for trading".

c) Financial assets designated at fair value through profit or loss

Financial instruments that are not held for trading but which are part of a group of financial assets which performance is internally evaluated and reported on a fair value basis are initially designated and subsequently reported as financial assets designated at fair value through profit or loss.

A non-derivative financial asset can be designated at fair value if the abovementioned designation avoids accounting mismatches that arise from measuring assets and associated liabilities according to different measurement criteria.

Financial assets, designated at fair value through profit or loss are carried at fair value in the statement of financial position.

d) Financial assets mandatorily at fair value

The portfolio Mandatorily at fair value through profit or loss (MFV) is introduced according to IFRS 9 principles. A financial asset is classified as financial asset mandatorily at fair value if it does not meet the conditions, in terms of business model or cash flow characteristics, for being measured at amortized cost or at fair value through other comprehensive income.

Specifically, the following assets have been classified in this portfolio:

- debt instruments, securities and loans for which the business model is neither held to collect nor held to collect and sell but which are not part of the trading book;
- debt instruments, securities and loans with cash flows that are not solely payment of principal and interest;
- equity instruments not held for trading for which the Bank does not apply the option granted by the standard of valuing these instruments at fair value through other comprehensive income.

Gains and losses, whether realized or unrealized, are recognized in profit or loss as "Net gains from financial assets mandatorily at fair value".

SEPARATE FINANCIAL STATEMENTS (continued)

e) Fair value through other comprehensive income (FVTOCI) assets

Financial asset, which is a debt instrument, is classified at FVTOCI if:

- its business model is held to collect and sell;
- its cash flows are solely the payment of principal and interest.

FVTOCI investments are non-derivative investments whose objective is achieved by both collecting contractual cash flow and selling financial assets.

All FVTOCI investments are carried at fair value. On initial recognition, at settlement date, a financial asset is measured at fair value, which is usually equal to the consideration paid, plus transaction costs and fees directly attributable to the instrument.

After initial recognition, the interests accrued on interest-bearing instruments are recorded in the income statement according to the amortized cost criterion as Interest income and similar revenues.

The gains and losses arising from changes in fair value are recognized in the Statement of comprehensive income and reported as Revaluation reserves.

These instruments are tested for impairment as illustrated in the specific section. Impairment losses are recorded in the income statement.

In the event of disposal, the accumulated profits and losses are recorded in the income statement.

With regard to equity instruments, the gains and losses arising from changes in fair value are recognized in the Statement of comprehensive income and reported as Revaluation reserves.

In accordance with the provisions of IFRS 9, no impairment losses on equity instruments are recognized in the income statement. Only dividends are recognized in profit or loss.

For unquoted equity securities whose fair value cannot be reliably measured, the Bank considers cost as the best estimate of fair value.

f) Fair value through other comprehensive income (FVTOCI) option

This category includes equity instruments not held for trading for which the Bank applies the option granted by the standard of valuing the instruments at fair value through other comprehensive income.

All investments in equity instruments and contracts on those instruments must be measured at fair value. However, in limited circumstances, cost may be an appropriate estimate of fair value. That may be the case if insufficient more recent information is available to measure fair value, or if there is a wide range of possible

fair value measurements and cost represents the best estimate of fair value within that range.

UniCredit Group considers cost as a best estimate of fair value in case of Equity instruments for which all the following conditions are met: the instrument is not listed; the percentage of interests held by the Bank does not grant the right to acquire the relevant business plans developed by management for using internal valuation models; and their features are such that it is not possible to identify meaningful comparable investments to be used as benchmark.

With regard to equity instruments, the gains and losses arising from changes in fair value are recognized in the Statement of comprehensive income and reported as Revaluation reserves. Such an investment is not a monetary item and gain or loss that is presented in other comprehensive income includes any related foreign exchange component.

In accordance with the provisions of IFRS9, no impairment losses on equity instruments are recognized in the income statement. Only dividends are recognized in profit or loss. No reclassification of gains and losses to profit or loss on derecognition is allowed.

g) Financial assets at amortized cost

A financial asset is classified as financial asset measured at amortized cost if:

- its business model is held to collect;
- its cash flows are solely the payment of principal and interest.

Held to collect investments are non-derivative assets with fixed or determinable payments and fixed maturity that the Bank has the positive intent and ability to hold to maturity.

On initial recognition, at settlement date, financial assets at amortized cost are measured at fair value, which is usually equal to the consideration paid, plus transaction costs and fees directly attributable to the instrument.

After initial recognition assets are measured at amortized cost which requires the recognition of interest on an accrual basis by using the effective interest rate method over the term of the loan.

Such interest is recognized in profit or loss as Interest income and similar revenues.

The carrying amount of financial assets at amortized cost is adjusted to take into account the reductions/write-backs resulting from the valuation process as set out in the specific section for Impairment. Expected credit losses are recognized in profit or loss. In the event of disposal, the accumulated profits and losses are recorded in the income statement as gains/ (losses) on disposal.

SEPARATE FINANCIAL STATEMENTS (continued)

Amounts derived from adjustment of carrying amount of financial assets, gross of cumulated write-downs, are recognized in profit or loss as gains/losses from contractual changes with no cancellations of the contracts in order to reflect modifications on contractual cash flows that do not give rise to accounting derecognition.

Sales are usually not compatible with this business model. Several kinds of sales however do not jeopardize the business model held to collect. These are sales that occur as a result of deterioration in the credit standing of the financial assets, which are not significant in value (not greater than 10% of the carrying value of the relevant portfolio) or sales that are made close to the maturity. In any cases sales should be infrequent.

h) Deposits from banks and customers

Deposits from banks and customers are financial instruments related to attracted funds by the Bank, payable on demand or upon certain maturity and bearing agreed interest rate. They are carried at amortized cost using the effective interest rate method.

(iii) Derecognition

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Bank is recognized as a separate asset or liability. The Bank derecognizes a financial asset also in case of substantial modification of the terms and conditions of the asset. The Bank derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

The Bank enters into transactions whereby it transfers assets recognized on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognized from the statement of financial position. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

In transactions in which the Bank neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognizes the asset if it does not retain control over the asset. The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate. In transfers in which, control over the asset is retained, the

Bank continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions the Bank retains the obligation to service the transferred financial asset for a fee. The transferred asset is derecognized in its entirety if it meets the derecognition criteria. An asset or liability is recognized for the servicing contract, depending on whether the servicing fee is more than adequate (asset) or is less than adequate (liability) for performing the servicing.

(iv) Amortized cost measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

(v) Fair value measurement principles

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In accordance with IFRS 7 “Financial instruments: Disclosures” the Bank applies a three-level fair value hierarchy that reflects the significance of the inputs used in measurements (for more details see note 6).

(vi) Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when both the Bank and the counter party have a legally enforceable right to offset the recognized amounts and the transactions are intended to be settled on a net basis.

(vii) Repurchase agreements

UniCredit Bulbank AD enters into purchases (sales) of financial instruments under agreements to resell (repurchase) substantially identical instruments at a certain date in the future at a fixed price. Instruments purchased subject to commitments to resell them at future dates are not recognized. The amounts paid are recognized in loans to either banks or customers. Financial instruments sold under repurchase agreements continue to be recognized in the statement of financial position and measured in accordance with the accounting policy. The proceeds from the sale of the investments are reported in the statement of financial position under deposits from customers or

SEPARATE FINANCIAL STATEMENTS (continued)

banks, respectively. The difference between the sale and repurchase consideration is recognized on an accrual basis over agreed term of the deal and is included in net interest income.

(i) Impairment

The Bank recognizes a loss allowance for expected credit losses on: a debt financial asset that is measured at Amortized cost and Fair value through Other Comprehensive income, a lease receivable, a contract asset or a loan commitment and a financial guarantee contracts.

For this purpose debt instruments have to be classified in one of the following stages:

- **Stage 1:** which comprises newly originated financial assets as well as assets whose credit risk has not significantly increased since initial recognition;
- **Stage 2:** which comprises financial assets whose credit risk has significantly increased since initial recognition but do not have objective evidence of a default event (performing exposures);
- **Stage 3:** which covers financial assets that have objective evidence of impairment at the reporting date. A transfer of a financial instrument into Stage 3 is required if additionally to an increase in credit risk an impairment trigger occurs (non-performing exposures).

Financial instruments assigned to Stage 1 result in the recognition of a 12-month expected credit loss. Financial instruments assigned to Stage 2 result in the recognition of a lifetime expected credit loss. For financial instruments in Stage 3, either lifetime expected credit loss shall be recorded or individual assessment is used.

12-month expected loss expected credit loss (12m-ECL) is quantification of the potential loss, the Bank may encounter with regard to certain risk exposure within 12 months horizon. It is a function of the risk parameters (EAD, PD and LGD) whereas lifetime expected credit loss is calculated for the residual life of the transaction, but not less than one year. Lifetime expected credit loss represents the sum all expected losses, calculated for each period with the marginal multi-year PD and lifetime EAD and LGD of the transaction

ECL inputs

In order to provide consistency between IFRS and regulatory definitions, it is assumed that all instruments classified as “Non-performing” according to regulatory framework are considered to be instruments with an objective evidence of impairment (credit impaired). In order to meet the requirements of the standard, the Bank has developed specific models to calculate expected loss based on Probability of Default (PD),

Loss Given Default (LGD) and Exposure at Default (EAD) parameters used for regulatory purposes and adjusted in order to ensure consistency with accounting regulation, also following the “Guidelines on credit institutions’ credit risk management practices and accounting for expected credit losses” issued by EBA.

Probability of default (PD) represents the likelihood that a counterparty will be not able to meet its debts obligations within the next 12 months. Moreover, it is statistical measurement expressed in percentage that describes the expected probability of a client to get defaulted over a given time horizon.

Two types of PD are used for calculating ECL:

- 12-month PD, which is the estimated probability of default occurring within the next 12 months (or over the remaining life of the financial asset if this is less than 12 months). It is used to calculate 12-month ECL for Stage 1 exposures.
- Lifetime PD, which is the estimated probability of a default occurring over the remaining life of the financial asset. It is used to calculate lifetime ECLs for Stage 2, Stage 3 and POCI exposures.

As for what concerns the lifetime PDs, the through-the-cycle PD curves, obtained by fitting the observed cumulated default rates, have been calibrated to reflect a point in time and forward-looking expectation about the portfolio default rates.

The Bank defines the following steps to derive the final IFRS 9 compliant PIT (Point in time) PDs for its rated portfolios:

- Calculation of cDRs (Cumulative Default Rates);
- Calculation of the TTC (Through-the-Cycle) IFRS 9 lifetime PD profiles at the rating class level;
- Calculation of the PIT/FLI lifetime PD profiles at the rating class level;
- Calculation of the lifetime PD profiles at the transaction level (punctual lifetime PD profiles).

Loss Given Default (LGD) represents the portion of an exposure that the Bank does not expect to recover in the event of a counterparty default, after estimated recoveries and related costs. LGD is usually expressed as percentage of EAD (between 0% and 100%) and gives an approximation of the maximum actual loss the Bank would encounter should the client get defaulted.

The LGD combines estimates (components) representing the two possible default resolutions – cure (returning to performing status) and liquidation/work-out. Further, the probability of returning to performing status is also a component of the LGD estimate.

The model consists of two main modules - for performing assets (PA) and for defaulted assets (DA). Each of the module has three components:

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- LGD Liquidation - the expected value of LGD in case the default ends with liquidation;
- LGD Cure - the expected value of LGD in case the defaulted loan returns to performing status;
- Probability of Cure - the probability that the client, with all their facilities, returns to a performing status.

The LGD Liquidation and LGD Cure components are calculated on facility level, while the Probability of Cure is calculated on client level.

Recovery rate embedded in the through the cycle LGD has been adjusted to remove margin of conservatism and to reflect the most recent recovery rate trend as well as expectation about future trend and discounted at the effective interest rate or its best approximation.

EAD represents the estimated amount of credit obligation owned by a counterparty at the moment of default. The EAD represents the estimate of the value at the time of default which takes into consideration the cash flow profile of a financial instrument for products with cash flows and the expected additional drawings from a credit line to the date of default for products without cash flows. EAD parameter for each period during the residual lifetime of a financial instrument is required. The EAD prediction for products without cashflows will be carried out via modelling of the CCF (Credit conversion factor) which transform the off-balance (undrawn) amount of an exposure into on-balance (drawn) amount.

The lifetime EAD has been obtained by extending the 1Y regulatory model, removing margin of conservatism and including expectation about future drawing levels.

On PD, LGD and EAD specific adjustments are applied to parameters already calculated for “regulatory” purposes, in order to ensure full consistency, net of different regulatory requirements, between regulatory and accounting treatment. The main adjustments are such to:

- remove the conservatism required for regulatory purposes only;
- introduce a “point in time” adjustment, instead of the “through the cycle” adjustment embedded in the regulatory parameters;
- include forward-looking information;
- extend the credit risk parameters in a multiyear perspective;
- estimate present value of the expected credit losses;
- apply Overlay Factor, integrating the combined effect of different macroeconomic scenarios over the ECL result.

The Expected Credit Loss derived from such adjusted parameters has been compounded also taking into

consideration macroeconomic forecasts and applying multiple scenarios to the forward looking component so to offset the partial non linearity naturally embedded in the correlation between macroeconomic changes and the key components of the ECL. Specifically, the non-linearity effect has been incorporated by estimating an overlay factor to be directly applied to the portfolio ECL.

The process set up to include such macroeconomic multiple scenario is fully consistent with macroeconomic forecasts processes used in UniCredit Group for other risk relevant purposes (i.e. processes adopted for translating macro-economic forecasts into Expected Credit Losses within both EBA Stress Test and ICAAP framework) and leverages on UniCredit Research independent function as well. The starting point will be therefore fully aligned, while the application will differentiate, to comply with different requirements, by using internally defined scenarios only.

Stage allocation model

A key aspect deriving from the model in compounding the final Expected Credit Loss is represented by the Stage allocation model, aimed to allocate credit transactions between Stage 1 and Stage 2 (Stage 3 being equivalent to Impaired assets), whereas Stage 1 mainly includes (i) newly originated exposures, (ii) exposures with “no significant deterioration in credit quality since initial recognition” or (iii) “low credit risk” exposures at the reporting date.

In the Bank, the Stage Allocation model is based on a combination of relative and absolute elements. The main elements were:

- comparison, for each transaction, between PD measured at the time of origination and PD at the reporting date, both calculated according to internal models, through thresholds designed to capture all key characteristics of each transaction that can affect the bank’s expectation of PD changes over time (e.g. age, maturity, PD level at the time of origination);
- absolute elements such as regulatory backstops (e.g. 30 days past-due);
- additional internal evidence (e.g. Forborne and Watch list classifications) or covenant breach.

For more information regarding the quantitative thresholds for SICR including minimum time permanence in stage 2, please refer to 4 (d) (iii) Significant increase in credit risk.

Forborne exposures

Forborne exposures are loans or debt securities whose contractual terms have been modified or refinanced due to a borrower’s financial difficulties, resulting in concessionary measures that would not have been granted under normal credit conditions. Under IFRS

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9, such exposures may be classified as performing in stage 2 or non-performing, depending on credit risk and payment performance, and they remain in the forbore category until evidence of sustained financial improvement allows their exit from forbearance status, but not less than three years for non-performing forbore and two years for performing forbore.

Impaired financial assets

In general, impaired assets are divided into two main categories: Restructured financial assets, where the bank has made changes or concessions to the original contract terms due to the borrower's financial difficulties, and Workout financial assets, where the company's operations have ceased and the bank is focusing on realizing the loan collateral. The cure (probation) period for impaired exposures requires a minimum of three months of regular and timely payments for past-due and unlikely-to-pay positions, while for forbore impaired exposures, a probation period of at least twelve months is required before they may be reclassified out of default status.

POCI assets

Purchased and originated credit assets (POCI) are credit exposures that are acquired or originated when the counterparty already meets the requirements for being classified as credit impaired. "Purchased" credit-impaired assets are acquired credit impaired loans or portfolios from other financial institutions and "Originated" credit-impaired assets represent significant new additional finance granted to borrowers classified as non-performing.

Write-off

Where the Bank has no reasonable expectations of recovering a debt instrument either in its entirety or a portion of it, the gross carrying amount of that instrument is reduced directly, partially or in full, against the impairment allowance. The amount that is written-off is considered as derecognized. Subsequent recoveries of amounts previously written off decrease the amount of the impairment losses in the income statement.

With regard to debt securities, the Group and the Bank opted for application of the low credit risk exemption on investment grade securities in full compliance with the accounting standard.

The expected credit losses of Bank's assets are regularly (by the end of each month) calculated to determine whether there is any objective evidence for impairment.

a) Impairment of assets carried at amortized cost

Loans and advances to banks and customers are assessed for impairment indicators on a monthly basis for the purposes of preparing monthly financial statements of

the Bank. Review is performed and decisions are taken by Financial and Credit Risk Committee – Credit Risk Session which is a specialized internal body for monitoring, valuation and classification of risk exposures. Loans and advances are presented net of allocated allowances for impairment. Impairment allowances are made against the carrying amount of loans and advances that are identified as being impaired based on regular reviews of outstanding balances. Impairment allowances on portfolio basis are maintained to reduce the carrying amount of portfolios of similar loans and receivables to their estimated recoverable amounts at the reporting date. The expected cash flows for portfolios of similar assets are estimated based on previous experience, late payments of interest, principals or penalties. Increases in the allowance account are recognized in profit or loss.

Where a debt asset remeasured at amortized cost is impaired, impairment is recognized in profit or loss.

If a loan is deemed uncollectible, all necessary legal steps have been completed, and the final loss has been determined, the loan is written off directly.

b) Impairment of financial assets remeasured to fair value directly in other comprehensive income

Financial assets remeasured to fair value directly through other comprehensive income are those classified as Fair value through other comprehensive income (FVTOCI).

Where a debt asset remeasured to fair value directly through other comprehensive income is impaired, impairment is recognized in profit or loss.

FVTOCI financial assets are assessed for impairment indicators on a monthly basis for the purposes of preparing monthly financial statements of the Bank. Review is performed and decisions are taken by Financial and Credit Risk Committee – Credit Risk Session which is a specialized internal body for monitoring, valuation and classification of risk exposures. IFRS 9 requires to determine impairment on debt FVTOCI instruments using the same rules applied for financial assets at amortized cost.

Equity instruments presented in Financial assets at Fair Value through OCI are not subject to calculation of impairment as changes in fair value are always recognized in equity revaluation reserves through OCI.

(j) Derivatives held for hedging

The Bank has developed hedge accounting methodology aiming at effective management of interest rate risk out of the banking book positions through certain fair value hedge and cash flow hedge relationships. Since 2009 the Bank applies macro Cash Flow Hedge accounting. Since 2015 the Bank has started to apply micro Fair Value Hedge accounting. In accordance with the approved methodology, upon initial designation of the

SEPARATE FINANCIAL STATEMENTS (continued)

hedge, the Bank formally documents the relationship between the hedging instruments and the hedged items, including risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess and measure the effectiveness of the hedge relationship. Assessment is performed, both at the inception of the hedge relationship as well as on ongoing basis (based on Market risk function independent assessment).

Since July 1st 2025 UniCredit Group and respectively UniCredit Bulbank AD, have adopted the provisions of Chapter 6 of IFRS 9 for hedging transactions. Previously as allowed by IFRS 9 Financial Instruments, the Bank applied IAS 39 rules on hedge accounting.

As allowed by IFRS 9 Financial Instruments, UniCredit Bulbank AD will continue to apply also IAS 39 rules on hedge accounting. Macro Fair Value hedge remains still under the application of IAS 39.

In accordance with the transition provisions of IFRS 9, the Bank has applied the hedge accounting requirements prospectively and has not restated comparative information. Hedging relationships that qualified for hedge accounting under IAS 39 have continued to qualify under IFRS 9. The adoption of IFRS 9 hedge accounting did not have a material impact on the Bank's financial statements.

The Bank adopts and develops hedge of interest rate risk in the banking book through:

- **Fair value hedge (FVH)** defined as a hedge of the exposure to changes in fair value of a recognised asset or liability that is attributable to a particular risk and could affect profit or loss;
- **Cash flow hedge (CFH)** defined as hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with all, or a component of, a recognised asset or liability (such as all or some future interest payments on variable-rate debt) or a highly probable forecast transaction, and could affect profit or loss.

Hedge accounting aims to remove the volatility which would occur in the profit and loss account when the native accounting classification of hedged item and hedging instrument requires them to be treated differently (e.g., the hedged item is recognized at amortized cost, while the hedging instrument, normally a derivative, is recognized at fair value).

A derivative (mainly IRS) measured at fair value through profit or loss may be designated as a hedging instrument, except for some written options.

The eligible hedged items for the Bank are as following:

- **For Fair Value Hedge (FVH)** - Single fixed rates financial assets and liabilities which are generally not carried at fair value through profit or loss (e.g. FVOCI investments) or which are carried at amortised cost (Loans and receivables to banks and customers, deposits from banks and customers);

- **For Cash Flow hedge (CFH)** - Projected (forecasted) interest cash flows from deals (herein after referred to as underlying). For hedge accounting purposes any on balance sheet business asset or liability may qualify for underlying, if its interest cash flows are sensitive to changes in the money market interest rates.

Fair value hedge

When a derivative is designated as hedging instrument in a hedge of fair value of recognized asset or liability that could affect profit or loss, changes in the fair value of the derivative are recognized immediately in profit or loss. When the hedged item is classified as Fair value at other comprehensive income, cumulative changes of the fair value attributable to the hedged risk are recognized in profit and loss against revaluation reserve of the hedged items.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, fair value hedge accounting is discontinued prospectively. Any adjustment up to that point to a hedged item, for which the effective interest method is used, is amortized to profit or loss as part of the recalculated effective interest rate of the item over its remaining life. Amortization starts immediately when hedge relationship no longer exists.

When the hedged item is derecognized due to sale or expiration then the whole unamortized revaluation reserve is immediately recognized in profit and loss.

Accounting treatment of FVH:

- The hedging instrument is recognized on the balance sheet and measured at fair value. The gain or loss from the change in fair value of the hedging instrument is recognized in net profit or loss;
- At the same time, the carrying amount of the hedged item is adjusted for the corresponding gain or loss relating to the hedged risk since the inception of the hedge and also recognized in net profit or loss

Cash flow hedge

Bank designates derivatives as hedging instruments in hedge of the variability in cash flows attributable to particular type of risk associated with highly probable forecast transaction that could ultimately affect profit or loss. While the derivative is carried at fair value in the statement of financial position, the effective portion of the changes of the fair value is recognized in other comprehensive income under cash flow hedge reserve and the ineffective part is recognized immediately in profit or loss.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for cash flow hedge accounting, or the hedge designation is revoked then the hedge accounting is discontinued prospectively. As Bank's hedging strategy covers forecast cash flows as hedged items, the cumulative amount, recognized in other comprehensive income from the period when the hedge was effective, is

SEPARATE FINANCIAL STATEMENTS (continued)

recycled in profit or loss when the forecast transactions occur. In case the forecast transaction is no longer expected to occur, the whole balance outstanding in other comprehensive income is reclassified in profit or loss.

Accounting treatment of CFH

- To the extent that the hedge is effective, the portion of the gain or loss on the hedging instrument is recognized initially in equity. Subsequently, amounts in equity are included in net profit (loss) in the same period or periods during which the hedged item affects net profit (loss).

Derivatives used for hedging include all derivative assets and liabilities that are not classified as held for trading. Derivatives used for hedging are designated as effective hedging instruments and are measured at fair value in the statement of financial position.

(k) Investments in subsidiaries and associates

Investments in subsidiaries comprise of equity participations in entities where the Bank exercises control. In accordance with IFRS 10 “Consolidated Financial Statements” control is achieved when cumulatively the Bank:

- has to power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee;
- has the ability to use its power to affect its returns.

Following the above criteria, the Bank has assessed that it has control in all the investees, where it holds directly or indirectly more than 50% of the voting rights.

Investments in associates comprise of equity participations in entities where the Bank does not exercise control or joint control but has significant influence in governing the investees’ activities. The Bank has assessed that it has significant influence over entities where it holds directly or indirectly 20% and more of the voting rights.

In the separate financial statements the Bank has adopted the policy of carrying all investments in subsidiaries and associates at cost.

The Bank regularly performs an assessment for impairment indicators of the investments in subsidiaries and associates, based on the following impairment triggers:

Quantitative Impairment Triggers	Qualitative Impairment Triggers
Individual net equity lower than cost	Acquisition/sale by the holder of the stake at a price lower than the cost
Distribution of dividends higher than the sum of the profit for the period and the other comprehensive income components in the period to which the dividends refer	Listing price lower than cost
Distribution of dividends while consolidated shareholders’ equity lower than the individual book value	Evidence, on the basis of the plans and budgets, of the existence of future losses
	Adverse changes that imply revision of the plans and budget

(l) Property, plant, equipment and investment property

All items of property, plant and equipment are carried at cost less accumulated depreciation or impairment losses, except for:

- properties used in business (regulated by IAS 16 “Property, plant and equipment”), for which the revaluation model for the measurement subsequent to initial recognition is applied;
- investment properties (regulated by IAS 40 “Investment property”), for which the fair value model is applied.

Starting from December 31, 2019 the Bank has adopted a policy to carry its items of property at revalued amount under the allowed alternative approach in IAS 16 Property, plant and equipment. Items of property are stated at fair value determined periodically by independent registered appraisers.

Positive changes in value are recognized in other comprehensive income reserve; if in previous periods negative changes were accounted for in the income statement, then subsequent positive changes will be recognized in the income statement up to the amount of negative change previously recognized.

Negative changes in value recognized in the income statement; if in previous periods positive changes in value were accounted for in other comprehensive income reserve, then subsequent negative changes will be recognized in other comprehensive income reserve (which can never be negative).

Depreciation is calculated based on revalued values and the revised remaining useful life.

Other comprehensive income reserve generated from revaluation (including the one, generated at First Time Adoption) is “reclassified” to retained earnings across the residual useful life of the asset. In case of disposal of the asset the entire other comprehensive income reserve is reclassified to retained earnings (with no impacts in the income statements).

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Plant and equipment are carried at historical cost less any accumulated depreciation or impairment losses.

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business or use for administrative purposes. Starting from December 31, 2019 the Bank has adopted a policy to carry its items of investment property at fair value determined periodically by independent registered appraisers. In periods after the first comparative period, the changes in fair value over the previous period is recognized in the income statement. No depreciation charges or impairment adjustments is to be recognized.

Properties that are intended to be sold in the ordinary course of business, however exceeding 12 months and which are neither intended to be used in the banking business nor kept as investment properties, are classified as current assets and accounted for as inventories under the provisions of IAS 2 – Inventories.

The gains or losses on disposal of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the item of property and equipment, and are recognized net in profit or loss.

Depreciation on all items of property, plant and equipment (except investment property for which no depreciation charges are accrued) is provided on a straight-line basis at rates designed to write down the cost or valuation of fixed assets over their expected useful lives. Assets are not depreciated until they are brought into use and transferred from construction in progress into the relevant asset category.

The applicable annual depreciation rates based on expected useful life on major assets categories are as follows:

	Annual depreciation rates (%)	Equivalent expected useful life (years)
Buildings	2-4	25-50
Computer hardware	20-50	2-5
Fixtures and fittings	15-20	5-7
Vehicles	25	4

The useful life of ATM machines (within item Fixtures and fittings) was changed in 2025 financial year from 5 to 7 years due to the improved maintenance practices, technological stability and historical performance data management concluded that the ATMs are expected to be used for a longer period than previously estimated.

Accordingly, the estimated useful life was revised from 5 to 7 years. The change has been accounted for prospectively as a change in accounting estimate in accordance with IAS 8.

(m) Intangible assets

Intangible assets are stated at cost less accumulated amortization and any impairment losses. As of December 31, 2025 and December 31, 2024 intangible assets include

primarily investments in software and related licenses.

Amortization is calculated on a straight-line basis over the expected useful life of the asset. The average useful life of intangible assets controlled by the Bank is estimated to approximately 5 years, which is an equivalent of approximately 20% annual amortization rate. For core banking system software and related applications estimated useful life is 10 years, which is an equivalent of approximately 10% annual amortization rate.

(n) Non-current assets held for sale

The Bank presents as non-current assets held for sale, investments in properties whose carrying amount will be recovered principally through sale transaction rather than continuing use. Items are only included in this category when the Management of the Bank has clear intention to finalize the sale and has already started looking for a buyer.

Properties acquired within a bail-out purchase that are not to be used for own business purposes or held to earn rentals and/or for capital appreciation in the long term, but are intended to be sold in the near future (within 12 months) are classified as Non-current Assets Held for Sale. Non-current assets held for sale are carried at the lower of their carrying amount and fair value less costs to sell.

(o) Provisions

A provision is recognized when the Bank has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. As of December 31, 2025 and December 31, 2024 Management has reviewed Bank's legal and constructive obligation and to the extent they meet the requirement for recognition, provision is recorded, respectively.

