

NON-FINANCIAL STATEMENT - 2023 -

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I. CONTEXT

This non-financial statement ("Statement" or "NFS") of Alpha Bank Romania SA ("ABR", "Bank"), has been drafted according to the provisions of NBR Order No. 27/2010 for the approval of the Accounting regulations according to the International Financial Reporting Standards applicable to credit institutions, as further amended and supplemented, EU Regulation No. 852/2020 on establishing a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088 (the Taxonomy Regulation), EU Commission Delegated Regulations No. 2139/2021 (the Climate Delegated Act) and EU Commission Delegated Regulations No. 2178/2021 (the Environment Delegated Act).

This Statement is part of the Report of the Board of Directors for 2023, attached to the financial statements drafted according to the International Financial Reporting Standards applicable to credit institutions and to the provisions of NBR Order no. 27/2010 for approving the Accounting Regulations according to the International Financial Reporting Standards applicable to credit institutions, as further amended and supplemented.

The following principles have always been and are complied with in drafting the NFS:

- **Stakeholder inclusiveness:** The activities of Alpha Bank Romania take into consideration the interests and expectations of its stakeholders to support and promote a sustainable business and social environment for all involved parties.
- **Sustainability:** NFS took into consideration the market context in which Alpha Bank Romania operates.
- **Year-on-year comparison and accuracy:** the indicators, if available, show the year-on-year (YoY) comparability, thus allowing accurate performance monitoring
- **Reliability:** all the presented data has been collected from and validated by the units involved in the reporting process.

1.1. Reporting scope

The data contained in this NFS covers all the operations of Alpha Bank Romania from 2023 (January 1 - December 31, 2023) and is presented, if available and if it is deemed necessary for the considered purpose, compared to the previous year.

1.2. Reporting flow

The information and data that has been collected and is presented in this report is based on:

- Involvement of all the units of the Bank that were responsible and relevant for the significant aspects associated with the NFS.
- Internal teams that were responsible for collecting, analyzing, consolidating, and validating the information, each for its own area of responsibility.
- Qualified personnel who was involved in the consolidation of the information. The personnel has the adequate qualifications and/or skills to discern and compile the information for the report, for example: GRI certificate, CFI ESG specialization, ISO 14001:2015 and ISO 19011:2018 internal auditor certifications.

Following its approval by the governing body, the Statement is published on the ABR website, both in Romanian and in English, in order to ensure full transparency and availability for all stakeholders.

II. ABOUT ALPHA BANK ROMANIA

Alpha Bank Romania is a member of the Alpha Bank Group, one of the largest banking and financial groups in Greece. The international activities of the Group are carried out, besides Romania, in the United Kingdom, Luxemburg and Cyprus.

Alpha Bank Romania has a branch network of 133 units, fully covering the national territory.

Out of the total number of units, 125 are accessible to people with disabilities.

All the activities of the Bank are directed towards supporting the sustainable growth of the Bank, and are governed by principles that are implemented in an ethical manner and according to the law:

- Integrity and honesty
- Objectivity and independence
- Discretion and confidentiality
- Taking risks in a disciplined and reasonable manner
- Transparency

and the values based on which Alpha Bank Romania operates:

WE EVOLVE BY



COMMITMENT PILLARS



III. Overview

Alpha Bank Romania is a systemic financial institution, ranked among the top 10 banks in Romania in terms of total assets. The Bank has provided and continues to provide universal banking operations in Romania, in the form of a wide range of modern services and products

for individuals, as well as for SMEs and corporate customers.

The Business Model of ABR aims to create value for its stakeholders (namely, shareholders, customers, employees etc.). In addition, ABR supports the Romanian economy by the services and products it offers, which are constantly improved, including by adopting digitalization and incorporating social and environmental characteristics, and actively contributes to society by its CSR projects.

Alpha Bank Romania invests in its employees, network, and infrastructure, in order to develop and market high-quality products and services. The Bank also works with stakeholders to identify their requirements in a timely manner, and thus to ensure responsible operation and to support society.

Alpha Bank Romania strives to provide a healthy work environment, in which its employees expand their knowledge and skills, both for their own development and to be better positioned to contribute to the development of new products and services.

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The Bank is particularly interested in the sector of energy-efficient mortgages, and is the first financial institution to participate in the market-wide initiatives in this regard - both as of 31.12.2022, and as of 31.12.2023, ABR is the only Romanian legal-entity bank to join the *Energy Efficient Mortgage Label* certification system, is a member of the Romanian Green Building Council (RoGBC) and a participant in the European for energy-efficient mortgages. Access <https://www.energy-efficient-mortgage-label.org/issuers/directory>

Regulatory framework and evolutions

Alpha Bank Romania is supervised by the National Bank of Romania ("NBR") according to the new framework called "Capital adequacy of credit institutions and investment

companies", widely known as Basel III, formalized by Regulation (EU) 575/2013 of June 26, 2013, together with Directive (EU) 2013/36 of June 26, 2013, and by the Financial Supervisory Authority. The fundamental principles of the Directive have been incorporated in

NBR Regulation no. 5/2013 on prudential requirements for credit institutions, as further amended and supplemented.

Besides the minimum requirements on own funds, the Bank takes into consideration regulated capital buffers.

- Capital conservation buffer of 2.5%
- Capital buffer related to other institutions of systemic importance (O-SII) between 0.5% and 3%
- Capital buffer for systemic risk between 0% and 2%
- Countercyclical capital buffer between 0% and 2.5%

NB: According to NBR Order 8/2022, Alpha Bank Romania is a systemically important bank, and must maintain an O-SII capital buffer.

Supervisory review and evaluation process (SREP)

NBR conducts an annual Supervisory review and evaluation process (SREP) in order to establish prudential limits and other qualitative requirements for banking institutions.

This process evaluates:

- Sustainability and viability of the business model
- Adequacy of governance and risk management
- Capital risk evaluation
- Evaluation of liquidity and financing risks
- The minimum capital requirements are determined by NBR after evaluating the risk profile of the institution.

IV. CORPORATE GOVERNANCE

4.1. Overview

Alpha Bank Romania has adopted a one-tier management system and operates within a corporate governance framework, consisting of the Bank's Articles of Incorporation, the Policy on the structure, attributions and responsibilities of the Board of Directors and of the Executive Committee, the Internal Operating Regulations of the Bank (organizational structure represented by units, divisions, departments and offices, branch network, roles and responsibilities of units and operational committees), accompanied by relevant policies and procedures, as the case may be. The internal management framework is composed of several internal documents comprising all the components provided in Article 4 of NBR Regulation 5/2013 on prudential requirements for credit institutions, as further amended and supplemented.

The General Meeting of Shareholders is convened, according to the law, by all the shareholders of the Bank, and is competent to decide on matters that fall within its competence, according to the legal provisions and those of the Articles of Incorporation.

Shareholding structure as of 31.12.2023

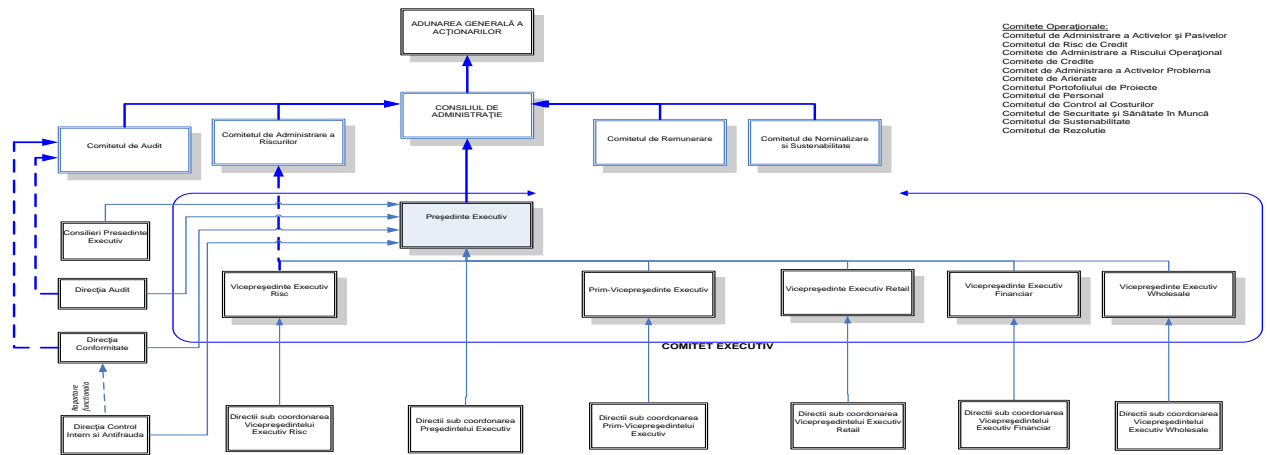
Share capital: RON 958,811,443.20

Shareholding structure:

- Alpha International Holdings Single Member S.A.: 99.91838%
- Eirini Brintaki: 0.08162%

General Meetings are chaired by the Chairman of the Board of Directors or, in his/her absence, by the Chief Executive Officer. In the absence of both, the General Assembly appoints another chairman to chair the General Assembly out of the members of the Board of Directors. The management body consists of the Board of Directors and the Executive Committee.

As of 31.12.2023, the organizational structure of Alpha Bank Romania S.A. is as follows:



The Board of Directors ("BoD") is the supervisory function of the management body, which sets the strategy, objectives and general orientation of the Bank, ensuring the supervision and coordination of senior management (Executive Committee).

Conviction judgments against members of Senior Management for any human right violations during the year	Measuring unit	Date 31.12.2019	Date 31.12.2020	Date 31.12.2021	Date 31.12.2022	Date 31.12.2023
Cases	Number	0	0	0	0	0

The Board of Directors is composed of 9 (nine) members, out of whom 3 (three) are independent. The number of members of the Board of Directors may be modified at any time by a resolution of the Extraordinary General Meeting of Shareholders. The term of one mandate of the members of the Board of Directors may not exceed 4 (four) years, and they may be reelected.

