

METHODOLOGY OF FIRST INVESTMENT BANK AD FOR DETERMINING SAVINGS-BASED REFERENCE INTEREST RATE (SIR)

Section I. Purpose

This Methodology regulates the determining and calculating of Savings-Based Reference Interest Rate (SIR) applied by First Investment Bank AD (Fibank, the Bank) as basis for determining interest rates on credit transactions for individuals and businesses in BGN, EUR and USD. The Bank determines separate SIR for each type of currency.

Section II. Calculation methodology

The SIR is determined monthly, based on data published by the BNB at the end of the month relating to the previous month. The SIR comes into effect from the 1st of the month following the month of determination (e.g. SIR effective from July 1 is determined based on the data published by the BNB at the end of June, relating to the month of May).

Data for calculating the reference interest rate is taken from BNB statistics on Interest Rates and Volumes of Outstanding Amounts on Overnight Deposits, Deposits with Agreed Maturity and Deposits Redeemable at Notice (Non-financial Corporations and Households sectors), which is located on the BNB website at Statistics/Monetary and Interest Rate Statistics/ Interest Rate Statistics.

Data is published at the end of each month on the BNB website, at the following address:

<https://bnb.bg/Statistics/StMonetaryInterestRate/StInterestRate/StIRInterestRate/index.htm?toLang=EN>

Fibank will promptly inform its customers in the event of a change in the address where the above data is published.

The SIR of Fibank is determined based on the weighted average rates on term deposits for the banking system. The calculation formula is as follows:

$$SIR_{ccy} = \frac{IR_{H \leq 2} \times BAL_{H \leq 2} + IR_{H > 2} \times BAL_{H > 2} + IR_{C \leq 2} \times BAL_{C \leq 2} + IR_{C > 2} \times BAL_{C > 2}}{BAL_{H \leq 2} + BAL_{H > 2} + BAL_{C \leq 2} + BAL_{C > 2}}$$

where:

SIR_{ccy} – SIR for the respective currency (BGN*, EUR**, USD);

$IR_{H \leq 2}$ – effective annual interest rate on term deposits for households from 1 day to 2 years for the respective currency (BGN, EUR, USD);

$IR_{H>2}$ – effective annual interest rate on term deposits for households over 2 years for the respective currency (BGN, EUR, USD);

$IR_{C\leq 2}$ – effective annual interest rate on term deposits for non-financial corporations from 1 day to 2 years for the respective currency (BGN, EUR, USD);

$IR_{C>2}$ – effective annual interest rate on term deposits for non-financial corporations over 2 years for the respective currency (BGN, EUR, USD);

$BAL_{H\leq 2}$ – volume of term deposits for households from 1 day to 2 years for the respective currency (BGN, EUR, USD);

$BAL_{H>2}$ – volume of term deposits for households over 2 years for the respective currency (BGN, EUR, USD);

$BAL_{C\leq 2}$ – volume of term deposits for non-financial corporations from 1 day to 2 years for the respective currency (BGN, EUR, USD);

$BAL_{C>2}$ – volume of term deposits for non-financial corporations over 2 years for the respective currency (BGN, EUR, USD).

* SIR in BGN will continue to be calculated and applied until 28.02.2026, based on available data from BNB interest rate statistics. After this date, SIR in BGN will be discontinued due to discontinuation of data for BGN deposits.

** Starting from 01.01.2026, the value of SIR in EUR will be calculated based on aggregated statistical data for deposits in BGN and EUR published by the BNB, and applied to new agreements concluded by the Bank. For agreements concluded before this date and linked to SIR in EUR, the index calculation will continue based on statistical data for deposits in EUR.

The SIR of Fibank for British pounds shall be equal to the SIR for USD, due to the absence of published BNB statistics for interest rates on GBP deposits.

Section III. Transparency and disclosure regarding SIR

With a view to ensuring transparency and trust in its relations with customers and in compliance with legal requirements, the Bank announces SIR and the methodology for its calculation on its website, as well as in any other appropriate manner at its discretion.

Section IV. Final provisions

This Methodology was adopted by the Management Board of First Investment Bank AD by decision effective 23.07.2014, supplemented in connection with the introduction of the euro in the Republic of Bulgaria by decision effective 01.01.2026.