(p) Employees' benefits

a. Short-term employee's benefits

Short-term employees' benefits comprise of amounts due to personnel on the basis of unused paid leave accounted for each and single employee as of the reporting date as well as expected additional bonus payments for achieved results during the current financial year. The amount of the unused paid-leave obligation includes the overall undiscounted amount of the obligation that the Bank has to settle should the employment contract is terminated as of the reporting date. Short-term employees' benefits are presented as other liabilities and disclosed separately in the Notes.

b. Defined benefit obligation

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Defined benefit obligations are those agreed in the Collective Labor Agreement.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Bank's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods and discounting that benefit to determine its present value. The discount rate used is those of Bulgarian local currency government bonds at the reporting date. The calculation is performed by a qualified actuary. To determine the net amount in the statement of financial position, any actuarial gains and losses is presented separately in the Statement of other comprehensive income.

c. UniCredit Group Short and Long-Term incentive plans

UniCredit Group Short and Long-Term incentive plans comprise of deferred cash payments (cash settled) as well as stock options and performance share granted by the ultimate parent UniCredit S.p.A. They are allocated to selected group of top and senior managers of the Bank.

Whenever the vesting period of the stock options or performance shares ends, UniCredit Bulbank is required to settle the monetary amount, corresponding to the economic value of the respective instruments. Thereafter the parent effectively grants the instruments to the respective managers.

As of December 31, 2025 and December 31, 2024 UniCredit Bulbank presents the corresponding part of the economic value of the stock options and performance shares and respective accruals on the deferred cash payments as payroll costs under personnel expenses in the Income statement and the related obligation as other liability.

(q) Share capital and reserves

(i) Share capital

As described in Note 1, HVB Bank Biochim AD and Hebros Bank AD merged into Bulbank AD legally as of April 27th, 2007 with retroactive effect for accounting purposes since January 1st, 2007. At the time of the merger the three merging entities were under direct control of UniCredit bank Austria AG and ultimately under control of UniCredit S.p.A. The merger represented a share-exchange transaction, where share-exchange ratios based on fair valuation of the net assets of the three Banks, certified by independent auditor, as required by the Bulgarian Commercial Act, were applied. The share capital of UniCredit Bulbank AD as of the date of the merger was in the amount of BGN 239 256 thousand and comprise of the share capital of Bulbank

AD before the merger in the amount of BGN 166 370 thousand, increased by the newly issued ordinary shares exchanged for the ordinary shares of the merging Banks - HVB Bank Biochim AD and Hebros Bank AD (increase in the amount of BGN 72 886 thousand).

In September 2010 shareholders of UniCredit Bulbank AD approved a capital increase in the amount of BGN 179 000 thousand through issuing 24 655 650 new shares with issuing price BGN 7.26 and face value BGN 1, each. The capital increase was dully completed and registered and as of December 31, 2010 the share capital of the Bank amounted to BGN 263 911 thousand.

In May 2011 shareholders of UniCredit Bulbank AD approved a capital increase in the amount of BGN 158 744 thousand through issuing 21 865 500 new shares with issuing price BGN 7.26 and face value BGN 1, each. The capital increase was dully completed and registered and as of December 31, 2011 the share capital of the Bank amounts to BGN 285 777 thousand.

In 2016 due to the reorganization of the UniCredit banking group activities in Central and Eastern Europe ("CEE") the transfer of the CEE Business of UniCredit Bank Austria AG (including also the banking shareholdings of the above mentioned area) under the direct control of UniCredit SpA was performed thus leading to change of the Bank's main shareholder to UniCredit SpA.

No changes in the amount of the share capital were made in 2025 and 2024.

(ii) Reserves

Reserves consist of statutory reserves and retained earnings held within the Bank as well as reserves on investments at FVTOCI, revaluation of property, plant and equipment (properties used in business), cash flow hedges and reserve resulted from defined benefit obligation actuarial gains and losses. As of December 31, 2025 and December 31, 2024 the reserves include also the premium of previously issued shares corresponding to the difference between the issuing price and the face value.

(r) Taxation

Tax on the profit for the year comprises current tax and the change in deferred tax. Income tax is recognized in the Income statement except to the extent that it relates to items recognized directly to other comprehensive income, in which case it is recognized in other comprehensive income. Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the tax rates enacted at the reporting date, and any adjustment of tax payable for previous years.

The Bank has determined that the global minimum top-up tax - which it is required to pay under Pillar Two legislation - is

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an income tax in the scope of IAS 12. The Bank has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

Deferred tax is provided using the liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is calculated on the basis of the tax rates that are expected to apply for the periods when the asset is realized or the liability is settled. The effect on deferred tax of any changes in tax rates is charged to the Income statement, except to the extent that it relates to items previously charged or credited directly to other comprehensive income.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

As of December 31, 2025 and December 31, 2024 balances of deferred tax are presented net in the Statement of financial position as the respective netting requirements set out in IAS 12 are fully met.

(s) Segment reporting

The Bank has adopted IFRS 8 “Operating Segments” which requires the Bank to present operating segments based on the information that is internally provided to the Management. The business segments that have been previously determined and presented by the Bank in accordance with IAS 14 “Segment Reporting” are also the primary operating segments which are regularly reported to the Management of the Bank.

(t) Standards issued but not yet effective

The following new Standards, amendments to Standards and Interpretations, endorsed by the EC, are not yet mandatorily effective for annual periods beginning on 1 January 2025, and have not been applied in preparing these separate financial statements. The Bank plans to adopt these pronouncements when they become effective.

Standards, Interpretations and amendments to published Standards that have not been early adopted – endorsed by the EC

a) IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024, effective from 1 January 2027)

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarised below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined ‘operating profit’ and ‘profit or loss before financing and income tax’ subtotals and a requirement for all income and expenses to be allocated

between three new distinct categories based on a company’s main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the ‘most useful structured summary’ of its expenses by either:

- nature;
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and
- reflective of management’s view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as ‘other’ and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented applying IFRS 18 and the amounts previously presented applying IAS 1.

b) Annual Improvements Volume 11 (issued on 18 July 2024, effective from 1 January 2026)

SEPARATE FINANCIAL STATEMENTS (continued)

c) Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024, effective from 1 January 2026)

d) Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024, effective from 1 January 2026)

The Bank expects that the amendments, when initially applied, would not have a material impact on its financial statements.

Standards and interpretations not yet endorsed by the EC

Management believes that it is appropriate to disclose that the following new or revised standards, new interpretations and amendments to current standards, which are already issued by the International Accounting Standards Board (IASB), are not yet endorsed for adoption by the EC, and therefore are not taken into account in preparing these separate financial statements. The actual effective dates for them will depend on the endorsement decision by the EC.

The following amendments and improvements to standards are not expected to have a material impact on the separate financial statements of the Bank.

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024, effective from 1 January 2027);
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (issued on 13 November 2025, effective from 1 January 2027);
- Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 21 August 2025, effective from 1 January 2027).

4. Financial risk management

(a) General framework

UniCredit Bulbank AD is exposed to the following risks from financial instruments:

- market risk;
- liquidity risk;
- credit risk.

This note presents information about the Bank's exposure to each of the above risks, the Bank's objectives, policies and processes for measuring and managing risk and the Bank's management of capital.

Different types of risks are managed by specialized departments and bodies within the Bank's structure. The applicable policies entirely correspond to the requirements of Group Risk Management Standards as well as all respective requirements set by the Bulgarian and European banking legislations. The Bank manages risk positions on aggregate basis, focusing in reaching optimal risk/return ratio.

Financial and Credit Risk Committee – ALCO Session (FCRC –

ALCO) is a decisional committee in the area of the financial risk 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. The Committee is responsible for approving strategies, policies and methodologies for market risk, counterparty credit risk, liquidity risk, FX risk and banking book interest rate risk, fund transfer pricing, setting limits (where applicable) accordingly.

Credit risk in the Bank is specifically monitored through Financial and Credit Risk Committee, Credit Risk Session (FCRC – CRS). It is a specialized body responsible for credit risk assessment, classification of credit risk exposures and impairment losses estimation, approval of changes in Credit Risk Strategies, Retail and Corporate Credit Policy, rules, new credit products or changes and optimization in credit processes. Assessment of the credit risk is in accordance with the ECB guidelines, Group standards and for regulatory purposes in accordance with Bulgarian National Bank requirements.

Management of the Bank has approved certain limits aiming to mitigate the risk impact on the Bank's result. These limits are within the overall risk limits of the banking group. The limits for credit risk depend on size of the exposure as the internal lending rules determine the approval body levels in accordance to his/her place in the hierarchy of the organizational structure of the Bank. Management Board approves large exposures – above 10% of Tier 1 capital of the Bank (requirement of Law on Credit Institutions and other transactions defined in applicable Credit policy). There is a procedure established in the Bank for limits monitoring, including early warning in case of limits breaches.

(b) Market risks

Risk monitoring and measurement in the area of market risks, along with trading activities control is performed by the Market Risk management function within Financial Risk and Modeling. Market risk function is organized independently from the trading and sales or any other risk taking activities structure. Market risk management policies and limits are explicitly defined in the Market Risk Strategy of UniCredit Bulbank, which is reviewed at least annually. A product development process is established in which risk managers play a decisive role in approving a new product, especially in the field of financial markets products.

Market risk management in UniCredit Bulbank AD encompasses all activities in connection with Markets and Investment Banking operations and management of the assets and liabilities structure. Risk positions are aggregated at least daily, analyzed by the independent Market Risk management function and compared with the risk limits set by the Management Board and FCRC-ALCO. The risk control function also includes ongoing monitoring and reporting of the risk positions, limit utilization, and daily analysis of Client Risk Management & Treasury (CMR&T) and Balance Sheet Management (BSM)'s operations.

SEPARATE FINANCIAL STATEMENTS (continued)

UniCredit Bulbank AD applies uniform Group procedures in measuring and monitoring market risk exposures. These procedures make available the major risk parameters for various trading operations at least once a day. Besides Value at Risk, other metrics of equal importance are stress-oriented sensitivities for FX, interest rates, credit spreads, equity. Additional element of the limit system are the loss-warning level restrictions applied to cumulative results for a specific period, the stress test warning metrics and various limitations for granular sensitivities.

For internal risk management and Group compliant risk measurement of Value at Risk (VaR), the Bank applies UniCredit Group's internal model for market risks. 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. The simulation results, supplemented with distribution metrics and limit utilization are reported on a daily basis to the Management and to the responsible risk taking structures. In addition to the VaR model results, 60-day profitability data (Loss Warning Level) from market risk activities are also calculated and communicated on a daily basis. Reporting covers the components reflected in IFRS-based profit and the market changes of all investment positions regardless of their recognition in the IFRS-based financial statements ("total return"). Fair value adjustments (FVA) are applied to the extent that they are consistent with the objective of a fair value measurement. Credit/debit valuation adjustments (CVA/DVA) for OTC derivatives along with Funding Valuation Adjustments are complementing the presentation of performance results.

During 2025, VaR of FVOCI positions (measured with one day holding period, confidence interval of 99%) of UniCredit Bulbank AD moved in a range between BGN 3.62 million and BGN 7.73 million, averaging BGN 5.93 million, with increase of Government bonds portfolio and higher volatility of interest rate and credit spread curves during the year being main driver. VaR of FVPL positions fluctuated in a range between BGN 0.12 million and BGN 0.27 million, averaging BGN 0.19 million.

Portfolio	Minimum	Maximum	Average	Year-end
FVtPL	121 126	270 007	190 464	186 111
FVtOCI	3 619 542	7 725 142	5 931 830	7 177 527

In terms of different risk factors contributing to the overall VaR of both FVPL and FVOCI portfolios, the split by end-2025 is as follows:

December 31, 2025 (BGN)	FVOCI	FVPL
Total	(7 177 527)	(186 111)
o/w SP marginal VaR	(5 928 858)	91
o/w IR marginal VaR	(1 261 064)	(74 949)
o/w FX marginal VaR	-	(23 637)
o/w EQ marginal VaR	-	(87 231)
o/w Vega marginal VaR	-	-

In addition to VaR, risk positions of the Bank are limited through sensitivity-oriented limits. The most important detailed presentations include: basis point value (interest rate 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 rates area, the Basis-Point-Value (BP01) limit restricts the maximum open position by currency and time buckets, with valuation changes based on shift by 0.01% (1 basis point).

SEPARATE FINANCIAL STATEMENTS (continued)

The sensitivities' tables below provide a summary of the overall interest rate risk exposure of UniCredit Bulbank AD on stand-alone basis as of December 31, 2025 (change in value due to 1 basis point shift, amounts in BGN) for the trading and banking books):

IR Basis point shift, Banking book (BGN)

Currency	0-3M	3M-1Y	1Y-3Y	3Y-10Y	10Y-	SUM
EUR	(28 117)	(10 934)	(22 061)	(366 928)	(28 676)	(456 717)
BGN	2 765	(220 980)	(232 052)	446 602	164 915	161 250
USD	2 087	2 562	711	(5 059)	(4 074)	(3 772)
CHF	113	386	60	-	-	559
GBP	153	506	42	-	-	701
Other	-	-	-	-	-	-
Total	(22 999)	(228 460)	(253 300)	74 615	132 165	(297 979)

IR Basis point shift, Trading book (BGN)

Currency	0-3M	3M-1Y	1Y-3Y	3Y-10Y	10Y-	SUM
EUR	7 853	(926)	(1 179)	(9 294)	(16)	(3 563)
BGN	508	-	-	-	-	508
USD	(5 900)	(27)	(141)	-	-	(6 068)
CHF	(1 665)	-	-	-	-	(1 665)
GBP	(855)	-	-	-	-	(855)
Other	(25)	-	-	-	-	(25)
Total	(84)	(953)	(1 320)	(9 294)	(16)	(11 667)

In terms of the impact on P&L and equity of interest rate sensitivity, the distribution of BP01 sensitivity between FVPL and FVOCI positions at the end of 2025 is the following:

BP01 (BGN)	FVOCI	FVPL
BP01, total ccy	(552 237)	(11 628)
BP01 EUR	(298 294)	(3 563)
BP01 BGN	(244 575)	527
BP01 USD	(9 368)	(6 047)
Other	-	(2 545)

UniCredit Bulbank measures the interest rate sensitivity towards the regulatory-prescribed shocks (EBA guidelines on interest rate risk arising from non-trading book activities impact Pillar 2 financial risk) in terms of change in the Economic Value of Equity (EVE). Values with reference date December 31, 2025 are:

SOT SCENARIOS	Parallel up	Parallel down	Flattening	Steepening	Short rates up	Short rates down
Economic Value (BGN)	(168 703 570)	223 023	(180 527 075)	87 367 830	(198 853 918)	56 844 070
As percentage of Tier 1	-4.04%	0.01%	-4.32	2.09%	-4.76%	1.36%

SEPARATE FINANCIAL STATEMENTS (continued)

In terms of change in Net Interest Income (NII) sensitivity at UniCredit Bulbank AD level, as of December 31, 2025 is as follows:

SOT SCENARIOS	Parallel down	Parallel up
Net interest Income (BGN)	(39 404 179)	(6 809 555)
As percentage of Tier 1	-0.94%	-0.16%

Measured by total absolute basis-point value, the credit spread sensitivity metric for UniCredit Bulbank AD as of December 31, 2025 amounted to BGN 2 871 966. Instruments issued by governments account for the largest part of credit spread exposure.

SP Basis point shift (BGN)

Issuer	0-3M	3M-1Y	1Y-3Y	3Y-10Y	10Y-	SUM
Sovereigns	(7 662)	(45 265)	(311 974)	(2 275 048)	(224 141)	(2 864 090)
Financials	-	-	(828)	-	-	(828)
Corporates	-	-	(587)	(6 460)	-	(7 048)
Total Absolute	(7 662)	(45 265)	(313 389)	(2 281 508)	(224 141)	(2 871 966)

UniCredit Bulbank AD is exposed to exchange rate risk through transactions in foreign currencies. Net FX open positions in trading and banking book are monitored on a daily basis and are restricted by volume overnight limits. FX sensitivities describe the relation of an instrument fair value to FX rates or FX rates volatility. FX rate sensitivities are calculated by proportionally shifting the corresponding FX rate by 1%.

The FX sensitivity for UniCredit Bulbank AD as of December 31, 2025 is as follows:

CCY	FX delta, BGN eq.
BGN	1 981 670 151
EUR	(1 978 343 309)
USD	(4 389 304)
PLN	963 720
GBP	176 579
SEK	123 857
Other	(201 694)

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. Stress test scenarios are regularly reviewed reflecting changing economic environment and regulatory requirements. In compliance with the respective EBA guidelines, in 2024 new climate risk stress scenarios were introduced within the Bank's ICAAP stress testing framework.

SEPARATE FINANCIAL STATEMENTS (continued)

Behavioral and financial risk modelling, in line with EBA Guidelines, continued to be pivotal in the area of IRRBB and Liquidity risk management. The Bank enhanced the Non-maturity Deposits and Term Deposit roll-over behavioural models' responding to the rigorous validation process. Modeling plays a key role in the risk management of Financial risk with a complete integration in the

regular stress testing activities in the fields of liquidity and interest rate risk. The rules on management of credit spread risk (CSRBB) were enhanced with an internal taxonomy and clear reporting and monitoring guidelines.

As of December 31, 2025 the FX balances of UniCredit Bulbank AD are as outlined in the table below:

In thousands of BGN

	EUR and BGN	Other currencies	Total
ASSETS			
Cash and balances with Central Bank	3 811 915	16 027	3 827 942
Non-derivative financial assets held for trading	200	-	200
Derivatives held for trading	65 997	65 430	131 427
Derivatives held for hedging	33 860	-	33 860
Loans and advances to banks and debt securities at amortized cost	5 441 189	271 761	5 712 950
Loans and advances to customers and debt securities	26 177 400	170 491	26 347 891
Pledged debt securities at amortized cost	1 458 719	-	1 458 719
Investment securities	2 168 574	26 263	2 194 837
Pledged investment securities	779 225	168	779 393
Investments in subsidiaries and associates	52 479	-	52 479
Property, plant, equipment, right of use assets and investment properties	228 483	-	228 483
Intangible assets	78 821	-	78 821
Current tax assets	53 821	-	53 821
Non-current assets and disposal groups classified as held for sale	16 280	-	16 280
Other assets	98 455	545	99 000
TOTAL ASSETS	40 465 418	550 685	41 016 103
LIABILITIES			
Financial liabilities held for trading	43 045	66 199	109 244
Derivatives held for hedging	89 369	433	89 802
Deposits from banks	2 019 161	192 209	2 211 370
Deposits from customers and other financial liabilities at amortized cost	29 707 066	1 438 127	31 145 193
Debt securities issued	2 464 527	-	2 464 527
Fair value changes of the hedged items in portfolio hedge of interest rate risk	(13 759)	-	(13 759)
Provisions	87 543	1 257	88 800
Current tax liabilities	-	-	-
Deferred tax liabilities	7 872	-	7 872
Other liabilities	141 497	4 823	146 320
TOTAL LIABILITIES	34 546 321	1 703 048	36 249 369
EQUITY	4 766 734	-	4 766 734
Net off-balance sheet spot and forward position	(1 174 586)	1 148 850	(25 736)
Net position	(22 223)	(3 513)	(25 736)

SEPARATE FINANCIAL STATEMENTS (continued)

As of December 31, 2024 the FX balances of UniCredit Bulbank AD are as outlined in the table below:

In thousands of BGN

	EUR and BGN	Other currencies	Total
ASSETS			
Cash and balances with Central Bank	5 738 977	16 527	5 755 504
Non-derivative financial assets held for trading	196	-	196
Derivatives held for trading	121 539	5 692	127 231
Derivatives held for hedging	39 332	-	39 332
Loans and advances to banks and debt securities at amortized cost	2 286 045	192 497	2 478 542
Loans and advances to customers and debt securities	22 171 158	130 727	22 301 885
Pledged debt securities at amortized cost	1 303 586	-	1 303 586
Investment securities	2 054 004	15 457	2 069 461
Pledged investment securities	289 474	-	289 474
Investments in subsidiaries and associates	52 479	-	52 479
Property, plant, equipment, right of use assets and investment properties	235 282	-	235 282
Intangible assets	88 808	-	88 808
Other assets	154 594	480	155 074
TOTAL ASSETS	34 535 474	361 380	34 896 854
LIABILITIES			
Financial liabilities held for trading	81 355	6 294	87 649
Derivatives held for hedging	118 926	-	118 926
Deposits from banks	1 881 810	206 920	2 088 730
Deposits from customers and other financial liabilities at amortized cost	24 833 217	1 585 707	26 418 924
Debt securities issued	1 743 506	-	1 743 506
Fair value changes of the hedged items in portfolio hedge of interest rate risk	8 624	-	8 624
Provisions	100 086	1 616	101 702
Current tax liabilities	47 736	-	47 736
Deferred tax liabilities	9 396	-	9 396
Other liabilities	115 462	5 518	120 980
TOTAL LIABILITIES	28 940 118	1 806 055	30 746 173
EQUITY	4 150 681	-	4 150 681
Net off-balance sheet spot and forward position	(1 464 668)	1 452 737	(11 931)
Net position	(19 993)	8 062	(11 931)

SEPARATE FINANCIAL STATEMENTS (continued)

(c) Liquidity risk

In line with Group standards, UniCredit Bulbank AD deals with liquidity risk as a central risk in banking business by monitoring and steering short-term and medium-term liquidity requirements. In this context, liquidity situation is analyzed against standard and stress scenarios. Methods of liquidity analysis, management responsibilities, as well as contingency plan and funding plan procedures are laid down in the Bank's Liquidity Management Policies.

Liquidity management is the operational responsibility of "Balance sheet management" (within Finance Division) and "Treasury" (within Corporate Division) while the risk control functions is assigned to "Financial Risk and Modelling" (within Risk Management Division). The bank steers liquidity risk through a set of metrics and monitoring systems (managerial and regulatory) within a framework of limits and/or trigger warning levels.

For the purposes of management of the short-term liquidity limit exposures, defined as the primary liquidity gap and the liquidity stress-test results, short-term liquidity indicators are monitored daily and monthly respectively. Structural liquidity limits define minimum required coverage of long-term assets with coherent liabilities and are monitored monthly.

Integral part of liquidity management process is the contingency

planning and stress testing. Financial risk management function performs liquidity stress tests on regular basis, using standardized Group-wide scenarios. These scenarios describe the effects of market-driven or specific name-crisis signals, with assumptions about behavior of different customer groups/segments. The liquidity outflows expected to occur are compared with available collateral (essentially, securities eligible as collateral at the central bank) to examine banks' ability to withstand liquidity shock over two months horizon. The results of extreme scenario combining market- and name-driven crisis have shown sufficient coverage during 2025, meaning that under extreme stress conditions the Bank is expected to cope with liquidity shock using own resources.

The following tables provide basic analysis of the financial assets expected recoverability and financial liabilities of the Bank split into relevant maturity bands based on the remaining contractual periods to repayment for items with defined maturity and model mapping for items with no defined maturity or roll over assumptions. The gross amounts include also estimated contractual interest payments. Actual outflows may materially differ from those presented in the tables as historically most of the clients' attracted deposit have economic maturity much longer than the contractual one (deposits are consistently rolled over).

In thousands of BGN

Maturity table as at 31 December 2025	Up to 1 year	Over 1 year	Total
ASSETS			
Cash and balances with Central Bank	3 827 942	-	3 827 942
Non-derivative financial assets held for trading	200	-	200
Loans and advances to banks and debt securities at amortized cost	5 127 217	585 733	5 712 950
Loans and advances to customers and debt securities	7 604 197	18 743 694	26 347 891
Pledged debt securities at amortized cost	-	1 458 719	1 458 719
Investment securities	200 559	1 994 278	2 194 837
Pledged investment securities	-	779 393	779 393
Other assets	88 603	10 397	99 000
TOTAL FINANCIAL ASSETS	16 848 718	23 572 214	40 420 932

In thousands of BGN

Maturity table as at 31 December 2024	Up to 1 year	Over 1 year	Total
ASSETS			
Cash and balances with Central Bank	5 755 504	-	5 755 504
Non-derivative financial assets held for trading	196	-	196
Loans and advances to banks and debt securities at amortized cost	1 867 938	610 604	2 478 542
Loans and advances to customers and debt securities	6 480 334	15 821 551	22 301 885
Pledged debt securities at amortized cost	140 777	1 162 809	1 303 586
Investment securities	290 012	1 779 449	2 069 461
Pledged investment securities	-	289 474	289 474
Other assets	142 772	12 302	155 074
TOTAL FINANCIAL ASSETS	14 677 533	19 676 189	34 353 722

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Maturity table as at 31 December 2025	Carrying amount	Gross in (out) flow	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	Over 1 years
Non derivative instruments						
Deposits from banks	2 211 370	(2 212 086)	(2 212 086)	-	-	-
Deposits from customers and other financial liabilities at amortized cost	31 145 193	(31 154 179)	(28 041 176)	(995 960)	(1 926 230)	(190 813)
Debt securities issued	2 464 527	(2 983 314)	(19 026)	(18 318)	(79 003)	(2 866 967)
Unutilized credit lines and financial guarantees	-	(11 346 572)	(8 768 279)	(1 225 776)	(1 258 707)	(93 810)
Total non-derivative instruments	35 821 090	(47 696 151)	(39 040 567)	(2 240 054)	(3 263 940)	(3 151 590)
Derivatives held for trading, net						
	22 183					
Outflow		(6 274 598)	(4 369 948)	(534 156)	(1 050 835)	(319 659)
Inflow		6 298 568	4 367 908	537 803	1 063 150	329 707
Derivatives held for hedging, net						
	(55 942)					
Outflow		(730 744)	(9 922)	(11 575)	(85 273)	(623 974)
Inflow		671 915	5 540	18 464	72 347	575 564
Total derivatives	(33 759)	(34 859)	(6 422)	10 536	(611)	(38 362)
Total financial liabilities	35 787 331	(47 731 010)	(39 046 989)	(2 229 518)	(3 264 551)	(3 189 952)

In thousands of BGN

Maturity table as at 31 December 2024	Carrying amount	Gross in (out) flow	Up to 1 month	From 1 to 3 months	From 3 months to 1 year	Over 1 years
Non derivative instruments						
Deposits from banks	2 088 730	(2 089 234)	(2 088 944)	-	-	(290)
Deposits from customers and other financial liabilities at amortized cost	26 418 924	(26 431 349)	(24 091 284)	(780 331)	(1 429 923)	(129 811)
Debt securities issued	1 743 506	(2 509 639)	(216 987)	(17 447)	(73 595)	(2 201 610)
Unutilized credit lines and financial guarantees	-	(10 477 538)	(8 498 388)	(996 875)	(897 208)	(85 067)
Total non-derivative instruments	30 251 160	(41 507 760)	(34 895 603)	(1 794 653)	(2 400 726)	(2 416 778)
Derivatives held for trading, net						
	39 582					
Outflow		(8 567 024)	(5 003 280)	(1 076 020)	(1 338 671)	(1 149 053)
Inflow		8 604 296	5 022 816	1 078 577	1 349 851	1 153 052
Derivatives held for hedging, net						
	(79 594)					
Outflow		(489 449)	(7 518)	(7 166)	(66 336)	(408 429)
Inflow		403 169	2 063	15 642	55 410	330 054
Total derivatives	(40 012)	(49 008)	14 081	11 033	254	(74 376)
Total financial liabilities	30 211 148	(41 556 768)	(34 881 522)	(1 783 620)	(2 400 472)	(2 491 154)

SEPARATE FINANCIAL STATEMENTS (continued)

(d) Credit risks

Credit risk is defined as potential losses arising from not fulfilment of any contractual obligation with regard to issued or originated financial instrument.

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

The Bank applies different approach and has established different departments with regard to monitoring the credit risk related to corporate clients, small and middle enterprises and individuals.

(i) Credit risk in the trading book

For the purposes of portfolio management and risk limitation in the derivatives and security financing business with banks and customers, UniCredit Bulbank AD uses the group internal counterparty risk model based on Monte Carlo simulations by estimating the potential future exposure at portfolio level for each counterparty. Calculations are based on market volatilities, correlations between specific risk factors, future cash flows and stress considerations, considering netting and collateral agreements, if applicable. Subject to simulations are all major types of transactions, e.g. foreign exchange and interest rate derivatives, equity/ bond-related instruments, credit derivatives and commodity derivatives.

Treasury credit lines utilisation for derivatives and security financing business is available on-line in the central treasury system operated on group-wide basis. Additionally, UniCredit Bulbank AD limits the credit risk arising from its derivatives and repo-based business through use of master agreements, ongoing monitoring of documentation standards by legal experts, and application of break clauses and collateral agreements.

The analysis based on client credit quality and rating (where available) as of December 31, 2025 and December 31, 2024 is as shown in the next table:

In thousands of BGN

	2025	2024
Government bonds		
Rated BBB-	200	196
Equities		
Unrated	-	-
Derivatives (net)		
Banks and financial institution counterparties	(85 867)	(47 995)
Corporate counterparties	52 108	7 983
Total trading assets and liabilities	(33 559)	(39 816)

Government bonds presented as of December 31, 2025 include bonds issued by Republic of Bulgaria.