The members of the Board of Directors have the adequate qualifications to meet the adequacy criteria, namely good reputation, character and integrity, financial and/or other professional or business experience corresponding to the nature and complexity of the activities of the credit institution and/or to the entrusted responsibilities. They must perform their duties with the objective of ensuring the adequate and efficient operation of the BoA and of the Bank within the context of the applicable legal and regulatory framework specific to their position.

In 2023, 4 (four) advisory committees operated on the level of the Board of Directors, whose members were appointed by the Board of Directors, and each committee had a specific advisory role, providing assistance in supervising the necessary implementations in the areas of the organization and operation of the management, audit, risk management and remuneration bodies, as the case may be.

In 2023, the following changes occurred in the structure of the Executive Committee:

- The term of office of Mr. Gabriel Mateescu, Executive Vice President Finance, Executive Committee member, ended on 1.04.2023;
- Mr. Ilias Malioukis took over as Executive Vice President Finance, Executive Committee member, as he obtained prior approval from the National Bank of Romania in October 2023.

The structure of the Executive Committee as of 31.12.2023 was as follows:

1. Mr. SERGIU-BOGDAN OPRESCU - Chief Executive Officer
2. DI ION STAN - Executive Prime Vice President
3. Mr. ILIAS MALIOUKIS - Executive Vice President Finance
4. Mr. PERIKLIS VOULGARIS - Executive Vice President Wholesale
5. Mr. CRISTIAN-DANIEL DRAGOS - Executive Vice President Retail
6. Mrs. CORNELIA DUMITRESCU - Executive Vice President Risk

In January 2023, Mr. Sergiu Oprescu, who was already a Member of the Executive Committee of the European Mortgage Federation (EMF), was elected its Vice President for the 2023-2024 term of office.

4.2. ESG Governance

In 2023, the organization and operation regulations of the management body and of the committees set up on the level of the Board of Directors pertaining to ESG, as presented in the Non-Financial Statement for 2022, did not change. ABR continued the implementation of the ESG project launched in August 2022, based on the Alpha Group guidelines, with regular reports to the Nomination Committee and to the Sustainability Committee, and via the latter, to the Board of Directors. The project addressed the following main areas:

- Defining the organization model related to the sustainability area (ESG), including roles and responsibilities within the three lines of defense;
- Defining the process whereby the climate change/ESG criteria are integrated into the strategy;
- Establishing the climate risk management framework, including, inter alia, the Materiality Analysis on climate and environmental risks against the major risk types for ABR and defining the ESG risk assessment process.
- Operationalizing the Sustainable Financing Framework of the Group.
- Data and processes.

- Information made public according to the regulatory requirements, including at Group level.

Also in 2023, the Board of Directors was informed by the advisory committees on ESG issues which they discussed at their meetings, including, without limitation, the following:

Regarding the Social component:

- Monitoring personnel turnover and approving new actions within the Personnel Retention Plan.
- Performance assessment and personnel remuneration aspects.
- Training plan for members of the governing body, focusing on sustainability, ICT and cyber security.
- Via the Audit Committee, information on personnel training courses organized in the area of compliance responsibility.
- Training courses for the management body.
- Diversity and related objectives, as indicated in the Corporate Governance Statement in this Report of the Board of Directors.

Regarding the Governance component:

- Approval of formal and thought independence of the members of the management body, as the case may be, and of the Directors' remuneration, respectively.
- Approval of the anti-bribery and anti-corruption policy, of the Code of Ethics, of the Information Dissemination Policy and of the Outsourcing Policy.

In 2023, at the level of the Sustainability Committee - an operational committee that reports to the Executive Committee - the main objectives and activities of the ESG project were discussed, and documents were approved consisting of the Pillar 3 ESG reporting forms filled in by ABR, drafted for public reporting by

the Alpha Group of ESG information within Pillar 3, namely within the Short-Term Exercise (STE), with reference date December 31, 2022, as well as the Materiality Analysis on climate and environmental risks against the major risk types for ABR.

The **Occupational Safety and Health Committee** continued to operate under the supervision of the Executive Committee, approving the annual occupational safety and health program, in order to improve the work environment. It is convened as often as necessary, at

least once a quarter, and the minutes of the meetings are sent to the Executive Committee on a quarterly basis.

In 2023, the Board of Directors, with the support of the Nomination and Sustainability Committee, assessed the effectiveness of its activities, as well as of its advisory committees. In addition, the assessment of both the individual adequacy of the members of the management body, and of the collective adequacy of the management body was carried out in compliance with the applicable legal and regulatory framework. Sustainability topics were part of the continuous professional training of the members of the management body in 2023, provided by one of the Big 4 consultancy companies, in order to provide the necessary skills for better strategic integration and supervision of related risks.

The Board of Directors has delegated some of its responsibilities to an Executive Committee, elected out of the members of the Board of Directors or from outside the Board of Directors.

The Executive Committee consists of 6 (six) members and represents the upper management (the management body in its management function), and the Board of Directors represents the management body in its supervisory function.

NB: More details may be found in the Transparency and Publication Reports section published on the Alpha Bank Romania website in section: [Corporate Governance](#)

4.3. Management Body Diversity

The Bank takes into consideration the diversity of the management body when it recruits new members, and applies a diversity policy, as a more diverse management body may lead to better decision-making regarding strategies and risk-taking, by facilitating a wider range of personal views, opinions, experiences, perceptions, values and contexts, thereby improving the quality of its performance and achieving long-term and sustainable development.

In this regard, all appointments are made based on merit and according to the regulatory requirements, without discrimination in terms of ethnicity/nationality, gender, religion, sexual orientation, age, physical ability, family status or other ideologies, and by taking into consideration diversity aspects.

The Bank encourages the presence of women in its management body, in order to improve the quality of its performance and to ensure balance, provided they meet the professional criteria for appointment.

As of December 31 of each financial year	Number of members of the Board of Directors	Distribution by gender	
		♂	♀
2016	9	8	1
2017	9	8	1
2018	9	8	1
2019	9	6	3
2020	9	6	3*
2021	9	6	3
2022	9	6	3**
2023	9	5	4
* Out of whom 1 female director was in the process of obtaining prior approval from NBR			
** The 4th female director was in the process of obtaining prior approval from NBR, replacing one of the male directors			

NB: Detailed information on the General Meeting of Shareholders, its management body and its committees, as well as on diversity, may be found in the Corporate Governance Statement, which is an integral part of the current Report of the Board of Directors for 2022, on pages 35-48 and in the TRANSPARENCY AND PUBLICATION REPORTS section of the official website of the Bank, at: [Corporate Governance](#) (click to access the link)

V. COMPLIANCE AND ETHICS

The Compliance Division assists the Management Body to identify, assess and monitor the compliance risk associated with the activities of the Bank. It has the mission of establishing the methodologies for measuring/assessing the compliance risk that derives from breaches or the non-compliance with the legislative and regulatory framework, continuously checking

whether the processes of the Bank are formalized at an adequate level in order to prevent breaches of external rules (laws, regulations etc.) and internal regulations, such as codes of conduct, ethics and others.

The operation of the Compliance Division is established in virtue of Regulation no. 5/2013 of the National Bank of Romania on prudential requirements for credit institutions, as further amended and supplemented, within the second line of defense, as one of the three pillars of the Internal Control System. The division is independent of the operational units it controls and has unrestricted access to all the data and information within the Bank, which is necessary to fulfil its role. The division reports to the Board of Directors via the Audit Committee and is organized under the administrative coordination of senior management. There is close collaboration with the Group Compliance Division, both at Manager and at compliance officer level.

According to the applicable local legislation, the Manager of the Compliance Division of Alpha Bank Romania, the coordinator of the compliance function, reports to the Board of Directors via the Audit Committee and is subordinated to the Chief Executive Officer.

Alpha Bank Romania, according to the provisions of Law no. 129/2019 for preventing and fighting money laundering and terrorism financing, has appointed as an Anti-Money Laundering Compliance Officer (AMCO) a member of the senior management of the Bank (a member of the Executive Committee).

The Anti-Money Laundering (AML) branch of the compliance function has the mission of helping prevent the risks associated with the use of the financial system to launder revenues from criminal activity and evade international sanctions and finance terrorism, in virtue of reference regulations, e.g.: Law 129/2019, NBR Regulation 2/2019, NBR Regulation 28/2009.

The Bank, as it acknowledges the risks posed by money laundering and financing terrorist actions/activities and their possible consequences, as well as the importance of fighting financial crime, has drafted and implemented a policy designed to prevent money laundering and terrorism financing. Whenever a policy change occurs, the approval of the Board of

Directors of the Bank is requested, by taking into consideration the recommendations of the Financial Action Group (FAG) and the applicable regulatory framework. The AML Policy is

endorsed by the Group Compliance Division and approved by the Board of Directors of the Bank.

Compliance is part of the three lines of defense:

- First line of defense: Bank units that are responsible for the implementation of the Compliance Policy and of the applicable procedures and for the implementation of the Anti-Money Laundering policy / the Know Your Customer policy / the Anti-Terrorism Financing policy / the policy for applying International Sanctions, and related procedures.
- The second line of defense: the risk management function and the compliance function. The compliance function is responsible for identifying and assessing compliance risks within the bank and informs the management body accordingly.

The Compliance Division, together with the Internal Control and Anti-Fraud Division, are part of it. The Internal Control and Anti-Fraud Division is organized at Head Office level and is under the administrative coordination of the Chief Executive Officer, with an operational reporting line to the Compliance Division.

The mission of the anti-fraud function is to check the activity of the Bank permanently and systematically and to contribute to the identification and prevention of internal/external fraud, by:

- o ensuring the compliance of the activities of the bank with the provisions of its internal norms by periodical operational controls, especially at the level of the branch network;
- o sample-testing the operations and the operation of the internal control activities;
- o analyzing suspicions of fraud, both external and internal, in the processes of crediting, card trading, payment operations etc.;
- o working with the authorities in order to prevent and identify fraudulent transactions and block them.

Reports on the activities of the Internal Control and Anti-Fraud Division are submitted on a quarterly basis to the Executive Committee and to the Audit Committee.

- Third line of defense: Level-three controls are carried out by the Internal Audit function, whose mission is to assist the Bank in achieving its objectives by contributing, by its independent and objective activity, to the systematic assessment and improvement of the adequacy and effectiveness of the internal control framework and of the risk management and corporate governance processes.

