

Reports and consolidated and separate financial statements at december 31, 2025



*Report and consolidated financial statements at
December 31, 2025 of the Iccrea Cooperative
Banking Group*

ICCREA BANCA S.P.A.

Istituto Centrale del Credito Cooperativo

Parent Company of the Iccrea Cooperative Banking Group

Registered office and headquarters: Via Lucrezia Romana 41/47 - 00178 Rome, Italy

Share capital: €1,401,045,452.35 fully paid-up.

VAT reg. no. and tax ID no. 04774801007 - R.E.A. of Rome no. 801787

Participating entity in the Group VAT mechanism of the Iccrea Cooperative Banking Group,

Vat reg. no. 15240741007

Entered in the Register of Banking Groups

Entered in the Register of Banks at no. 5251

ABI code no. (08000)



CONTENT

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS OF THE ICCREA COOPERATIVE BANKING GROUP	5
CONSOLIDATED REPORT ON OPERATIONS	7
1. EXECUTIVE SUMMARY	11
2. THE ECONOMIC ENVIRONMENT	20
3. THE ICCREA COOPERATIVE BANKING GROUP: DISTINGUISHING CHARACTERISTICS, GEOGRAPHICAL DISTRIBUTION, STRUCTURAL ARRANGEMENTS, SPECIFIC NATURE OF THE AFFILIATED MUTUAL BANKS AND THEIR MISSION	28
4. DEVELOPMENTS IN GROUP OPERATIONS	34
5. THE GROUP'S STRATEGIC LINES OF BUSINESS	45
6. DEVELOPMENTS IN PARENT COMPANY OPERATIONS AND THE MAIN ITEMS OF THE BALANCE SHEET AND INCOME STATEMENT	68
7. SIGNIFICANT EVENTS DURING THE PERIOD	73
8. SUSTAINABILITY STATEMENT'	83
9. INTERNAL CAPITAL AND LIQUIDITY ADEQUACY ASSESSMENT PROCESS	298
10. RISKS AND UNCERTAINTIES	300
11. SUBSEQUENT EVENTS	302
12. OTHER INFORMATION	302
ATTACHMENT 1 - RECONCILIATION OF EQUITY AND NET PROFIT OF THE PARENT COMPANY WITH GROUP EQUITY AND NET PROFIT	307
ATTACHMENT 2 - ALTERNATIVE PERFORMANCE MEASURES	308
CONSOLIDATED FINANCIAL STATEMENTS	311
CONSOLIDATED BALANCE SHEET	313
CONSOLIDATED INCOME STATEMENT	315
STATEMENT OF COMPREHENSIVE INCOME	316
STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY 2025	317
STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY 2024	318
STATEMENT OF CASH FLOWS: INDIRECT METHOD	319
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	321
PART A - ACCOUNTING POLICIES	323
PART B - INFORMATION ON THE CONSOLIDATED BALANCE SHEET	385
PART C - INFORMATION ON THE CONSOLIDATED INCOME STATEMENT	429
PART D - CONSOLIDATED COMPREHENSIVE INCOME	453
PART E - RISK AND RISK MANAGEMENT POLICIES	457
PART F - INFORMATION ON CONSOLIDATED CAPITAL	567
PART G - BUSINESS COMBINATIONS	575
PART H - TRANSACTIONS WITH RELATED PARTIES	579
PART I - SHARE-BASED PAYMENTS	583
PART L - OPERATING SEGMENTS	587
PART M - LEASE DISCLOSURES	591
REPORT OF THE BOARD OF AUDITORS	597
CERTIFICATIONS	615
REPORT OF THE AUDIT FIRM	619
COUNTRY BY COUNTRY REPORTING	631

REPORT AND SEPARATE FINANCIAL STATEMENTS OF THE PARENT COMPANY ICCREA BANCA SPA.....637

REPORT ON OPERATIONS OF THE PARENT COMPANY 639

1. DEVELOPMENTS IN PARENT COMPANY OPERATIONS AND THE MAIN ITEMS OF THE BALANCE SHEET AND INCOME STATEMENT..... 641

2. REFERRALS TO OTHER PARTS OF THE FINANCIAL STATEMENTS 646

3. PROPOSED ALLOCATION OF PROFIT 646

SEPARATE FINANCIAL STATEMENTS 647

BALANCE SHEET 649

INCOME STATEMENT 651

STATEMENT OF COMPREHENSIVE INCOME 652

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT DECEMBER 31, 2025 653

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT DECEMBER 31, 2024 654

STATEMENT OF CASH FLOWS: INDIRECT METHOD 655

NOTES TO THE FINANCIAL STATEMENTS 657

PART A - ACCOUNTING POLICIES..... 659

PART B - INFORMATION ON THE BALANCE SHEET 713

PART C - INFORMATION ON THE INCOME STATEMENT 753

PART D - COMPREHENSIVE INCOME 771

PART E - RISK AND RISK MANAGEMENT POLICIES 775

PART F – INFORMATION ON CAPITAL.....889

PART G - BUSINESS COMBINATIONS 895

PART H - TRANSACTIONS WITH RELATED PARTIES 899

PART I - SHARE-BASED PAYMENTS 903

PART L - OPERATING SEGMENTS 907

PART M - LEASE DISCLOSURES 911

CERTIFICATION..... 915

REPORT OF THE AUDIT FIRM..... 919

ATTACHMENTS - ACCOUNTS OF THE GUARANTEE SCHEME.....927

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS OF THE ICCREA COOPERATIVE BANKING GROUP

CONSOLIDATED REPORT ON OPERATIONS

December 31, 2025

CORPORATE BOARDS

Elected at the Ordinary Shareholders' Meeting of May 15, 2025 for the 2025-2027 term

BOARD OF DIRECTORS

MAINO Giuseppe	<i>Chairman</i>
FIORDELISI Teresa	<i>Senior Deputy Chairman</i>
CARRI Francesco	<i>Deputy Chairman</i>
BENABDALLAH Nadia	
CAPPIELLO Laura* (2) (4)	
ELEFANTI Marco* (2) (3)	
GAMBI Giuseppe (3) (5)	
LONGHI Maurizio	
MANZO Amedeo (1)	
OTTOBONI Roberto	
PETRINI Paola (2) (5)	
PIVA Flavio	
RIMOLDI Enrica* (1) (4) (5)	
STRA Pierpaolo	
ZONI Laura* (1) (3) (4)	