(ii) Credit risk in the banking book

Credit risk, inherent in the banking book, is managed

as the creditworthiness of Bank's clients is assessed for the whole life of the loan, from the date of initial loan application till the date of final repayment. Issued Letters of Guarantees, Letters of Credit and all other irrevocable credit commitments fell also within the scope of Bank's credit risk monitoring. As a credit risk mitigation policy, the Bank accepts different types of collaterals depending on the product, client type and client creditworthiness. Competences for evaluation and classification of risk exposures, assessment and quantification of impairment allowances and provisions for credit risk are exclusively within the responsibility of Financial and Credit Risk Committee, Credit Risk Session (FCRC – CRS) established in the Bank.

The Bank applies the principle of individual and collective assessment of credit risk exposures depending on existence or non-existence of objective impairment indicators and considering the adopted individually significant materiality threshold of EUR 2 million for impaired positions.

Objective impairment indicators are those “loss events” that have occurred after initial recognition of the exposure and which have an impact on the exposure estimated future cash flows. In order to provide consistency in the risk measurement, the Bank assumes existence of objective impairment indicators in case of occurrence of a default event as per applicable regulatory framework – Definition of default according to EBA guidelines. An exposure shall be deemed in default when the obligor is assessed as unlikely to meet its credit obligations in full, or when any material credit obligation is more than 90 days past due. Materiality thresholds follow the absolute and relative criteria set out in the EBA Guidelines (EUR 100/ EUR 500 based on regulatory segment and 1%). Default may also be identified through distressed restructuring, insolvency proceedings, or other clear indicators of unlikelihood to pay as defined in the regulatory framework.

Classification criteria envisages the materiality thresholds of past due and articulated structures of Unlikely-To-Pay triggers (it is worth mentioning the one related to the Distressed Restructuring for forbore exposures, where a maximum threshold for diminished Net Present Value of 1% has been set), including additional requirements on default contagions effects in case of connected clients (Group of related companies and joint credit obligations). Furthermore, a minimum probation period of 3 months before returning in a non-defaulted status has been set as mandatory.

Objective impairment indicators are those “loss events” that have occurred after initial recognition of the exposure and which have an impact on the exposure estimated future cash flows. In order to provide consistency in the risk measurement, the Bank

SEPARATE FINANCIAL STATEMENTS (continued)

assumes existence of objective impairment indicators in case of occurrence of a default event as per applicable regulatory framework.

Exposures with objective evidence of impairment (defaulted exposures) generally trigger specific impairment allowances (calculation amount based on individual assessment or portfolio model-based). Risk assessment is done at least once per month. Credit risk methodology adopted by the Bank is explicitly defined in the Policy for evaluation of risk exposures.

In the beginning of the year the Bank has introduced several measures. One of which is WL1 removal as qualitative criteria for Stage 2 for Corporate and Micro segments, as outcome of Group model maintenance-cycle ordinary activity, executed pursuant to UniCredit IFRS9 Global Rules and completed in Q1 2025. This resulted in lower Stage 2 gross carrying amount, reducing its share of the entire portfolio to 9.04%, a decrease of 392 bps. Another measure is the recognition of land-plot collaterals as an eligible credit risk mitigant for Expected credit losses, consistent with the Basel IV framework.

During the second half of the year, the Bank has entered into a new Securitisation transaction with a foreign private investor for overall volume of BGN 4.1 billion. In accordance with Group guidelines, all transactions previously part of the old GPOL (Geo Political Overlay) perimeter and transferred to the new securitisation were excluded from the GPOL portfolio and the accumulated post model adjustment of BGN 15.6 million was released.

In terms of cost of risk, the Bank is recording net release for the whole year at a level of 36bps, mainly related to the abovementioned measures and implementation of new gross LGD model, with material loan loss provision (LLP) release in the amount of BGN 74.4 million across both performing and non-performing portfolios in the three major business segments. Nevertheless, loan loss provision coverage remains at a comfortable level for both portfolios.

During the year two post model adjustments booked in 2024, related to Physical risk and removal of Margin of conservatism went into production and were switched off. As of year-end Overdue factor, which has been booked in 2024, remained as post model adjustment. In 2025 new Management overlay related to new EAD model was introduced in Corporate segment.

Another methodological change performed in 2024 was related to Transfer logic – approach for the implementation of the quantitative criteria for determining a transfer criterion between Stage 1 and Stage 2. The UniCredit Transfer Logic model consists in a set of thresholds differentiated according to the

transaction specific residual maturity and rating class at inception. This means that currently used minimum probation period of 3 months will be replaced with the concept of minimum time permanence in S2. In order to avoid undue volatility in the staging, the consideration of a minimum period of permanence in stage 2 before a re-transfer to Stage 1 has been introduced. Specifically, positions can return to Stage 1 only after having spent a minimum of 3 months in Stage 2 from the moment when the position has been classified in Stage 2 for the first time. Such treatment is valid for both quantitative and qualitative staging. For more information regarding the quantitative thresholds for SICR including Minimum time permanence in stage 2, please refer to 4 (d) (iii) Significant increase in credit risk.

Integration of forward looking information into the ECL model

UniCredit Bulbank leverages on the Stress Test Models for including macro-economic effects into the expected credit losses. The decision to leverage on Satellite models (developed by the Group) is aimed at ensuring a proper alignment between the various processes that within the Group foresee the usage of macro-economic forecasts (e.g. portfolio strategy, budgeting, stress testing). Moreover Satellite models are based on internal estimates of macro-economic indicators' forecasts and developed according to well-known econometric models, thus ensuring the fulfillment of the requirements set out in par. 22 of EBA/GL/2017/06: "In order to ensure a timely recognition of credit losses, credit institutions should consider forward-looking information, including macroeconomic factors. When considering forward-looking information, credit institutions should apply sound judgement consistent with generally accepted methods for economic analysis and forecasting, and supported by a sufficient set of data." and 39: "Forward-looking information, including economic forecasts and related credit risk factors used for ECL estimates, should be consistent with inputs to other relevant estimates within the financial statements, budgets, strategic and capital plans, and other information used in managing and reporting within a credit institution."

The stress test models (or satellite models) are set of models aimed at translating the macro-economic conditions into credit risk parameters (PD/LGD). Within the wider stress testing framework the models serve as basis for calculating the stressed PD/LGD under the Adverse Scenarios adopted for the stress test purposes and they are used both for regulatory (EBA, ICAAP) and managerial Stress Test exercises.

With regards to the modeling methodology the current framework envisages two different approaches for High and Low default portfolios. Notably for high default portfolios (Retail, SME and Mid corporate) the internal

SEPARATE FINANCIAL STATEMENTS (continued)

historical data on Default and Recovery rates have been used to estimate, at cluster level (Country/Asset Class) direct relationship between default and recovery rates and macro-economic factors. Where possible, panel dimensions such as lifecycle (loans/default's age) and vintage quality (loan's origination/default time) have been also included within the model structure aiming at better isolate the impact of macro-economic conditions from other portfolio effects on the default/recovery rate evolution.

However, with regard to the low default portfolios for which no enough internal data were available the selected approach provides for modelling the PD/LGD model rating drivers (e.g. financial ratios) against the macro-economic variables. The resulting rating drivers conditioned to the macro-economic factors are then used as input of the Rating System in order to recalculate at granular level the projected PD/LGD for each counterpart.

Multiple scenarios

The paragraph B5.5.42 of the IFRS 9 standard requires the estimate of expected credit losses to reflect an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. This section provides the description of the methodology adopted to address the probability weighted ECL using multiple macroeconomic scenarios.

The selected approach implied the use of three different macro-economic scenarios and probability weights for each one. More in particular a baseline, one downside and one upside scenarios have been considered. UniCredit Research department produces semiannually macroeconomic forecasts under baseline and alternative downside and upside scenarios.

Each scenario envisages three years of forecasts including all the relevant macro-economic factors considered in the satellite models. A probability of occurrence, judgmentally defined by UniCredit Research department, is assigned to each scenario, ensuring that the upside and downside scenarios' probability are not biased to extreme scenarios, otherwise the range and weighting of scenarios would be not representative. The table below contains current and historical weights:

Weights (probabilities)				
Scenario	December 22	December 23	December 24	December 25
Baseline	60%	60%	60%	60%
Positive	0%	0%	5%	5%
Negative	40%	40%	35%	35%

The Group Credit Stress Test Framework provides a suitable set of models (Satellite Models) for IFRS 9 compliance that are used in order to forecast the conditioned PD/LGD for any scenario.

An "average" scenario is defined as **the weighted average of delta DRs (default rates) provided under each of the scenarios previously mentioned**. This "average" scenario must be used to define the Staging under each of the multiple scenario; indeed, according to ITG (IFRS 9 Transition Group) instructions, *"one financial instrument cannot exist in stage 1 and in stage 2 at the same time"*.

Probability weighted ECL and Overlay Factor

Consideration of multiple scenarios is relevant in case a non-linear relationship between key components of ECL and the relevant economic parameter exists.

Fulfilling the requirement set out by the paragraph B5.5.42 would require calculating the ECL under multiple scenarios and deriving a weighted average ECL based on the probability of each scenario to happen. Alternatively, banks are allowed to derive an overlay factor to account for the non-linearity of the ECL risk components and relevant economic parameters.

Running more scenarios under the LLP production process would not fit the LLP production timeline and has been considered to be an undue cost and effort for the Banks. It was therefore decided to account for multiple macroeconomic scenarios by estimating a yearly overlay factor to be applied to the ECL calculated under the baseline scenario.

An interesting question is how to define the staging under the multiple scenario approach and whether it would really make sense to assume that an asset can be in stage 1 and stage 2 at the same time. At this regard, it was observed in the ITG discussion that, where the range of possible forward-looking economic scenarios is mutually exclusive, a scenario cannot apply to part of an asset, while other scenarios apply to different parts of an asset. Accordingly, one financial instrument cannot exist in stage 1 and in stage 2 at the same time. In compliance with the position taken by the ITG, the overlay factor must be determined assuming that the staging will not change under different scenario but will be kept constant and calculated under the "average" scenario (obtained as described above averaging the deltas under each scenario) such that an unbiased estimate will be used in each scenario.

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Constant Overlay Factor

A simple and straightforward approach to derive the overlay factor consists in determining the ratio between the probability weighted ECL and the ECL under the baseline scenario as shown below:

$$\text{Overlay factor} = \frac{\sum_k ECL_k^{\text{Weighted|avg}}}{\sum_k ECL_k^{\text{bl|bl}}}$$

(1) Where:

• i/j = indicates that i is the scenario used to calculate ECL, while j is the scenario used to assign the Stage (e.g., $ECL^{\text{bl|avg}}$ means that the baseline scenario is used to calculate ECL, while the average one is the scenario used to assign the Stage)

• $ECL_k^{\text{Weighted|avg}} = p_{\text{cont}} \cdot ECL_k^{\text{cont|avg}} + p_{\text{bl}} \cdot ECL_k^{\text{bl|avg}} + p_{\text{pos}} \cdot ECL_k^{\text{pos|avg}}$
for transaction k

(2) The table below contains the list with macro variables which have been considered for each econometric model that forecasts IFRS FLI:

	Baseline IFRS 25Q4 (60%)						Adverse IFRS 25Q4 (35%)			Positive IFRS 25Q4 (5%)		
Macroeconomic scenario	2023	2024	2025	2026	2027	2028	2026	2027	2028	2026	2027	2028
Real GDP, yoy % change	1.8	2.8	3.7	3.7	3.4	3.3	2.2	1.4	2.8	4.7	4.2	3.8
Inflation (CPI) yoy, eop	4.7	2.2	5.3	3.3	3.0	2.8	2.0	1.5	2.6	3.8	3.5	3.0
Inflation (CPI) yoy, average	9.6	2.4	4.6	3.4	3.1	2.9	2.3	1.6	2.4	3.9	3.6	3.1
Monthly Wage, nominal EUR	1028.8	1187.9	1329.7	1468.4	1610.3	1758.1	1448.1	1559.6	1687.5	1483.1	1626.4	1765.1
Unemployment rate, %	4.3	4.2	3.5	3.3	3.1	3.0	4.8	4.4	3.7	3.1	2.9	2.9
Exchange rate /€, eop	2	2	2	2	2	2	2	2	2	2	2	2
Exchange rate /€, average	2	2	2	2	2	2	2	2	2	2	2	2
Short term rate, eop	3.8	2.8	1.9	2.0	2.3	2.3	1.2	1.0	1.0	2.0	2.3	2.3
Short term rate, average	3.1	3.5	2.1	2.0	2.1	2.3	2.7	1.0	1.0	2.0	2.1	2.3
Long-term interest rates 10y (%)	4.0	3.9	3.7	3.6	3.6	3.7	3.1	3.1	3.3	3.6	3.6	3.7
House Price Index, yoy % change	9.9	16.5	14.7	10.8	8.8	7.6	7.5	5.5	5.0	11.8	9.8	8.6

According to an analysis performed by the ICAAP & Stress Testing Division at the Holding, GDP forecast (over 3 years) is assumed to be the most relevant economic factor as indicator of scenario severity.

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Macroeconomic and ECL sensitivity in 2025

The analysis below shows that based on Negative scenario, for 1 point GDP (GDP is the primary sensitivity driver, while other macroeconomic variables exert limited influence) drop (cumulated over 3 years) the ECL is estimated to increase by about +1.17% or BGN 5 859 thousands. Based on Positive scenario for 1 point GDP increase (cumulated over 3 years) the ECL is estimated to decrease by about -0.95% or BGN 4 767 thousands:

In thousands of BGN

Scenario	Weight	Macroeconomic variable	2026	2027	2028	3yr cum	Unweighted ECL	Weighted ECL
Positive	5%	GDP growth %	4.7	4.2	3.8	13.25	487 571	507 485
Baseline	60%	GDP growth %	3.7	3.4	3.3	10.77	499 387	
Negative	35%	GDP growth %	2.2	1.4	2.8	6.53	524 213	
Delta Baseline vs Negative scenario						-4.24	24 826	
Delta Baseline vs Positive scenario						2.48	-11 816	
Absolute ECL Sensitivity vs 3-yr GDP in Negative scenario							5 859	
Absolute ECL Sensitivity vs 3-yr GDP in Positive scenario							-4 767	
% ECL Sensitivity vs 3-year cum GDP in Negative scenario							1.17%	
% ECL Sensitivity vs 3-year cum GDP in Positive scenario							-0.95%	

The table below contains the local figures (the figures below does not include post model adjustments) under each scenario as at December 2025:

(In thousands of BGN)

Portfolio	Baseline				Negative				Positive				Final			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Corporate	18 011	71 506	264 204	353 721	20 324	81 888	265 772	367 984	16 570	66 161	263 246	345 977	18 869	74 914	264 384	358 167
Small Business	5 317	18 446	47 288	71 051	5 897	22 041	48 227	76 165	5 069	17 567	46 709	69 345	5 641	19 569	47 587	72 797
Retail Mortgages	6 897	30 716	17 154	54 767	7 695	33 461	18 439	59 595	6 533	29 616	16 533	52 682	7 113	31 677	17 481	56 271
Retail Others	639	3 688	7 292	11 619	692	4 080	7 468	12 240	615	3 510	7 213	11 338	660	3 804	7 430	11 894
GW segments	6 585	1 644	-	8 229	6 585	1 644	-	8 229	6 585	1 644	-	8 229	6 674	1 682	-	8 356

Here below the steps to be performed under the Constant Overlay Factor approach are described:

1. As a first step, the Stress Test team that have to provide forecasts (DR – default rate, RR – recovery rate, etc) under each of the three selected scenarios (*i*).
2. Afterward, the staging under the “average” scenario must be calculated once and kept constant for each scenario (*i*).
3. Finally, the ECL_i must be calculated for the *i*-th scenario ($i = 1, \dots, 3$) and the probability weighted $\overline{ECL}$ has to be determined averaging the derived under each scenario, multiplied for the probability of each scenario (*i*) to happens.

During the monthly LLP process, the overlay factor must be multiplied to the ECL calculated under the baseline scenario

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for each transaction k in order to adjust it for the non-linearity effect as shown below:

$$ECL_k^{Final} = ECL_k^{bl} \times \text{Overlay factor}$$

(3) The table below contains the locally computed OF values as at Dec 2025 (GW OFs are provided on Holding level):

Rating system ¹	Overlay Factors as of Dec 2025
CRP	1.0019
FI	1.0145
IND	1.0191
MNC	1.0235
PFR	1.0019
SME	1.0170
SOV	1.2181

The overlay factor has to be calculated following the rating system group granularity or they aggregation as used for IFRS 9 purposes in case of shared credit risk characteristics.

The overlay factor must be recalibrated semiannually as soon as the new forecasts and weights under multiple scenarios are available.

The overlay factors on GW portfolios will be estimated centrally and shared with the LEs on time for the local application in the monthly LLPs run.

Finally, it is underlined that the **overlay factor does not represent an estimated parameter**, but a multiplicative factor to be applied on top of the Baseline ECL to produce a final ECL that is *a probability-weighted amount determined by evaluating a range of possible outcomes*. Due to the impossibility to calculate the final monthly LLPs as the average of monthly LLPs under several scenario the overlay factor is introduced as a workaround. A plausibility analysis of the ECL results under the positive and negative scenario should be performed, to ensure that under such scenarios extremely low or high values of ECL are not outputted. However, no outlier's treatments are deemed necessary, since the final values of ECL are to be computed considering *all the range of possible outcomes* and as a consequence any floor/cap or removal of observations would entail a deviation from the IFRS requirements.

Bulgaria and US Sanctions on Russian Oil Companies

In a context of intensification of geopolitical and trade tensions - including renewed global protectionism, supply chain fragmentation and energy vulnerabilities - heightening the risk of adverse credit outcomes, existing managerial overlays on geopolitical risk have been re-assessed to ensure a more consistent and forward-looking quantification of potential losses.

Bulgaria is very dependent on a single supplier refinery - one of the largest oil refineries in the Balkans and the country's biggest industrial enterprise. In response to geopolitical developments Bulgaria has adopted extraordinary measures to safeguard operational continuity and national energy security.

For economies with a high dependency on a single supplier or critical infrastructure, the risk is not limited to the immediate presence of sanctions but extends to the possibility of future restrictions or regulatory changes. These dynamics can lead to:

- Volatility in energy markets and sudden supply chain disruptions;
- Margin compression for corporates and increased operating costs;
- Elevated credit risk, particularly in energy-intensive sectors.

Such uncertainty underscores the need to incorporate geopolitical risk factors, ensuring resilience against potential shocks even when sanctions are not actively enforced.

To quantify the potential effect of the energy price shock on DR of Bulgarian corporates existing Group Satellite Model for corporate counterparts were used, that incorporates oil price among the input variables.

Main assumptions are:

- Reference scenario: Recession scenario (IFRS9 Adverse), consistent with the overlay calculation framework;
- Applied shock: Average Oil price increase of 30 USD/Bbl in 2026 compared to 2025;
- Macroeconomic variables: GDP and inflation aligned with the Recession scenario.

The analysis shows that, under this ad-hoc "adverse" scenario for Bulgaria, the annual Default Rate for the corporate portfolio would increase of +40% compared to "IFRS9 Adverse".

This delta was applied in addition to contributions from Satellite Models and Sectoral Models, to capture the risk of future restrictions or regulatory changes.

In line with the latest Group Governance Operative Guidelines, the new GPOL approach will be applied since December 2025. As a result, the accumulated GPOL related to private mortgage loans and CREF exposures will be reallocated to the Corporate segment in order to reflect adequately the elevated underlying risk in the energy-intensive industries.

The estimation approach of the re-assessed Geopolitical Corporate overlay remains coherent with the one currently in production, where updated negative exposure-weighted default rates are estimated, the corresponding defaulted exposures new inflows are inferred, and the additional LLP impact is derived covering the mentioned inflows at average %coverage of the UTP portfolio.

¹ (CRP – Corporates, FI – Financial Institutions, IND – Individuals, MNC – Multinationals, SME – Small and Medium Enterprises, PFR – Project Financing Rating Model, SOV – Sovereigns)

SEPARATE FINANCIAL STATEMENTS (continued)

As of December 2025 the Group introduced new energy-intensive portfolio, now covering 17 business sectors (including the reintegration of Air transport, Logistics, Utility and new Professional services, Real estates, Wholesale trade, Tourism), each assigned a GPOL amount in accordance with Group methodology. New GPOL is at a level of 127.3 MBGN.

As a second step Pro-active staging is applied to the revised GPOL perimeter, whereby WL1 classification is considered a qualitative criterion for Stage 2 allocation. The overall ECL impact on stand-alone level is 3.3 MBGN, which as of December 2025 is booked as post model adjustment.

Initially, the exit strategy for amortizing the accumulated GPOL was planned over two years starting in 2026. However, due to increasing uncertainty regarding global geopolitical developments, the Group has decided to extend the amortization period to three years, reflecting the expectation that elevated risk levels will persist longer than originally anticipated.

In this regard the adoption of this overlay is a complementary

measure to the IFRS9 models that, by their structure, have been already properly and directly proving to recognize the effect of geo-political crises. In this context while IFRS 9 models and in particular satellite models are able to capture the effect of macro-economic scenario at portfolio level, the geopolitical overlays act on specific sub-portfolios considered particularly vulnerable in case contingent situation may evolve to severe stressed conditions.

Credit risk monitoring is also focused on fulfilment of statutory lending limits set in Law on Credit Institutions. Exposure to one customer or group of related customers exceeding 10% of Tier 1 capital are treated as large exposures and it has to be approved by the Management Board. Maximum amount of an exposure to one customer or group of related customers must not exceed 25% of the Tier 1 capital of the Bank.

The table below shows the ratio of the biggest exposure to a group of customers and the top five biggest groups (excluding related parties) of customers as of December 31, 2025 and December 31, 2024.

In thousands of BGN

	Credit risk exposure before risk transfer		Credit risk exposure after risk transfer		% of own funds	
	2025	2024	2025	2024	2025	2024
Biggest credit risk exposure to customers' group	441 785	330 640	438 242	186 054	11.4%	5.82%
Credit risk exposure to top five biggest customers' groups	1 678 611	1 447 010	1 326 335	969 492	34.5%	30.30%

The table below analyses the breakdown of loss allowances as of December 31, 2025 and December 31, 2024 on different classes:

In thousands of BGN

Loss allowance by classes	2025	2024
Balances with Central Bank	-	59
Loans and advances to banks at amortized cost	503	244
Debt securities from banks at amortized cost	107	230
Loans and advances to customers	614 790	702 845
Debt securities from customers at amortized cost	491	926
Debt investment securities at FVTOCI	547	998
Loan commitments, Financial guarantee contracts and other commitments	54 186	66 995
Total Loss allowance by classes	670 624	772 297

SEPARATE FINANCIAL STATEMENTS (continued)

The tables below analyze the movement of the loss allowance during the year per class of assets:

In thousands of BGN

Loss allowance - Balances with Central Bank	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(60)	-	-	-	(60)
Changes in the loss allowance					
New financial assets originated/purchased or disbursed during the year	(5)	-	-	-	(5)
Financial assets that have been repaid during the year	6	-	-	-	6
Loss allowance as at 31.12.2024	(59)	-	-	-	(59)

In thousands of BGN

Loss allowance - Balances with Central Bank	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(59)	-	-	-	(59)
Changes in the loss allowance					
Decreases due to change in credit risk	37	-	-	-	37
New financial assets originated/purchased or disbursed during the year	-	-	-	-	-
Financial assets that have been repaid during the year	22	-	-	-	22
Loss allowance as at 31.12.2025	-	-	-	-	-

In thousands of BGN

Loss allowance - Loans and advances to banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(134)	-	-	-	(134)
Changes in the loss allowance					
Changes due to modifications that did not result in derecognition	13	-	-	-	13
New financial assets originated/purchased or disbursed during the year	(230)	-	-	-	(230)
Financial assets that have been repaid during the year	107	-	-	-	107
Loss allowance as at 31.12.2024	(244)	-	-	-	(244)

In thousands of BGN

Loss allowance - Loans and advances to banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(244)	-	-	-	(244)
Changes in the loss allowance					
Changes due to modifications that did not result in derecognition	(15)	-	-	-	(15)
New financial assets originated/purchased or disbursed during the year	(479)	-	-	-	(479)
Financial assets that have been repaid during the year	235	-	-	-	235
Loss allowance as at 31.12.2025	(503)	-	-	-	(503)

In thousands of BGN

Loss allowance - Debt securities from banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(68)	-	-	-	(68)
Changes in the loss allowance					
New financial assets originated/purchased or disbursed during the year	(162)	-	-	-	(162)
Financial assets that have been repaid during the year	-	-	-	-	-
Loss allowance as at 31.12.2024	(230)	-	-	-	(230)

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Loss allowance - Debt securities from banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(230)	-	-	-	(230)
Changes in the loss allowance					
Decreases due to change in credit risk	123	-	-	-	123
Loss allowance as at 31.12.2025	(107)	-	-	-	(107)

In thousands of BGN

Loss allowance - Debt securities from customers at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(815)	-	-	-	(815)
Changes in the loss allowance					
Increases due to change in credit risk	(31)	-	-	-	(31)
New financial assets originated/purchased or disbursed during the year	(126)				(126)
Financial assets that have been repaid during the year	46	-	-	-	46
Loss allowance as at 31.12.2024	(926)	-	-	-	(926)

In thousands of BGN

Loss allowance - Debt securities from customers at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(926)	-	-	-	(926)
Changes in the loss allowance					
Decreases due to change in credit risk	544	-	-	-	544
New financial assets originated/purchased or disbursed during the year	(142)	-	-	-	(142)
Financial assets that have been repaid during the year	33	-	-	-	33
Loss allowance as at 31.12.2025	(491)	-	-	-	(491)

In thousands of BGN

Loss allowance - Debt investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(968)	-	-	-	(968)
Changes in the loss allowance					
Increases due to change in credit risk	(47)	-	-	-	(47)
Decreases due to change in credit risk	185	-	-	-	185
New financial assets originated/purchased or disbursed during the year	(492)	-	-	-	(492)
Financial assets that have been repaid during the year	324	-	-	-	324
Loss allowance as at 31.12.2024	(998)	-	-	-	(998)

In thousands of BGN

Loss allowance - Debt investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(998)	-	-	-	(998)
Changes in the loss allowance					
Increases due to change in credit risk	-	-	-	-	-
Decreases due to change in credit risk	519	-	-	-	519
New financial assets originated/purchased or disbursed during the year	(139)	-	-	-	(139)
Financial assets that have been repaid during the year	71	-	-	-	71
Loss allowance as at 31.12.2025	(547)	-	-	-	(547)

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In thousands of BGN

Loss allowance - Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(64 105)	(211 784)	(405 526)	-	(681 415)
Changes in the loss allowance					
Transfer to stage 1	(6 077)	6 064	13	-	-
Transfer to stage 2	122 671	(123 547)	876	-	-
Transfer to stage 3	15 186	61 783	(76 969)	-	-
Increases due to change in credit risk	(138 301)	(84 760)	(15 762)	-	(238 823)
Decreases due to change in credit risk	20 916	119 841	72 109	-	212 866
Write-offs	-	-	17 427	-	17 427
New financial assets originated/purchased or disbursed during the year	(22 388)	(44 963)	(7 845)	-	(75 196)
Financial assets that have been repaid during the year	5 457	35 110	21 838	-	62 405
Changes in models/risk parameters	-	-	-	-	-
Foreign exchange and other movements	-	-	(109)	-	(109)
Loss allowance as at 31.12.2024	(66 641)	(242 256)	(393 948)	-	(702 845)

In thousands of BGN

Loss allowance - Loans and advances to corporate customers	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(57 366)	(131 511)	(318 384)	-	(507 261)
Changes in the loss allowance					
Transfer to stage 1	(4 090)	4 082	8	-	-
Transfer to stage 2	103 032	(103 148)	116	-	-
Transfer to stage 3	10 263	43 935	(54 198)	-	-
Increases due to change in credit risk	(111 721)	(54 064)	(12 101)	-	(177 886)
Decreases due to change in credit risk	18 105	68 420	52 142	-	138 667
Write-offs	-	-	11 166	-	11 166
New financial assets originated/purchased or disbursed during the year	(15 188)	(11 108)	(5 625)	-	(31 921)
Financial assets that have been repaid during the year	4 803	24 855	13 358	-	43 016
Changes in models/risk parameters	(118)	(1 548)	-	-	(1 666)
Foreign exchange and other movements	-	-	(109)	-	(109)
Loss allowance as at 31.12.2024	(52 280)	(160 087)	(313 627)	-	(525 994)