The Manager of the Audit Division of Alpha Bank Romania, the coordinator of the audit function,

operationally reports to the Board of Directors of the Bank via the Audit Committee, and administratively to the Chief Executive Officer of the Bank.

The first and second lines of defense report to the management body, which exercises controls at management level.

The fundamental policies of Alpha Bank in relation to environment, social and governance aspects are listed below and are available to Bank employees in a dedicated section of the Alpha Bank Romania Intranet.

Codes and policies addressing ethics and responsibility:

- o Ethics
- o Conduct
- o Alert mechanism
- o Fighting corruption and bribery
- o Sponsorship
- o Preventing conflicts of interest
- o Personal data protection
- o Complaint management
- o Information security
- o Market abuse
- o Know your customer, fighting money laundering, fighting terrorism

financing and applying international sanctions

Employee health and safety policies, including diversity, inclusion and compensation.

Policies that address the management of significant risks, including credit risk (including environment and social, settlement, concentration, residual), market risk, liquidity and financing risk, interest rate risk in the banking portfolio, operational risk (including fraud risk, conduct risk, information and communication technology, security, and legal risks), reputation risk, compliance risk, strategic risk, over-indebtedness risk, secured bond issuance risk.

Policies that address:

- o Business continuity management
- o Taxation
- o Outsourcing
- o Information publication

Policies on the organization and operation of the management body, including diversity and remuneration aspects.

The anti-corruption and anti-bribery policy, approved by the Board of Directors, is reviewed annually, in December. The last review took place in December 2023. The Bank has zero tolerance for bribery and corruption. To this end, the Bank:

- Adopts the legal requirements that are necessary for ensuring a strong environment for fighting bribery and corruption.
- Does not offer bribes, directly or indirectly, on behalf of the Bank, in order to gain an advantage in business;
- Does not accept bribes and does not agree to accept bribes on behalf of the Bank and the Group, in order to influence business;
- Provides protection to employees who refuse to accept bribes, from demotion or any negative impact;
- Takes all the necessary measures to continuously keep the personnel informed of this policy.

The Bank ensures the compliance with this policy by adequate procedures, which are relevant for the type of activity conducted by the Bank. Moreover, procedures are reviewed regularly, at least once a year, in order to ensure their adequacy.

Every Bank employee is responsible for preventing, detecting and reporting bribery and other forms of corruption. To this end, the personnel of the Bank is required to report any violations or alleged violations of policies brought to their attention by using the means provided in the Alert Policy and in the related procedures, whereby Alpha Bank Romania receives, assesses and investigates anonymous and non-anonymous complaints of irregularities, omissions or serious crimes that have mainly come to the attention of its personnel, customers or providers.

The process is subject to the Alert Policy, which is also published on the website of Alpha Bank Romania: [Information and documents | Useful Info | Alpha Bank](#) (click to access the link)

Date	Measuring unit	Alerts in virtue of the Alert Policy	
31.12.2023	Number	1	Zero significant findings after the examination by the competent committee
31.12.2022	Number	0	

An important commitment of the Bank is to maintain the highest level of ethical and professional conduct, with zero tolerance for illegal and illicit acts that damage its prestige and credibility.

The Bank has implemented the Policy on preventing conflicts of interest, aimed at defining the rules, standards and principles of professional conduct, in order to effectively identify and manage, and also to try to prevent, cases of conflicts of interest that may occur in the context of the Bank providing its products and services, according to the provisions of the regulatory framework and best practices, including where such conflicts of interest arise in the context of MiFID II business activities. The Bank has also implemented an internal control system in

order to minimize the risk of conflicts of interest and the damage caused to the interests of the Bank and its customers.

In order to identify cases of Conflicts of Interest, which could negatively affect the interests of Customers and/or the interests and reputation of the Bank, the Bank constantly checks whether it is involved, as a result of the implementation of banking operations, in investment services and activities or services related to Financial Instruments or in any other manner, in any of the following situations: (1) Conflicts associated with customers; (2) Conflicts associated with the Bank, (3) Conflicts associated with third parties.

The Bank regularly monitors all types of conflicts of interest: actual, potential, and apparent. In 2023, no actual conflicts of interest were identified.

Training programs (awareness courses and programs) regarding anti-corruption policies and procedures, conflicts of interest, know your customer/anti-money laundering/fighting terrorism financing and the application of International Sanctions are organized annually for the Bank personnel, in order to raise awareness regarding updated or newly implemented policies.

Indicator	Measuring unit	Date 31.12.2022	Date 31.12.2023
Employees who participated in specific training programs regarding compliance during the year	Number	2554	2395

Operating on a market where increasing competition and the globalization of services require competitive business strategies, Alpha Bank Romania pays special attention to the needs of its stakeholders. Internationally acknowledged guidelines and principles and local legal frameworks are complied with, together with the Code of Conduct, supplemented by the provisions of the Code of Conduct issued by the Association of Romanian Banks, the Code of Ethics and the Corporate Governance principles of the Bank.

NB: Detailed information on the Code of Ethics may be found on the official website of the Bank, at: [code-of-ethics.pdf](#) (alphabank.ro) (click in order to access the link)

In 2023, 507 employees of Alpha Bank Romania completed 1,267.5 hours of eLearning courses on the Totara platform: Banking Secrecy, Code of Conduct, Dress Code. The course is automatically allocated to all new employees as part of the mandatory training package which must be completed within the first 2 weeks of employment.

In 2023, Alpha Bank employees completed certain mandatory courses: GDPR, Information Security, Operational Risk Management, Knowing your customer and preventing money laundering, Preventing conflicts of interest.

VI. RISK MANAGEMENT

6.1. Risk profile

Alpha Bank Romania, based on its solid reputation, good organization, well-trained personnel, long-standing customer relations and conservative risk policies, is successfully operating by adapting to the dynamics of the economic and regulatory environment.

The objective of the Bank in 2023 was to maintain its risk profile according to its risk strategy, within the limits of its risk appetite, ensuring the optimal implementation of its activities and supporting strategic management initiatives, by taking into consideration a balanced risk-profit approach.

6.2. Risk management strategy and policy

The risk management strategy and policy is approved by the Board of Directors and is the main pillar of risk management, supporting the Bank in implementing its general business strategy and continued operation under normal and adverse economic conditions.

The **risk management framework** is dynamic and constantly evolving as a response to changes occurred in strategic objectives and internal (organizational and business) and external (market) conditions. The significant risk management strategy and policy is reviewed on an annual basis. Risk analysis is integrated into the annual strategic planning process of the Bank, and the objectives of the strategic plan are reviewed against the risk policy. Internal Audit is responsible for ensuring an independent analysis of the integrity of the general risk

management processes and ensuring the adequacy and effectiveness of the conducted controls.

The risk management function is independent of the operational functions, with sufficient authority, importance, resources, and access to the management body. The function is responsible for ensuring compliance and for monitoring the implementation of the risk management strategy and policy, according to the regulatory framework. For this purpose, it is actively involved from an early stage in the drafting of the significant risk management strategy and provides a complete picture of the full range of risks to which the Bank is exposed, contributing to the implementation of efficient risk management processes.

The risk management function ensures the effective monitoring of all the risks identified by the operational units. It periodically monitors the current risk profile of the Bank, and reviews it against its strategic objectives and its risk appetite, in order to enable senior management to take decisions.

The personnel of the Bank is fully aware of their risk management responsibilities. Operational units are primarily responsible for day-to-day risk management, by taking into consideration the risk appetite and the risk capacity of the Bank, according to its existing policies, procedures, and controls.

While carrying out its activities, operational units identify, measure, and assess, monitor, mitigate and report risks that derive from the normal activities of the Bank, according to the risk management process.

Non-financial risks are included among the individual risks identified by the Bank, besides those typical for the financial sector, such as credit risk, market risk, currency risk, liquidity risk and operational risks (including IT and cyber risks).

The continuous management and monitoring of these risks is an essential requirement for generating and protecting value, and has an impact on the aspects which the Bank deems as high priority, such as maintaining a high level of customer service and satisfaction.

As of 31.12.2023, environmental factors are integrated into the credit initiation and monitoring processes.

6.3. Environment and social risks

Alpha Bank Romania has implemented consolidated supervision and control measures designed to ensure that all types of business crediting financing for new and existing debtors/projects are assessed, in order to identify, quantify, manage and monitor and, when applicable, mitigate environment and social risks. One of the main components of this framework is the environment and social risk assessment and monitoring procedures, implemented at the level of the entire credit risk management process, from the assessment of the initial credit proposal to the monitoring process, in order to understand the environment and social risks associated with the operations of the debtor before they become significant or cause a negative result for the bank. For this purpose, Alpha Bank Romania uses the following set of procedures and stages of the global credit risk assessment process:

- o Examination of debtors/projects, in the initial assessment stage;
 - o Classification of debtors/projects according to their environment and social risks;
 - o Implementing the detailed due diligence process from the perspective of environment and social factors;
 - o Decision-making process;
 - o Monitoring the performance of the debtor from an environment and social perspective;
- and
- o Managing the non-compliance by a debtor with the standards and norms of the Group regarding Environment and Social aspects.

Alpha Bank Romania has implemented an assessment matrix for environment and social risks, in which the exposure of the customer to environment and social risk is identified and classified as high/medium/low, based on several factors (loan size, maturity, NACE code, use of collections and of the collateral provided to the Bank).

After a new debtor/project is approved, the Bank monitors the continuous compliance with environment and social factors. The contractual agreement stipulates clauses regarding these risks, given that the environment and social risks or the compliance status of the debtor may change over time, after the approval of the debtor/project.

Alpha Bank Romania has been actively collecting information regarding the energy performance of residential mortgage collateral since 2018. No other data on environment

risks and factors is systematically collected at this time, but Alpha Bank Romania aims to improve the availability of environment risk data in 2024.

Alpha Bank Romania has integrated risk management for environment and social risk into credit risk management and intends to continue integrating ESG risks into other categories of banking risks in the coming years.