EXECUTIVE COMMITTEE

LONGHI Maurizio	<i>Chairman</i>
BENABDALLAH Nadia	
OTTOBONI Roberto	
PIVA Flavio	
STRA Pierpaolo	

BOARD OF AUDITORS

ZANARDI Barbara	<i>Chairman</i>
ANDRIOLO Riccardo	<i>Standing Auditor</i>
CAPUANO Claudia	<i>Standing Auditor</i>
ROCCHETTI Vittorio	<i>Alternate Auditor</i>
CIGNOLINI Michela	<i>Alternate Auditor</i>

* Independent directors

- (1) Member of the Risk Committee
- (2) Member of the Appointments Committee
- (3) Member of the Remuneration Committee
- (4) Member of the Affiliated Bank Controls & Interventions Committee
- (5) Member of the Environmental Social Governance Committee

SENIOR MANAGEMENT

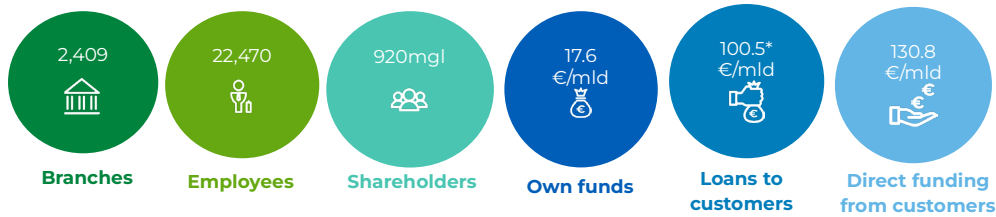
PASTORE Mauro	<i>General Manager</i>
ROMITO Francesco	<i>Senior Deputy General Manager</i>
GALBIATI Pietro	<i>Deputy General Manager</i>

FINANCIAL REPORTING OFFICER

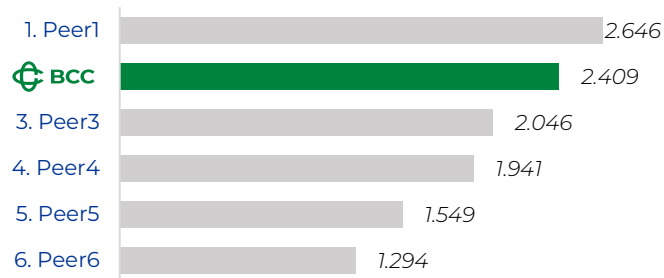
DI PRINZIO Marianna

1. EXECUTIVE SUMMARY

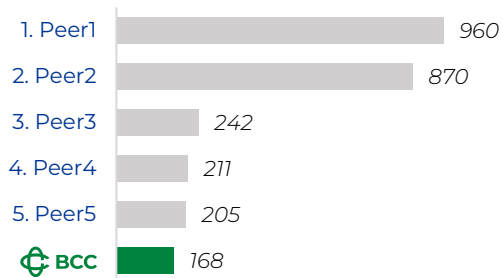
KEY FIGURES AND MARKET POSITIONING



SECOND LARGEST BANKING GROUP BY NUMBER OF BRANCHES IN ITALY (€/B)*



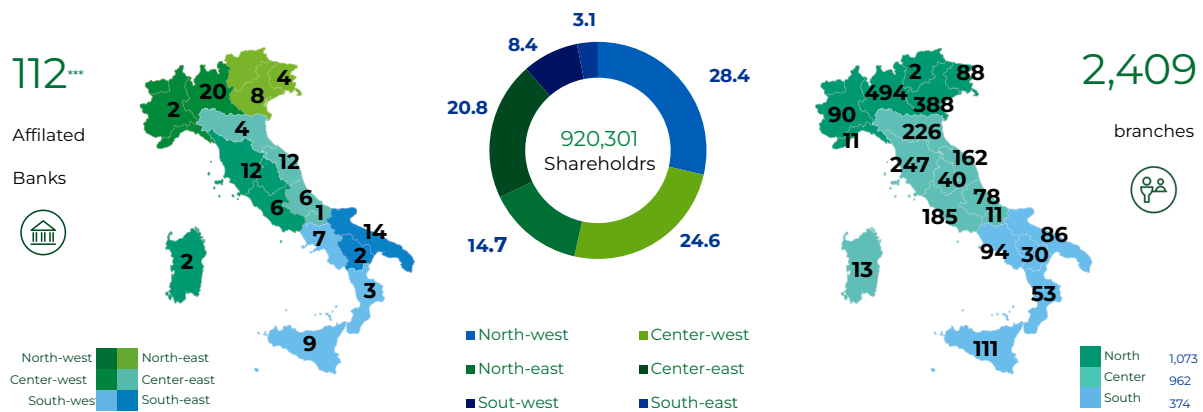
SIXTH BANKING GROUP BY TOTAL ASSETS (€/B)*