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In thousands of BGN

Loss allowance - Loans and advances to retail customers	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(6 739)	(80 273)	(87 142)	-	(174 154)
Changes in the loss allowance					
Transfer to stage 1	(1 987)	1 982	5	-	-
Transfer to stage 2	19 639	(20 399)	760	-	-
Transfer to stage 3	4 923	17 848	(22 771)	-	-
Increases due to change in credit risk	(26 580)	(30 696)	(3 661)	-	(60 937)
Decreases due to change in credit risk	2 811	51 421	19 967	-	74 199
Write-offs	-	-	6 261	-	6 261
New financial assets originated/purchased or disbursed during the year	(7 200)	(33 855)	(2 220)	-	(43 275)
Financial assets that have been repaid during the year	655	10 255	8 479	-	19 389
Changes in models/risk parameters	118	1 548	-	-	1 666
Foreign exchange and other movements	-	-	-	-	-
Loss allowance as at 31.12.2024	(14 360)	(82 169)	(80 322)	-	(176 851)

In thousands of BGN

Loss allowance - Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(66 641)	(242 256)	(393 948)	-	(702 845)
Changes in the loss allowance					
Transfer to stage 1	(5 227)	5 209	18	-	-
Transfer to stage 2	47 981	(48 643)	662	-	-
Transfer to stage 3	47 901	33 211	(81 112)	-	-
Increases due to change in credit risk	(102 462)	(72 953)	(27 478)	-	(202 893)
Decreases due to change in credit risk	29 999	158 170	71 809	-	259 978
Write-offs	-	-	22 175	-	22 175
New financial assets originated/purchased or disbursed during the year	(19 081)	(20 220)	(2 297)	(2 275)	(43 873)
Financial assets that have been repaid during the year	7 484	24 748	20 534	-	52 766
Changes in models/risk parameters	-	-	-	-	-
Foreign exchange and other movements	-	-	(98)	-	(98)
Loss allowance as at 31.12.2025	(60 046)	(162 734)	(389 735)	(2 275)	(614 790)

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Loss allowance - Loans and advances to corporate customers	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(52 280)	(160 087)	(313 627)	-	(525 994)
Changes in the loss allowance					
Transfer to stage 1	(4 214)	4 214	-	-	-
Transfer to stage 2	35 482	(35 482)	-	-	-
Transfer to stage 3	43 023	20 864	(63 887)	-	-
Increases due to change in credit risk	(81 817)	(58 267)	(23 278)	-	(163 362)
Decreases due to change in credit risk	22 909	98 214	49 958	-	171 081
Write-offs	-	-	15 167	-	15 167
New financial assets originated/purchased or disbursed during the year	(11 434)	(11 451)	(567)	(2 275)	(25 727)
Financial assets that have been repaid during the year	5 759	15 106	11 709	-	32 574
Changes in models/risk parameters	(1 970)	(161)	-	-	(2 131)
Foreign exchange and other movements	-	-	(98)	-	(98)
Loss allowance as at 31.12.2025	(44 542)	(127 050)	(324 623)	(2 275)	(498 490)

In thousands of BGN

Loss allowance - Loans and advances to retail customers	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(14 360)	(82 169)	(80 322)	-	(176 851)
Changes in the loss allowance					
Transfer to stage 1	(1 013)	995	18	-	-
Transfer to stage 2	12 499	(13 161)	662	-	-
Transfer to stage 3	4 878	12 347	(17 225)	-	-
Increases due to change in credit risk	(20 646)	(14 686)	(4 199)	-	(39 531)
Decreases due to change in credit risk	7 090	59 956	21 851	-	88 897
Write-offs	-	-	7 008	-	7 008
New financial assets originated/purchased or disbursed during the year	(7 647)	(8 769)	(1 730)	-	(18 146)
Financial assets that have been repaid during the year	1 725	9 642	8 825	-	20 192
Changes in models/risk parameters	1 970	161	-	-	2 131
Foreign exchange and other movements	-	-	-	-	-
Loss allowance as at 31.12.2025	(15 504)	(35 684)	(65 112)	-	(116 300)

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Loss allowance - Loan commitments, Financial guarantee contracts and other commitments	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2023	(19 126)	(29 895)	(42 433)	-	(91 454)
Changes in the loss allowance					
Transfer to stage 1	(1 860)	1 859	1	-	-
Transfer to stage 2	11 104	(11 164)	60	-	-
Transfer to stage 3	978	1 032	(2 010)	-	-
Increases due to change in credit risk	(15 438)	(2 968)	(2 164)	-	(20 570)
Decreases due to change in credit risk	7 077	13 414	7 136	-	27 627
Changes due to modifications that did not result in derecognition	-	-	-	-	-
New financial assets originated/purchased or disbursed during the year	(10 701)	(6 106)	(637)	-	(17 444)
Financial assets that have been repaid during the year	4 617	12 826	17 403	-	34 846
Loss allowance as at 31.12.2024	(23 349)	(21 002)	(22 644)	-	(66 995)

In thousands of BGN

Loss allowance - Loan commitments, Financial guarantee contracts and other commitments	Stage 1	Stage 2	Stage 3	POCI	Total
Loss allowance as at 31.12.2024	(23 349)	(21 002)	(22 644)	-	(66 995)
Changes in the loss allowance					
Transfer to stage 1	(599)	597	2	-	-
Transfer to stage 2	4 577	(4 585)	8	-	-
Transfer to stage 3	1 879	1 905	(3 784)	-	-
Increases due to change in credit risk	(7 920)	(5 853)	(2 281)	-	(16 054)
Decreases due to change in credit risk	14 634	12 185	2 624	-	29 443
Changes due to modifications that did not result in derecognition	-	-	-	-	-
New financial assets originated/purchased or disbursed during the year	(9 534)	(5 562)	(738)	-	(15 834)
Financial assets that have been repaid during the year	3 510	6 877	4 867	-	15 254
Loss allowance as at 31.12.2025	(16 802)	(15 438)	(21 946)	-	(54 186)

SEPARATE FINANCIAL STATEMENTS (continued)

The tables below analyses the movement of the customers portfolio at amortized cost in terms of quality and respective movements of the gross carrying amounts during 2025 as per IFRS 9 requirements:

In thousands of BGN

Balances with Central Bank	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	3 014 445	-	-	-	3 014 445	5 273 168	-	-	-	5 273 168
Total gross carrying amount	3 014 445	-	-	-	3 014 445	5 273 168	-	-	-	5 273 168
Loss allowance	-	-	-	-	-	(59)	-	-	-	(59)
Carrying amount	3 014 445	-	-	-	3 014 445	5 273 109	-	-	-	5 273 109

In thousands of BGN

Loans and advances to banks at amortized cost	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	5 287 543	-	-	-	5 287 543	2 064 282	-	-	-	2 064 282
Grades 4-6: Monitoring - PD range (0.31% - 4.96%)	10 609	-	-	-	10 609	137	-	-	-	137
Grades 7-8: Substandard - PD range (4.96% - 99.99%)	2	-	-	-	2	12	-	-	-	12
Total gross carrying amount	5 298 154	-	-	-	5 298 154	2 064 431	-	-	-	2 064 431
Loss allowance	(503)	-	-	-	(503)	(244)	-	-	-	(244)
Carrying amount	5 297 651	-	-	-	5 297 651	2 064 187	-	-	-	2 064 187

In thousands of BGN

Debt securities from banks at amortized cost	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	415 406	-	-	-	415 406	414 585	-	-	-	414 585
Total gross carrying amount	415 406	-	-	-	415 406	414 585	-	-	-	414 585
Loss allowance	(107)	-	-	-	(107)	(230)	-	-	-	(230)
Carrying amount	415 299	-	-	-	415 299	414 355	-	-	-	414 355

In thousands of BGN

Debt securities from customers at amortized cost	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	3 615 671	-	-	-	3 615 671	3 085 269	-	-	-	3 085 269
Grades 4-6: Monitoring - PD range (0.31% - 4.96%)	73 578	-	-	-	73 578	5 105	-	-	-	5 105
Total gross carrying amount	3 689 249	-	-	-	3 689 249	3 090 374	-	-	-	3 090 374
Loss allowance	(491)	-	-	-	(491)	(926)	-	-	-	(926)
Carrying amount	3 688 758	-	-	-	3 688 758	3 089 448	-	-	-	3 089 448

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Debt investment securities at FVTOCI	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	2 657 029	-	-	-	2 657 029	2 334 828	-	-	-	2 334 828
Grades 4-6: Monitoring - PD range (0.31% - 4.96%)	293 801	-	-	-	293 801	-	-	-	-	-
Total gross carrying amount	2 950 830	-	-	-	2 950 830	2 334 828	-	-	-	2 334 828
Loss allowance	(547)	-	-	-	(547)	(998)	-	-	-	(998)
Carrying amount	2 950 283	-	-	-	2 950 283	2 333 830	-	-	-	2 333 830

In thousands of BGN

Loans and advances to customers at amortized cost	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	8 456 331	28 299	-	-	8 484 630	7 169 731	77 803	-	-	7 247 534
Grades 4-6: Monitoring - PD range (0.31% - 4.96%)	13 393 252	1 196 658	-	-	14 589 910	10 335 747	2 077 391	-	-	12 413 138
Grades 7-8: Substandard - PD range (4.96% - 99.99%)	255 163	800 847	-	-	1 056 010	193 427	812 900	-	-	1 006 327
Grade 9: Doubtful (PD = 100%)	-	-	398 408	2 275	400 683	-	-	444 859	-	444 859
Grade 10: Impaired (PD = 100%)	-	-	201 388	-	201 388	-	-	106 915	-	106 915
Total gross carrying amount	22 104 746	2 025 804	599 796	2 275	24 732 621	17 698 905	2 968 094	551 774	-	21 218 773
Loss allowance	(60 046)	(162 734)	(389 735)	(2 275)	(614 790)	(66 640)	(242 256)	(393 949)	-	(702 845)
Carrying amount	22 044 700	1 863 070	210 061	-	24 117 831	17 632 265	2 725 838	157 825	-	20 515 928

In thousands of BGN

Loans and advances to corporate customers at amortized cost	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	6 423 258	6 819	-	-	6 430 077	5 660 302	47 621	-	-	5 707 923
Grades 4-6: Monitoring - PD range (0.31% - 4.96%)	8 138 716	887 936	-	-	9 026 652	6 302 265	1 681 007	-	-	7 983 272
Grades 7-8: Substandard - PD range (4.96% - 99.99%)	113 779	575 603	-	-	689 382	117 809	585 941	-	-	703 750
Grade 9: Doubtful (PD = 100%)	-	-	353 607	2 275	355 882	-	-	398 645	-	398 645
Grade 10: Impaired (PD = 100%)	-	-	133 471	-	133 471	-	-	44 033	-	44 033
Total gross carrying amount	14 675 753	1 470 358	487 078	2 275	16 635 464	12 080 376	2 314 569	442 678	-	14 837 623
Loss allowance	(44 542)	(127 050)	(324 623)	(2 275)	(498 490)	(52 280)	(160 087)	(313 627)	-	(525 994)
Carrying amount	14 631 211	1 343 308	162 455	-	16 136 974	12 028 096	2 154 482	129 051	-	14 311 629

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Loans and advances to retail customers at amortized cost	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	2 033 073	21 480	-	-	2 054 553	1 509 429	30 182	-	-	1 539 611
Grades 4-6: Monitoring - PD range (0.31% - 4.96%)	5 254 536	308 722	-	-	5 563 258	4 033 482	396 384	-	-	4 429 866
Grades 7-8: Substandard - PD range (4.96% - 99.99%)	141 384	225 244	-	-	366 628	75 618	226 959	-	-	302 577
Grade 9: Doubtful (PD = 100%)	-	-	44 801	-	44 801	-	-	46 214	-	46 214
Grade 10: Impaired (PD = 100%)	-	-	67 917	-	67 917	-	-	62 882	-	62 882
Total gross carrying amount	7 428 993	555 446	112 718	-	8 097 157	5 618 529	653 525	109 096	-	6 381 150
Loss allowance	(15 504)	(35 684)	(65 112)	-	(116 300)	(14 360)	(82 169)	(80 322)	-	(176 851)
Carrying amount	7 413 489	519 762	47 606	-	7 980 857	5 604 169	571 356	28 774	-	6 204 299

In thousands of BGN

Loan commitments, Financial guarantee contracts and other commitments	31.12.2025					31.12.2024				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Grades 1-3: Low to fair risk - PD range (0.00%-0.31%)	4 518 576	30 469	-	-	4 549 045	4 780 197	65 286	-	-	4 845 483
Grades 4-6: Monitoring - PD range (0.31% - 4.96%)	6 457 914	374 168	-	-	6 832 082	5 007 845	676 939	-	-	5 684 784
Grades 7-8: Substandard - PD range (4.96% - 99.99%)	65 350	217 979	-	-	283 329	74 135	93 497	-	-	167 632
Grade 9: Doubtful (PD = 100%)	-	-	21 749	-	21 749	-	-	24 396	-	24 396
Grade 10: Impaired (PD = 100%)	-	-	3 326	-	3 326	-	-	440	-	440
Total nominal amount	11 041 840	622 616	25 075	-	11 689 531	9 862 177	835 722	24 836	-	10 722 735
Loss allowance	(16 802)	(15 438)	(21 946)	-	(54 186)	(23 349)	(21 002)	(22 644)	-	(66 995)
Carrying amount	11 025 038	607 178	3 129	-	11 635 345	9 838 828	814 720	2 192	-	10 655 740

In thousands of BGN

Loans and advances to banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	2 373 982	-	-	-	2 373 982
Changes in the gross carrying amount					
Changes due to modifications that did not result in derecognition	(12 778)	-	-	-	(12 778)
New financial assets originated/purchased or disbursed during the year	1 750 270	-	-	-	1 750 270
Financial assets that have been repaid during the year	(2 047 043)	-	-	-	(2 047 043)
Gross carrying amount as at 31.12.2024	2 064 431	-	-	-	2 064 431

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Loans and advances to banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	2 064 431	-	-	-	2 064 431
Changes in the gross carrying amount					
Changes due to modifications that did not result in derecognition	114 767	-	-	-	114 767
New financial assets originated/purchased or disbursed during the year	5 073 631	-	-	-	5 073 631
Financial assets that have been repaid during the year	(1 954 675)	-	-	-	(1 954 675)
Gross carrying amount as at 31.12.2025	5 298 154	-	-	-	5 298 154

In thousands of BGN

Debt securities from banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	413 833	-	-	-	413 833
Changes in the gross carrying amount					
New financial assets originated/purchased or disbursed during the year	752	-	-	-	752
Financial assets that have been repaid during the year	-	-	-	-	-
Gross carrying amount as at 31.12.2024	414 585	-	-	-	414 585

In thousands of BGN

Debt securities from banks at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	414 585	-	-	-	414 585
Changes in the gross carrying amount					
New financial assets originated/purchased or disbursed during the year	821	-	-	-	821
Financial assets that have been repaid during the year	-	-	-	-	-
Gross carrying amount as at 31.12.2025	415 406	-	-	-	415 406

In thousands of BGN

Debt securities from customers at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	2 863 050	-	-	-	2 863 050
Changes in the gross carrying amount					
New financial assets originated/purchased or disbursed during the year	415 379	-	-	-	415 379
Financial assets that have been repaid during the year	(188 055)	-	-	-	(188 055)
Gross carrying amount as at 31.12.2024	3 090 374	-	-	-	3 090 374

In thousands of BGN

Debt securities from customers at amortized cost	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	3 090 374	-	-	-	3 090 374
Changes in the gross carrying amount					
New financial assets originated/purchased or disbursed during the year	810 180	-	-	-	810 180
Financial assets that have been repaid during the year	(211 305)	-	-	-	(211 305)
Gross carrying amount as at 31.12.2025	3 689 249	-	-	-	3 689 249

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Debt investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	2 163 626	-	-	-	2 163 626
Changes in the gross carrying amount					
New financial assets originated/purchased or disbursed during the year	933 563	-	-	-	933 563
Financial assets that have been repaid during the year	(762 361)	-	-	-	(762 361)
Gross carrying amount as at 31.12.2024	2 334 828	-	-	-	2 334 828

In thousands of BGN

Debt investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	2 334 828	-	-	-	2 334 828
Changes in the gross carrying amount					
New financial assets originated/purchased or disbursed during the year	982 591	-	-	-	982 591
Financial assets that have been repaid during the year	(366 589)	-	-	-	(366 589)
Gross carrying amount as at 31.12.2025	2 950 830	-	-	-	2 950 830

In thousands of BGN

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	14 396 206	3 286 378	534 392	-	18 216 976
Changes in the gross carrying amount					
Transfer to stage 1	1 538 316	(1 533 278)	(5 038)	-	-
Transfer to stage 2	(1 480 400)	1 521 850	(41 450)	-	-
Transfer to stage 3	(27 876)	(120 256)	148 132	-	-
New financial assets originated/purchased or disbursed during the year	6 448 137	552 676	24 844	-	7 025 657
Financial assets that have been repaid during the year	(3 175 478)	(739 276)	(91 679)	-	(4 006 433)
Write-offs	-	-	(17 427)	-	(17 427)
Gross carrying amount as at 31.12.2024	17 698 905	2 968 094	551 774	-	21 218 773

In thousands of BGN

Loans and advances to corporate customers	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	10 633 099	1 968 348	422 600	-	13 024 047
Changes in the gross carrying amount					
Transfer to stage 1	752 871	(752 011)	(860)	-	-
Transfer to stage 2	(1 277 275)	1 308 515	(31 240)	-	-
Transfer to stage 3	(20 055)	(89 775)	109 830	-	-
New financial assets originated/purchased or disbursed during the year	4 558 982	363 953	21 309	-	4 944 244
Financial assets that have been repaid during the year	(2 573 420)	(492 674)	(67 795)	-	(3 133 889)
Write-offs	-	-	(11 166)	-	(11 166)
Other changes	6 174	8 213	-	-	14 387
Gross carrying amount as at 31.12.2024	12 080 376	2 314 569	442 678	-	14 837 623

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Loans and advances to retail customers	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	3 763 107	1 318 030	111 792	-	5 192 929
Changes in the gross carrying amount					
Transfer to stage 1	785 445	(781 267)	(4 178)	-	-
Transfer to stage 2	(203 125)	213 335	(10 210)	-	-
Transfer to stage 3	(7 821)	(30 481)	38 302	-	-
New financial assets originated/purchased or disbursed during the year	1 889 155	188 723	3 535	-	2 081 413
Financial assets that have been repaid during the year	(602 058)	(246 602)	(23 884)	-	(872 544)
Write-offs	-	-	(6 261)	-	(6 261)
Other changes	(6 174)	(8 213)	-	-	(14 387)
Gross carrying amount as at 31.12.2024	5 618 529	653 525	109 096	-	6 381 150

In thousands of BGN

Loans and advances to customers	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	17 698 905	2 968 094	551 774	-	21 218 773
Changes in the gross carrying amount					
Transfer to stage 1	1 227 869	(1 223 176)	(4 693)	-	-
Transfer to stage 2	(660 117)	665 992	(5 875)	-	-
Transfer to stage 3	(72 922)	(76 859)	149 781	-	-
New financial assets originated/purchased or disbursed during the year	7 965 898	447 507	9 606	2 275	8 425 286
Financial assets that have been repaid during the year	(4 054 887)	(755 754)	(78 622)	-	(4 889 263)
Write-offs	-	-	(22 175)	-	(22 175)
Gross carrying amount as at 31.12.2025	22 104 746	2 025 804	599 796	2 275	24 732 621

In thousands of BGN

Loans and advances to corporate customers	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	12 080 376	2 314 569	442 678	-	14 837 623
Changes in the gross carrying amount					
Transfer to stage 1	900 432	(900 432)	-	-	-
Transfer to stage 2	(470 638)	470 638	-	-	-
Transfer to stage 3	(61 113)	(47 892)	109 005	-	-
New financial assets originated/purchased or disbursed during the year	5 334 964	263 511	4 792	2 275	5 605 542
Financial assets that have been repaid during the year	(3 155 690)	(632 210)	(54 230)	-	(3 842 130)
Write-offs	-	-	(15 167)	-	(15 167)
Other changes	47 422	2 174	-	-	49 596
Gross carrying amount as at 31.12.2025	14 675 753	1 470 358	487 078	2 275	16 635 464

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

Loans and advances to retail customers	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	5 618 529	653 525	109 096	-	6 381 150
Changes in the gross carrying amount					
Transfer to stage 1	327 437	(322 744)	(4 693)	-	-
Transfer to stage 2	(189 479)	195 354	(5 875)	-	-
Transfer to stage 3	(11 809)	(28 967)	40 776	-	-
New financial assets originated/purchased or disbursed during the year	2 630 934	183 996	4 814	-	2 819 744
Financial assets that have been repaid during the year	(899 197)	(123 544)	(24 392)	-	(1 047 133)
Write-offs	-	-	(7 008)	-	(7 008)
Other changes	(47 422)	(2 174)	-	-	(49 596)
Gross carrying amount as at 31.12.2025	7 428 993	555 446	112 718	-	8 097 157

In thousands of BGN

Loan commitments, Financial guarantee contracts and other commitments	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2023	8 459 629	1 715 150	50 017	-	10 224 796
Changes in the gross carrying amount					
Transfer to stage 1	623 460	(623 140)	(320)	-	-
Transfer to stage 2	(483 874)	487 566	(3 692)	-	-
Transfer to stage 3	(1 171)	(1 038)	2 209	-	-
New financial assets originated/purchased or disbursed during the year	5 076 113	312 864	4 132	-	5 393 109
Financial assets that have been repaid during the year	(3 811 980)	(1 055 680)	(27 509)	-	(4 895 169)
Gross carrying amount as at 31.12.2024	9 862 177	835 722	24 837	-	10 722 736

In thousands of BGN

Loan commitments, Financial guarantee contracts and other commitments	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount as at 31.12.2024	9 862 177	835 722	24 837	-	10 722 736
Changes in the gross carrying amount					
Transfer to stage 1	433 365	(432 952)	(413)	-	-
Transfer to stage 2	(298 132)	298 281	(149)	-	-
Transfer to stage 3	(2 168)	(2 193)	4 361	-	-
New financial assets originated/purchased or disbursed during the year	6 484 575	312 991	3 520	-	6 801 086
Financial assets that have been repaid during the year	(5 437 977)	(389 233)	(7 079)	-	(5 834 289)
Gross carrying amount as at 31.12.2025	11 041 840	622 616	25 077	-	11 689 533

SEPARATE FINANCIAL STATEMENTS (continued)

Pursuant to prescriptions provided on IFRS 9 principle as well as EBA Guidelines on credit institutions' credit risk management practices and accounting for expected credit losses (EBA/GL/2017/06), a Low Credit Risk Exemption (LCRE) is applied to financial instruments (including Loans) presenting a "low level of risk" at reporting date where the "low risk" is set out relying primarily on internal credit risk measures, keeping in the same time a reconciliation with Investment (IG) and Non-Investment Grade (NIG) classification. Therefore, according to the rationale described in the Group IFRS 9 Model Concept, an internal estimated PD threshold has been set equal to 0.306%. Therefore, all financial instruments belonging to client having a 1-year IFRS PD at reporting date lower than 0.306% would be then subject to LCRE and kept under Stage 1.

In thousands of BGN

	2025	2024
Central banks	3 014 445	5 273 109
General governments	373 435	279 470
Credit institutions	5 287 381	2 040 464
Other financial corporations	5 359 006	3 085 581
Non-financial corporations	1 290 156	1 364 052
Of which: Small and Medium-sized Enterprises	266 042	388 377
Households	3 248 296	1 694 088
Total loans and advances at amortized cost	18 572 719	13 736 764

The breakdown of the fair value of physical and cash collaterals pledged in favor of the Bank on loans and advances to customers is as follows:

In thousands of BGN

Loans and advances to customers		
	2025	2024
Defaulted exposures		
Cash collateral	1 344	1 191
Property	724 849	633 409
Debt securities	-	-
Other collateral	552 705	516 266
Performing exposures		
Cash collateral	118 351	115 529
Property	24 515 240	19 565 977
Debt securities	260 746	5 436
Other collateral	14 792 946	11 725 325
Total	40 966 181	32 563 133

Other collaterals include mostly pledges on non-real estate long-term assets, going concerns and inventories.

In thousands of BGN

Residential mortgage lending - LTV ratio	2025	2024
Less than 50 %	997 584	741 722
51-70%	1 910 154	1 400 915
71-90%	3 687 274	2 651 293
91-100%	173 924	300 530
More than 100%	21 809	38 814
Total loans and advances at amortized cost	6 790 745	5 133 274

In thousands of BGN

Credit impaired - LTV ratio	31.12.2025	31.12.2024
Less than 50 %	11 966	11 879
51-70%	16 029	11 234
More than 70%	15 357	22 701
Total loans and advances at amortized cost	43 352	45 814

In thousands of BGN

Carrying amount and collateral value held against loans to corporate customers measured at amortized cost				
	2025		2024	
	Carrying amount	Collateral	Carrying amount	Collateral
Financial pledge	267 486	103 078	234 486	76 512
Guarantees received	1 588 023	1 213 868	1 681 926	1 303 320
Real Estate	6 693 194	5 148 516	5 855 813	4 534 658
Insurance	109 148	105 238	73 954	70 269

SEPARATE FINANCIAL STATEMENTS (continued)

The concentration of risk exposures in different sectors of the economy as well as geographical spread out is as outlined in table below as of December 31, 2025 and December 31, 2024:

In thousands of BGN

	Loans and advances to customers		Loans and advances to banks		Investment securities	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Concentration by sectors						
Sovereign	4 057 640	3 365 849	-	-	2 930 070	2 269 794
Manufacturing	4 074 551	3 412 915	-	-	-	44 559
Commerce	3 160 348	3 014 179	-	-	-	-
Construction and real estate	2 379 456	2 064 474	-	-	655	-
Agriculture and forestry	503 661	534 667	-	-	-	-
Transport and communication	619 439	724 515	-	-	403	346
Tourism	441 137	339 858	-	-	-	-
Services	650 453	582 259	-	-	20 213	655
Financial services	5 581 110	4 947 947	5 713 560	2 479 016	75 368	96 060
Retail (individuals)						
Housing loans	6 762 463	5 105 552	-	-	-	-
Consumer loans	115 626	129 771	-	-	-	-
Other	76 578	88 988	-	-	-	-
	28 422 462	24 310 974	5 713 560	2 479 016	3 026 709	2 411 414
Impairment allowances	(615 852)	(705 503)	(610)	(474)	-	-
Total	27 806 610	23 605 471	5 712 950	2 478 542	3 026 709	2 411 414
Concentration by geographic location						
Europe	28 355 779	24 245 524	5 662 422	2 387 245	3 025 696	2 408 503
North America	17 841	28 189	35 421	9 819	1 013	2 911
Asia	39 715	25 325	15 577	81 917	-	-
Africa	3	-	-	-	-	-
South America	7	7	-	-	-	-
Australia	9 117	11 929	140	35	-	-
	28 422 462	24 310 974	5 713 560	2 479 016	3 026 709	2 411 414
Impairment allowances and accumulated negative changes in fair value due to credit risk on non-performing exposures	(615 852)	(705 503)	(610)	(474)	-	-
Total	27 806 610	23 605 471	5 712 950	2 478 542	3 026 709	2 411 414

SEPARATE FINANCIAL STATEMENTS (continued)

(iii) Significant increase in credit risk

- Current Transfer Logic model consists in a set of Allocation reference value (ARF) thresholds differentiated according to transaction's residual maturity and rating class at inception per segment. The allocation reference value is based on the following rule.