Cyber risk

Regarding cyber risk, bank customers are increasingly using online payment and trading services (via various internet banking, mobile banking etc. platforms), remote communication channels (customer service center, e-mail, chat) and e-wallet apps (Google Pay, Apple Pay etc.). In this regard, the Bank is involved in cyber and information security management activities, thus supporting its business objectives. The strategy of the Bank aims to ensure the compliance with the legal and regulatory requirements, with the information security standards, maintaining an Information Security Management System certified according to ISO 27001: 2013, as well as a Business Continuity Management System certified according to ISO 22301: 2019.

The Bank aims to comply with several security requirements by implementing multi-level controls, covering people, processes, and technology. These principles are based on industry best practices, such as ISO/IEC 27001, PCI-DSS, COBIT5, etc., covering all the information and informational assets of the Bank.

Alpha Bank Romania deems that security measures must be approached from the perspective of both the customer - partners, and the internal customers - employees. In 2022, the new security awareness course, drafted at group and local level, was implemented and attended by ~90% of employees. The participation percentage for 2023 is similar to that of 2022. In order to raise awareness among employees, informative e-mails were sent to them, and starting with 2023, a Cyber Security Awareness page will be operational on the EVO internal communication platform. The plan is to add awareness materials every month. As of 31.12.2023, the Bank has recorded a decrease in the number of security incidents, as a result of the control measures that were implemented.

The responsibility for information security belongs to the Chief Information Security Officer

(CISO) of the Company, whose unit monitors, among other responsibilities:

- o adaptation of the Security Framework;
- o compliance by the Bank with the Cyber Security and Information Security Framework on Group level;
- o coordinates the Information Security Incident Management Procedure for the Bank, and conducts additional investigations in cooperation with the Information Security Officer within the Group, whenever a security breach occurs (Security Forensic Analysis). Works with all related parties and with the Information Security Officer within the Group to protect the public image of the customers, employees, assets and information of the Bank.

VII. SOCIAL AND EMPLOYEE-RELATED ASPECTS

Alpha Bank employees are deemed as essential to the competitiveness of the Group.

IDENTIFIED LINES	ACTIONS
Managing, attracting, developing and retaining talent	The Bank has been present at major job fairs organized nationwide. The employer brand awareness campaign took place on its main social media channels (LinkedIn, mass media, financial blog). It also continued its partnership with universities, in order to receive students in mandatory internships, holding sessions in which it presented work opportunities within a financial institution.
Diversity, inclusion and equal opportunities	Annual review of related policies, in order to include diversity principles in both the management body and among Employees, according to the legislative and regulatory framework in force. The Bank promotes a culture that encourages the diversity and inclusion of its workforce, with zero tolerance for discrimination, according to the provisions of the norms and procedures that are followed.
Professional training and development	The Bank has continued to organize learning activities online, by mainly keeping induction training sessions as an online-based learning process. Training opportunities are provided to employees both in the form of regulatory programs, and

	regarding professional and interpersonal skills. Induction and regulatory/compliance sessions accounted for more than half of the training investment in 2023 (training hours), while the rest of the training focused on management topics and specialized skills (IT&C, Project Management, Customer Service Center etc.).
Innovation, multi-channel approach and digitalization	In 2023, the Bank continued to monitor its performance within the Performance Module developed online, providing the possibility of monitoring performance on a quarterly or semi-annual basis. It has also developed the sales force coaching and development program for the branch network in the online system, by providing full visibility on the soft and technical skills to be developed in relation to sales objectives (skill development self-assessment, assessment and feedback). In 2023, most of the activity of issuing documents related to the employee status was managed by chat bots.
Personnel commitment, involvement and satisfaction	The Bank continued to conduct the employee commitment survey; transparent top-down communication of the results was ensured; action plans were implemented at division level, by direct manager-team discussions on specific results. Employee commitment is one of the performance indicators of the Bank, and is also part of the performance matrix for management positions.

A breakdown of the workforce of the Bank as of 31.12.2023 is shown below:

Indicator	Measuring unit	Workforce
Total workforce (number of employees as of 31 December of the reporting year)	Number	2,084
Total male employees	Number	440
Total female employees	Number	1,643
Employees with disabilities	Number	10

Regarding age distribution, most Alpha Bank Romania employees are between 26 and 40 years old. Regarding seniority, half of the employees had been employed by the Bank for

more than 5 years.

Age distribution	Measuring unit	Workforce
Total workforce (number of employees as of 31 December of the reporting year)	Number	2084
Total employees - between 18 and 25 years old	Number	251
Total employees - between 26 and 40 years old	Number	940
Total employees - between 41 and 50 years old	Number	587
Total employees - over 51 years old	Number	307

There were no cases of fatal accidents for the reported year, neither among employees, nor among external collaborators, nor cases of occupational diseases. The personnel absenteeism rate was 1.24%.

There is an active union at Alpha Bank level.

A total of 107,303 training hours were organized in 2023, compared to 121,257 hours in the previous year.

Indicator	Measuring unit	Date 31.12.2023
Total training hours of employees included in the top 10% of employees by total remuneration	Number	9,120.5
Average training hours of employees in the top 10% of employees by total remuneration	Number	33.01
Total training hours of employees included in the bottom 90% of employees by total remuneration	Number	99,182
Average training hours of employees in the bottom 90% of employees by total remuneration	Number	44.68

Mandatory courses and digital transformation courses are provided via TOTARA - an in-house eLearning app.

The main training categories are: Induction and Regulatory/Compliance (51%), training programs for Customer Relations Officers (33%), training programs on management topics (5%), while 5% belong to other miscellaneous categories (IT&C specialized topics, Project

Management, Customer Service Center etc.).

Training courses on GDPR, IT Security and other specific courses are mandatory and must be attended by all employees.

Indicator	Measuring unit	Date 31.12.2023
Type of training - Retail customer educational programs	Hours	35,524
Type of training - Retail customer educational programs out of Total training hours	Percentage (%)	33.1%
Type of training - Induction/General training	Hours	54,799.5
Type of training - Induction/General training	Percentage (%)	51.07%
Type of training - Training programs on business customers	Hours	5,196
Type of training - Training programs on business customers out of Total training hours	Percentage (%)	4.84%
Type of training - Training programs in management	Hours	5,517
Type of training - Management training programs out of Total training hours	Percentage (%)	5.14%
Type of training - Miscellaneous (specialized topics specific to Divisions, IT etc.)	Hours	6,266
Type of training - Miscellaneous (specialized topics specific to Divisions, IT etc.) out of the Total training hours	Percentage (%)	5.8%
Average number of training hours per year per employee	Hours	44.16
Training by employee gender - male	Number	7.6
Training by employee gender - female	Number	10.2
Average training days per employee	Number	5.52
Total amount of expenses per employee for	Number	256,467.29

training purposes		
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The Bank encourages the principles of balance between personal life and professional life for all employees, as a means of increasing employee commitment and an overall good standard of living. Alpha Bank Romania also provides a flexible and friendly work environment, meeting individual needs.

Flexibility

In all areas where this is possible, we strongly encourage a hybrid work system and different starting times, in order to maximize the integration of personal and professional needs.

Balance between professional life and personal life

The Bank grants up to 30 days of leave, depending on work experience and additional paid days off for special events in the employee's life. ABR covers extensive private health insurance for its employees, and offers special prices for family members, covering both inpatient and outpatient care, and has corporate contracts with several major healthcare providers on the Romanian market. Moreover, it covers accident insurance, providing financial support for recovery after such events. Part of the policy regarding the balance between professional life and personal life includes monthly web seminars on various topics of interest, such as stress management, workplace ergonomics principles, nutritional best practices, parenting etc.

Financial support

As an employer in the field of financial services, the Bank offers to its employees special fees for banking products and services, special event allowances and other specific benefits (e.g., meal vouchers), aligning our reward practice with the best practices on the financial market.

Training and development

We invest in the fast integration of newcomers, by providing an extensive induction program, a dedicated Buddy program, by developing annual training plans, continuous access to an eLearning platform, corporate library subscription.

Occupational health and safety

Under the responsibility of the Banking Security Division, the activity that manages occupational health and safety aspects is organized at the level of the head office and is under the direct coordination of the Executive Vice President Risk.

Thus, the Internal Occupational Prevention and Protection Service within the Banking Security Division is responsible for the organization, development and control of all the activities for preventing occupational risks and for protecting employees, for each workplace. It establishes the minimum training requirements in the field of occupational safety and health, ensures the verification, coordination and assessment of the actions carried out by external prevention and protection services. This level also ensures the regulation of the status of employees' representatives with specific responsibilities in the field of occupational safety and health in Alpha Bank Romania.

The general principles on which the activities of the Internal Occupational Prevention and Protection Service are based are:

- principle of preventing occupational risks;
- principle of informing and training the ABR workforce;
- principle of consulting employees or their representatives.

Wellness web seminars were part of the packages of private health benefits provided by the Bank to its employees in 2023. Attendance was voluntary, the recorded sessions are provided to all employees in the dedicated section of the internal communication platform.

All employees benefit, as provided by Law no. 319/2006 on occupational health and safety, periodically and whenever it is necessary, from training and medical examinations. Alpha Bank Romania pays special attention to employees who are covered by GEO 96/2003 on maternity protection at work.

Alpha Bank Romania values and promotes each employee's responsibility. Consequently,

employees must be aware of and carry out their activities responsibly and according to occupational health and safety legislation and internal procedures, so as not to expose themselves or others to the risk of occupational injury or illness.

All the quarterly meetings of the Occupational Health and Safety Committee (OHSC) of Alpha Bank Romania were organized according to the schedule established by the employer, during which the secretary of the committee informed the OHSC about the occupational health and safety situation of the employees of the organization, drafted the minutes of the meetings, published them on the portal of the bank in order to inform all employees, according to the law, and sent a copy thereof to the Territorial Labor Inspectorate of Bucharest Municipality, each time by complying with the deadline provided by the Law. The activities specific to the occupational health and safety field within the Bank were carried out according to the applicable legislation in force for the reporting period.

As of 31.12.2023, 331 general induction training sessions, 374 on-the-job training sessions, 34 return-to-work training sessions, 44 collective training sessions and 3,979 collective training sessions were organized. Three accidents were recorded in 2023.