* Gross loans to customers

** Source infoproviders: figures at December 31, 2025

GEOGRAPHICAL POSITIONING OF THE GROUP RETAIL BANKS



*** Does not include Banca di Pisa e Fornacette C. C. in liquidation.

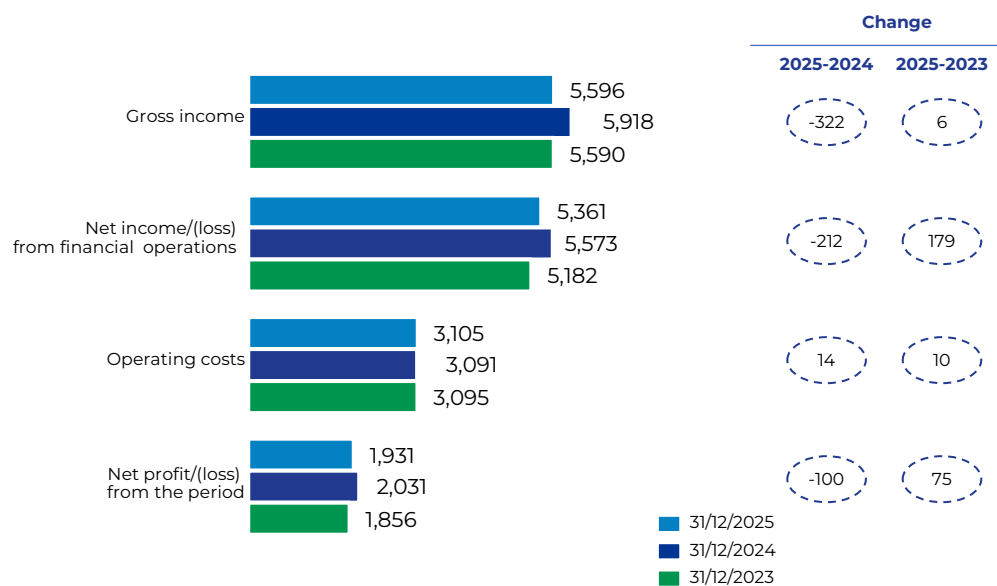
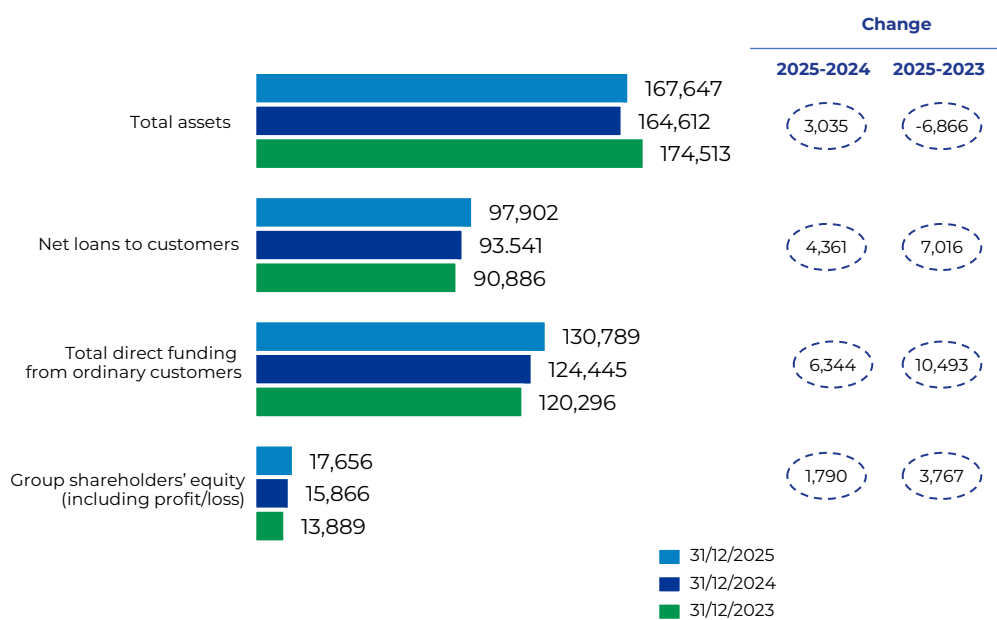
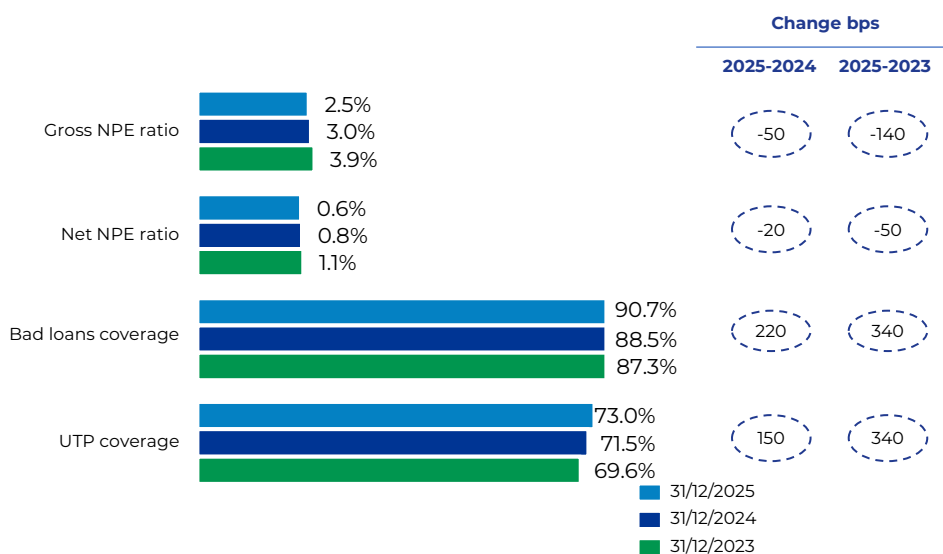
MAIN INDICATORS AT DECEMBER 31, 2025, JUNE 30, 2025, DECEMBER 31, 2024