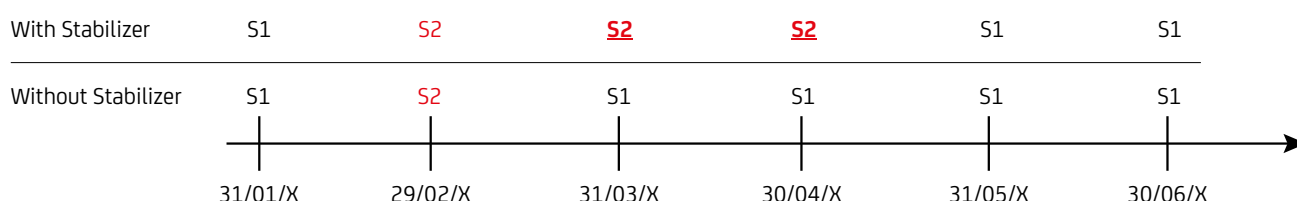
Unit of credit risk assessment		Allocation reference value
Reporting date	IFRS 9 lifetime (up to the residual maturity) PD PIT/FL at the reporting date $[cPD_{t=rep}(t = T_{res})]$	$Y = \frac{cPD_{t=rep}(t = T_{res})}{cPD_{t=0}(t = T_{res})}$
Inception date	IFRS 9 lifetime PD PD PIT/FL at origination considering the residual maturity of the transaction at reporting date $[cPD_{t=0}(t = T_{res})]$	

The respective stage thresholds applied to the AFR are defined as followed:

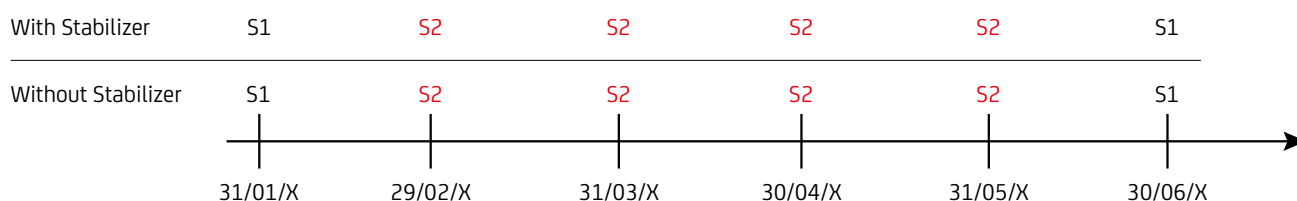
Rating class at Origination	Corp		SME		PI Mortgage		PI Other	
	Res Mat	Thr	Res Mat	Thr	Res Mat	Thr	Res Mat	Thr
1	< 1y	79.27	< 1y	143.4	< 22y	7.27	< 1y	9.24
2	< 1y	79.27	< 1y	143.4	< 22y	7.27	< 1y	9.24
3	< 1y	79.27	< 1y	143.4	< 22y	7.27	< 1y	9.24
4	< 1y	15.41	< 1y	6.18	< 22y	2.3	< 1y	5.9
5	< 1y	8.78	< 1y	5.56	< 22y	1.95	< 1y	4.45
6	< 1y	4.25	< 1y	1.77	< 22y	1.59	< 1y	2.49
7	< 1y	2.4	< 1y	1.77	< 22y	1.23	< 1y	1.43
8	< 1y	2.4	< 1y	1.39	< 22y	1	< 1y	1
1	1-3y	25.13	1-2y	41.02	> 22y	6.87	1-5y	8.08
2	1-3y	25.13	1-2y	41.02	> 22y	6.87	1-5y	8.08
3	1-3y	25.13	1-2y	41.02	> 22y	6.87	1-5y	8.08
4	1-3y	7.53	1-2y	4.08	> 22y	1.72	1-5y	4
5	1-3y	6.08	1-2y	3.76	> 22y	1.49	1-5y	2.9
6	1-3y	3.14	1-2y	1.77	> 22y	1.22	1-5y	1.91
7	1-3y	1.57	1-2y	1.77	> 22y	1.04	1-5y	1.21
8	1-3y	1.57	1-2y	1.39	> 22y	1	1-5y	1
1	> 3y	17.68	> 2y	21.63			> 5y	1.57
2	> 3y	17.68	> 2y	21.63			> 5y	1.57
3	> 3y	8.35	> 2y	21.63			> 5y	1.57
4	> 3y	4.54	> 2y	3.11			> 5y	1.30
5	> 3y	3.18	> 2y	3.09			> 5y	1
6	> 3y	1.83	> 2y	1.77			> 5y	1
7	> 3y	1.44	> 2y	1.77			> 5y	1
8	> 3y	1.44	> 2y	1.2			> 5y	1

SEPARATE FINANCIAL STATEMENTS (continued)

The thresholds are applied to the ARF, which represents the deterioration observed in terms of Lifetime PD. The Transfer logic is changing PD20 Trigger which states that a transaction is allocated in Stage 2 if Lifetime PD at Reporting for the first year is greater than 20%. The Transfer logic is also changing the 3XPD Increase trigger which states that a transaction is allocated in Stage 2 if ARF is greater than 300%. More over for staging purposes, a new specific methodology has been introduced for the specific payments of Bullet/Balloon Financing product. As a final topic of the Transfer Logic is the replacement of the 3-month Probation Period with Minimum Time Permanence in Stage 2. In order to avoid undue volatility in the staging allocation (due to an early transfer in stage 1), the consideration of a minimum period of permanence in stage 2 before a re-transfer to Stage 1 has been introduced. Specifically, positions can return to Stage 1 only after having spent a minimum of 3 months in Stage 2 from the moment when the position has been classified in Stage 2 for the first time. Such treatment is valid for both quantitative and qualitative staging. In practice, if a facility is classified in S2 for less than three reference dates, it is forced in S2 in the subsequent months (until reaching the minimum time permanence period of at least three months).



If a facility is classified in S2 for at least three or more reference dates, no probation period is added and when the trigger turns off, the position is allocated back in S1.



- Triggers for Qualitative staging criteria are Watch list (WL2 for all customers and WL1 for Private individuals and transactions which are part of GPOL perimeter), Forbearance classifications and more than 30 days delinquency in payments on transaction level.

SEPARATE FINANCIAL STATEMENTS (continued)

(e) Basel III disclosures

Following a regulatory approval received in Q1 2025 the Bank reverted to Standardised Approach for calculation of the regulatory capital requirements for credit risk for the portfolio rated under local rating models. The Standardised Approach is used for all exposure classes except for exposures to Financial Institutions and Large Corporates rated under Group-wide rating models as well as Other non-credit obligation assets. For these three exposure types Foundation Internal Rating Based Approach (F-IRB) is used. Regulatory capital requirements for market risk are calculated under the Simplified Standardised Approach. For operational risk capital requirements are quantified under the Standardised Approach after the abolishment of the Advanced Measurement Approach with Basel IV.

As a result of the above, Risk Weighted Assets (RWA) for credit risk increased with BGN 1 286 million. At the same time in Q1 2025 the new regulatory framework Basel IV entered into force. However, the impact from that in terms of RWA for credit risk was limited and is considered as neutral.

The bank continues to use the developed advanced risk models for Pillar 2 capital requirements and IFRS 9, as well as for decision making purposes (credit application and monitoring, which will be adapted to the most recent business and steering needs.

The regulatory framework sets minimum limits of Common Equity Tier 1 (CET 1) ratio, Tier 1 ratio and Total Capital Adequacy ratio of 4.5%, 6% and 8%, respectively. Under the sole discretion of local Regulator is the definition and imposition of certain additional capital buffers, having as a core objective further strengthening of capital positions of the banks. In this respect Bulgarian National Bank (BNB) has imposed two additional buffers, namely Capital conservation buffer of 2.5% and Systemic risk buffer of 3% and from 2018 capital buffer for other - systemically important institution with level of 1% since 2020 for UniCredit Bulbank AD. In addition, from 2019 a Countercyclical capital buffer has been introduced where the level as of end-of-year 2025 is 2%. The imposed buffer requirements accumulate a combined buffer requirement of 8.5% for 2025. All the buffers should be covered by highest quality capital positions, CET 1 eligible. Considering the combined buffers additional capital requirements, listed above, the minimum limits for Common Equity Tier 1 ratio, Tier 1 ratio and Total Capital Adequacy Ratio for UniCredit Bulbank AD as of December 31, 2025 are 13%, 14.5%, 16.5%.

UniCredit Bulbank AD fulfils the minimum requirements, with sufficient excess. More details are presented in the following paragraphs.

The development of the own funds and capital requirements as of December 31, 2025 and December 31, 2024 are as follows:

In thousands of BGN

	31.12.2025	31.12.2024
Regulatory own funds		
Core Equity Tier 1 (CET 1)	3 839 484	3 199 271
Tier 1 capital	3 839 484	3 199 271
Tier 2 capital	544 654	359 254
Total regulatory own funds	4 384 138	3 558 525
Risk Weighted Assets (RWA)		
RWA for credit risk	16 398 078	15 272 176
RWA for market risk	85 113	169 626
RWA for operational risk	2 192 775	873 838
RWA for credit valuation adjustments	1 312	7 188
Total Risk Weighted Assets (RWA)	18 677 278	16 322 828
CET 1 ratio	20.56%	19.60%
Tier 1 ratio	20.56%	19.60%
Total capital adequacy ratio	23.47%	21.80%
Minimum CET 1 capital requirements (4.5%)	840 478	734 527
Minimum Tier 1 capital requirements (6%)	1 120 637	979 370
Minimum total capital requirements (8%)	1 494 182	1 305 826
Additional capital requirements for conservation buffer (2.5%)	466 932	408 071
Additional capital requirements for systemic risk buffer (3%)	528 650	468 431
Additional capital requirements for other systemic important institution (1%)	186 773	163 228
Additional capital requirements for countercyclical capital buffer (2%)	369 810	324 824
Combined buffers additional capital requirements (8.5%)	1 552 165	1 364 554
Adjusted minimum CET 1 capital requirements after buffers (13%)	2 392 643	2 099 081
Adjusted minimum Tier 1 capital requirements, including buffers (14.5%)	2 672 802	2 343 924
Adjusted minimum total capital requirements after buffers (16.5%)	3 046 347	2 670 380
Free equity, after buffers	1 337 791	888 145

SEPARATE FINANCIAL STATEMENTS (continued)

(f) Securitizations

i. Synthetic Securitization deal - Silver

UniCredit Bulbank AD (the “Bank” or the “Originator”) implemented a synthetic securitisation program to improve its capital optimization strategy and benefit in terms of new lending capabilities by structuring a synthetic securitisation (“A.R.T.S. Silver-2” or the “transaction”) to achieve significant risk transfer with respect to a portfolio of SME and corporate exposures originated by the Bank in its usual course of business.

The risk transfer under the synthetic securitisation was achieved using a credit risk mitigation instrument; the securitised exposures remained exposures of the Originator.

On June 27th, 2025, the “Financial Guarantee” between the Bank and an institutional investor (“Protection Seller”) was signed whereas the Effective Date was June 30th, 2025.

The structure of the transaction contains a Senior, Mezzanine and Junior tranches, with the Junior Tranche (First Loss Tranche) and the Senior Tranche retained by the Originator and the Mezzanine Tranche (Protected Tranche) being covered via a funded credit protection, in the form of a collateralized financial guarantee, with the collateral held with a high-rated custodian.

The transaction is designed to achieve a Significant Risk Transfer (SRT) as per the Securitisation Regulation in force.

The transaction achieved designation as a Simple, Transparent, and Standardised securitisation within the meaning of article 18 of Regulation (EU) 2402/2017.

The assets pooled in the securitisation exclusively consist of performing secured and unsecured loans originated by, owned by and carried as an asset of the Bank, being all such loans denominated in EUR or BGN and granted to SME and Corporate customers located in Bulgaria.

For the purposes of the regulatory requirements, the Bank is the Originator of the Reference Portfolio. As such, the Bank will retain, on an unhedged and unguaranteed basis, an exposure to each loan in the Reference Portfolio which will always be at least 5% of the notional amount of the initial portfolio and which will not benefit from

any of the Guarantee (the “Retained Exposure Amount”) in compliance with Art. 6(3)(a) of Regulation (EU) 2017/2402.

The Scheduled Termination Date will be 30 June 2037 (considering the maturity date of the longest securitised loan/guarantee of the selected preliminary portfolio plus a 1-year workout period).

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

- Failure to Pay $\geq$ 90 days past due;
- Bankruptcy in respect of any relevant Reference Entity;
- Restructuring.

At the time the Financial Guarantee was executed, the Bulgarian lev was legally fixed at an exchange rate of 1.95583 per euro under the Law on the Bulgarian National Bank. As of 1 January 2026, Bulgaria adopted the euro, and all BGN denominated Reference Obligations were automatically converted to EUR at the same fixed rate, resulting in the entire Reference Portfolio becoming EUR denominated.

The transaction achieved Significant Risk Transfer starting from 30 June 2025 Supervisory Reporting Date – confirmed by the ECB – by complying with Article 245(2) (a) of Regulation (EU) 575/2013 (since the transaction is structured to transfer the Protected Tranche to third parties) and complying with risk retention requirements set forth in Article 6 of Regulation (EU) 2017/2402 and Art. 6 and 11 of the Delegated Regulation 2023/2175 through the retention of not less than 5% of the amount of each securitised loan and guarantee.

The main characteristics of the Updated Reference Obligation Portfolio with reference to December 31st 2025 are the following:

- Outstanding securitized amount (Reference Portfolio Notional Amount) BGN 3 923 869 544;
- RWA without securitization: BGN 2 066 230 565 (52.66% of the securitized portfolio);
- RWA after application of securitization framework: BGN 419 742 965 (10.70% of the securitized portfolio);

As of 31.12.2025							
Tranche	BGN Nominal Amount	Thickness	Attach	Detach	Guaranteed	Retained %	Amortization Typology
Senior	3 609 004 929	91.976%	8.024%	100%	0%	100%	Pro-Rata
Mezzanine	294 212 358	7.498%	0.526%	8.024%	100%	0%	Pro-Rata
Junior	20 652 257	0.526%	0.000%	0.526%	0%	100%	Sequential

SEPARATE FINANCIAL STATEMENTS (continued)

ii. Other securitization deals

Since 2022, UniCredit Bulbank has had an active synthetic securitisation program to improve its capital optimization strategy and benefit in terms of new lending capabilities.

In May 2025, based on an economic analysis of future expected costs and benefits of the Silver transaction (originated in 2022) and complying with all regulatory requirements, the Bank exercised its Early Termination option. Following the termination – although an additional 1-year period is running for workout purposes – the financial guarantee is no longer valid for new credit events and for regulatory purposes the transaction is no longer included in the securitisation framework.

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. Starting from September 2023 the residual capital structure of the synthetic securitization is made up of only the Junior tranche fully covered by unfunded guarantee, which does not meet one of the criteria for securitization definition (i.e. risk tranching). For regulatory purposes the transaction is no longer included into the securitization framework. Summary of FLPG as of December 31, 2025 is presented in the table below:

NAME	EIF JEREMIE
Type of securitization:	First Loss Portfolio Guarantee
Originator/Issuer:	UniCredit Bulbank / European Investment Fund
Target transaction:	Capital Relief and risk transfer
Type of asset:	Highly diversified and granular pool of newly granted SME loans
Agreed maximum portfolio volume:	EUR 85,000 thousand
Nominal Value of reference portfolio:	BGN 22 395
Issued guarantees by third parties:	First loss cash coverage by EIF
Reference Position Junior Tranche as of December 31, 2025	BGN 22 395

(g) Climate-related and environmental risks (C&E risks)

C&E risk assessment in credit business continues to receive heightened attention from credit institutions as well as from EU

banking regulators and supervisors. On 9 January 2025 the EBA published its Final Guidelines on the management of ESG risks, which will take effect in January 2026. ECB has specified C&E risks as an ongoing area of focus in its strategy for 2025-2027.

Addressing the EBA and ECB priorities and following the Group ESG Roadmap UniCredit Bulbank has already embedded the elements of C&E risks into internal regulatory framework, risk appetite framework and lending policies, internal rules and procedures.

In 2025 the Bank has enhanced their tools, technique; and data frameworks aiming for deeper integration of these risk factors.

The C&E assessment methodology is structured around three dimensions:

- **Climate & Environmental Exposure** – evaluates corporate customers' actual GHG emissions and other environmental metrics such as water and energy consumption, waste generation, and recycling.
- **Climate & Environmental Vulnerability** – assesses the maturity of climate change management, including transition plans, investment strategies, emission reduction targets, and products/services with positive climate impact, alongside ESG ratings and industry-specific strategies.
- **Economic Impact** – considers financial and industrial effects such as stranded assets, market share or revenue decline due to market shifts, increased investment costs, financing constraints, and indirect impacts on supply chains and partner industries.

In 2025 the Bank continues to apply C&E considerations into two main credit processes:

• Origination/annual review for corporate credit clients:

UCB has implemented C&E risk assessment within the origination/annual credit review process for all corporate clients, regulated through Corporate Credit Risk Policy, Internal rules for corporate clients lending and other relevant business/risk procedures approved by relevant approval bodies. The new process complements the creditworthiness assessment with climate aspects, and the entire C&E factors assessment is mainly driven by a calculated Transition risk score[1] (other elements to be considered are Rep Risk evaluation, Net Zero perimeter and Physical Risk at counterparty level, if data available). This score will be calculated based on C&E questionnaire by the customer or using available data base provided by external providers.

In the broader context of UniCredit Net Zero Transition Plan, in order to achieve the UC Net Zero targets and support business in the clients' engagement to low-carbon economy, a set of Net Zero strategies has been defined and followed for all counterparties belonging to NZ sectors (Oil & Gas, Power Generation, Automotive, Steel and Shipping) except for Retail clients.

SEPARATE FINANCIAL STATEMENTS (continued)

• Collateral Evaluation

Collateral evaluation process, to be applied to both Corporate and Retail clients, embedding relevant Transition and Physical Risk components as per Group Credit Risk Guidelines.

o Transition risk (Institution's financial loss that can result, directly or indirectly, from the process of adjustment towards a lower-carbon and more environmentally sustainable economy) assessment of collaterals in the context of Energy efficiency of immovable properties

Through the current collection process of issued Energy Performance Certificate (EPC) of buildings the Bank fulfils the regulatory requirement and stores core EPC data as Energy class label, Primary energy demand and CO2 emissions intensity, applicable for all new credit transactions collateralized by immovable properties in Retail and Corporate segments. Until 2024, for the stock proxy data provided by external third-party vendors was used.

o Physical Risk assessment

In compliance with Group rules and guidelines the Bank collects data related to severity evaluation on defined hazards for the new flow in real estate collateral portfolio to meet the regulatory requirements for Physical Risk assessment of immovable properties used as collaterals. The defined hazards are River flood, Flash flood, Storm, Sea level rise, Wildfire. Considering the area where the asset is located and specific asset characteristics, the hazard evaluation is provided by independent appraisers embedded in their real estate appraisals

UniCredit Bulbank has approved, implemented, and follows several Group policies regarding sensitive sectors that may have significant implications on the environment and the society. Strict monitoring and evaluation are being performed on counterparties and deals within the Coal Sector, Defense / Weapons Industry, Mining Industry, Water Infrastructure/Dams, Civil Nuclear, Oil & Gas, Rainforests, and Tobacco industry sector. The analysis is performed in line with all ESG criteria, requirements, standards, and best practices, and ensures that all such standards and local and international regulations are met.

As a Group, UniCredit has set a clear strategic ambition to reach Net Zero on financed emissions by 2050. In alignment with the Group strategy, we also follow the same trajectory in UniCredit Bulbank. In line with UNEP Guidance for FIs, already disclosed on Group level in 2023 and 2024 the 2030 intermediate targets for seven of most carbon-intensive client sectors, in our portfolio: Oil & Gas, Power Generation and Steel.

In 2026, the Bank will continue to develop the activities in these areas in line with the Group approach and all applicable regulations, standards, and best practices. Regulators are

progressively increasing their attention to nature capital related items both in terms of assessment and risk management (ECB guide on C&E risk, EBA guideline on ESG risks, EU Taxonomy) and disclosure (e.g. CSRD) to gain a better understanding of how vulnerable the economy and the financial system are to nature will be enriched degradation.

Starting from 2026; the due diligences of our clients through C&E scoring questionnaire will be enriched with a more comprehensive set of indicators on nature related factors such as Biodiversity and Pollution KPIs.

The existing Credit risk models are being modified to meet the updated EBA guidelines and forthcoming changes in the default definition. Meanwhile, they are subject to annual ongoing validation, where the assessment criteria are defined by the UniCredit Group internal framework and ECB instructions.

5. Non-financial risk management

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. The definition includes legal risk but excludes strategic and reputational risk. Examples of operational risk events include internal or external frauds, employment practices and workplace issues / incidents, client claims, products distribution, fines and penalties due to regulation breaches, damage to company's physical assets, business disruption and IT systems failures, cyber-attacks, execution, delivery, and process management. Such events are subject to consolidated risk monitoring, measurement and management (collection of loss data, external data, scenarios, indicators), on which the calculation of capital held for operational risk is based.

In UniCredit Bulbank AD the operational risk management framework represents a combined set of policies and procedures for controlling, measuring and mitigating the operational risk exposure, which includes the guidelines of UniCredit Group and local documents. The Non Financial Risk (NFR) function is the Bank's structure dedicated to operational risk management, which is independent from business and risk-taking functions. The responsibilities of the NFR are consisting of ensuring adequate Operational Risk Management Governance in line with the set and applied by UniCredit Group and in compliance with external regulation and with international processes and practices. The NFR structure implements the operational risk framework in UniCredit Bulbank, monitors risk profile evolution, manages Non Financial Risk and Control Committee sessions, performs Second level control analyses and activities, checks the effectiveness of the First Line of Defense controls and spreads operational and reputational risk culture.

Appointed 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.

Reputational risk is defined as the current or prospective

SEPARATE FINANCIAL STATEMENTS (continued)

risk to earnings and capital arising from adverse perception of the image of the financial institution on the part of customers, counterparties, shareholders/investors, regulators or employees (stakeholders). All relevant rules and policies for the management and monitoring of the Reputational risk exposure have been adopted in compliance with the UniCredit Group guidelines. Under the Reputational risk process, special attention is paid to the management and monitoring of the Bank's exposure towards sensitive economic sectors and transactions, such as Coal, Defense, Nuclear energy, Water Infrastructure, Oil and Gas and Mining.

The main activities of the NFR in 2025 were focused in managing the operational and reputational risks, as well as assessment and mitigation of risks in the bank processes and activities, participation in dedicated bank projects and initiatives.

The regular Operational Risk (OpRisk) tasks consist of: 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, Operational Risk Oversight and Second level controls on Third Party Risk, Risk and Controls Self-Assessment(RCSA) and Group Operations RCSA validation, Operational and Reputational Risk Strategies Definition and Monitoring, Operational Risk Oversight Model on UniCredit Bulbank Subsidiaries, Insurance Management – Insurance recoveries analysis and Annual evaluation on policies in place for renewals, Regular Second Level Control Monitoring on ICT and Digital Security Processes, Cyber Security Risk Assessment monitoring, etc.

ICT Risk is defined as risk of financial/market share losses and reputational damage resulting from the misuse of Information and Communication Technology, whereas Cyber Risk / ICT Security Risk as risk of loss due to breach of confidentiality, failure of integrity of systems and data, inappropriateness or unavailability of systems and data. This includes security risks resulting from inadequate or failed internal processes or external events including cyber-attacks. During 2025, the ICT and Cyber Risk Methodology Framework is enriched with the new regulatory requirements of the Digital Operational Resilience Act (DORA) and is enhanced with more detailed defined responsibilities for the First and Second Lines of Defense regarding Digital Risk.

Second level controls on ICT and Security processes were developed and regularly performed in 2025. This is a set of second level controls, aiming to strengthen the management of Digital risks. These controls cover some processes in the ICT and Security areas, like Change Management, ICT Incident Management, Vulnerability Management and Third Parties Management contracts.

The following new and existing processes have been created or enhanced aimed at implementing extending criteria in 2025:

- The introduction of the New Standardized Approach

according to the requirements of Basel IV and EBA RTS took place in 2025. The data on capital requirements for operational risks are calculated according to the Basel IV standardized approach.

- A change in the Operational Risk loss methodology related to the new Operational Events Taxonomy has been performed during the year and the new taxonomy has been implemented and is used in events, reports and other regular activities.
- Risk and Controls Self-Assessment (RCSA) activity cycle was further developed, the number of the mandatory key end-to-end (E2E) assessed processes has been enlarged - from 18 to 24; the scope of the assessed processes was increased too and in addition to business processes -1 digital process (IT solution) as well as 1 security process (Asset protection management) were also included; the number of validation checks performed by NFR was also increased.
- Participation of NFR in the annual group activity regarding the 2025 Group Operations RCSA. On a risk-based approach a sample of 5 payment processes was selected by the Holding for RCSA assessment, completed by Operations and validated by NFR. The scope of the processes was enlarged and in addition to the payment sub-processes, other Operations back and middle office procedures/sub-processes were included.
- One new Key Risk Indicator (KRI) was created related to Payments aiming to monitor monthly availability of the service SEPA Credit Transfer (Payment Acceptance service (BISERA7-EUR);
- Four new digital risk indicators were created and will be tracked through Second level control monitoring:
 - o Obsolete infra software components (%)
 - o Number of take the risks on vulnerabilities application plus infrastructure (for non UCS-served)
 - o Number of Red-Wave vulnerabilities in take the risk (both Applications and Infrastructures) have a defined remediation plan
 - o Overdue critical vulnerabilities on internet exposed applications/infrastructures
- Following the new Operational Risk methodology the Scenario Analysis process has been reviewed and changed. According to an ECB request to analyze the ESG risk, 3 Group storylines are mandatorily evaluated. According to the updated Operational Risk framework, the scenario model risk categories are replaced by 12 risk categories. The definitions of the new risk categories have been established in the new Operational Risk taxonomy and have been applied in the scenario analysis of 12 risk categories.
- The NFR activities regarding Digital Risk increased with new important process regarding Cyber Security Risk

SEPARATE FINANCIAL STATEMENTS (continued)

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).

Non Financial Risk performed second level control checks on implementation of DORA regulatory requirements. In the scope were selection of 45 DORA requirements. Main Outcomes: All checked DORA requirements are fully covered.

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

All key activities and results of the Operational Risk Identification (e.g. Internal losses, External data, Scenario analysis), the Assessment Measurement activities (e.g. KRI, RCSA, ICT Project Risk Assessment, Cyber SRA activity, etc.) and the Addressing – Mitigation activities (e.g. Operational Risk priorities and Strategies) were reported for information/approval to the Non Financial Risk and Controls Committee – General Session (NFRG-GS). The Committee meetings are held quarterly and attended by the Bank's top management.

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

The Reputational Risk Management is implemented in UniCredit Bulbank 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., Local and Group NFRG Committee).
- Rule the necessary escalation / decision-making processes.

The overall Reputational Risk Management framework relies on the following pillars:

- The involvement of Corporate Governing Bodies through Non Financial Risk and Control Committee – Reputational Risk Session, in specific decisions regarding the Reputational Risk management (i.e., escalation mechanisms and high-risk cases);
- The independence of the function in charge of Reputational Risk management and control from the risk-taking functions.
- System of controls, in terms of roles and responsibilities for different control levels (first, second and third lines of defense model).

During the year main changes within reputational risk policies

were:

- Regarding the Defence sensitive sector policy:
 - o Munition stores (retail sellers) are not subject to the Reputational Risk Annual Clearance, without prejudice to the usual assessments of the business (e.g. bad news, legal proceedings, etc.).
 - o The regulation does not cover investment products which are regulated by the Product Guidelines.
- Regarding Reputational Risk Quantification Model:
 - o Inclusion of Customers' claims within the model inputs.

Change in the way the climate scenarios' drivers are transformed into shocks.

6. Use of estimates and judgements

For the purposes of preparation of these separate financial statements Management has used certain estimates and judgement in order to provide fair and true presentation of the financial position of the Bank. These estimates and judgement require Management to use all information available in order to assess and where possible to quantify potential impact on the Bank's financial position as a result of some uncertain events. In general the estimates and judgement are widely used in assessing:

- Fair value determination of financial instruments;
- Fair value determination of non-financial assets;
- Impairment of financial instruments, especially loans;
- Quantification of the provisions for constructive and/or legal obligations.

As described in note **3 (h) (v)** the Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- **Level 1:** Quoted market price (unadjusted) in an active market for an identical instrument;
- **Level 2:** Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data;
- **Level 3:** Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. Unobservable in this context means that there is little or no current market data available from which to determine the price at which an arm's length transaction would be likely to occur.

SEPARATE FINANCIAL STATEMENTS (continued)

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments the Bank determines fair values using valuation techniques. Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist, various option pricing models and other valuation models.

Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other inputs used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the fair value of the financial instrument at the reporting date that would have been determined by market participants and that represents the price that would be received to sell an asset or paid to transfer liability in an orderly transaction. The Bank uses widely recognised valuation models for determining the fair value of common and more simple financial instruments, like interest rate and currency swaps that use only observable market data and require little management judgement and estimation. Observable prices and model inputs are usually available in the market for listed debt and equity securities, exchange traded derivatives and simple over the counter derivatives like interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determination of fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to liquidity, changes based on specific events and general conditions in the financial markets.

Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation. Management judgement and estimation are usually required for selection of appropriate valuation model, determination of probability of default and prepayment speeds and selection of appropriate discount rates.

Under IFRS 13 “Fair Value Measurement” requirements, the Bank paid specific attention on assessing and revising its valuation techniques, especially with regards to valuation of OTC derivatives and other Level 2 and Level 3 financial instruments, otherwise carried at amortized cost (loans and deposits to/from customers and banks). In doing such revision the Bank has adopted UniCredit Group valuation techniques and methodologies.

OTC derivatives

CVA (Credit Value Adjustment) represents adjustment made on the valuation of OTC derivative transaction in order to properly reflect the credit risk of the derivative counter-party. It can also be referred as the market value of counterparty credit risk. According to the adopted methodology in UniCredit Group, CVA

is calculated on bilateral basis using market-based parameters (PD and LGD). In bilateral computations DVA (Debit Value Adjustment) representing market value of Bank’s own credit risk towards counterparty, is also considered (for the actual amounts of CVA/DVA adjustments for 2025 and 2024 see also Note 11).

Loans and advances to banks and customers

The adopted fair value calculation is coherent with DCF methods for estimation of financial instruments subject to default risk using risk neutral default probabilities.

