BRD GROUP

Budget 2026

General Shareholders Assembly

CONSOLIDATED DATA, ACCORDING TO IFRS

APRIL 2026

TU EŞTI VIITORUL

BRD GROUPE SOCIETE GENERALE

Budget based on assumptions prepared in September 2025

MACROECONOMIC ENVIRONMENT

based on assumptions prepared in September 2025

Note: All macroeconomic assumptions for 2026 were prepared in September 2025

- Romania's economy experienced a **significant slowdown in 2025, with GDP growing by just 0.6%**, primarily due to weak external trade, declining industrial activity, and a slowdown in the IT&C sector.
- In 2026, **growth is expected to accelerate to 1.2%**, driven by higher stronger EU-funded investments, and a slight recovery in external demand. However, risks remain, including political uncertainty, fiscal consolidation efforts, and weak Eurozone growth.
- Inflation accelerated significantly throughout 2025, ending the year at 9.7%, driven mainly by the liberalization of energy prices, the VAT increase, and strong cost pressures across services and non-food goods. The short-term outlook remains uncertain, with inflation likely to fluctuate amid volatile energy markets, fiscal adjustments, and global trade tensions. **Still, CPI is expected to anchor on the downside heading for low single digit in the next years.**
- ROBOR 3M fluctuated during 2025, peaking at 7.39% mid May and stabilizing around 6.2% by year-end. In the coming years, interest rates are expected to ease gradually, though the decline will likely remain moderate.
- EUR/RON exchange rate is projected to gradually, but mildly depreciate.
- Market growth of loans and deposits is expected around mid single digit for 2026.
- Romanian banks are facing increased pressure from the 4% tax on gross revenues (doubled starting July 2025). This tax is booked in operating expenses, directly influencing the cost to income performance ratio.

TRANSFORMING OUR BUSINESS MODEL | RETAIL

	2027 AMBITIONS	2025 ACHIEVEMENTS
Provide excellent **CLIENT** experience leading to growing the business across all segments	▪ Personalized and competitive customer value proposition, targeted communication, leveraging on advanced data analytics and synergy with Corporate clients ▪ Frictionless and reliable PI&SB digital journeys ▪ Grow MS outstanding lending PI and increase SB lending penetration	▪ New PI native onboarding flow in YOU app ▪ Reshaped daily banking package offer for SB clients ▪ Implementation of new scoring for SB clients with improved lending parameters ▪ Constant pricing adjustments on lending & deposits products to keep the balance competitivity / profitability ▪ Delivering recurrent campaigns based on Machine Learning focusing on x-sell and retention
Achieve higher **EFFICIENCY** through process optimization and digitalization, leveraging technology and optimal channel mix	▪ Increase digital adoption ▪ Omnichannel orchestration and smooth transitions between digital & branch interactions to support seamless and paperless customer journeys ▪ Network Sales Efficiency, Performance Management & Footprint optimization ▪ PI and SB lending core products flow enhancement through digitalization & automation	▪ Enhanced functionalities in YOU app: 'Recommend a Friend', multi-currency, push notifications, new savings accounts, extended transaction limits, partial early loan repayment, customer data update ▪ New features on online consumers lending flows: cross-sell credit card with personal loans, loans with co-borrowers ▪ Automatic periodic review and pilot new onboarding flow through OCP for SB clients
Act as a **RESPONSIBLE** bank at the forefront of client sustainability transition (ESG)	▪ Building a better and sustainable future together with our clients through responsible and innovative financial solutions ▪ Development of environmental and social (E&S) products through partnerships with financial institutions ▪ Develop e-accessibility solutions	▪ Maintaining a comprehensive and competitive offer for both Green consumer loans and Green mortgage loans ▪ EUNAT programs - Leverage on new partnerships with EIF and BID to promote sustainable SB solutions

TRANSFORMING OUR BUSINESS MODEL | CORPORATE

	2027 AMBITIONS	2025 ACHIEVEMENTS
CLIENTS	▪ Be the preferred bank of our clients ▪ Grow market shares ▪ Simplify product portfolio and optimize processes ▪ Enhance synergies across Business Lines, with subsidiaries and the Group	▪ Increased Market Share to 8.6% (from 8.1% in 2024) ▪ Excellent 79 NPS score, TOP 1 as preferred bank ▪ Corporate loan portfolio increased by 17% yoy, surpassing targets ▪ Best Trade Finance Provider in 2025, Global Finance award ▪ Enhanced commercial approach in SMEs, focused on client activation and acquisition, combining, account planning, relationship intensity criteria and CRM new capabilities
EFFICIENCY	▪ Comprehensive online offer and seamless processing by increasing digitalization and leveraging on technology to improve client and people experience ▪ Enhance productivity ▪ Commit to a healthy risk and compliance profile	▪ Streamlined BC organization ▪ Simplified SME pricing approval process for daily banking ▪ Optimization of credit granting & monitoring activity: Centralization of SME credit analysis & monitoring activity, covenants elimination for SMEs with 1-5 MEUR T/O, automation of loan setup & disbursement in BO ▪ Optimization of KYC processes (onboarding, periodic review & ESG analysis)
ESG	▪ A go-to bank for sustainable financing thanks to recognized expertise and execution capabilities ▪ Develop partnerships with financial institutions ▪ Promoting ESG engagement within and beyond our organization	▪ Important sustainable financing production exceeding the 2025 SFT target (211%); advancement on IFC redeployment target on climate finance and gender finance ▪ First SLL for SMEs standard product and first green factoring launched on local market ▪ Partnership with Auchan to promote SLL standard green financing for SMEs.

2026 BUDGET - PROFITABILITY

based on assumptions prepared in September 2025

RON m		A 2024	A 2025	Evolution 25/24
FINANCIAL RESULTS	NET BANKING INCOME	4,032	4,350	+7.9%
	OPERATING EXPENSES	(2,024)	(2,223)	+9.9%
	GROSS OPERATING INCOME	2,009	2,127	+5.9%
	NET COST OF RISK	(145)	(225)	+55.1%
	NET RESULT	1,524	1,546	+1.4%
RATIOS	COST/INCOME RATIO	50.2%	51.1%	*+0.9 pts*
	ROE	16.6%	15.4%	*-1.2 pts*

Perspectives for 2026

Mid single digit increase of NBI
driven by Net interest Income growth

***OPEX** to be influenced by tax on turnover, still high inflationary pressure, IT investments, and mitigated by efficiency gains*

Slightly positive jaws

*Normalizing **NCR***

Low single digit growth of Net result

Slightly improving Cost/Income

***ROE slightly decreasing,** impacted by tax on turnover and normalized cost of risk*

PROFITABILITY EVOLUTION

based on assumptions prepared in September 2025

Net banking income

Net Interest Income growth on:

- positive volume effect, driven by both average loans and average deposits growth
- negative interest rate effect, with decreasing interest rates and continuously high competitive pressure on margins

Fee and commission income expected to slightly soften reflecting continued pressure on pricing and product mix, despite the solid transactional momentum.

Operating expenses

Costs to be influenced by:

- 4% tax on gross revenues (doubled starting July 2025).
- still high inflationary pressure
- necessity to continue important investments in IT in order to expand bank's transformation
- further structural optimizations (automation, continuation of network resizing) to deliver efficiency gains

Cost of Risk

- Normalizing NCR

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