PERFORMANCE INDICATORS¹ (thousands of euros)	31/12/2025	30/06/2025	31/12/2024
STRUCTURAL RATIOS			
Net loans to customers measured at amortized cost/total assets	58.4%	58.5%	56.8%
Direct funding from customers/total liabilities	78.0%	76.1%	75.6%
Equity (including profit/loss)/total liabilities	10.5%	10.1%	9.6%
Loan to deposit ratio	68.4%	69.3%	68.2%
Net loans to ordinary customers measured at amortized cost /direct funding from ordinary customers ²	72.4%	72.8%	73.3%
PROFITABILITY RATIOS			
ROE (Net profit)/ net equity including the profit for the period)	10.9%	6.3%	12.8%
ROTE [Net profit/net tangible equity (Equity including profit – intangible assets)]	11.1%	6.3%	12.9%
ROA (Net profit/total assets)	1.2%	0.6%	1.2%
Cost/income ratio	55.5%	55.0%	52.2%
Personnel expenses/gross income	36.9%	36.7%	35.6%
Net interest income/gross income	71.3%	70.5%	73.7%
Net fee and commission income /gross income	26.0%	25.0%	23.7%
Net interest income/Number of employees at end-period	177.7	89.8	194.6
Net fee and commission income/Number of employees at end-period	64.8	31.8	63.1
Gross income/Number of employees at end-period	249.1	127.4	263.9
RISK RATIOS			
Gross impaired loans/gross loans measured at amortized cost ³	2.5%	2.9%	3.0%
Gross impaired loans to customers/gross loans to customers measured at amortized cost ⁴	2.5%	2.9%	3.0%
Net impaired loans to customers/net loans to customers measured at amortized cost ⁵	0.6%	0.8%	0.8%
Net Stage 2 loans to customers measured at amortized cost/net performing loans to customers measured at amortized cost	7.6%	7.8%	9.3%
Net bad loans/net loans to customers measured at amortized cost	0.1%	0.1%	0.1%
Net UTP loans/net loans to customers measured at amortized cost	0.4%	0.5%	0.5%
Net writedowns/(writebacks) for credit risk/net loans to customers measured at amortized cost	0.2%	0.1%	0.4%
Writedowns of impaired loans/gross impaired loans to customers measured at amortized cost	75.8%	74.3%	73.8%
Writedowns of bad loans/gross bad loans	90.7%	87.9%	88.5%
Writedowns of UTP loans/gross UTP loans	73.0%	72.2%	71.5%
Texas ratio	13.1%	15.6%	16.3%
CAPITAL RATIOS - phased-in			
Common Equity Tier 1 ratio	26.0%	25.3%	23.3%
Tier 1 ratio	26.0%	25.4%	23.3%
Total capital ratio	26.4%	25.8%	23.8%
Total own funds	17,566,009	16,787,499	15,818,914
of which: Tier 1 capital after filters and deductions	17,271,833	16,488,478	15,510,693
Risk-weighted assets (RWA)	66,437,238	65,026,686	66,380,299
CAPITAL RATIOS - fully loaded			
Common Equity Tier 1 ratio	25.3%	24.7%	23.3%
Tier 1 ratio	25.3%	24.7%	23.3%
Total capital ratio	25.8%	25.1%	23.8%

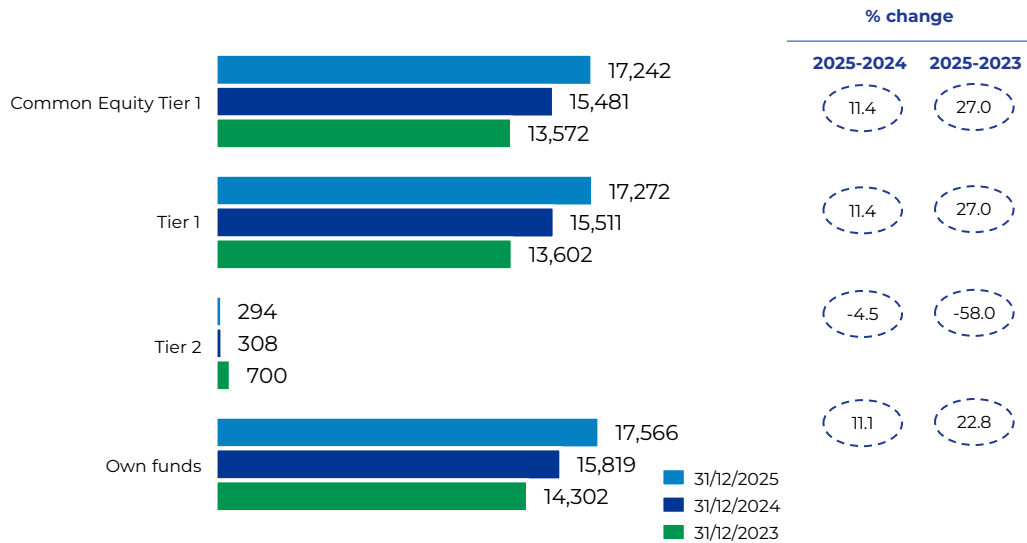
¹ For an explanation of how the alternative performance indicators are calculated, please see Annex 2 – Alternative Performance Indicators.² Lending to and funding from customers calculated net of exposures vis-à-vis institutional counterparties.³ Calculated according to the EBA definition including exposures to banks.⁴ Excluding operations with institutional counterparties, the ratio is 2.6% at December 31, 2025, compared with 3.1% at June 30, 2025 and December 31, 2024.⁵ Excluding operations with institutional counterparties, the ratio is 0.7% at December 31, 2025, compared with 0.8% at June 30, 2025 and December 31, 2024.

LEVERAGE RATIO	31/12/2025	30/06/2025	31/12/2024
Phased-in Tier 1/Total assets	9.8%	9.4%	9.0%
Fully loaded Tier 1/Total assets	9.8%	9.4%	9.0%
LIQUIDITY RATIOS			
Liquidity coverage ratio (LCR)	276.3%	287.9%	281.3%
Net stable funding ratio (NSFR)	161.5%	159.9%	158.2%
Encumbered asset ratio	12.6%	16.0%	18.9%
INCOME STATEMENT, BALANCE SHEET, OPERATIONAL AND STRUCTURAL DATA			
Profit/(loss) for the period	1,931,831	1,053,439	2,030,145
Profit/(loss) attributable to the Group	1,931,491	1,053,013	2,030,587
Gross income	5,596,218	2,855,751	5,917,525
Operating expenses	3,104,969	1,569,574	3,091,468
Net loans to customers measured at amortized cost	97,902,052	96,996,174	93,541,310
<i>of which: Net bad loans</i>	<i>70,119</i>	<i>107,171</i>	<i>97,266</i>
<i>of which: Net UTP loans</i>	<i>412,870</i>	<i>478,029</i>	<i>496,735</i>
Net non-performing loans	615,097	753,398	760,747
Total direct funding from ordinary customers	130,788,656	126,133,329	124,444,969
Equity pertaining to the Group (including profit/loss)	17,656,271	16,780,591	15,865,908
Intangible assets	225,120	202,854	200,283
Total consolidated assets	167,647,410	165,725,374	164,611,913
Number of branches	2,409	2,411	2,415
Number of Group banks	116	117	118
Number of affiliated mutual banks	113 ⁶	113	114
Number of employees at end-period	22,470	22,424	22,424