As all loans are not traded on active markets, attention should be paid to proper mapping them into the FV hierarchy as per IFRS 7. In this regard, according to the UniCredit Group methodology, also adopted by the Bank for 2025, whenever risk-free FV deviates by more than 2% from risk-adjusted FV, then the unobservable input has material impact on the final fair value determination, therefore the fair value of the respective instrument is mapped to Level 3. If the deviation is within the above mentioned threshold, the instrument is mapped to Level 2 fair value hierarchy. Both as of December 31, 2025 and December 31, 2024 all loans and advances to customers at amortized cost are mapped to Level 3 fair value hierarchy.

Deposits from banks and customers

The adopted fair valuation technique represents DCF method, where the applicable discount factor is the sum of risk-free rate and own credit spread (liquidity spreads). Similarly to loans and advances to banks and customers, same risk-free to risk-adjusted thresholds are applied to deposits from banks and customers in assessing their fair value levels. In addition, according to updated Group Fair Value methodology, both as of December 31, 2025 and December 31, 2024 all demand deposits to customers are mapped to Level 3 fair value hierarchy.

SEPARATE FINANCIAL STATEMENTS (continued)

The table below analyses financial instruments by fair value hierarchy applied by the Bank as of December 31, 2025 and December 31, 2024

In thousands of BGN

Instrument category	Level 1		Level 2		Level 3		Total	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Cash and balances with Central Bank	-	-	-	-	3 827 942	5 755 504	3 827 942	5 755 504
Non-derivative financial assets held for trading	200	196	-	-	-	-	200	196
Derivatives held for trading	-	-	118 474	127 231	12 953	-	131 427	127 231
Derivatives held for hedging	-	-	33 860	39 332	-	-	33 860	39 332
Loans and advances to banks and debt securities at amortized cost	25 259	25 451	626 106	499 047	5 061 329	1 956 010	5 712 694	2 480 508
Loans and advances to customers and debt securities	907 025	625 632	1 341 147	1,127,391	23 170 770	18 814 808	25 418 942	20,567,831
Pledged debt securities at amortized cost	578 825	618 130	855 513	646,938	-	-	1 434 338	1,265,068
Investment securities	1 419 731	1 120 951	733 510	905 809	41 596	42 701	2 194 837	2 069 461
Pledged investment securities	709 310	289 474	70 083	-	-	-	779 393	289 474
Total	3 640 350	2 679 834	3 778 693	3 345 748	32 114 590	26 569 023	39 533 633	32 594 605
Financial liabilities held for trading	-	-	96 686	82 710	12 558	4 939	109 244	87 649
Derivatives held for hedging	-	-	89 802	118 926	-	-	89 802	118 926
Deposits from banks	-	-	686 338	-	1 539 218	2 098 341	2 225 556	2 098 341
Deposits from customers and other financial liabilities at amortized cost	-	-	-	-	31 117 094	26 418 435	31 117 094	26 418 435
Debt securities issued	-	-	1 294 699	-	1 228 182	1 786 004	2 522 881	1 786 004
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	-	(13 759)	8 624	(13 759)	8 624
Total	-	-	2 167 525	201 636	33 883 293	30 316 343	36 050 818	30 517 979

SEPARATE FINANCIAL STATEMENTS (continued)

The movement in financial instruments belonging to Level 3 for the year ended December 31, 2025 is as follows:

In thousands of BGN

	Derivatives held for trading	Loans mandatory at FV	Equity Investments	Debt securities	Property measured at FV
Opening balance (January 1, 2025)	-	95	23 224	19 477	147 855
Increases	12 953	-	57	737	18 392
Purchase	12 953	-	-	-	
Profit recognized in equity	-	-	57	737	15 150
Other increases	-	-	-	-	3 242
Decreases	-	(74)	(1 898)	(1)	(21 934)
Losses recognized in income statement	-	(9)	(945)		(3 877)
Losses recognized in equity	-	-	-	-	(357)
Transfer to other levels	-	-	-	-	(15 250)
Other decreases	-	(65)	(953)	(1)	(2 450)
Closing balance (December 31, 2025)	12 953	21	21 383	20 213	144 313

The table below analyses information about significant unobservable inputs used as at 31 December 2025 in measuring financial instruments categorized as level 3 in the fair value hierarchy.

Type of instrument	Fair value as at 31.12.2025	Valuation technique	Significant unobservable input	Range of estimates (weighted average) for unobservable input	Fair value as measurement sensitivity to unobservable inputs
Derivatives held for trading	12 953	Discounted Cash flows	Relevant interest rate risk curve for in the respective currency used for discounting	Rates of 0.01% to 4.7% (average 2.6%) (2024 – 2.4% to 4.8 % (average 3.7%))	Significant increase in the relevant interest rate curve used for discounting would result in a lower fair value
Debt securities	20 213	Mark-to-model (Discounted Cash flows)	Relevant interest rate risk and credit spread curves for comparable instruments and comparable issuer in the respective currency	Rates of 0.01% to 4.7 % (average 2.6%) (2024 – 2.4% to 4.8 % (average 3.7%)) Credit spread of 0.2% to 1.9% (average 1.1%) (2024 - 0.4% to 1.8% (average 1.3%)), over the risk-free rate	Significant increase in the relevant interest rate or credit spread curve used for discounting would result in a lower fair value
Equities	21 383	Discounted cash flow	Expected net cash flows delivered from the entity	Investment based	A significant increase in expected net cash flows would result in a higher fair value

SEPARATE FINANCIAL STATEMENTS (continued)

The tables below analyses the fair value of financial instruments by classification as of December 31, 2025 and December 31, 2024.

In thousands of BGN

December 2025	Fair value through profit or loss	Loans and receivables	Investment securities	CFH derivatives	Other amortized cost	Total carrying amount	Fair value
ASSETS							
Cash and balances with Central bank	-	-	-	-	3 827 942	3 827 942	3 827 942
Non-derivative financial assets held for trading	200	-	-	-	-	200	200
Derivatives held for trading	131 427	-	-	-	-	131 427	131 427
Derivatives held for hedging	-	-	-	33 860	-	33 860	33 860
Loans and advances to banks and debt securities at amortized cost	-	5 712 950	-	-	-	5 712 950	5 712 694
Loans and advances to customers and debt securities	-	26 347 891	-	-	-	26 347 891	25 418 942
Pledged debt securities at amortized cost	-	1 458 719	-	-	-	1 458 719	1 434 338
Investment securities	-	-	2 194 837	-	-	2 194 837	2 194 837
Pledged Investment securities	-	-	779 393	-	-	779 393	779 393
TOTAL ASSETS	131 627	33 519 560	2 974 230	33 860	3 827 942	40 487 219	39 533 633
LIABILITIES							
Financial liabilities held for trading	109 244	-	-	-	-	109 244	109 244
Derivatives held for hedging	-	-	-	89 802	-	89 802	89 802
Deposits from banks	-	-	-	-	2 211 370	2 211 370	2 225 556
Deposits from customers and other financial liabilities at amortized cost	-	-	-	-	31 145 193	31 145 193	31 117 094
Debt securities issued	-	-	-	-	2 464 527	2 464 527	2 522 881
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	-	(13 759)	(13 759)	(13 759)
TOTAL LIABILITIES	109 244	-	-	89 802	35 807 331	36 006 377	36 050 818

In thousands of BGN

December 2024	Fair value through profit or loss	Loans and receivables	Investment securities	CFH derivatives	Other amortized cost	Total carrying amount	Fair value
ASSETS							
Cash and balances with Central bank	-	-	-	-	5 755 504	5 755 504	5 755 504
Non-derivative financial assets held for trading	196	-	-	-	-	196	196
Derivatives held for trading	127 231	-	-	-	-	127 231	127 231
Derivatives held for hedging	-	-	-	39 332	-	39 332	39 332
Loans and advances to banks and debt securities at amortized cost	-	2 478 542	-	-	-	2 478 542	2 480 508
Loans and advances to customers and debt securities	-	22 301 885	-	-	-	22 301 885	20 567 831
Pledged debt securities at amortized cost	-	1 303 586	-	-	-	1 303 586	1 265 068
Investment securities	-	-	2 069 461	-	-	2 069 461	2 069 461
Pledged Investment securities	-	-	289 474	-	-	289 474	289 474
TOTAL ASSETS	127 427	26 084 013	2 358 935	39 332	5 755 504	34 365 211	32 594 605
LIABILITIES							
Financial liabilities held for trading	87 649	-	-	-	-	87 649	87 649
Derivatives held for hedging	-	-	-	118 926	-	118 926	118 926
Deposits from banks	-	-	-	-	2 088 730	2 088 730	2 098 341
Deposits from customers and other financial liabilities at amortized cost	-	-	-	-	26 418 924	26 418 924	26 418 435
Debt securities issued	-	-	-	-	1 743 506	1 743 506	1 786 004
Fair value changes of the hedged items in portfolio hedge of interest rate risk	-	-	-	-	8 624	8 624	8 624
TOTAL LIABILITIES	87 649	-	-	118 926	30 259 784	30 466 359	30 517 979

SEPARATE FINANCIAL STATEMENTS (continued)

(b) Fair value determination of non-financial assets

Fair value determination of non-financial assets is applied when measuring fair value of PPE (land and own buildings only). Fair value is assessed based on external valuation considering highest and best use of the assets. As of December 31, 2025 and December 31, 2024 all those assets have undergone external fair valuation (see also Note 30).

(c) Impairment of financial instruments

In estimating the impairment on financial instruments carried at amortized cost and at FVTOCI and in order to meet the requirements of IFRS 9, the Bank has developed specific models to calculate expected loss based on PD, LGD and EAD parameters, used for regulatory purposes and adjusted in order to ensure consistency with accounting regulation, also following the “Guidelines on credit institutions’ credit risk management practices and accounting for expected credit losses” issued by EBA.

On PD, LGD and EAD specific adjustments are applied to parameters already calculated for “regulatory” purposes, in order to ensure full consistency, net of different regulatory requirements, between regulatory and accounting treatment. The main adjustments are such to:

- remove the conservatism required for regulatory purposes only;
- introduce a “point in time” adjustment, instead of the “through the cycle” adjustment embedded in the regulatory parameters;
- include forward-looking information;
- extend the credit risk parameters in a multiyear perspective;
- estimate present value of the expected credit losses;
- introduce Overlay Factor, integrating the combined effect of different macroeconomic scenarios over the ECL result.

The Bank continuously validates the models applied for impairment calculations for adequacy (at least once per year) and performs calibrations, if needed.

(d) Provisions

Assessing the provisions, Management used estimates provided by experts in certain areas 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.

7. Segment reporting

Business segments pay and receive interest from the Balance Sheet Management Unit on arms’ length basis, through given Fund Transfer Pricing rate (FTP) to reflect the funding costs per currencies/tenors. Allocation of capital is also carried out, in proportion to respective risk-weighted assets (RWA).

The Bank operates the following main business segments:

- Retail banking and Private;
 - Corporate Banking;
 - ALM and other.

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

December 2025	Retail and Private Banking	CB	ALM and other	Total
Net interest income	326 206	381 718	47 316	755 240
Dividend income	-	-	110 514	110 514
Net fee and commission income	239 575	110 522	(1 020)	349 077
Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	35 753	73 801	28 724	138 278
Net gains from financial assets mandatorily at fair value	-	-	640	640
Net losses from financial assets measured at FVTOCI	-	-	1 188	1 188
Other operating income	8 548	1 844	2 715	13 107
Other operating expenses	(23 119)	(1 617)	3 346	(21 390)
TOTAL OPERATING INCOME	586 963	566 268	193 423	1 346 654
Personnel expenses	(82 881)	(32 941)	(85 850)	(201 672)
General and administrative expenses	(18 500)	(5 821)	(95 310)	(119 631)
Amortization, depreciation and impairment losses on tangible and intangible fixed assets, investment properties and assets held for sale	-	-	(58 185)	(58 185)
Total direct expenses	(101 381)	(38 762)	(239 345)	(379 488)
Allocation of indirect and overhead expenses	(133 402)	(59 005)	192 407	-
TOTAL OPERATING EXPENSES	(234 783)	(97 767)	(46 938)	(379 488)
Provisions for risk and charges	-	-	(1 362)	(1 362)
Net impairment (loss)/ reversal on financial assets	54 190	26 575	140	80 905
Net income/(expense) related to property, plant and equipment	-	-	16	16
PROFIT BEFORE INCOME TAX	406 370	495 076	145 279	1 046 725
Income tax expense	(55 736)	(67 902)	(19 926)	(143 564)
PROFIT FOR THE YEAR	350 634	427 174	125 353	903 161
ASSETS	8 675 175	11 289 229	21 051 699	41 016 103
LIABILITIES	20 682 462	10 657 676	4 909 231	36 249 369

In thousands of BGN

December 2024	Retail and Private Banking	CB	ALM and other	Total
Net interest income	332 751	395 438	47 702	775 891
Dividend income	-	-	211 049	211 049
Net fee and commission income	211 698	104 431	(724)	315 405
Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	31 881	64 190	55 774	151 845
Net gains from financial assets mandatorily at fair value	-	-	1 232	1 232
Net losses from financial assets measured at FVTOCI	-	-	(24 983)	(24 983)
Other operating income	29 145	(126)	10 167	39 186
Other operating expenses	(38 871)	(3 505)	4 612	(37 764)
TOTAL OPERATING INCOME	566 604	560 428	304 829	1 431 861
Personnel expenses	(80 238)	(28 798)	(77 888)	(186 924)
General and administrative expenses	(13 310)	(4 368)	(103 409)	(121 087)
Amortization, depreciation and impairment losses on tangible and intangible fixed assets, investment properties and assets held for sale	-	-	(56 663)	(56 663)
Total direct expenses	(93 548)	(33 166)	(237 960)	(364 674)
Allocation of indirect and overhead expenses	(130 679)	(60 859)	191 538	-
TOTAL OPERATING EXPENSES	(224 227)	(94 025)	(46 422)	(364 674)
Provisions for risk and charges	-	-	16 797	16 797
Net impairment (loss)/ reversal on financial assets	(9 855)	(1 573)	2 175	(9 253)
Net income/(expense) related to property, plant and equipment	-	-	179	179
PROFIT BEFORE INCOME TAX	332 522	464 830	277 558	1 074 910
Income tax expense	(39 493)	(55 208)	(32 965)	(127 666)
PROFIT FOR THE YEAR	293 029	409 622	244 593	947 244
ASSETS	6 560 937	10 155 992	18 179 925	34 896 854
LIABILITIES	17 295 301	9 162 286	4 288 586	30 746 173

SEPARATE FINANCIAL STATEMENTS (continued)

In the following tables, fee and commission income from contracts with customers in the scope of IFRS 15 is disaggregated by major service lines:

In thousands of BGN

December 2025	Retail and Private Banking	CB	ALM and other	Total
Fee and commission income				
Collection and payment services	119 432	104 391	(83)	223 740
Lending business	13 013	19 907	53	32 973
Account services	27 720	7 759	-	35 479
Management, brokerage and securities trading	17 712	7 905	196	25 813
Documentary business	714	30 039	15	30 768
Package accounts	47 930	2 565	-	50 495
Other	75 629	6 543	(76)	82 096
	302 150	179 109	105	481 364
Fee and commission expense				
Collection and payment services	(67 793)	(49 262)	74	(116 981)
Management, brokerage and securities trading	(1 581)	(1 049)	(963)	(3 593)
Lending business	(97)	(141)	(18)	(256)
Other	6 899	(18 134)	(222)	(11 457)
	(62 572)	(68 586)	(1 129)	(132 287)
Net fee and commission income	239 578	110 523	(1 024)	349 077

In thousands of BGN

December 2024	Retail and Private Banking	CB	ALM and other	Total
Fee and commission income				
Collection and payment services	111 701	93 217	(121)	204 797
Lending business	11 926	16 645	42	28 613
Account services	28 357	6 651	-	35 008
Management, brokerage and securities trading	15 875	6 647	131	22 653
Documentary business	691	22 951	11	23 653
Package accounts	39 261	2 163	-	41 424
Other	57 832	4 714	(72)	62 474
	265 643	152 988	(9)	418 622
Fee and commission expense				
Collection and payment services	(47 266)	(39 808)	149	(86 925)
Management, brokerage and securities trading	(1 173)	(927)	(738)	(2 838)
Lending business	(33)	(73)	(8)	(114)
Other	(5 475)	(7 748)	(117)	(13 340)
	(53 947)	(48 556)	(714)	(103 217)
Net fee and commission income	211 696	104 432	(723)	315 405

8. Net interest income

In thousands of BGN

	2025	2024
Interest income calculated using the effective interest method		
Loans and advances to banks and debt securities at amortized cost	89 681	146 385
Loans and advances to customers and debt securities	767 630	747 205
Investment securities	75 030	40 528
Interest income on liabilities	5	12
	932 346	934 130
Other interest income		
Non-derivative financial assets held for trading	4	26
	4	26
Interest expense		
Derivatives held for hedging	(11 226)	(4 665)
Deposits from banks	(28 440)	(40 777)
Deposits from customers	(33 412)	(17 688)
Debt securities issued	(103 990)	(95 121)
Interest expense on assets	(42)	(14)
	(177 110)	(158 265)
Net interest income	755 240	775 891

For the financial years ended December 31, 2025 and December 31, 2024 the interest income recognized on defaulted financial instruments (loans and advances to customers) is in the amount of BGN 18 608 thousand and BGN 23 643 thousand, respectively.

SEPARATE FINANCIAL STATEMENTS (continued)

9. Net fee and commission income

In thousands of BGN

	2025	2024
Fee and commission income		
Collection and payment services	223 740	204 797
Lending business	32 973	28 613
Account services	35 479	35 008
Management, brokerage and securities trading	25 813	22 653
Documentary business	30 768	23 653
Package accounts	50 495	41 424
Other	82 096	62 474
	481 364	418 622
Fee and commission expense		
Collection and payment services	(116 981)	(86 925)
Management, brokerage and securities trading	(3 593)	(2 838)
Lending business	(256)	(114)
Other	(11 457)	(13 340)
	(132 287)	(103 217)
Net fee and commission income	349 077	315 405

The major part of the other fee and commission income consist of agent and insurance commissions received. Other fees and commission expenses mainly present securitization fees paid.

10. Dividend income

In thousands of BGN

	2025	2024
Dividend income from subsidiaries	108 966	210 150
Dividend income from other equity participations	1 548	899
Dividend income	110 514	211 049

11. Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation

In thousands of BGN

	2025	2024
Realized and unrealized FX trading income, net	131 515	116 615
Net gain from debt instruments	1 025	1 074
Net loss from equity instruments	-	(171)
Net gain from derivative instruments	6 089	33 002
Net gain /(loss) from hedging derivative instruments	(351)	1 325
Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	138 278	151 845

The total CVA (net of DVA) for the years ended December 31, 2025 and December 31, 2024, included in position net gain from derivative instruments is in the amount of BGN (1 483) thousand and BGN (893) thousand, respectively.

12. Net gains from financial assets mandatorily at fair value

In thousands of BGN

	2025	2024
Equity securities	719	1 349
Loans and advances	(79)	(117)
Net gains from financial assets mandatorily at fair value	640	1 232

13. Net gains/(losses) from financial assets measured at FVTOCI

Net gains/(losses) related to financial assets measured at FVTOCI according to IFRS 9 represents the net gain/loss the Bank has realized upon disposal of debt securities. For the year ended December 31, 2025 the bank had realized a net gain of BGN 1 188 thousand. For the year ended December 31, 2024 the bank had realized a net loss of BGN 24 983 thousand.

SEPARATE FINANCIAL STATEMENTS (continued)

14. Other operating income and expenses

14.a Other operating income

In thousands of BGN

	2025	2024
Income from non-financial services	1 997	1 112
Rental income	501	346
Other income	10 609	37 728
Other operating income	13 107	39 186

The amount of other income contains mainly received migration support as a result of the performed migration of issued by the Bank cards to MasterCard brand.

14.b Other operating expenses

In thousands of BGN

	2025	2024
Deposit guarantee fund and RR fund annual contribution	(20 596)	(32 652)
Impairment of foreclosed properties	(54)	-
Losses on tangible assets measured at fair value	(337)	-
Other operating expenses	(403)	(5 112)
Other operating expenses	(21 390)	(37 764)

15. Net income related to property, plant and equipment

In thousands of BGN

	2025	2024
Net income on disposal of property, plant and equipment	16	179
Net income related to property, plant and equipment	16	179

16. Personnel expenses

In thousands of BGN

	2025	2024
Wages and salaries	(161 723)	(149 603)
Social security charges	(21 883)	(21 211)
Pension and similar expenses	(1 671)	(1 425)
Temporary staff expenses	(2 221)	(2 929)
Share-based payments	(1 797)	(1 303)
Other	(12 377)	(10 453)
Personnel expenses	(201 672)	(186 924)

The increase in 2025 of other personnel expenses is due mainly to increased value of employees' food vouchers and health insurance.

As of December 31, 2025 the total number of employees, expressed in full time employee equivalent is 3 038 (December 31, 2024 - 3 134).

As described in note 3 (p) c. the ultimate parent company UniCredit S.p.A has granted stock options and performance shares to top and senior managers of UniCredit Bulbank AD.

Description of payment agreements

Outstanding instruments

Group Medium & Long Term Incentive Plans for selected employees of Group subsidiaries include the following grant schemes:

- Group Executive Incentive System (Bonus Pool) that offer to eligible Group executives and relevant employees identified following regulatory rules, a bonus structure composed by upfront (following the moment of performance evaluation) and deferred payments in cash and in UniCredit ordinary shares, to be paid over a period of ranging from 1 to 8 years. This payment structure will guarantee the alignment to shareholder interest and will be subjected to corporate malus conditions (which applies in case specific profitability, capital and liquidity thresholds are not met at both Group and country/division level), individual malus and claw-back conditions (as legally enforceable) according to the plan rules (both non-market vesting conditions);
- Long Term Incentive 2020-2023 that provides for the allocation of incentives based on free ordinary shares, subject to the achievement of specific performance conditions to the Strategic Plan Team 23. The Plan is structured over a four-year performance period, consistent with UniCredit's Strategic Plan, and provides for the granting of the possible award in 2024. The award is subject to a 4-year deferral period, after the performance period, and to the respect during the performance period of the minimum conditions of profitability, capital requirements and liquidity as well as positive assessment of Risk Appetite Framework. According to Banca d'Italia and EBA requirements and to further strengthen the governance framework, the Plan includes rules of compliance breaches management, as well as their related impact on remuneration components, through the application of malus and claw-back clauses;
- Employee Share Ownership Plan (U-Share) that offers to eligible Group employees the possibility to buy UniCredit ordinary shares with the following advantages: a discount equal to 20% of the Investment, net of the necessary rounding adjustments, which will be paid through the purchase, on behalf of the Participant, of "Discount Shares" and "Matching Shares" (or, for both, rights to receive them), to be understood as assigned free of

SEPARATE FINANCIAL STATEMENTS (continued)

charge, subject to the Restrictions Period. The granting of free ordinary shares is subordinated to vesting conditions stated in the Plan Rules.

- It is also noted that, the share based payments, represented by deferred payments in UniCredit ordinary shares not subject to vesting conditions, are used for the settlement of the so-called golden parachute (e.g. severance) for the relevant employees.

Measurement model

Group Executive Incentive System (Bonus Pool)

The economic value of performance shares is measured considering the share market price at the grant date less the present value of the future dividends during the vesting period. Economic and net equity effects will be accrued on a basis of instruments' vesting period.

Group Executive Incentive System "Bonus Pool" - Shares and Phantom Share

The new Group Incentive System is based on a bonus pool approach, aligned with regulatory requirements and market practices, which defines:

- the connection among profitability, risk and reward by linking directly the bonus pool with company results, cost of capital and risk profiles relevant for the Group as stated in the Group Risk Appetite Framework;
- the definition of the bonus pool based on Group performance, with following cascading to Divisions according to risk-adjusted performance indicators and distributed to employees according to individual performance;
- bonuses allocated to Group Material Risk Takers, identified on a basis of regulatory provisions, embedded in CRD V and in Commission Delegated Regulation (EU) 923/2021 and to other specific roles identified according to local regulations;
- payment structure has been defined in accordance with regulatory provisions qualified by Directive 2013/36/EU (CRD IV) and further updates and will be distributed in a period of maximum seven years by using a mix of shares, phantom shares and cash.

All profit and loss and net equity/liabilities effects related to the plan will be booked during the vesting period. The plan is divided into clusters, each of which can have three or six installments of share-based or phantom share payments spread over a period defined according to plan rules.

Long Term Incentive Plan 2020-2023

The economic value of performance shares is measured considering the share market price at the grant date less the present value of the future dividends during the vesting period.

The plan is divided into clusters, based on the beneficiary position, each of which can have from one to five installments of share-based payments spread over a period defined according

to plan rules.

Upon expiration of the vesting period of any of the granted instruments, UniCredit Bulbank AD is required to settle in cash to the parent amounts corresponding to the economic value of the respective instruments. In addition to that, employees of the Bank can voluntarily participate in Employee Share Ownership Plan (ESOP), where the advantages are that by buying UniCredit S.p.A ordinary shares employees can receive Right to Discount Shares / Right to Matching Shares, measured on the basis of the shares purchased by each participant during the "Enrolment period". The granting of Right to Discount Shares / Right to Matching Shares is subordinated to vesting conditions.

Pension and similar expenses comprise current services costs and interest costs related to defined benefits obligation of the Bank to its employees upon retirement. For more details about the pension scheme see Note 40.

17. General and administrative expenses

In thousands of BGN

	2025	2024
Advertising, marketing and communication	(6 032)	(5 120)
Credit information and searches	(478)	(436)
Information, communication and technology expenses	(57 595)	(61 540)
Consulting, audit and other professional services	(2 129)	(2 059)
Real estate expenses	(14 008)	(13 230)
Rents	(3 448)	(3 817)
Travel expenses and car rentals	(2 648)	(2 869)
Insurance	(1 445)	(1 434)
Supply and miscellaneous services rendered by third parties	(15 772)	(15 419)
Other costs	(16 076)	(15 163)
General and administrative expenses	(119 631)	(121 087)

The amounts accrued in 2025 for the services provided by the registered auditors for statutory joint independent financial audit are as follows: for KPMG Audit OOD: BGN 318 thousand including VAT, for Baker Tilly Klitou and Partners EOOD: BGN 242 thousand including VAT. In 2025 the Bank was charged with amounts for other non-statutory audit services provided by KPMG Audit OOD at a total amount of BGN 423 thousand including VAT and by Baker Tilly Klitou and Partners EOOD: BGN 30 thousand including VAT.

The amounts paid in 2024 for the services provided by the registered auditors is BGN 1 112 thousand.

Other costs mainly comprise supervisory fees from BNB/ECB.

SEPARATE FINANCIAL STATEMENTS (continued)

18. Amortization, depreciation and impairment losses on tangible and intangible fixed assets, investment properties and assets held for sale

In thousands of BGN

	2025	2024
Depreciation charge	(57 080)	(56 663)
Impairment charge	(1 105)	-
Amortization, depreciation and impairment losses on tangible and intangible fixed assets, investment properties and assets held for sale	(58 185)	(56 663)

As part of the standard year-end closure procedures, Bank performs impairment assessment of its long-term assets. Impairment is recognized whenever recoverable amount of the assets is lower than their carrying amount.

19. Provisions for risk and charges

Provisions are allocated whenever based on Management's best estimates the Bank has present obligation (legal or constructive) arising from past events for the settlement of which outflow of resources embodying economic benefits will be required. Whenever based on new circumstances and evidences it is not any more likely the outflow of resources to occur, the previously allocated provisions are reversed (for more details see also Note 40).

In thousands of BGN

	2025	2024
Additions of provisions		
Restructuring provisions	-	-
Legal cases provisions	(2 521)	(1 338)
Other provisions	-	-
	(2 521)	(1 338)
Reversal of provisions		
Restructuring provisions	-	1 943
Legal cases provisions	1 159	16 192
	1 159	18 135
Provisions for risk and charges	(1 362)	16 797

20. Net impairment (loss)/ reversal on financial assets

In thousands of BGN

	2025	2024
Net impairment (loss)/ reversal on loans and advances to customers	67 451	(33 410)
Net impairment (loss)/ reversal on debt securities from customers at AC	435	(111)
Net impairment (loss)/ reversal on loans and advances to Banks	(268)	(107)
Net impairment (loss)/ reversal on debt securities from banks at AC	123	(162)
Net impairment (loss)/ reversal on balances with Central Bank	59	1
Net impairment (loss)/ reversal on financial assets at fair value through OCI	450	(29)
Loss allowance of financial guarantee contracts and other commitments	12 655	24 565
Net impairment (loss)/ reversal on financial assets	80 905	(9 253)

For detailed movement of ECL related to financial instruments please refer to 4(d) credit risk.

21. Income tax expense

Taxation is payable at a statutory rate of 10% on adjusted profits according to the annual tax return prepared under the Bulgarian Corporate Income Tax Act (CITA). Deferred tax is calculated using a tax rate of 10%, applicable for 2025.