Occupational protection training is part of professional training, and aims to gain knowledge and develop skills for occupational health and safety.

Occupational protection training includes three phases:

- general induction training;
- on-the-job training;
- periodical training.

The purpose of the general training is to inform about the specific activities of the respective unit and the main occupational protection measures to be complied with while carrying out activities, especially by persons with occupational protection attributions and responsibilities, mandated by employer decisions.

The duration of the general induction training depends on the specificity of the activity, the complexity of the technological processes, the degree of mechanization and automation and the new employees' level of training and lasts at least 4 hours.

Employees who work remotely must comply with Romanian legislation in this field before starting to work from home. For this purpose, they sign an affidavit.

Training employees on occupational safety and health				
	Course	Mandatory	Number of participants out of the total number of employees	Optional
The training sessions in 2023 were held every six months, according to the theme and program approved by the employer	Periodical training every six months	Yes	All employees	No

In case of occupational accidents, the employer appoints an investigating committee which investigates the incident, drafts an accident file, which it sends for approval

The Territorial Labor Inspectorate (TLI) of the county where the workplace within Alpha Bank Romania S.A., where the respective employee works, is registered.

If an accident is recorded based on the approval of the accident file by TLI, TLI sends a list of measures to be taken by the employer, including implementation deadlines, after the completion of these measures, and the employer must inform TLI in writing.

VIII. INFORMATION PUBLISHED UNDER ART. 8 OF THE TAXONOMY REGULATION

8.1. Applicable regulatory framework

The regulatory framework of the EU Taxonomy regarding sustainable activities represents an essential component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. This is an important step towards achieving carbon neutrality by 2050, in line with EU objectives, as the Taxonomy is a classification system for environmentally sustainable economic activities.

The taxonomy framework encompasses a set of European regulations that address both disclosure and the criteria underlying the assessment of activities from a sustainability perspective, including:

- **Taxonomy Regulation**

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088.

- **Climate Delegated Act**

Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical screening criteria for determining the conditions under which an economic activity qualifies as an activity contributing substantially to climate change mitigation or adaptation and for determining whether that economic activity causes significant damage to any of the other environmental objectives.

- **Environmental Delegated Act**

Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing technical criteria for the examination of the conditions under which an economic activity qualifies as an activity which makes a substantial contribution to the sustainable use and protection of water and marine resources and to the transition to a circular economy, the

prevention and control of pollution or the protection and restoration of biodiversity and ecosystems, and to determine whether the economic activity in question is significantly detrimental to any of the other environmental objectives, and amending Commission Delegated Regulation (EU) 2021/2178 as regards the publication of specific information on those economic activities.

- **Delegated Regulation on the disclosure of information under Art. 8 of the Delegated Act (reporting requirements)**

Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities and specifying the methodology to comply with the disclosure obligation.

A complete overview of the EU Taxonomy regulatory framework and the tools made available to companies by the European Commission can be found here: [EU taxonomy for sustainable activities - European Commission \(europa.eu\)](https://ec.europa.eu/economy_finance/eu-taxonomy-for-sustainable-activities).

8.2. Published information

The disclosure requirements applicable to credit institutions came into force gradually from 2022 onwards, as for the year 2023, they cover the calculation and disclosure of the green asset ratio (GAR) for the different types of exposures.

The green asset ratio (GAR) is a benchmark published by credit institutions for the alignment to the EU Taxonomy. GAR indicates the proportion of bank assets that finance and are invested in taxonomy-aligned economic activities, expressed as a percentage of total covered assets. However, the information provided by GAR is limited in scope and follows a predefined structure, these being strictly set out in the framework of the Delegated Regulation (EU) 2021/2178.

An overview of the key indicators (GAR) and the tables reported for the financial year 2023 in accordance with Article 8 of the Taxonomy Regulation, as supplemented by Delegated Regulation (EU) 2021/2178, are presented in Annex II. Please note that as the financial year 2023 is the first year in which reporting becomes mandatory under this format, comparative information for the financial year 2022 has not been included.

Below, we present an overview of the main applicable indicators for the financial year 2023.

		Total environmental and sustainable assets (RON)	KPI ¹	% coverage (over total assets) ²
Main KPI	GAR (stock-related)	6,255,707.77	0.038%	0.029%
Additional KPI	GAR (flow-related)	1,894,523.89	0.041%	0.009%

In accordance with legal requirements, the denominator of all key performance indicators is expressed as *Covered Assets*³. Also, for the financial year 2023, the key indicators have been determined in accordance with the applicable regulatory framework as set out below.

In this regard, for the year 2023 the requirement to verify alignment with the first two environmental objectives (*Climate Change Mitigation* and *Climate Change Adaptation*) and to verify eligibility for four other objectives (*Sustainable use and protection of water and marine resources; Transition to a circular economy; Pollution prevention and control; Protection and restoration of biodiversity and ecosystems*), as well as the requirement related to the reporting of the financing of nuclear and natural gas economic activities came into force.

The information presented above, as well as the detailed information presented in Annex II are complemented by the qualitative information below, prepared in accordance with the applicable regulatory framework.

8.3. EU Taxonomy-aligned exposures for the objectives „climate change mitigation” and „climate change adaptation”

Assets for GAR calculation and stock-related information⁴

¹ Key Performance Indicator, determined on the basis of aligned assets identified by Alpha Bank Romania as of 31 December 2023 compared to total covered assets identified as of 31 December 2023.

² % of KPI covered assets in total bank assets

³ In accordance with the regulatory framework, covered assets include: financial assets at amortised cost, financial assets measured at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets, mandatorily measured at fair value through profit or loss or real estate collateral obtained by credit institutions through repossession in exchange for debt cancellation, but excluding exposures to central governments, central banks and supranational issuers.

⁴ Forms 0-1 in Annex II

For the determination of eligible and aligned economic activities, Alpha Bank Romania considered its banking book.

Exposures to central banks, supranational institutions, central governments and assets held for trading have been excluded. In the case of exposures to households (individuals), only mortgages, renovation loans, and car loans were considered as part of the covered assets.

Out of these, all assets which are eligible and aligned to the EU Taxonomy have been included in the numerator for the determination of GAR. In this respect, the regulatory framework indicates four relevant categories:

- EU Taxonomy-eligible or aligned economic activities related to entities falling within the scope of NFRD⁵
- EU Taxonomy-eligible or aligned economic activities related to households
- EU Taxonomy-eligible or aligned economic activities related to local government financing
- EU Taxonomy-eligible or aligned economic activities related to repossessed assets.

In addition to exposures and assets already excluded from the denominator, derivatives (held for trading), on-demand interbank loans, cash and cash equivalents or other assets (e.g. commercial fund) are excluded from the numerator. Also, according to the regulatory framework, exposures to entities outside the scope of the NFRD (e.g. small and medium-sized companies) are not considered at this point.

We have examined the eligibility and respectively the alignment of the identified relevant assets in the balance sheet with the EU Taxonomy:

- A "taxonomy-eligible economic activity" is an economic activity included in the Technical Screening Criteria.
- A "taxonomy-aligned economic activity" means an economic activity that complies with the requirements set out in Article 3 of the Taxonomy Regulation (Regulation (EU) 2020/852).

From the perspective of exposures to eligible economic activities, Alpha Bank Romania has identified:

- Exposures to non-financial companies within the scope of NFRD and whose main activity is an economic activity indicated as eligible in the EU Taxonomy;

⁵ Directive 2013/34/EU on the disclosure of non-financial and diversity-related information by certain undertakings and large groups, as amended, transposed by Order of the Ministry of Finance No 1938 of 17 August 2016 amending and supplementing certain accounting regulations.

- Exposures to households (individuals), representing loans collateralised by residential immovable property;

From the perspective of aligning these exposures to the EU Taxonomy:

- Eligible exposures to non-financial companies have not been considered, in the absence of collecting and analysing detailed information on their activities. The expectation is that such analysis could take place during 2024 as these non-financial companies fall within the scope of the CSRD⁶
- Loans collateralized by residential immovable property certified by the ROGBC⁷ have been considered eligible, with certification taking into account the criteria for alignment with the EU Taxonomy.

As the CSRD comes into force, with more companies publishing information on alignment with the EU Taxonomy, the expectation is that the proportion of exposures eligible or aligned to the two environmental objectives will increase, with efforts being made to allow for more detailed assessments in the future.

Sector-related information⁸

This information has been compiled on the basis of the above principles, using the main economic activity code by reference to the eligible NACE codes indicated in the EU Taxonomy.

Stock-related GAR⁹

Alpha Bank Romania provides in this form information on the GAR on the stock of loans, calculated on the basis of the data provided in form 1 on covered assets.

Flow-related GAR¹⁰

This indicator is presented for the first time for the financial year 2023 and it is calculated in line with the stock-related aspects presented above, but only those assets that were generated during 2023 (respectively loans granted during 2023) are taken into account.

⁶ EU Directive 2022/2464 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU regarding sustainability reporting by companies.

⁷ <http://www.rogbc.org/ro/locuinte-verzi>

⁸ Form 2 in Annex II

⁹ Form 3 of Annex II

¹⁰ Form 4 of Annex II

Off-balance sheet exposures¹¹

In the scope of the EU taxonomy, a distinction is made for off-balance sheet exposures between financial guarantees backing loans and advances and other debt instruments towards undertakings and assets under management.

As of 31 December, Alpha Bank Romania has identified and disclosed exposures related to letters of guarantee issued to non-financial companies falling within the scope of the NFRD.

8.4. Exposure to economic activities eligible under the EU Taxonomy for the four¹² new environmental objectives

As of 31 December, Alpha Bank Romania did not identify any eligible exposures in relation to the four objectives, including as a result of the fact that neither financial nor non-financial reporting entities (NFRDs) publicly report on them. The obligation to disclose this information will be applicable from 2024. The ability to collect and present information is expected to increase from next year when certain clients of the Bank will also be required to publish such information.

8.5. Data source

The items used for balance sheet assets for eligibility purposes refer to the definitions in Commission Implementing Regulation (EU) 2021/451 (FinRep) and the gross carrying amount reported by the Bank based on FinRep requirements.