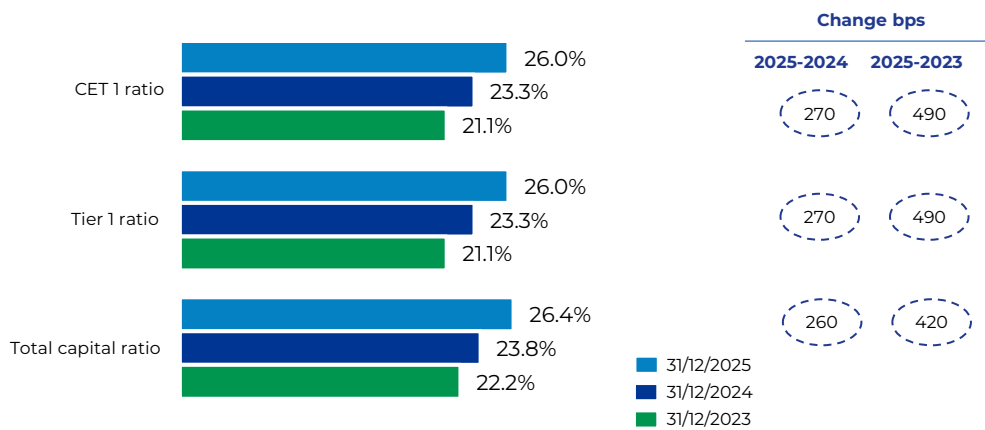
⁶ Includes Banca di Pisa e Fornacette C. C. in liquidation.

Main performance measures (millions of euro)**Balance sheet data** (millions of euro)**Main risk measures** (%)

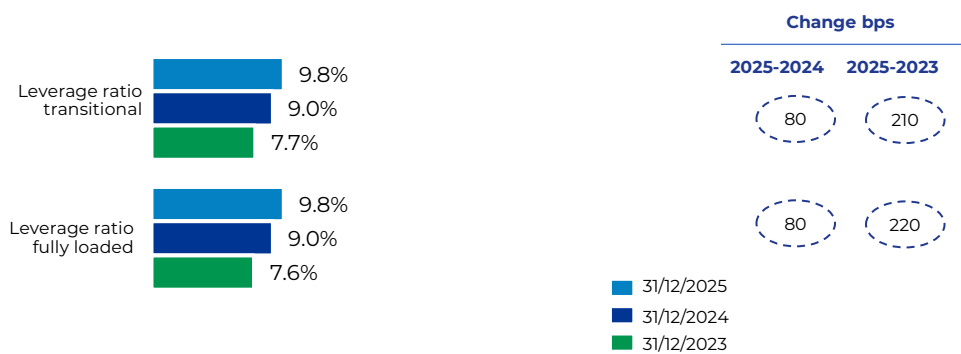
Composition of capital (millions of euro)



Capital ratios (%)



Leverage ratios (%)



Interest risk sensitivity

(millions of euro)



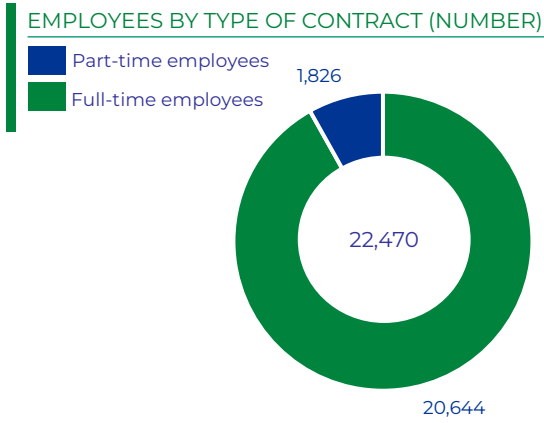
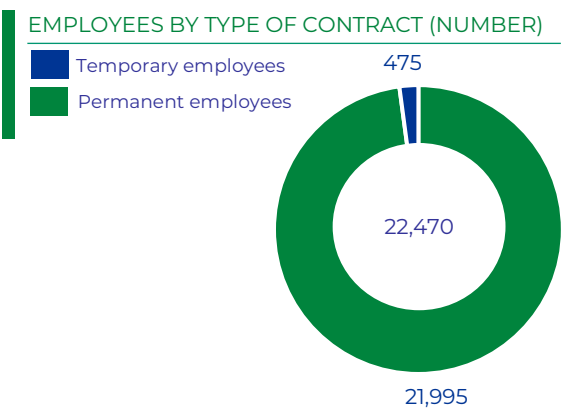
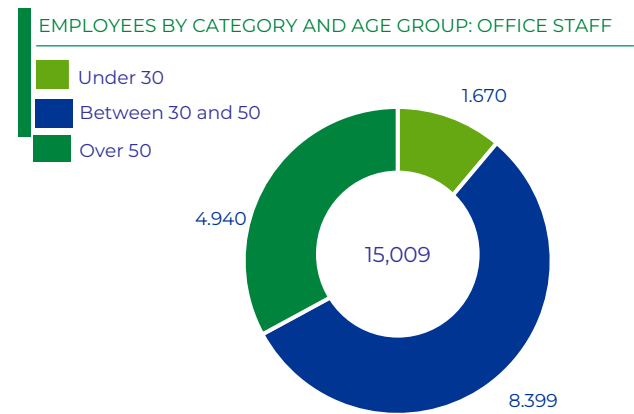
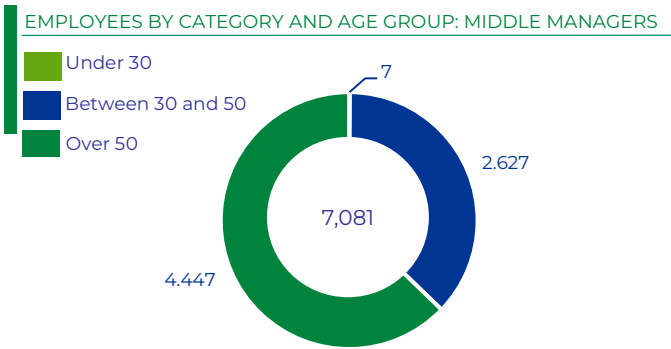
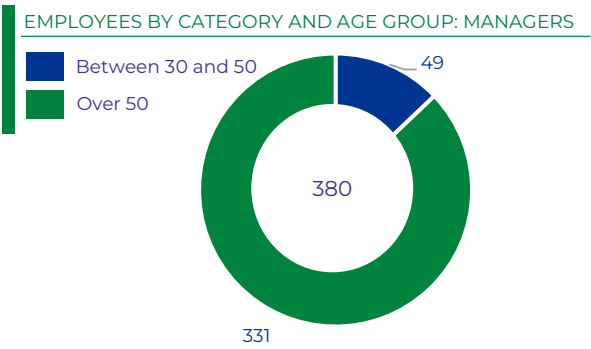
Credit risk sensitivity