Starting from fiscal year 2024, the UniCredit Group applies the newly designed Pillar Two regulation. The Pillar Two regulation provides for an international framework of rules aimed at ensuring that the worldwide profits of multinational groups are subject to tax at a rate not lower than 15% in every jurisdiction in which the groups operate.

The rules have been firstly designed by the Inclusive Framework of the Organisation of Economic Co-operation and Development (OECD) and then implemented in the European Union through the EU Council Directive 2022/2523 of 14 December 2022.

For EU countries, the Directive entered into force in FY2024 (in Bulgaria, the provisions of the Directive have been transposed into law with Part 5a of the Corporate Income Tax Act).

In a nutshell, the Pillar Two rules provide that, if in certain jurisdictions where the UniCredit Group operates, the effective tax rate (given by the ratio between adjusted corporate income taxes paid in that jurisdiction and adjusted accounting results) falls below 15%, then the UniCredit Group will be required to pay an additional tax (so-called top-up tax) to reach the 15% tax rate threshold.

The relevant set of rules also provides for a transition period in which the in-scope multinational groups may avoid undergoing the complex effective tax rate calculation required by the new

SEPARATE FINANCIAL STATEMENTS (continued)

piece of legislation. In particular, the Pillar Two legislation provides for a transitional safe harbor (“TSH”) that applies for the first three fiscal years following the entry into force of the relevant regulation; the TSH relies on simplified calculations (mainly based on data extracted from the Country-by-Country Reporting under BEPS Action 13, implemented in Italy with Law n. 208/2015) and three kinds of alternative tests. Where at least one of the TSH tests is met for a jurisdiction in which the UniCredit Group operates, the top-up tax due for such jurisdiction will be deemed to be zero.

A test is met for a jurisdiction where:

- revenue and profit before tax are below, respectively, EUR 10 million and EUR 1 million (the de minimis test);
- the Effective Tax Rate (i.e. ETR) equals or exceeds an agreed rate (the ETR test, 16% for FY 2025); or
- the profit before tax does not exceed an amount calculated as a percentage of tangible assets and payroll expense (the routine profits test).

The UniCredit Group has performed an assessment of its potential exposure for Pillar Two top-up taxes on the basis of the most recent information available regarding the financial performance of the constituent entities in the UniCredit Group. Based on the assessment performed, Bulgaria may not benefit from the TSH.

Therefore, the potential top-up tax exposure has been calculated based on the full Pillar Two regime. Based on the calculation, the ETR for Bulgaria is lower than the 15% minimum ETR, with top-up tax potentially due equal to BGN 50.6 mln for Unicredit Bulbank AD.

The above analysis must be considered as an estimate which is based on complex regulations that have only recently been enacted with limited guidelines and not all the relevant data required to perform the full Pillar Two calculation was available. Starting from 2024, each legal entity of the UniCredit group has applied the exception to the recognition and disclosure of deferred tax assets and liabilities relating to Pillar Two income taxes referred to in paragraph 4 A IAS 12.

The breakdown of tax charges in the income statement of UniCredit Bulbank AD is as follows:

In thousands of BGN

	2025	2024
Current tax	(95 795)	(85 480)
Qualified Domestic Minimum Top-up Tax (Pillar II QDMTT)	(50 646)	(41 798)
Deferred tax income/(expense) related to origination and reversal of temporary differences	3 110	(51)
Underprovided prior year current tax	(233)	(337)
Income tax expense	(143 564)	(127 666)

The tax on the Bank’s profit before taxation differs from the theoretical amount that would arise using the basic tax rate as follows:

In thousands of BGN

	2025	2024
Accounting profit before tax	1 046 725	1 074 910
Corporate tax at applicable tax rate (10% for 2025 and 2024)	(104 673)	(107 491)
Qualified Domestic Minimum Top-up Tax (Pillar II QDMTT)	(50 646)	(41 798)
Tax effect of non-taxable revenue	11 008	21 098
Tax effect of non-deductible tax expenses	(603)	(516)
Overprovided prior year income tax	1 350	1 041
Income tax expense	(143 564)	(127 666)
Effective tax rate	13.72%	11.88%

22. Cash and balances with Central Bank

In thousands of BGN

	2025	2024
Cash in hand and in ATM	390 464	270 831
Cash in transit	423 033	211 564
Current account with Central Bank	3 014 445	5 273 109
Cash and balances with Central Bank	3 827 942	5 755 504

Increase in cash in transit and cash in hand is due to Euro adoption cash management activities at year end.

23. Non-derivative financial assets held for trading

In thousands of BGN

	2025	2024
Government bonds	200	196
Non-derivative financial assets held for trading	200	196

Financial assets held for trading consist of bonds that the Bank holds for the purpose of short-term profit taking by selling or repurchasing them in the near future.

SEPARATE FINANCIAL STATEMENTS (continued)

24. Derivatives held for trading

In thousands of BGN

	2025	2024
Interest rate swaps	28 445	39 806
FX forward contracts	5 527	27 738
FX options	9 434	-
Other options	1 072	623
FX swaps	34 056	53 342
Commodity swaps	52 381	5 722
Cross-Currency swaps	512	-
Derivatives held for trading	131 427	127 231

Derivatives consist of trading instruments that have positive market value as of December 31, 2025 and December 31, 2024. They are traded for Bank's own purposes, including off-setting some FX, interest rate or credit risks in banking and trading book as well as covering Bank customers' business position.

25. Derivatives held for hedging

As described in Note 3 (j) in 2009 the Bank has adopted hedge accounting methodology aiming at managing the residual interest rate risk in banking book.

Until 2014 the Bank has designated only cash flow hedge relationships with hedging instruments being interest rate swaps and hedged items being highly probable forecasted interest cash flows derived from customers' and banks' business (attracted deposits and loans to customers). Since 2015 the Bank has started to apply Fair Value Hedge accounting also. Hedging instruments are interest rate swaps and respectively hedged items are bonds classified as financial assets at FVTOCI or at AC and deposits from customers.

In thousands of BGN

	2025		2024	
Risk exposure	Assets	Liabilities	Assets	Liabilities
Interest rate				
Designated in FV hedges	31 720	41 329	37 221	49 562
Designated in CF hedges	2 140	48 473	2 111	69 364
Total interest rate derivatives	33 860	89 802	39 332	118 926

SEPARATE FINANCIAL STATEMENTS (continued)

Fair value hedge

In thousands of BGN

	Maturity 2025			Maturity 2024		
	Less than 1 year	1 to 5 years	More than 5 years	Less than 1 year	1 to 5 years	More than 5 years
Risk exposure						
Interest rate						
Micro FV hedges of FVOCI						
Nominal amount	-	396 315	1 141 428	44 104	352 296	564 257
Average fixed interest rate	-	1.07%	2.51%	0.46%	1.05%	2.27%
Micro FV hedges of debt securities at AC						
Nominal amount	-	63 564	402 803	-	63 564	402 803
Average fixed interest rate	-	3.08%	3.07%	-	3.08%	3.07%
Macro FV hedges of deposits						
Nominal amount	123 706	16 625	1 468 649	-	281 151	501 155
Average fixed interest rate	3.50%	2.83%	2.44%	-	3.12%	2.45%

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

In thousands of BGN

	Carrying amount			Line item in the statement of financial position where the hedging instrument is included	Change in FV used for the hedging instrument used for calculating hedge ineffectiveness	Ineffectiveness recognized in profit or loss	Line item in profit or loss that include hedge ineffectiveness
	Notional	Assets	Liabilities				
Micro FV hedges of FVOCI as of 31.12.2025	1 537 743	23 729	5 792	Derivatives assets(liabilities) held for hedging	29 581	(74)	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation
Micro FV hedges of FVOCI as of 31.12.2024	960 657	18 735	12 101	Derivatives assets(liabilities) held for hedging	8 932	1 021	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation
Micro FV hedges of debt securities at AC as of 31.12.2025	466 367	-	20 064	Derivatives assets(liabilities) held for hedging	(11 877)	26	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation
Micro FV hedges of debt securities at AC as of 31.12.2024	466 367	-	32 700	Derivatives assets(liabilities) held for hedging	(25 044)	147	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation
Macro FV hedges of deposits as of 31.12.2025	1 608 980	7 991	15 473	Derivatives assets(liabilities) held for hedging	(12 491)	(303)	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation
Macro FV hedges of deposits as of 31.12.2024	782 306	18 486	4 761	Derivatives assets(liabilities) held for hedging	9 329	157	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation

SEPARATE FINANCIAL STATEMENTS (continued)

The amounts related to items designated as hedged items were as follows:

In thousands of BGN

Carrying amount		Accumulated amount of FV hedge adjustments on the hedged items included in the carrying amount of the hedged item		Line item in the statement of financial position in which the hedged item is included	Change in FV used for the hedging instrument used for calculating hedge ineffectiveness	Accumulated amount of FV hedge adjustments remaining in the statement of financial position for any hedged items that have ceased to be adjusted for hedging gains and losses
Assets	Liabilities	Assets	Liabilities			
Debt securities FVOCI as of 31.12.2025	1 784 134	(364)	-	Investment securities	(29 581)	-
Debt securities FVOCI as of 31.12.2024	1 063 473	-	(3 080)	Investment securities	(9 406)	-
Debt securities at AC as of 31.12.2025	488 395	11 877	-	Loans and advances to customers and debt securities	11 877	-
Debt securities at AC as of 31.12.2024	501 164	-	25 019	Loans and advances to customers and debt securities	25 019	-
Deposits as of 31.12.2025	-	1 608 980	-	Deposits from customers and other financial liabilities at amortized cost	12 491	-
Deposits as of 31.12.2024	-	782 306	-	Deposits from customers and other financial liabilities at amortized cost	(8 624)	-

Cash flow hedge

In thousands of BGN

	Maturity 2025			Maturity 2024		
	Less than 1 year	1 to 5 years	More than 5 years	Less than 1 year	1 to 5 years	More than 5 years
Interest rate swaps						
Nominal amount of Macro CFH hedges of deposits	24 448	565 235	165 268	-	589 683	165 268
Average fixed interest rate of Macro CFH hedges of deposits	3.06%	2.29%	2.66%	-	2.23%	2.66%
Nominal amount of Macro CFH hedges of loans	97 141	388 563	97 141	97 141	388 563	194 281
Average fixed interest rate of Macro CFH hedges of loans	-0.23%	-0.10%	0.07%	-0.25%	0.16%	0.03%

SEPARATE FINANCIAL STATEMENTS (continued)

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

In thousands of BGN

Macro CFH hedges	Carrying amount			Line item in the statement of financial position where the hedging instrument is included	Change in FV used for calculating hedge ineffectiveness	Change in the value of the hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Line item of profit or loss that includes hedge ineffectiveness	Amount reclassified from hedge reserve to profit or loss	Line item of profit or loss affected by the reclassification
	Notional	Assets	Liabilities							
Deposits as of 31.12.2025	754 951	2 140	6 754	Derivatives assets (liabilities) held for hedging	-	9 375	-	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	-	Other interest income (expense)
Deposits as of 31.12.2024	754 951	2 111	15 707	Derivatives assets (liabilities) held for hedging	-	(6 964)	-	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	-	Other interest income (expense)
Loans as of 31.12.2025	582 845	-	41 719	Derivatives assets (liabilities) held for hedging	-	10 573	-	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	-	Other interest income (expense)
Loans as of 31.12.2024	679 985	-	53 657	Derivatives assets (liabilities) held for hedging	-	22 089	-	Net gains on financial assets and liabilities held for trading and hedging derivatives, including FX revaluation	-	Other interest income (expense)

The amounts related to items designated as hedged items were as follows:

In thousands of BGN

	Change in value used for calculating hedge ineffectiveness	Cash flow hedge reserve	Balances remaining in the cash flow hedge reserve from hedging relationships for which hedge accounting is no longer applied	Line item in the statement of financial position where the hedged instrument is included
EUR deposits from customers				
As of 31.12.2025	-	108	-	Deposits from customers and other financial liabilities at amortized cost
As of 31.12.2024	-	(8 329)	-	Deposits from customers and other financial liabilities at amortized cost
EUR loans to customers				
As of 31.12.2025	-	(35 841)	-	Loans and advances to customers and debt securities
As of 31.12.2024	-	(45 356)	-	Loans and advances to customers and debt securities

SEPARATE FINANCIAL STATEMENTS (continued)

26. Loans and advances to banks and debt securities at amortized cost

In thousands of BGN

	2025	2024
Loans and advances to banks at amortized cost:		
Loans and advances to banks	5 074 058	1 956 010
Current accounts with banks	224 096	108 421
Debt securities	415 406	414 585
Loans and advances to banks and debt securities at amortized cost	5 713 560	2 479 016
Less impairment allowances of loans and advances	(503)	(244)
Less impairment allowances of bonds	(107)	(230)
Less impairment allowances of loans and advances and debt securities at amortized cost	(610)	(474)
Loans and advances to banks and debt securities at amortized cost	5 712 950	2 478 542

27. Loans and advances to customers and debt securities

In thousands of BGN

	2025	2024
Loans and advances to customers at amortized cost:		
Companies	17 404 516	15 613 882
Individuals		
Housing loans	6 762 463	5 105 552
Consumer loans	115 626	129 771
Other loans	76 578	88 988
Central and local governments	373 438	280 580
Government bonds classified at amortized cost:		
Non-pledged government bonds	2 225 261	1 781 306
Pledged government bonds	1 458 941	1 303 963
Non pledged government bonds	5 047	5 105
	28 421 870	24 309 147
Less impairment allowances of loans and advances	(614 790)	(702 845)
Less impairment allowances of securities at amortized cost	(491)	(926)
Less impairment allowances	(615 281)	(703 771)
Financial assets to customers at amortized cost	27 806 589	23 605 376
Loans and advances to customers mandatory at fair value	21	95
thereof: Accumulated negative changes in fair value due to credit risk on non-performing exposures	(571)	(1 732)
Loans and advances to customers and debt securities	27 806 610	23 605 471

SEPARATE FINANCIAL STATEMENTS (continued)

28. Investment securities

In thousands of BGN

	2025		2024	
	Non-Pledged Investment securities	Pledged Investment securities	Non-Pledged Investment securities	Pledged Investment securities
Securities measured at FVTOCI				
Government bonds	2 150 677	779 393	1 980 320	289 474
Corporate bonds	20 213	-	64 036	-
Equities	20 370	-	20 313	-
Securities mandatory measured at FV				
Equities	3 577	-	4 792	-
Investment securities	2 194 837	779 393	2 069 461	289 474

Government and corporate bonds classified and measured at FVTOCI as of December 31, 2025 are held by the Bank for the purposes of maintaining middle-term and long-term liquidity and coverage of interest rate risk. They all have determinable fair value.

Equities presented comprise minority participation of the Bank in companies where neither control nor significant influence is exercised. These investments are carried at fair value, when

such can be reliably measured, otherwise at cost.

Part of bonds are subject to Fair value hedge. Notional of hedged securities as of 31.12.2025 is BGN 1 722 450 thousand and as of 31.12.2024 is BGN 1 016 783 thousand.

As of December 31, 2025 and as of December 31, 2024 there are pledged investments amounting to BGN 779 393 thousand and BGN 289 474 thousand respectively (see also Note 44).

29. Investments in subsidiaries and associates

Company	Activity	Share in capital December 2025	Share in capital December 2024	Carrying value in thousands of BGN Dec 2025	Carrying value in thousands of BGN Dec 2024
UniCredit Fleet Management EOOD	Transport services	100%	100%	655	655
UniCredit Consumer Financing EAD	Consumer lending and other similar activities in line with the applicable law and regulations	100%	100%	39 238	39 238
UniCredit Leasing EAD	Leasing activities	100%	100%	9 611	9 611
Cash Service Company AD	Accepting, processing, safekeeping and delivering of valuable consignments with banknotes and coins to the banks	25%	25%	2 975	2 975
Investments in subsidiaries and associates				52 479	52 479

As described in Note 3 (k), investments in subsidiaries and associates comprise equity participations in entities where the Bank exercises either control or significant influence.

All investments in subsidiaries and associates are accounted for in the separate financial statements of UniCredit Bulbank AD at cost. In addition the Bank also prepares consolidated financial statements where all entities in which the Bank has control are fully consolidated and those where the Bank exercises significant influence, are consolidated under equity method.

As of December 31 2025, all subsidiaries of the Bank conduct their business operations on the territory of Bulgaria with no branches outside of the country and their activities are summarized below:

- UniCredit Fleet Management EOOD – purchase and sale of motor vehicles, provision of transport services and fleet management, operating leases, as well as all additional and servicing activities of the leases;
- UniCredit Consumer Financing EAD – performs consumer lending activities in line with the applicable law and regulations.
- UniCredit Leasing EAD – acquisition of machinery, equipment, vehicles and real estate through purchase or lease agreements for the purpose of providing these assets under financial or operating leases, concluding lease agreements, as well as any other transactions accompanying those activities.

SEPARATE FINANCIAL STATEMENTS (continued)

30. Property, plant, equipment, right of use assets and investment properties

In thousands of BGN

	Lands	Buildings	Buildings - Right of use	Furniture	Electronic equipment	Other	Total
Cost or revalued amount							
As of December 31, 2024	11 872	249 022	78 327	11 320	91 908	55 985	498 434
Additions	-	4 730	12 396	337	7 447	3 134	28 044
Transfers	(366)	(22 357)	-	-	-	-	(22 723)
Write offs	-	(849)	(10 987)	(386)	(3 684)	(4 954)	(20 860)
Disposals	-	-	-	-	(38)	(712)	(750)
As of December 31, 2025 before revaluation	11 506	230 546	79 736	11 271	95 633	53 453	482 145
Increase in value via revaluation reserve upon new revaluation	262	14 937	-	-	-	-	15 199
Decrease in value via revaluation reserve upon new revaluation	(52)	(354)	-	-	-	-	(406)
Decrease in value in profit or loss upon new revaluation	-	(337)	-	-	-	-	(337)
Revaluation adjustment	210	14 246	-	-	-	-	14 456
As of December 31, 2025 after revaluation	11 716	244 792	79 736	11 271	95 633	53 453	496 601
Depreciation and impairment losses							
As of December 31, 2024	-	108 955	42 835	9 361	66 265	35 736	263 152
Depreciation charge	-	5 443	10 327	642	8 528	5 192	30 132
Impairment	-	10	-	-	-	-	10
Write offs	-	(849)	(10 987)	(386)	(3 684)	(4 954)	(20 860)
On disposals	-	-	-	-	(36)	(705)	(741)
Transfers	-	(5 023)	1 448	-	-	-	(3 575)
As of December 31, 2025	-	108 536	43 623	9 617	71 073	35 269	268 118
Net book value as of December 31, 2025	11 716	136 256	36 113	1 654	24 560	18 184	228 483
Net book value as of December 31, 2024	11 872	140 067	35 492	1 959	25 643	20 249	235 282

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

	Lands	Buildings	Buildings - Right of use	Furniture	Electronic equipment	Other	Total
Cost or revalued amount							
As of December 31, 2023	11 784	237 408	78 621	11 171	85 994	55 788	480 766
Additions	-	3 660	3 253	366	9 781	6 452	23 512
Transfers	(464)	(1 017)	-	14	-	(14)	(1 481)
Write offs	-	(962)	(3 547)	(231)	(1 204)	(4 301)	(10 245)
Disposals	-	-	-	-	(2 663)	(1 940)	(4 603)
As of December 31, 2024 before revaluation	11 320	239 089	78 327	11 320	91 908	55 985	487 949
Increase in value via revaluation reserve upon new revaluation	677	11 603	-	-	-	-	12 280
Decrease in value via revaluation reserve upon new revaluation	(125)	(1 670)	-	-	-	-	(1 795)
Decrease in value in profit or loss upon new revaluation	-	-	-	-	-	-	-
Revaluation adjustment	552	9 933	-	-	-	-	10 485
As of December 31, 2024 after revaluation	11 872	249 022	78 327	11 320	91 908	55 985	498 434
Depreciation and impairment losses							
As of December 31, 2023	-	104 206	35 395	8 947	61 250	36 542	246 340
Depreciation charge	-	5 711	10 404	645	8 881	5 375	31 016
Write offs	-	(962)	(3 547)	(231)	(1 204)	(4 301)	(10 245)
On disposals	-	-	-	-	(2 662)	(1 880)	(4 542)
Transfers	-	-	583	-	-	-	583
As of December 31, 2024	-	108 955	42 835	9 361	66 265	35 736	263 152
Net book value as of December 31, 2024	11 872	140 067	35 492	1 959	25 643	20 249	235 282
Net book value as of December 31, 2023	11 784	133 202	43 226	2 224	24 744	19 246	234 426

In thousands of BGN

Investment property	
Net book value as of December 31, 2024	-
Additions	-
Transfers	-
Write offs	-
Disposals	-
Increase in fair value	-
Net book value as of December 31, 2025	-

Items of plant, equipment, right of use assets and other are carried at cost less any accumulated depreciation and adjusted for impairment, if any, while land and buildings used in business and investment properties are revalued to their fair value. As part of the year-end closing procedure, the Bank has assessed all items of, property, plant and equipment and for existence of any impairment indicators. For non-real estate

items, impairment is usually recognized when those items are found to be obsoleted or their usage is planned to be discontinued. In such cases the recoverable amount on those items is reasonably assessed to be immaterial (close to zero), therefore the remaining carrying amount is fully impaired.

Type of instrument	Fair value as of 31.12.2025	Significant unobservable input	Range (BGN) (weighted average) 2025 in BGN	Range (BGN) (weighted average) 2024 in BGN
Land	11 716	price per m ²	238.86 - 315.78 (275.45)	174.25 - 461.55 (282.32)
Buildings	129 955	rent per m ²	10.16 - 13.03 (11.56)	9.45 - 14.35 (11.49)
Buildings*	2 642	price per m ²	75.49 - 132.00 (107.41)	792 - 1160 (964.84)
Property measured at FV	144 313			

SEPARATE FINANCIAL STATEMENTS (continued)

*Valuation 2024: Market Approach for three buildings intended for sale. Valuation 2025: Market Approach for a Recreation home, based on price per room

Starting from January 01, 2019, in accordance with the IFRS 16 requirements, whenever the Bank acts as the lessee under contracts meeting the definition of the standard, there is recognition of an asset, representing the right of use of the underlying asset and, at the same time, a liability for the future payments requested by the lease contract.

31. Intangible assets

In thousands of BGN

Cost	
As of December 31, 2024	233 542
Additions	17 410
Write offs	(3 953)
Disposals	(6)
As of December 31, 2025	246 993
-	
Depreciation and impairment losses	
As of December 31, 2024	144 734
Depreciation charge	26 948
Impairment due to obsolescence	1 095
Write offs	(3 953)
Disposals	(6)
Transfers	(646)
As of December 31, 2025	168 172
Net book value as of December 31, 2025	78 821
Net book value as of December 31, 2024	88 808

In thousands of BGN

Cost	
As of December 31, 2023	216 729
Additions	19 852
Write offs	(3 039)
As of December 31, 2024	233 542
-	
Depreciation and impairment losses	
As of December 31, 2023	122 126
Depreciation charge	25 647
Write offs	(3 039)
As of December 31, 2024	144 734
Net book value as of December 31, 2024	88 808
Net book value as of December 31, 2023	94 603

32. Current tax assets/ liabilities

The current tax assets comprise Bank's net tax position with regard to corporate income tax for the respective years increased by overpaid prior years' tax that is not yet recovered by tax authorities. According to the statutory requirements, Bank pays during the year advance instalments for corporate income tax on the basis of forecasted tax profit for the current year. Should by the year-end advance instalments exceed the overall annual current tax liability, the overpaid amount cannot be automatically off-set with next year current tax liabilities, but have to be explicitly recovered by tax administration.

In thousands of BGN

	2025	2024
Pillar II Liability	92 444	41 978
Corporate Income Tax (CITA) Liability	103 469	91 852
Advance payments CITA	(249 643)	(86 000)
Advance payments withholding tax	(91)	(94)
Current tax (assets)/liabilities	(53 821)	47 736

33. Deferred tax liabilities

The origination breakdown of the deferred tax liabilities as of December 31, 2025 and December 31, 2024 is as outlined below:

In thousands of BGN

	2025	2024
Property, plant, equipment, investment properties and intangible assets	14 620	15 170
Provisions	(2 280)	(2 181)
Actuarial losses	(770)	(878)
Other liabilities/Other assets	(3 698)	(2 715)
Deferred tax (assets)/liabilities	7 872	9 396

The movements of deferred tax liabilities on net basis throughout 2025 are as outlined below:

	Balance 31.12.2024	Recognized in P&L	Recognized in equity	Balance 31.12.2025
Property, plant, equipment and intangible assets	15 170	(2 028)	1 478	14 620
Provisions	(2 181)	(99)	-	(2 280)
Actuarial losses	(878)	-	108	(770)
Other liabilities	(2 715)	(983)	-	(3 698)
Deferred tax (assets)/liabilities	9 396	(3 110)	1 586	7 872

SEPARATE FINANCIAL STATEMENTS (continued)

34. Non-current assets and disposal groups classified as held for sale

In these separate financial statements the Bank presents as non-current assets and disposal group held for sale properties that no longer will be used in the ordinary activity of the Bank nor will be utilized as investment properties. For all such assets Management has started intensively looking for a buyer and the selling negotiations are in advance stage as of the year-ends.

In thousands of BGN

	2025	2024
Land	215	-
Buildings	16 065	-
Non-current assets and disposal groups classified as held for sale	16 280	-

35. Other assets

In thousands of BGN

	2025	2024
Receivables and prepayments	79 264	133 750
Materials, spare parts and consumables	1 031	1 647
Other assets	8 308	7 375
Foreclosed properties	10 397	12 302
Other assets	99 000	155 074

Item "Other assets" from the above breakdown comprises mainly of un-deferred expenses for software usage.

36. Financial liabilities held for trading

In thousands of BGN

	2025	2024
Interest rate swaps	17 609	34 902
FX forward contracts	9 956	5 717
Other options	1 102	553
FX options	9 502	-
FX swaps	18 367	40 772
Commodity swaps	52 325	5 705
Cross-Currency swaps	383	-
Financial liabilities held for trading	109 244	87 649

37. Deposits from banks

In thousands of BGN

	2025	2024
Current accounts and overnight deposits		
Local banks	133 277	589 811
Foreign banks	1 522 915	970 472
	1 656 192	1 560 283
Deposits		
Local banks	501 210	439 063
Foreign banks	4 970	29 416
	506 180	468 479
Other	48 998	59 968
Deposits from banks	2 211 370	2 088 730

38. Deposits from customers and other financial liabilities at amortized cost

Deposits from customers comprise outstanding balances on clients' current accounts, term deposits and saving accounts as well as respective accrued interest on them as of the reporting date.

As of December 31, 2025 and December 31, 2024 there are transfers in execution that have either not left the Bank's patrimony (outgoing payments), or clients' accounts have not been yet credited (incoming payments). These temporary balances are presented as deposits from customers under transfers in execution process.

In thousands of BGN

	2025	2024
Current accounts		
Individuals	11 722 432	9 268 482
Corporate	11 135 081	10 189 977
Budget and State companies	471 968	397 172
	23 329 481	19 855 631
Term deposits		
Individuals	3 623 815	3 462 842
Corporate	1 825 586	1 237 248
Budget and State companies	38 294	28 210
	5 487 695	4 728 300
Saving accounts	2 162 300	1 709 539
Lease liabilities	38 062	37 875
Factoring related liabilities	16 156	32 220
Transfers in execution process	111 499	55 359
Deposits from customers and other financial liabilities at amortized cost	31 145 193	26 418 924

SEPARATE FINANCIAL STATEMENTS (continued)

As of January 01st 2026 Bulgaria is about to implement EURO as an official currency, entering the EURO zone. Following the process of EURO cash supply to customers, the Bank played a major role and provided more than EUR 185 millions in cash to customers and ATMs. Above BGN 3 billions were collected, exiting the turnover in the country for the period November 2025-January 2026. Cash supply and client cash collections were intensively performed, impacting the client account holdings/deposits within the Bank.

The following table represent liabilities under lease contracts as of December 31, 2025, while existing right of use assets are presented in Note 30:

In thousands of BGN

Lease liabilities	
As of January 01, 2025	37 875
Additions	12 396
Repayments	(12 209)
Interest accrued	575
Interest paid	(575)
As of December 31, 2025	38 062
Up to one year	10 297
From beyond 1 year to 2 years	9 031
From beyond 2 years to 3 years	7 776
From beyond 3 years to 4 years	6 348
From beyond 4 years to 5 years	4 179
Beyond five years	1 783
Total lease payments to be made for finance leases	39 414
Unearned finance expenses (Discounting effect)	(1 352)
Net book value as of December 31, 2025	38 062
Net book value as of December 31, 2024	37 875

In thousands of BGN

Lease liabilities	
As of January 01, 2024	45 735
Additions	3 253
Repayments	(11 113)
Interest accrued	575
Interest paid	(575)
As of December 31, 2024	37 875
Up to one year	10 062
From beyond 1 year to 2 years	7 453
From beyond 2 years to 3 years	6 725
From beyond 3 years to 4 years	5 564
From beyond 4 years to 5 years	4 344
Beyond five years	5 170
Total lease payments to be made for finance leases	39 318
Unearned finance expenses (Discounting effect)	(1 443)
Net book value as of December 31, 2024	37 875
Net book value as of December 31, 2023	45 735

39. Debt securities issued

As part of UniCredit Group, whose resolution strategy is of the type "Single Point of Entry", UniCredit Bulbank is subject to internal Minimum Requirement for Own Funds and Eligible Liabilities (iMREL) and therefore issues such instruments only within the Group, with a sole buyer and holder UniCredit S.p.A.