FinRep is prepared in accordance with the Order of the National Bank of Romania (NBR) No 27/2010 approving the Accounting Regulations in accordance with International Financial Reporting Standards applicable to credit institutions as amended ("NBR Order 27/2010") and submitted to the NBR on a regular basis.

The following table summarises the definition used in the preparation of the EU Taxonomy reports.

Requirement	Rule applied by the management
Gross carrying amount	We used gross carrying amounts based on the definitions in Commission

¹¹ Form 5 of Annex II

¹² "Sustainable use and protection of water and marine resources", "Transition to a circular economy", "Prevention and control of pollution" and "Protection and restoration of biodiversity and ecosystems".

Requirement	Rule applied by the management
	Implementing Regulation (EU) 2021/451 (FinRep) as of 31 December 2023, as required by the applicable regulatory framework.
Trading book	FinRep asset class "Held for trading", excluding derivatives. The Bank has no exposures classified in the trading book.
Exposures to central governments, central banks and supranational issuers	FinRep asset exposures related to the relevant portfolio
Total covered assets	Total assets considered for the denominator GAR (Green Asset Ratio)
Derivative financial instruments	Asset class FinRep derivatives classified as "Hedge accounting". As of December 31, 2023, the Bank had no such derivatives.
On-demand interbank loans	Loans and advances identified as on-demand receivables to credit institutions
Exposures to corporates within the scope of NFRD	Exposures to an EU Financial or Non-Financial institution that is a Public Interest Entity with more than 500 employees on a consolidated basis
Exposures to corporates outside the scope of the NFRD	Any Financial or Non-Financial institution that is not an entity falling within the scope of the NFRD transposed by the Order of the Ministry of Finance No. 1938 of 17 August 2016 on the amendment and completion of certain accounting regulations.

Requirement	Rule applied by the management
Exposures to non-eligible activities under the EU Taxonomy	Exposures to non-NFRD entities, households and local governments that do not qualify for eligibility under the Taxonomy.

Total assets in the financial statements are not reconciled to the total assets above because total assets in the balance sheet are presented on a net basis whereas, for the disclosures according to the EU Taxonomy, we have taken into account the gross carrying amount of each category of assets analysed, as clarified by the European Commission in the FAQs on Article 8 of the Delegated Act issued in January 2022.

8.6. Limitations

The published information on the Taxonomy eligibility of the Bank's assets and activities should have been based on the most recent publicly available data on the Taxonomy eligibility/alignment of the activities of the entities in which the Bank has invested or of the Bank's counterparties subject to the NFRD (based on the turnover KPI for non-financial entities and the eligibility ratio for financial entities). Most of the Bank's counterparties have not yet made public their Taxonomy reports, therefore the reported eligibility of the Bank's NFRD counterparties for this year is very limited.

The identification of counterparties subject to NFRD is based on a comprehensive internal analysis, taking into account all public interest entities with more than 500 employees, in accordance with the NFRD requirements transposed by the Ministry of Finance Order No. 1938 of 17 August 2016 on the amendment and supplement of certain accounting regulations. Local implementation of NFRD differs across EU countries and the classification may change in the future.

Data limitations affect the presentation of eligible or aligned activities in terms of the Taxonomy. As the EU Taxonomy is still under development and as data on Taxonomy-aligned activities from businesses is limited, Alpha Bank Romania does not yet make full use of Taxonomy alignment in its business strategy, goal setting, product and process design or in its interaction with customers and other stakeholders.

However, our investments include a balance of RON 22.8 million for sustainability-related bonds issued by a reputable company with Romanian capital. The sustainability performance target of the bonds is to reduce average CO2 emissions by the operating fleet by 25% by 2025, a medium-term goal. As the company is not subject to the NFRD, the bonds cannot be considered eligible from a Taxonomy perspective in the current Taxonomy context. However, with the implementation of CSRD in the EU Taxonomy, we expect sustainability-related bonds to be eligible from a Taxonomy perspective. We intend to expand our investments in sustainable financial instruments and are currently reviewing our investment strategy to enable us to achieve this objective.

Over the following years we will endeavour to provide more detailed information on the Taxonomy alignment of our portfolio. This will involve expanding our data collection capabilities and improving our internal framework to accurately determine the alignment of eligible clients.

8.7. Exposure in the nuclear and gas sectors

For clients subject to our mandatory reporting, as of 31 December, Alpha Bank Romania has not identified any exposure to the nuclear power sector and the fossil gas sector respectively from the perspective of economic activities covered by the EU Taxonomy for reporting.

8.8. Next steps for reporting according to the EU taxonomy

For the financial year 2024, Alpha Bank Romania intends to continue to expand its exposure assessment processes from the perspective of meeting the EU taxonomy requirements, also counting on the developments its clients will experience in the non-financial reporting process.

In order to collect sufficient information, Alpha Bank Romania has started as early as 2023 to collect NACE codes according to the use of funds for new loans but for existing loans it may not be possible to collect this information in all cases.

In order to improve reporting against the EU Taxonomy of assets on our balance sheet, in 2024 we continued our efforts to:

- Extend existing processes for client interaction to refine eligibility and alignment data collection from our NFRD counterparties.
- Enhance technology capabilities to ensure we fully collect Taxonomy-relevant data and more easily identify Taxonomy-eligible activities.
- Refine the strategy to include Taxonomy-related priorities, such as developing products that support Taxonomy-eligible activities.

- Evaluate technical screening criteria, the "significant harm" principle, and minimum safeguards criteria for exposures to our counterparties that fall within the scope of the NFRD and specific loans to households.

We aim to guide our counterparties to support them in their transition to Taxonomy by:

- Refining our data collection processes to ensure that we obtain all the necessary energy efficiency data on financed residential real estate properties.
- Gradually incorporating Taxonomy priorities into sales procedures (once data collection processes and procedures have been refined for Taxonomy purposes).
- Re-design of client questionnaires to better identify elements of eligibility and alignment according to the Taxonomy.
- Consultation with management on the inclusion of GAR objectives in the Bank's strategic objectives and business plan.

ANNEX I

Distinctions and awards granted to Alpha Bank Romania in 2023

When	What	About
February	eServices Award	Alpha Bank Romania received the eServices award at the 20th edition of the eFinance Gala. The award was granted for the first launch on the local market of the card tokenization
April	Most admired brand campaign	Alpha Bank Romania received the award for Most admired brand campaign at the Brand Excellence Hall of Fame Awards 2023, organized by Business Arena magazine. The award was granted for the "Ferma de Lei" campaign, which was
May	EBRD	The European Bank for Reconstruction and Development (EBRD) has granted to Alpha Bank Romania the "Most active issuing bank in Romania in 2022" award, within the TFP - Trade Facilitation Program. The award, granted at the EBRD Annual Meeting and Business Forum, rewards the
June	Best profit dynamics in the Banks category	Alpha Bank Romania received the award for Best profit dynamics in the category Banks with assets between 5 and 49.9 billion RON, at the 16th edition of the Top Bankers Gala,
October	Bank of the Year for SMEs	The award is an acknowledgment of the commitment of the Bank for developing and supporting the SME segment and its efforts to provide products and services adapted to the specific
November	Financing of the Year Award	The award was given for the EUR 450 million financing provided to AFI Europe Romania by a syndicate of banks to which Alpha Bank Romania belonged, with Erste Group Bank,

Key actions of Alpha Bank Romania in 2023

When	What	Details
January	Alpha Bank Romania supports the concert of world-renowned pianist Steve Barakatt	The event in Bucharest is part of the Neorealite international tour and is a Rainbow Bridge Story Ltd. Hong Kong production, organized in partnership with the Romanian Music Society, the Canadian Embassy in Romania and supported by Alpha Bank Romania. The

February	Alpha Bank Romania finances the purchase of homes through the "Noua Casă" program also in 2023	Alpha Bank Romania continues to grant "Noua Casă" loans in this year's edition of the program, in order to facilitate the purchase of homes. The bank offers the "Alpha Housing Noua Casă" credit with an interest rate of 2% + IRCC (consumer credit reference index) and 0 commission for file analysis.
February	Alpha Bank Romania supports the entrepreneurial environment as a partner in the SME INVEST Plus 2023 Program	In 2023, Alpha Bank Romania reaffirms its commitment to support the Romanian business environment by its active participation in the SME INVEST PLUS Program at the level of all its components: SME Invest, Egro SME Invest, SME Prod, Garant Construct, Rural Invest and Innovation.
February	Alpha Bank provides eMAG with long-term financing of almost EUR 70 million for its first regional logistics hub outside Romania	The financing obtained from Alpha Bank by eMAG, the largest online retailer in Romania, supports the construction of a state-of-the-art eMAG logistics center near Budapest, Hungary, with a capacity of up to 120,000 sqm, representing an investment of over EUR 100 million.
October	Alpha Services and Holdings announces strategic partnership with UniCredit in Romania	The merger between Alpha Bank Romania and UniCredit Romania and the creation of the third largest bank in Romania in terms of total assets, in which Alpha Bank will have a 9.9% interest
October	Conference INTERNATIONAL ECONOMIC CONFERENCE OF SIBIU (IECS 2023)	Alpha Bank is the first fully foreign-owned bank to come to Romania, and next year we celebrate 30 years of presence on the local market

December	Alpha Bank Romania grants 100% digital personal-need credits	Alpha Bank Romania announces the launch of personal-need credits in a 100% digital process. Alpha Rapid credit now offers customers the possibility to quickly and conveniently access financing for personal needs 100% online, in about 30 minutes, any time and on any day of the week.
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The main aspects of Corporate Social Responsibility Programs

Alpha Bank Romania continued to run social responsibility programs, aiming to increase the positive impact on society, among the supported sectors being the following:

EDUCATION / CULTURE

➤ **Gala of the Hellenic-Romanian Bilateral Chamber of Commerce and Industry**

Alpha Bank Romania supported the cultural events of the Hellenic-Romanian Bilateral Chamber of Commerce and Industry, participating as partner in the annual gala organized by the Hellenic-Romanian Bilateral Chamber of Commerce and Industry on February 23, 2023. The Hellenic - Romanian Bilateral Chamber of Commerce is the most representative institution for the Greek business community in Romania. The objective of the Chamber is the protection and development of trade relations, employment, services, and exports as well as the development of economic and trade relations between Greece and Romania. In parallel, it supports any attempt to improve educational and cultural relations between the two countries, thus enhancing business relations between Greece and Romania.