(millions of euro)

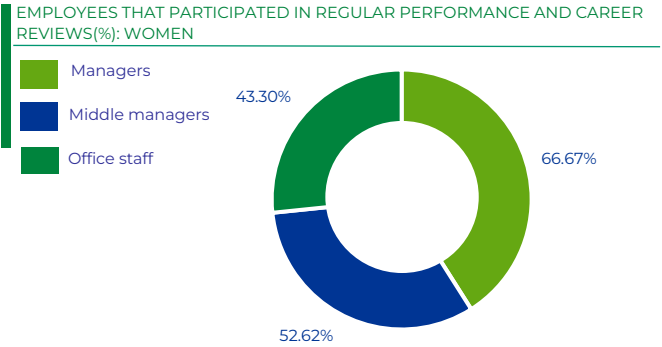
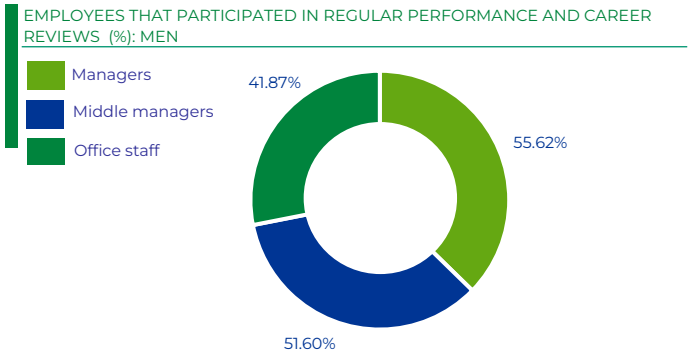


MAIN SUSTAINABILITY STATEMENT INDICATORS

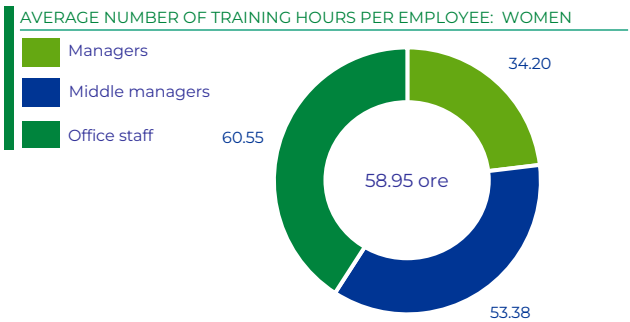
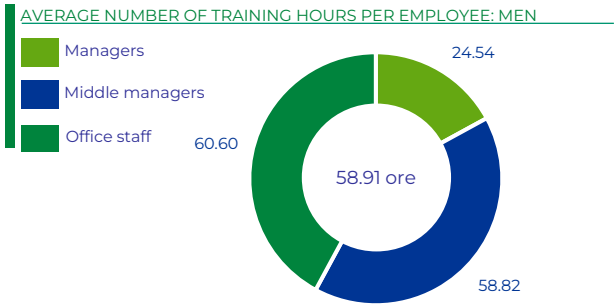
COMPOSITION OF GROUP OWN WORKFORCE



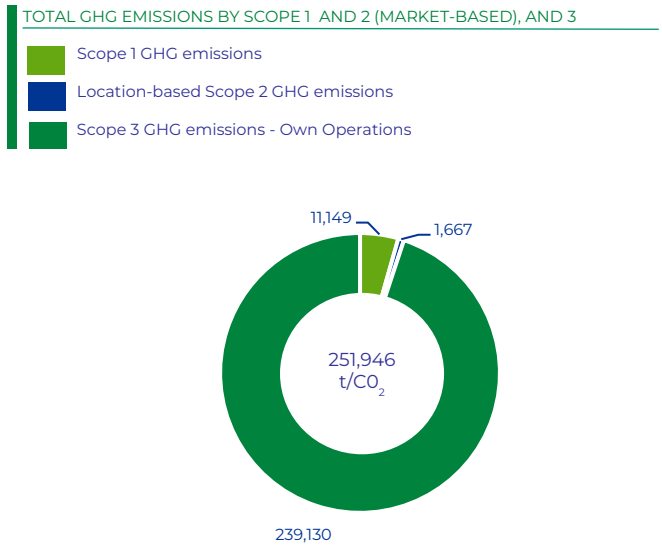
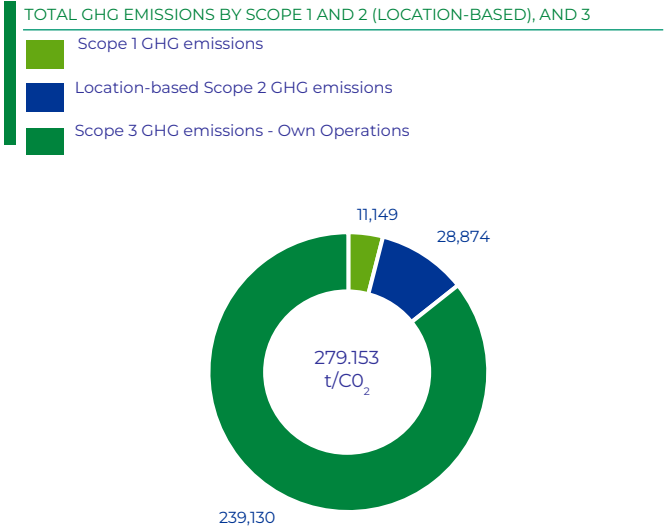
EMPLOYEES THAT PARTICIPATED IN A PERFORMANCE AND CAREER DEVELOPMENT REVIEW