On 15th of May 2025, UniCredit Bulbank received the latest Single Resolution Board decision on the Minimum Requirement for Own Funds and Eligible Liabilities (MREL). It defines the fully loaded requirement on consolidated basis to be fulfilled as of the date of the decision at 23.18% (previously 18.62%) plus the Combined Buffer Requirement (CBR) of the risk-weighted assets (iMREL RWAs) and 5.90% of the Leverage Ratios Exposures (LRE).

To support the strong business growth and the associated increase in risk weighted assets from an own funds perspective, the Bank issued an iMREL/SNP bond in March 2025 with a nominal amount of EUR 370 million.

Thus, the total nominal amount of debt meeting the iMREL requirements reached EUR 1 255 million (where EUR 980 million is senior non-preferred debt and EUR 275 million is Tier 2 Capital, approved by the BNB for recognition in own funds).

SEPARATE FINANCIAL STATEMENTS (continued)

40. Provisions

The movement in provisions for the years ended December 31, 2025 and December 31, 2024 is as follows:

In thousands of BGN

	Off-balance sheet commitments and financial guarantees	Legal cases	Retirement benefits	Constructive obligations	Other	Restructuring provisions	Total
	(a)	(b)	(c)	(d)	(e)	(f)	
Balance as of December 31, 2023	91 454	33 092	12 957	302	198	3 754	141 757
Allocations	41 156	1 338	1 425	-	-	-	43 919
Releases	(65 721)	(16 192)	-	-	-	(1 943)	(83 856)
Additions due to FX revaluation	926	2 157	-	-	-	-	3 083
Releases due to FX revaluation	(820)	(1 797)	-	-	-	-	(2 617)
Actuarial gains recognized in OCI	-	-	2 966	-	-	-	2 966
Utilization	-	(831)	(646)	(118)	(144)	(1 811)	(3 550)
Balance as of December 31, 2024	66 995	17 767	16 702	184	54	-	101 702
Allocations	33 067	2 521	1 671	-	-	-	37 259
Releases	(45 722)	(1 159)	-	-	-	-	(46 881)
Additions due to FX revaluation	412	130	-	-	-	-	542
Releases due to FX revaluation	(566)	(154)	-	-	-	-	(720)
Actuarial losses recognized in OCI	-	-	(1 081)	-	-	-	(1 081)
Utilization	-	(1 141)	(843)	(42)	(32)	-	(2 058)
Other	-	-	-	-	37	-	37
Balance as of December 31, 2025	54 186	17 964	16 449	142	59	-	88 800

(a) Provisions on letters of guarantees and credit commitments

As per IFRS 9 requirements, loan commitments and financial guarantees that are irrevocable are in the perimeter subject to expected losses calculation for impairment. As a result of the assessment as at December 31, 2025 accumulated provisions are in the amount of BGN 54 186 thousand (as at December 31, 2024 - BGN 66 995 thousand). The release is mainly due to improved credit quality of the portfolio and increased volumes in Stage 1.

(b) Provisions on legal cases

Provisions on legal cases are recognized when based on legal expertise the Bank would most likely have to settle the obligation in the near future. As of December 31, 2025 Bank has assessed its position in legal cases against it, and provision in the amount of BGN 17 964 thousand has been recognized (BGN 17 767 thousand as of December 31, 2024). No significant movement is observed.

(c) Retirement benefit provision

Retirement benefit provision represents the present value of the Bank's liability in accordance with Collective Labor Agreement

as of the reporting date. Actuarial gains/losses adjust the value of the defined benefit liability with corresponding item recognized in the Statement of comprehensive income.

Major assumptions underlying in 2025 defined benefit obligation are as follows:

- Discount rate – 3.45%;
- Salary increase – 4.5% p.a.

The pension plan specified and required by the BG Labor Code has not changed since 2021. The Bank has approved additional payments (2 or 4 monthly salaries) on top of the obligations by law depending on service time within the Bank:

- Six times the gross monthly remuneration, when the employee has worked for UniCredit Bulbank AD or its subsidiaries in Bulgaria for the last 10 years and until 19 years and 11 months;
- Eight times the gross monthly remuneration when the employee has worked for UniCredit Bulbank AD or its subsidiaries in Bulgaria for the last 20 years and until 29 years and 11 months;
- Ten times the gross monthly remuneration when the employee has worked for UniCredit Bulbank AD or its subsidiaries in Bulgaria for the last 30 years and above;

SEPARATE FINANCIAL STATEMENTS (continued)

- $2 + (0.4 \times N)$, where N shall be the number of full years, but not less than the gross labor remuneration thereof for a period of two month in the cases where the employee has not completed ten years of employment service for UniCredit Bulbank AD or its subsidiaries in Bulgaria – no change, i.e. less than six;
- For termination of the labor relation upon disability: 2,4 monthly salaries without connection with length of service;
- For termination of the labor relation upon death: 4 monthly salaries - without connection with length of service.

The movement of the defined benefit obligation for the year ended December 31, 2025 and expected services cost, interest costs and amortization of actuarial gains for the following year are outlined in the table below:

In thousands of BGN

Total	
Recognized defined benefit obligation as of December 31, 2024	16 702
Current service costs for 2025	1 108
Interest cost for 2025	563
Actuarial losses recognized in OCI	(1 081)
Benefits paid	(843)
Recognized defined benefit obligation as of December 31, 2025	16 449
Interest rate beginning of the year	3.60%
Interest rate end of the year	3.45%
Future increase of salaries	4.50%
Expected 2026 service costs	1 031
Expected 2026 interest costs	528
Expected 2026 benefit payments	(2 277)

Current service cost and interest cost are presented under Personnel expenses (See note 16).

The major factors impacting the present value of the defined benefit obligation are those of discount rate and future salary increase rate. Sensitivity analysis of those two is as follows:

In thousands of BGN

	2025	2024
Sensitivity - Discount rate +/- %	0.25%	0.25%
DBO Discount rate -	16 744	17 028
DBO Discount rate +	16 164	16 388
Sensitivity - Salary increase rate +/- %	0.25%	0.25%
DBO Salary increase rate -	16 166	16 394
DBO Salary increase rate +	16 741	17 020

In the course of regular business, the Bank has to follow certain rules as defined by specific Banking legislation prevailing in Bulgaria.

(d) Provisions on constructive obligation

In accordance with the requirements set out in Law on Territory Planning, Energy Efficiency Act and some other related regulations the Bank had to perform until the end of 2015, energy efficiency assessment and technical passportization of all owned buildings with Gross Floor Area above 500 sq. m. In 2015 law amendments moved the deadline for the above mentioned assessment to December 31, 2016. Considering also the ESG requirements, the balances as of December 31, 2024 are reassessed at the amount of BGN 184 thousand and represent unutilized provision with regards to energy efficiency of owned buildings. In 2025 BGN 42 thousand of them were utilized.

(e) Other provision

Other provisions in the amount of BGN 59 thousand as of December 31, 2025 (BGN 54 thousand as of December 31, 2024) relates to coverage of claims related to credit cards business as well as other claims. During the period BGN 32 thousand present utilization of provisions for coverage of claims. An amount of BGN 37 thousand were subsequently recovered by third parties as balance of provisions.

(f) Restructuring provisions

As of December 31, 2020 the Bank has allocated restructuring provisions for the amount of BGN 6 023 thousand following the requirements of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. In December 2020 the Management Board has approved restructuring plan where the key restructuring rationale is to ensure efficient operations so that UniCredit Bulbank AD fits to the new competitive landscape shaped by digitalization trends and changed preferences of the customers. In 2024 the approved restructuring plan has expired and as of December 31st 2024 and at the end of 2025 the Bank has no allocated restructuring provisions.

SEPARATE FINANCIAL STATEMENTS (continued)

41. Other liabilities

In thousands of BGN

	2025	2024
Liabilities to the State budget	3 556	3 030
Liabilities to personnel	32 030	21 717
Liabilities for unused paid leave	8 836	8 068
Dividends	2 082	1 713
Incentive plan liabilities	4 047	3 546
Other liabilities	95 769	82 906
Other liabilities	146 320	120 980

Liabilities to the State Budget include current liabilities related to different tax positions of the Bank. Liabilities to personnel include accrued but not paid liabilities to employees with regard to additional performance payments. The amounts represent Management best estimate for the goals achieved throughout 2025 and 2024 in accordance with the defined target settings and adopted incentive programs. Liabilities for unused paid leave represent quantification of Bank's current liability due to employees for unutilized current and prior years leave.

As described in note 3 (p) (c) selected group of Top and Senior Managers are given UniCredit S.p.A stock options and performance shares as part of their remuneration packages. The economic value of the options and shares is presented as other liability, as upon expiring of the vesting period respective amounts have to be settled in cash. The breakdown of the liabilities by type of instruments is presented in Note 16.

The other liabilities are mainly due to undesired customers' funds (clients which relationship with the Bank is ceased due to compliance reasons), deferred income and year end accruals for upcoming payments.

42. Equity

a) Share capital

As of December 31, 2025 and December 31, 2024 share capital comprises of 285 776 674 ordinary shares with nominal value of BGN 1 each. All shares give equal voting rights to their holders.

b) Statutory reserves

Statutory reserves represent allocated profits after taxation into Reserve Fund in accordance with requirements of the Bulgarian Commercial Act. The Bank has to allocate at least 10% of its profit for the current year after taxation and before payment of dividends, to the Reserve Fund until the accumulated amount becomes equal or exceeds 10% of the capital according to the statute of the Bank. These reserves are not subject to distribution to the shareholders. They can only be used for

covering losses from the current or previous financial years. The share-premium of newly issued ordinary shares is also allocated into statutory reserves.

c) Retained earnings

Under Retained earnings the Bank shows the excess of all reserves, formed out of net profit in prior years and transformation of revaluation reserves over statutory reserves amount. In this position the Bank also shows the difference between the purchase price paid for newly acquired subsidiaries in business combinations under common control and their book value as recorded in the separate financial statements of the transferor as of the date of transfer.

d) Revaluation and other reserves

Revaluation reserves include those related to fair value changes on FVOCI and derivatives designated as effective hedging instrument in cash flow hedge relationship, actuarial gains/losses on remeasurement of defined benefit obligation in accordance with IAS 19 "Employee Benefits" as well as revaluation reserve on PPE in accordance with IAS 16 "Property, Plant and Equipment".

Revaluation reserves related to FVOCI and derivatives designated as effective hedging instruments in cash flow hedge relationship are subject to recycling through profit or loss upon certain conditions being met (e.g. derecognition, hedge revoke etc.). For the years ended December 31, 2025 and December 31, 2024 only reserves related to FVTOCI investments have been recycled to profit or loss following their derecognition.

SEPARATE FINANCIAL STATEMENTS (continued)

43. Contingent liabilities

In thousands of BGN

	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Stage 1		Stage 2		Stage 3		Total	
Letters of credit and letters of guarantee	3 190 999	2 348 966	193 916	153 383	10 281	9 922	3 395 196	2 512 271
Credit commitments	7 782 549	7 444 974	428 700	682 339	14 794	14 914	8 226 043	8 142 227
Other commitments	68 292	68 237	-	-	-	-	68 292	68 237
Contingent liabilities	11 041 840	9 862 177	622 616	835 722	25 075	24 836	11 689 531	10 722 735

a) Letters of credit and letters of guarantee

The Bank provides financial guarantees and letters of credit to guarantee the performance of customers to third parties.

The contractual amounts of financial guarantees and letters of credit are set out in the above table. The amounts reflected in the table for commitments assume that amounts are fully advanced. The amounts for guarantees and letters of credit represent the maximum accounting loss that would be recognized if counterparties failed completely to perform as contracted. These commitments and contingent liabilities are reported off-balance sheet and only fees and accruals for probable losses are recognized in the statement of financial position until the commitments are fulfilled or expire. Most of the contingent liabilities and commitments expire without being advanced in whole or in part.

As per IFRS 9 requirements, loan commitments and financial guarantees that are irrevocable are subject to expected losses calculation for impairment.

b) Litigation

As of December 31, 2025 and December 31, 2024 there are some open litigation proceedings against the Bank. There is significant uncertainty with regard to the timing and the outcome of such proceedings. Since the ultimate outcome of the claims against the Bank cannot presently be determined with sufficient reliability, provisions have been accrued only on cases where sufficient degree of certainty exists that the Bank would have to settle the obligation. Litigation claims provisions provided for in these separate financial statements as of December 31, 2025 are in Note 40.

c) Credit commitments

During the course of normal lending activity the Bank has negotiated with clients different types of credit facilities including credit lines, overdraft facilities and revolving loans. Contractually the Bank has committed itself for a certain amount which is at clients' disposal.

As of December 31, 2025 and December 31, 2024 the Bank presents unutilized credit facilities as part of its off-balance sheet positions.

44. Assets pledged as collateral

In thousands of BGN

	2025	2024
Securities pledged for budget holders' account service	532 951	430 645
Securities pledged on REPO deals	1 260 418	1 142 809
Securities pledged related to EUR pre-supply	444 743	-
Securities pledged on other deals	-	19 606
Cash collateral at BNB provided for EUR pre-supply	3 390	-
Loans pledged for budget holders' account service	98 041	98 041
Loans pledged on other deals	15 499	1 978
Total assets and collaterals received encumbered	2 355 042	1 693 079
Pledged assets include:		
Securities at amortized cost	1 458 719	1 303 586
Investment securities	779 393	289 474
Loans and advances and cash	116 930	100 019
Assets pledged as collateral	2 355 042	1 693 079

Securities and loans pledged on other deals include those contractually pledged on financing provided to the Bank by local and foreign institutions. At the end of 2025 securities and cash were blocked in favor of Bulgarian National Bank related to the provided EUR cash in banknotes and coins to service the pre-supply in the EURO adoption process.

SEPARATE FINANCIAL STATEMENTS (continued)

45. Related parties

UniCredit Bulbank AD has a controlling related party relationships with its direct parent company up to October 2016 - UniCredit Bank Austria AG and its ultimate parent - UniCredit S.p.A (jointly referred as “parent companies”). In 2016 due to the reorganization of the UniCredit banking group activities in Central and Eastern Europe (“CEE”) the transfer of the CEE Business of UniCredit Bank Austria AG (including also the banking shareholdings of the above mentioned area) under the direct control of UniCredit SpA was performed thus leading to change of the Bank’s main shareholder to UniCredit SpA. In 2025 dividend paid to UniCredit SpA amount to BGN 367 976

thousand (BGN 521 480 thousand for 2024).

In addition the Bank has relatedness with its subsidiaries and associates (see also Note 29) as well as all other companies within UniCredit Group and key management personnel (jointly referred as other related parties).

The related parties’ balances and transactions in terms of statement of financial position items as of December 31, 2025 and December 31, 2024 and Income statement items for the years ended then are as follows:

In thousands of BGN

As of December 31, 2025	Parent company	Subsidiaries	Other related parties	Total
ASSETS				
Derivatives held for trading	55 431	-	2	55 433
Derivatives held for hedging	33 860	-	-	33 860
Current accounts and deposits placed	3 597 530	-	34 154	3 631 684
Debt securities	-	-	415 299	415 299
Extended loans	-	5 256 852	1 846	5 258 698
Other assets	694	-	583	1 277
LIABILITIES				
Financial liabilities held for trading	81 822	-	-	81 822
Derivatives used for hedging	89 802	-	-	89 802
Current accounts and deposits taken	1 276 840	77 584	5 349	1 359 773
Debt securities issued	2 464 527	-	-	2 464 527
Other liabilities	5 302	17	1 221	6 540
Guarantees received by the Group	34 784	-	403 644	438 428

In thousands of BGN

As of December 31, 2024	Parent company	Subsidiaries	Other related parties	Total
ASSETS				
Derivatives held for trading	21 256	-	40 795	62 051
Derivatives held for hedging	39 332	-	-	39 332
Current accounts and deposits placed	1 281 602	-	12 144	1 293 746
Debt securities	-	-	414 355	414 355
Extended loans	-	4 526 794	1 467	4 528 261
Other assets	972	30 139	1 723	32 834
LIABILITIES				
Financial liabilities held for trading	13 889	-	34 376	48 265
Derivatives used for hedging	118 926	-	-	118 926
Current accounts and deposits taken	892 257	62 384	14 599	969 240
Debt securities issued	1 743 506	-	-	1 743 506
Other liabilities	5 501	17	1 366	6 884
Guarantees received by the Group	61 752	-	165 852	227 604

SEPARATE FINANCIAL STATEMENTS (continued)

In thousands of BGN

As of December 31, 2025	Parent company	Subsidiaries	Associates	Other related parties	Total Income (Expense)
Interest incomes	32 256	69 505	-	12 887	114 648
Interest expenses	(117 087)	-	-	(70)	(117 157)
Dividend income	-	108 966	-	-	108 966
Fee and commissions income	1 293	38 043	-	4 882	44 218
Fee and commissions expenses	(4)	-	-	(2 614)	(2 618)
Net loss on financial assets and liabilities held for trading	(82 839)	-	-	7 267	(75 572)
Other operating income	110	1 572	-	639	2 321
Administrative and personnel expenses	(5 476)	(1 790)	(1 554)	(18 023)	(26 843)
Total	(171 747)	216 296	(1 554)	4 968	47 963

In thousands of BGN

As of December 31, 2024	Parent company	Subsidiaries	Associates	Other related parties	Total Income (Expense)
Interest incomes	88 023	48 202	-	19 095	155 320
Interest expenses	(95 757)	-	-	(7 112)	(102 869)
Dividend income	-	210 150	-	-	210 150
Fee and commissions income	1 306	30 474	-	2 178	33 958
Fee and commissions expenses	(4)	-	-	(336)	(340)
Net gains on financial assets and liabilities held for trading	15 542	-	-	34 418	49 960
Other operating income	110	752	-	28	890
Administrative and personnel expenses	(6 545)	(1 852)	(1 218)	(21 570)	(31 185)
Total	2 675	287 726	(1 218)	26 701	315 884

Compensation paid to key management personnel is as follows:

In thousands of BGN

Paid benefits	2025	2024
Short-term employee benefits	2 752	3 186
Other long-term benefits	652	81
Non-monetary benefits	98	349
Other	1 597	1 073
Total benefits paid	5 099	4 689

46. Cash and cash equivalents

In thousands of BGN

	2025	2024
Cash in hand and in ATM	390 464	270 831
Cash in transit	423 033	211 564
Current account with the Central Bank	3 014 445	5 273 109
Current accounts with banks	224 096	108 421
Placements with banks with original maturity less than 3 months	3 591 450	1 270 388
Cash and cash equivalents	7 643 488	7 134 313

SEPARATE FINANCIAL STATEMENTS (continued)

47. Leasing

The Bank has concluded numerous operating lease agreements to support its daily activity. Under operating lease contracts Bank acts both as a lessor and lessee in renting office buildings and cars.

(a) Operating lease contracts where the Bank acts as a lessee

IFRS16, effective starting from January 1, 2019 introduced a new definition for leases. For all the leasing typologies, the recognition of an asset, representing the right of use of the underlying asset and, at the same time, a liability for the future payments requested by the lease contract. The amount of right of use assets and lease liabilities respectively are presented in Note 30 and respectively Note 38.

(b) Operating lease contracts where the Bank acts as a lessor

Summary of non-cancellable minimum lease payments as of December 31, 2025 and December 31, 2024 are presented in the tables below:

In thousands of BGN

Residual maturity	Total future minimum lease payment	
	2025	2024
Up to one year	17	10
Total	17	10

48. Other regulatory disclosures

In accordance with the requirements of art. 70 para 6 of Law on Credit Institutions, Banks are required to make certain quantitative and qualitative disclosures related to major financials and other indicators separately for the business originating from Republic of Bulgaria and from other countries, where Bank has active subsidiaries and/or branches.

UniCredit Bulbank AD possesses a full-scope banking license for performing commercial banking activities. For the years ended December 31, 2025 and December 31, 2024 UniCredit Bulbank AD has no subsidiaries or branches established outside Republic of Bulgaria. Summary of separate quantitative mandatory disclosures required by Law on Credit Institutions and their respective reference to other Notes in these separate financial statements or other mandatory reports are as follows:

In thousands of BGN

	2025	2024	Reference to other notes and reports
Total operating income	1 346 654	1 431 861	Separate Income Statement and details in Notes 8,9,10,11,12,13 and 14
Profit before income tax	1 046 725	1 074 910	Separate Income Statement
Income tax expense	(143 564)	(127 666)	Separate Income Statement and details in Note 21
Return on average assets (%)	2.4%	2.8%	2025 Annual Report on Activity
Annual Turnover	1 368 044	1 469 625	Separate Income Statement
Full time equivalent number of personnel as EoY	3 038	3 134	Note 16

UniCredit Bulbank AD has never requested or been provided any state grants or subsidies.

49. Events after the reporting period

According to the Law on the Introduction of the Euro in the Republic of Bulgaria, as of 1 January 2026, the euro becomes the official currency and legal tender in Bulgaria. The official exchange rate is set at BGN 1.95583 for 1 euro. The introduction of the euro as the official currency in the Republic of Bulgaria represents a change in the functional (reporting) currency of the Company, which will be reflected prospectively and does not represent an event after the reporting period that requires an adjustment in the financial statements for the year ending 31 December 2025. The Company does not expect any significant effects from the translation of the opening balances as of January 1, 2026 into euros and from the process of changing the functional (reporting) currency.

There are no other significant events after the reporting period with effect on the financial statements as of December 31, 2025.

BANK NETWORK

Aitos

27, Stacionna str.

Asenovgrad

8, Radi Ovcharov str.

Balchik

34A, Chernomore str.

Bansko

3, Pirin str.

Berkovitsa

1, Yordan Radichkov sq.

Blagoevgrad

18, St. Kiril and Metodius blvd.

22, Ivan Shishman str.

5, St. Dimitar Solunski str.

Bojurshte

85, Evropa blvd.

Botevgrad

2, Saransk sq.

Burgas

104, Democracia blvd.

22, Alexandrovska str.

62, San Stefano blvd.

Burgas, Meden rudnik, 118

186, Slaveikov district

Izgrevev district, 53, Transportna str.

Cherven bryag

4, Otets Paisii str.

Chirpan

2, Yavorov str.

Dimitrovgrad

4B, Bulgaria blvd.

Dobrich

3, Bulgaria str.

Dulovo

14, Vasil Levski str.

Dupnitza

3, Ivan Vazov str.

Elin Pelin

5, Nezavisimost sq.

Etropole

18 A, M. Gavrailova str.

Gabrovo

13, Radecki str.

Galabovo

8, dr. Jekov str.

General Toshevo

5, Treti Mart str.

Godech

2, Svoboda sq.

Gorna Orjahovitsa

1A, M. Todorov str.

Gotse Delchev

11, Byalo More str.

Harmanli

1, Vazrajane sq.

Haskovo

4, Han Kubrat str.

Ihtiman

8, Polk. B. Drangov str.

Kardzhali

51, Bulgaria blvd.

Karlovo

2, Vodopad str.

Karnobat

14, Bulgaria blvd.

Kazanlak

4, Rozova Dolina str.

Knezha

5, Nikola Petkov str.

Kostenets

2, Belmeken str.

Kostinbrod

7, Ohrid str.

Kozlodui

1, Kiril I Metodii str.

Kurdjali

51, Bulgaria blvd.

Kyustendil

39, Democracy str.

Lom

14, Dunavska str.

Lovech

10, Akad. Ishirkov str.

Mezdra

8, Georgi Dimitrov str.

Montana

216 Treti Mart blvd.

72, Treti Mart blvd

Nessebar

Nesebar, 38, Han Krum str.

Nova Zagora

49, Vasil Levski str.

Novi Pazar

4, Rakovski sq.

Panagjurishte

1, G. Benkovski str.

Parvomai

2 B, Hristo Botev str.

Pavlikeni

20, Svoboda sq.

Pazardzhik

13, Stefan Stambolov blvd.

5, Esperanto str.

6, Bulgaria blvd.

Pernik

21, St. Kiril and Methodius blvd.

41, Krakra str.

Peshtera

19, Dimitar Gorov str.

Petrich

48, Rockefeller str.

Pirdop

Todor Vlaikov sq., block 2

Pleven

1, Kosta Hadzhipakev str.

4, Georgi Kovachev blvd.

121, Vasil Levski str.

13, Danail Popov str., block Volga

BANK NETWORK (continued)

Plovdiv

1, Asenovgradsko Shosse str.
13, Kniaz Alexander Ist str.
133, Sankt Peterburg blvd.
15 A, Vasil Aprilov blvd.
31, Ivan Vazov str.
4, Ivan Vazov str.
41, Saedinenie str., Trakia
51, Raiko Daskalov str.
73A, Makedonia blvd.
8, Vasil Levski str.

Pomorie

2a, Graf Ignatiev str.

Popovo

99, Bulgaria blvd.

Radnevo

10A, G. Dimitrov str.

Rakovski

Rakovski, 19 B, Moskva str.

Razgrad

1, Mornina Cheshma sq.

Razlog

1, Eksarh Iosif str.

Russe

1, Kiril Starcev str.
38, Hristo Botev str.
5, Sveta Troica sq.

Samokov

3, Prof V. Zahariev str.

Sandanski

52, Macedonia str.

Sevlievo

21, Svoboda sq.

Shumen

5, Simeon Veliki blvd.
8, Slavianski blvd.

Silistra

4, Georgi S. Rakovski str.

Slanchev Briag

Slanchev bryag, business building Sapfir

Sliven

14, Tzar Osvoboditel blvd.

Slivnitsa

2, Saedinenie sq.

Smolyan

59, Kolio Shishmanov str.

Sofia

1, Madrid blvd.
1, Pl. Todorov blvd. block 1
1, Skopie blvd.
1, Yanko Sakazov blvd.
100, Cherni Vruh blvd.
105, Gotse Delchev blvd.
115, Tsarigradsko shose blvd.
127, Slivnica blvd.
133, Tsarigradsko Shosse blvd. – 7th km
145, Georgi S. Rakovski str.
2, Ivan Asen II nd str.
2A, Lomsko shosse str.
265, Okolovrusten put str.
22, Ierusalim str., MLADOST, Sofia
22, Zlaten rog, str.
3, Filip Avramov str.
5-7, Krasno selo blvd.
6, Ak. Boris Stefanov str.
38, Liubliana str.
444 A, Slivnica blvd.
56, Georgi Sofiiski str.
65, Shipchenski prohod str.
69, Bulgaria blvd.
7, Sveta Nedelya Sq.
88, Yanko Sakuzov blvd.
9, Dondukov blvd.
9, Julio Kiuri str.
90, Al. Stamboliyski blvd.
90, Vitosha blvd.
Business park Sofia, 2nd building
Hotel Trivia, Botunec
Lyulin 4, block 417
Lyulin center, block 752A
Sofia, 2 Pozitano Sq., Perform Business Center.
48, Sitnyakovo blvd.

Sozopol

2, Parvi May str.

Stamboliiski

2, Osmi Mart str.

Stara Zagora

126, Simeon Veliki blvd.
157, Tzar Simeon str.
80, Tzar Simeon Veliki blvd.
Nikola Petkov str.

Sungurlare

15, Hristo Smirnenski str.

Svilengrad

60, Bulgaria blvd.

Svishtov

16, Tzar Osvoboditel str.

Svoge

35, Tzar Simeon str.

Targovishte

23, Vasil Levski str.

Troyan

1, Gen. Karzov str.

Tzarevo

20, Kraimorska str.

Varna

115, Osmi Primorski polk blvd.
117, Republika blvd.
267, Tzar Osvoboditel blvd.
36-38, Vladislav Varnenchik str.
39, Maria Luiza str.
43, Kniaz Boris str.
61, Pirin str.
9, P. Karavelov str.
29, Tzar Simeon str.

Veliko Tarnovo

13, Vasil Levski str.
2B, Krakov blvd.

Velingrad

5, Aleksandar Stamboliyski str.

Vidin

3, Tzar Simeon Veliki str.

Vratsa

17a, Krastio Bulgariyata str.

Yambol

3, Gorg Papazov str.

BANK NETWORK (continued)

Corporate offices

Sofia

8, Aksakov str. International Center
7 St. Nedelya, floor 1

Varna

28, Slivnitsa blvd.

Stara Zagora

126 Tzar Simeon Veliki blvd.

Burgas

22 Alexandrovska str.

Russe

5 Sveta Troitsa str.

Veliko Tarnovo

13 Vassil Levski str.

Pleven

11 Tzar Simeon str.

Plovdiv

4 Ivan Vazov str.

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