➤ **Sibiu University of Economic Sciences**

Alpha Bank Romania supported the Association for Excellence in Economics EXEC (Sibiu University of Economic Sciences) in organizing the SIBIU INTERNATIONAL ECONOMIC CONFERENCE (IECS 2023), which celebrated the 30th edition of the academic economic conference in Sibiu. The IECS conference is one of the most prestigious and long-lasting international academic conferences in the economic field in Romania.

EDUCATION/CULTURE/ART

➤ **National Day of Greece**

Alpha Bank Romania supported the organization by the Hellenic-Romanian Chamber of Commerce and Industry and the Embassy of the Hellenic Republic, of the cultural event held in Bucharest, on March 26, 2023, at the Romanian Athenaeum, in honor of the National Day of Greece, on the occasion of - the 202nd anniversary of the Revolution of 1821, the most important date in the modern history of Greece, the starting point of the National Renaissance, where the "MEGARON" YOUTH SYMPHONIC ORCHESTRA from THESSALONIKI (MOYSA) performed, with Panagiotis Diamantis as conductor.

➤ **Association for the Promoting Performance in Education (APPE)**

Alpha Bank Romania supported the activity of the Association for the Promoting Performance in Education (APPE) - Financial education, the Little Bankers' Olympics with reference to the financial education projects (hybrid education) carried out by it, the Little Bankers' Olympics and others. On this occasion, elements of financial education were combined with notions of literature, history, but also with elements from the digital sphere. Alpha Bank also offered three special awards in the "Smart in banking" category, for two projects carried out by students from Arad county.

The Association for the Promoting Performance in Education is an affiliated member of OECD. In the long term, APPE aims through its projects to contribute to the formation of rational behavior for the future consumer of banking products and services: a responsible, knowledgeable, and informed consumer. More information is available online at www.appe.ro and on the e-learning platform: www.scoala.appe.ro.

➤ **Unchain Fintech Festival 2023**

Alpha Bank Romania supported the emblematic Unchain Festival - the first major fintech event in Central and Eastern Europe. Unchain Festival is a unique opportunity for bankers, financial institutions, technology providers, startups, investors, and all other relevant stakeholders of the CEE ecosystem to discuss the latest trends, create business opportunities and spark innovation in fintech & blockchain.

➤ **Peles National Museum**

The Peleş National Museum, a public cultural institution subordinates to the Ministry of Culture, started in 2016 an extensive editorial project focused on the kings and queens of

Romania, but also on the rich heritage collections that it manages and capitalizes on through temporary exhibitions. Alpha Bank Romania supported the editorial project of the museum which includes, along with other publications, the album "Peleş Castle", "The Museum and its collections" and the exhibition catalogs "Royal Hunters". Peleş Castle is one of the most important historical buildings in Romania, having a unique character and is, by its historical and artistic value, one of the most important monuments of its kind in Europe in the second half of the 19th century.

➤ **Exhibition of the Alpha Bank numismatic collection at the Museum of the National Bank of Romania. Exhibition title: The two sides of the coin. Mediums of exchange - Masterpieces of art**

The exhibition "The two sides of the coin. Mediums of Exchange - Masterpieces of Art" is organized by Alpha Bank, in collaboration with the Museum of the National Bank of Romania, to mark the 50th anniversary of the establishment of its numismatic collection. Coinage allows the historical and cultural identity of a people to be outlined as it was reflected in a particular time and space. Appearing in the second half of the 8th century BC, the currency represented the main means of trading, its use facilitating daily commercial exchanges, ensuring the payment of officials and troops, mediating the payment of taxes and facilitating the completion of public works.

The exhibition aims to present the history of currency and its use as a means of communication and conveying messages. On the coins are rendered snapshots that capture characters and events, transposed into real works of art, which reflect the creative genius of the authors and artistic currents of the period in which they circulated.

Alpha Bank's numismatic collection, which includes approximately 11,000 ancient pieces, is considered one of the most important and complete of its kind in the world. The exhibition registered, until January, a number of 5343 visitors.

ART/CULTURE

➤ **FITS 2023 (Sibiu International Theater Festival)**

Alpha Bank Romania was the "Unique Partner of the Volunteering and Performing Arts Program". The program offers training opportunities, gaining experience for better success on the labor market, training new skills, getting familiar with different operational systems and organizational structures, the pride of being an active part of the community, but also

involvement in a prestigious organization. This year's edition of the festival brought together around 3,300 participants from 73 countries, for a number of around 800 shows and events held in 75 venues.

The Sibiu International Theater Festival was this year in its 30th edition and was held between Sibiu and in the spectators' homes, through the official FITS website, www.sibfest.ro, www.scena-digitala.ro, the Facebook page and the YouTube channel.

SPORTS

➤ Bucharest Marathon 2023

Alpha Bank Romania employees participated in the Bucharest Marathon on May 13-14, 2023. On this occasion, Alpha Bank Romania supports sports, a healthy lifestyle, and the health of its employees.

➤ European Chess Championships 2023

Alpha Bank Romania supported the organizing activities of the European Junior Team Chess Championship in Iași between July 23-31, 2023 and the European Junior Chess Championship, individually in Constanța, between September 4-15, 2023, organized by the Federation Romanian Chess, CS Chess Club Universul and CS Junior Constanța.

ANNEX II

EU TAXONOMY REPORTING TEMPLATES

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

		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (over total assets)***
Main KPI	Green asset ratio (GAR) stock	6,255,707.77	0.038%		0.029%

		Total environmentally sustainable assets	KPI	KPI	% coverage (over total assets)
Additional KPIs	GAR (flow)	1,894,523.89	0.041%		0.009%
	Trading book*	-	-		
	Financial guarantees	-	-		
	Assets under management	-	-		
	Fees and commissions income**				

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR.

** Venituri din onorarii și comisioane provenite din alte servicii decât creditarea și administrarea de active

Instituțiile furnizează informații cu dimensiune prospectivă privind acești ICP, inclusiv informații privind țintele urmărite, împreună cu explicații relevante referitoare la metodologia aplicată.

*** % de active acoperite de ICP în activele totale ale băncilor

**** pe baza ICP privind cifra de afaceri a contrapărții

***** pe baza ICP privind CapEx ale contrapărții, cu excepția activităților de creditare în cazul cărora, pentru activitățile de creditare cu caracter general, se utilizează ICP privind cifra de afaceri

Nota 1: În toate modelele de raportare: celulele hașurate cu negru nu se raportează.

**Fees and commissions income from services other than lending and AuM.

Institutions shall disclose forward looking information for these KPIs, including information in terms of targets, together with relevant explanations on the methodology applied.

*** % of assets covered by the KPI over banks' total assets.

****based on the Turnover KPI of the counterparty.

*****based on the CapEx KPI of the counterparty, except for lending activities where the general lending Turnover KPI is used.

Note 1: Across the reporting templates: cells shaded in black should not be reported.

Note 2: Fees and Commissions (sheet 6) and Trading Book (sheet 7) KPIs shall only apply starting 2026, SMEs' inclusion in these KPIs will only apply subject to a positive result of an impact assessment.

1. Assets for the calculation of GAR

		a	b	c	d	e	f	g	h	i	j	k	l	m
		Disclosure reference date T												
		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)	
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards ta	
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which e	
			Of which specialised lending	Of which transitional	Of which enabling	Of which specialised lending	Of which adaptation	Of which enabling						
million RON														
GAR – Covered assets in both numerator and denominator														
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	7,458.75	245.83	6.26	-	6.26	-	-	-	-	-	-	245.83	6.26
2	Financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-
8	of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
12	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
16	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
19	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Non-financial corporations	370.24	239.57	-	-	-	-	-	-	-	-	-	239.57	-
21	NFCs subject to NFRD disclosure obligations	370.24	239.57	-	-	-	-	-	-	-	-	-	239.57	-
22	Loans and advances	370.24	239.57	-	-	-	-	-	-	-	-	-	239.57	-
23	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Households	7,077.19	6.26	6.26	-	6.26	-	-	-	-	-	-	6.26	6.26
26	of which loans collateralised by residential immovable property	7,058.42	6.26	6.26	-	6.26	-	-	-	-	-	-	6.26	6.26
27	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-
28	of which motor vehicle loans	18.76	-	-	-	-	-	-	-	-	-	-	-	-
29	Local governments financing	4.19	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable property	7.14	-	-	-	-	-	-	-	-	-	-	-	-
32	Other assets excluded from the numerator for the GAR calculation (covered in the denominator)	9,007.65	245.83	6.26	-	6.26	-	-	-	-	-	-	245.83	6.26
33	Non-financial corporations	7,521.07	-	-	-	-	-	-	-	-	-	-	-	-
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	7,521.07	-	-	-	-	-	-	-	-	-	-	-	-
35	Loans and advances	7,445.84	-	-	-	-	-	-	-	-	-	-	-	-
36	of which loans collateralised by commercial immovable property	2,624.25	-	-	-	-	-	-	-	-	-	-	-	-
37	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Equity instruments	75.23	-	-	-	-	-	-	-	-	-	-	-	-
40	Non-EU country counterparties not subject to NFRD disclosure obligations	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-
43	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
44	Derivatives	-	-	-	-	-	-	-	-	-	-	-	-	-
45	On demand interbank loans	467.00	-	-	-	-	-	-	-	-	-	-	-	-
46	Cash and cash-related assets	536.65	-	-	-	-	-	-	-	-	-	-	-	-
47	Other assets (e.g., Goodwill, commodities, etc.)	482.93	-	-	-	-	-	-	-	-	-	-	-	-
48	Total GAR assets	16,466.41	491.66	12.51	-	12.51	-	-	-	-	-	-	491.66	12.51
49	Other assets not covered for GAR calculation	5,001.33	-	-	-	-	-	-	-	-	-	-	-	-
50	Sovereigns	1,887.14	-	-	-	-	-	-	-	-	-	-	-	-
51	Central banks exposure	3,114.19	-	-	-	-	-	-	-	-	-	-	-	-
52	Trading book	-	-	-	-	-	-	-	-	-	-	-	-	-
53	Total assets	21,467.73	-	-	-	-	-	-	-	-	-	-	-	-

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		a	b	c	d	e	f	g	h	i	j	k	l	m
		Disclosure reference date T												
million RON		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)	
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)	
			Of which environmentally sustainable (Taxonomy-aligned)			Of which specialised lending		Of which environmentally sustainable (Taxonomy-aligned)			Of which specialised lending		Of which specialised lending	
				Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			
Off-balance sheet exposures - Corporate subject to NFRD disclosure obligations														
54	Financial guarantees	32.35	31.70	-	-	-	-	-	-	-	-	-	-	31.70
55	Assets under management	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Of which debt securities	-	-	-	-	-	-	-	-	-	-	-	-	-
57	Of which equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-

1. This template shall include information for loans and advances, debt securities and equity instruments in the banking book, towards financial corporates, non-financial corporates (NFC), including SMEs, households (including residential real estate, house renovation loans and motor vehicle loans only) and local governments/ municipalities (house financing).