AVERAGE NUMBER OF TRAINING HOURS



TOTAL GHG EMISSIONS BY SCOPE

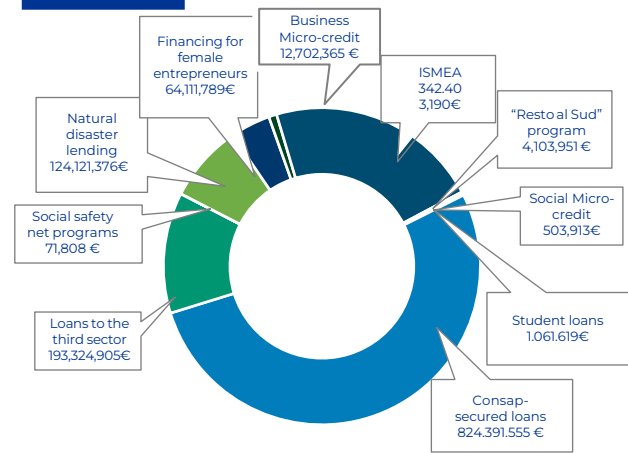


AFFECTED COMMUNITIES INDICATORS (ESRS S3)

€ Social impact financing

> 1.5 mld € disbursed

> 12,000 no. loans



Charitable contributions and sponsorships

over 52.2 mn in charitable contributions

> 17,000 charitable initiatives

over 17.8 mn in sponsorships

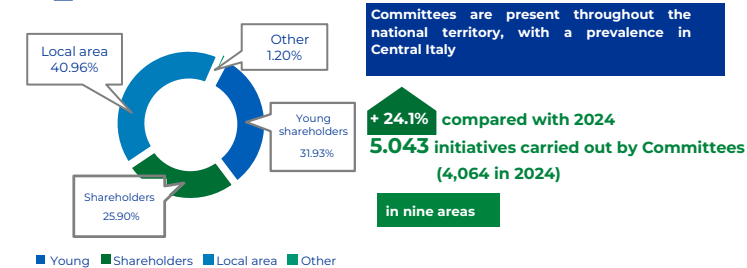
> 8,200 number of sponsorships

Financial education

560 initiatives to promote financial education

Of which about 76% targeted at young people

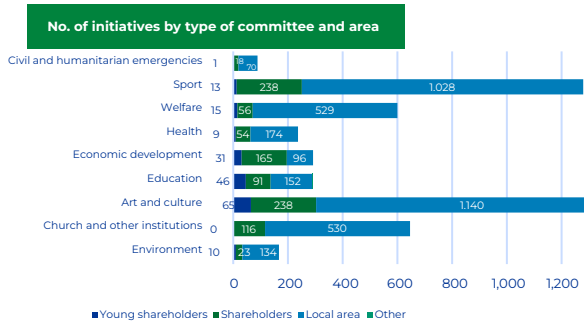
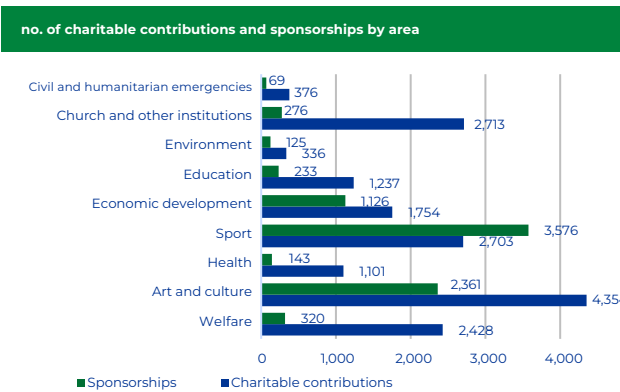
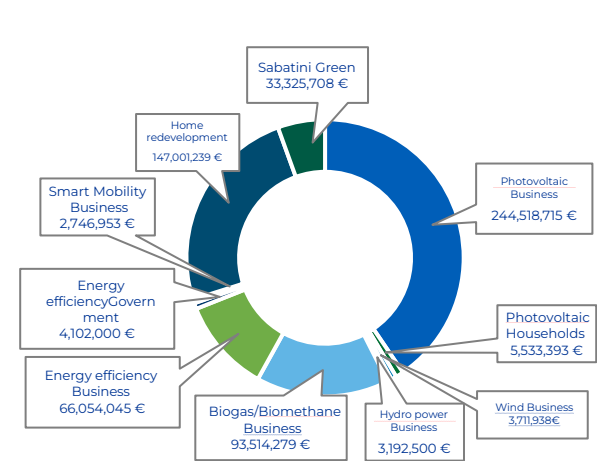
Committees