2. The following accounting categories of financial assets should be considered: Financial assets at amortised cost, financial assets at fair value through other comprehensive income, investments in subsidiaries, joint ventures and associates, financial assets designated at fair value through profit or loss and non-trading financial assets mandatorily at fair value through profit or loss, and real estate collaterals obtained by credit institutions by taking possession in exchange in of cancellation of debts.

3. Banks with non-EU subsidiary should provide this information separately for exposures towards non-EU counterparties. For non-EU exposures, while there are additional challenges in terms of absence of common disclosure requirements and methodology, as the EU taxonomy and the NFRD apply only at EU level, given the relevance of these exposures for those credit institutions with non-EU subsidiaries, these institutions should disclose a separate GAR for non-EU exposures, on a best effort basis, in the form of estimates and ranges, using proxies, and explaining the assumptions, caveats and limitations.

Disclosure reference date T-1																		
A) Taxonomy relevant sectors (Taxonomy-eligible)			Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)				
environmentally sustainable (Taxonomy-aligned)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
Of which specialised lending	Of which transitional/adaptation	Of which enabling		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				
					Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which adaptation	Of which enabling			Of which specialised lending	Of which transitional/adaptation	Of which enabling	
-	-	-																
-	-	-																
-	-	-																
-	-	-																

2. GAR sector information

a	b	c				e				f				h				i				k				l				n				o				q				r			
		Climate Change Mitigation (CCM)								Climate Change Adaptation (CCA)								Total (CMM + CCA)																											
		Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD				Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD				Non-Financial corporates (Subject to NFRD)				SMEs and other NFC not subject to NFRD																							
Gross carrying amount		Of which environmentally sustainable (CCM)		Gross carrying amount		Of which environmentally sustainable (CCM)		Gross carrying amount		Of which environmentally sustainable (CCA)		Gross carrying amount		Of which environmentally sustainable (CCA)		Gross carrying amount		Of which environmentally sustainable (CCM+CCA)		Gross carrying amount		Of which environmentally sustainable (CCM+CCA)																							
mil. RON				mil. RON				mil. RON				mil. RON				mil. RON				mil. RON																									
1	2013 - Manufacture of other basic inorganic chemicals	136.13	-																	136.13	-																								
2	2442 - Aluminium metallurgy	103.44	-																	103.44	-																								
3	3512 - Electric power transmission	-	-																	-	-																								

1. Credit institutions shall disclose in this template information on exposures in the banking book towards those sectors covered by the Taxonomy (NACE sectors 4 levels of detail), using the relevant NACE Codes on the basis of the principal activity of the counterparty

2. The counterparty NACE sector allocation shall be based exclusively on the nature of the immediate counterparty. The classification of the exposures incurred jointly by more than one obligor shall be done on the basis of the characteristics of the obligor that was the more relevant, or determinant, for the institution to grant the exposure. The distribution of jointly incurred exposures by NACE codes shall be driven by the characteristics of the more relevant or determinant obligor. Institutions shall disclose information by NACE codes with the level of disaggregation required in the template.

3. GAR KPI stock

1. Institution shall disclose in this template the GAR KPIs on stock of loans calculated based on the data disclosed in template 1, on covered assets, and by applying the formula proposed in this template
2. Information on the GAR (green asset ratio of 'eligible' activities) shall be accompanied with information on the proportion of total assets covered by the GAR
3. Credit institutions can, in addition to the information included in this template, show the proportion of assets funding taxonomy relevant sectors that are environmentally sustainable (Taxonomy-aligned). This information would enrich the information on the KPI on environmentally sustainable assets compared to total covered assets

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p																
																	Disclosure reference date T															
																	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)					Proportion of total assets covered
																	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)																						
Of which specialised lending			Of which transitional		Of which enabling		Of which specialised lending			Of which transitional		Of which enabling		Of which specialised lending			Of which transitional		Of which enabling													
% (compared to total covered assets in the denominator)																																
1	GAR – Covered assets in both numerator and denominator																															
2	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	1.49%	0.04%	-	0.04%	-	-	-	-	-	-	-	1.49%	0.04%	-	0.04%	-	0.04%														
3	Financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
4	<i>Credit institutions</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
5	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
6	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
7	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
8	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
9	<i>of which investment firms</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
10	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
11	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
12	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
13	of which management companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
14	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
15	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
16	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
17	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
18	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
19	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
20	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
21	Non-financial corporations	1.45%	-	-	-	-	-	-	-	-	-	-	1.45%	-	-	-	-	-														
22	NFCs subject to NFRD disclosure obligations	1.45%	-	-	-	-	-	-	-	-	-	-	1.45%	-	-	-	-	-														
23	Loans and advances	1.45%	-	-	-	-	-	-	-	-	-	-	1.45%	-	-	-	-	-														
24	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
25	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
26	Households	0.04%	0.04%	-	0.04%	-	0.00%	-	-	-	-	-	0.04%	0.04%	-	0.04%	-	0.04%														
27	of which loans collateralised by residential immovable property	0.04%	0.04%	-	0.04%	-	-	-	-	-	-	-	0.04%	0.04%	-	0.04%	-	0.04%														
28	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
29	of which motor vehicle loans	-	-	-	-	-	0.00%	-	-	-	-	-	0.00%	-	-	-	-	-														
30	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
31	Collateral obtained by taking possession: residential and commercial immovale prope	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
32	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-														
49	Total GAR assets	1.49%	0.04%	-	0.04%	-	0.00%	-	-	-	-	-	1.49%	0.04%	-	0.04%	-	0.04%														

4. GAR KPI flow

1. Institution shall disclose in this template the GAR KPIs on flow of loans calculated (new loans on a net basis) based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template

	a	b	c	d	e	f	g	h	i	j	k	
	Disclosure reference date T											
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)						
% (compared to flow of total eligible assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion	
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)						
			Of which specialised lending	Of which transitional	Of which enabling			Of which specialised lending	Of which transitional	Of which enabling		
1	GAR – Covered assets in both numerator and denominator											
2	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	5.52%	0.01%	-	0.01%	-	0.00%	-	-	-	-	5.52%
3	Financial corporations	-	-	-	-	-	-	-	-	-	-	-
4	Credit institutions	-	-	-	-	-	-	-	-	-	-	-
5	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
6	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
7	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
8	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-
9	of which investment firms	-	-	-	-	-	-	-	-	-	-	-
10	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
11	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
12	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
13	of which management companies	-	-	-	-	-	-	-	-	-	-	-
14	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
15	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
16	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
17	of which insurance undertakings	-	-	-	-	-	-	-	-	-	-	-
18	Loans and advances	-	-	-	-	-	-	-	-	-	-	-
19	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
20	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
21	Non-financial corporations	0.40%	-	-	-	-	-	-	-	-	-	0.40%
22	NFCs subject to NFRD disclosure obligations	0.40%	-	-	-	-	-	-	-	-	-	0.40%
23	Loans and advances	0.40%	-	-	-	-	-	-	-	-	-	0.40%
24	Debt securities, including UoP	-	-	-	-	-	-	-	-	-	-	-
25	Equity instruments	-	-	-	-	-	-	-	-	-	-	-
26	Households	5.12%	0.01%	-	0.01%	-	-	-	-	-	-	5.12%
27	of which loans collateralised by residential immovable property	5.12%	0.01%	-	0.01%	-	-	-	-	-	-	5.12%
28	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-
29	of which motor vehicle loans	0.06%	-	-	-	-	-	-	-	-	-	0.06%
30	Local governments financing	0.01%	-	-	-	-	-	-	-	-	-	0.01%
31	Collateral obtained by taking possession: residential and commercial immovale pro	-	-	-	-	-	-	-	-	-	-	-
32	Other local government financing	-	-	-	-	-	-	-	-	-	-	-
49	Total GAR assets	5.52%	0.01%	-	0.01%	-	0.00%	-	-	-	-	5.52%

l	m	n	o	p
TOTAL (CCM + CCA)				
of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total new assets covered
Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
	Of which specialised lending	Of which transitional	Of which enabling	
0.01%	-	0.01%	-	0.01%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
0.01%	-	0.01%	-	0.01%
0.01%	-	0.01%	-	0.01%
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
0.01%	-	0.01%	-	0.01%

5. KPI off-balance sheet exposures

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o					
	Disclosure reference date T																			
	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					TOTAL (CCM + CCA)									
% (compared to total eligible off-balance sheet assets)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)									
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)									
	Of which specialised lending			Of which transitional		Of which enabling		Of which specialised lending			Of which transitional		Of which enabling		Of which specialised lending			Of which transitional		Of which enabling
1	Financial guarantees (FinGuar KPI)	0.98	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
2	Assets under management (AuM KPI)	-	-	-	-	-	-	-	-	-	-	-	-	-	-					

1. Institutions shall disclose in this template the KPIs for off-balance sheet exposures (financial guarantees and AuM) calculated based on the data disclosed in template 1, on covered assets, and by applying the formulas proposed in this template