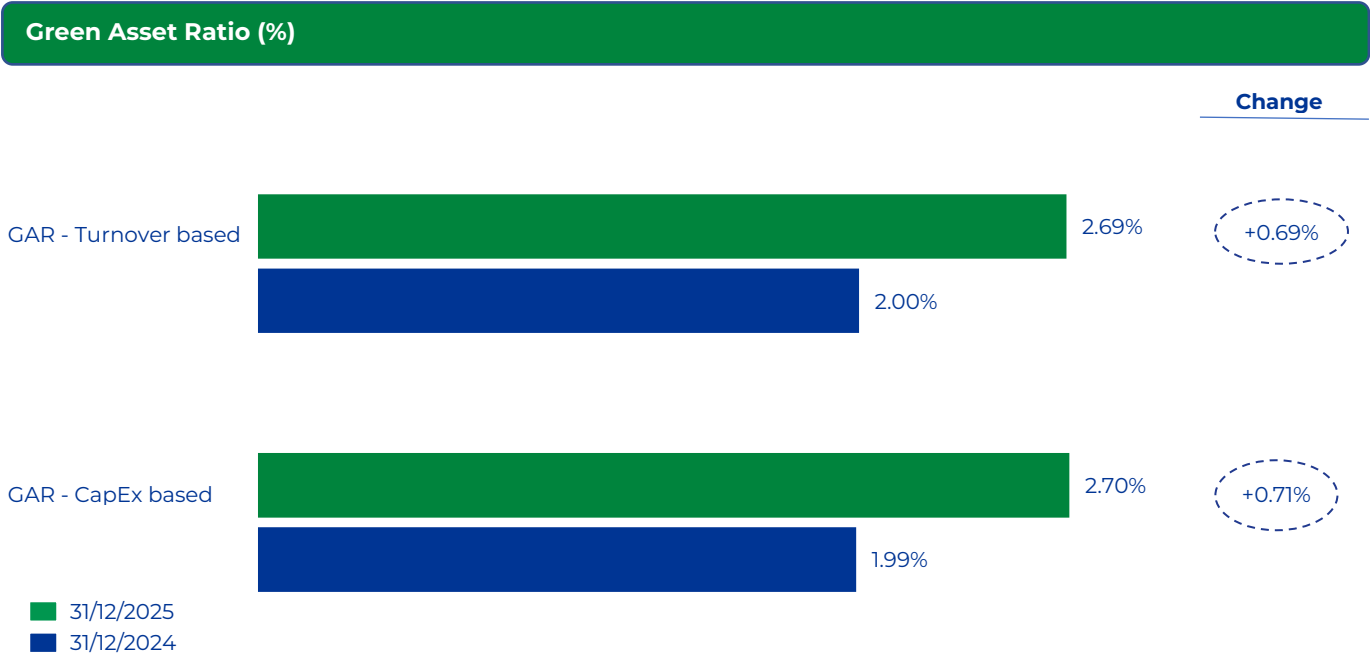


€ Financing for environmental purposes

> 0.6 mld € disbursed

> 2,800 no. loans





2. THE ECONOMIC ENVIRONMENT

The international and Italian macroeconomic environment and developments in banking and the financial markets

The international environment

After a year marked by the return of inflationary flare-ups and a beginning of normalization of monetary policies in the major economies, US economic and trade policies turned 2025 into more of a turning point than a destination for global macroeconomic prospects. The expectations of a “soft landing” of the global economy, although uneven across different areas – a timid recovery in the euro area, a contained slowdown in the US economy and growing difficulties in maintaining past pace of growth in China – were replaced by growing uncertainties and fears about the future economic and trade policy choices of the Trump administration, which took office in January 2025.

Uncertainties intensified during 2025, from the first tariffs adopted in February to “Liberation Day” on April 2nd. The overall macroeconomic environment was thus dominated by a return to trade protectionism as an explicit economic policy tool. The wide adoption of tariffs by the US, accompanied by tensions with all historical partners, has had negative effects on investment decisions, global value chains and market operators expectations. US measures have proved erratic and unpredictable, with announcements often contradicted and measures withdrawn shortly after their announcement contributing to undermine the confidence of households and businesses, even when they were not followed by concrete adoption.

This context added to an already fragile geopolitical scenario, characterized by the ongoing Russian-Ukrainian conflict, escalating tensions in the Middle East and frictions between China and Taiwan, exacerbating the climate of global conflict. Nevertheless, the global economy has shown a fair ability to absorb repeated shocks this year, avoiding a synchronized recession, but at the cost of below-historical-average growth and increased risk. The distance between dynamic financial markets – also supported by optimism about artificial intelligence – and a weaker real economy has become more pronounced, increasing the risk of disorderly adjustments.

The **tariff system** introduced by the United States has triggered widespread retaliation, particularly from China, leading to a spiral of counter-measures that has pushed tariffs to extreme levels and fueled fears of a strong global downturn, not least because China has kept its currency pegged to the dollar. This was followed by a long negotiation phase, leading to a series of agreements or proto-agreements during the summer and the following months. The overall outcome of US trade policy has penalized all trading partners compared with 2024, with a structural increase in US tariff barriers and a potential negative impact on exports to the United States. The reorganization of trade flows has ended up favoring China, with a further expansion of its overall trade surplus.

The constant stop and go in trade policies and strategic behaviors of importers and exporters – anticipating or delaying transactions in order to avoid the impact of tariffs – have generated strong cyclical distortions, making it difficult to read the economic cycle, particularly in the United States, and complicating the task of central banks. The **Federal Reserve** has been faced with rising inflation expectations, mainly related to tariffs, which led to a more cautious stance. Long-term yields remained high, also supported by concerns about public debt related to the Trump administration’s budget proposals. At the same time, economic developments have been difficult to interpret due to large swings in imports and stocks, against a backdrop of a progressively weaker labor market, with job creation slowing down in the latter part of the year.

In **China**, the average year-on-year growth rate for 2025 reached the government’s target of 5%, thanks to the contribution of net exports and measures to stimulate domestic demand adopted in the first half of the year. However, structural weaknesses were clear: domestic demand has remained weak, consumption has been constrained by uncertainty and the real estate sector has continued to be a significant drag. In the second half of the year, slowing global demand and escalating trade tensions with the United States increased the reliance on exports to third markets, increasing competitive price pressure and fueling disinflationary developments. Economic policies have aimed at containing deflationary risks, but the economy slowed due to a lack of revitalization of domestic demand.

In the euro area, 2025 was characterized by moderate growth, albeit higher than in 2024. Weakness in the manufacturing sector, particularly in Germany, and uncertainty continued to weigh on economic activity holding back investment. A positive contribution came from services and the recovery in household purchasing power, supported by lower inflation and the ECB’s continued monetary easing. In the second half of the year the picture improved marginally, as uncertainty about US tariffs subsided: credit and consumption stabilized, but without a real pick-up in domestic demand. Exports were affected by slowing global trade and growing international competition, while industrial production remained generally weak. The launch of a European plan to increase

defense spending and a major German infrastructure program helped to improve growth expectations, but initial optimism gradually faded.

Uncertainty about the future path of the world economic cycle and abundant fossil energy supplies helped to keep the dollar prices of commodities broadly stable, contributing to lower global inflation and more room for monetary easing at a global level.

The outlook. In the **United States** 2026 is expected to be a year of high uncertainty. On the one hand, the erosion of household purchasing power, due to the expected increase in inflation, reflecting both the new tariffs and dollar weakness, could lead to a slowdown in consumption, from the levels of 2025. On the other hand, the expansionary fiscal policy could have a one-off positive effect on household disposable income, which could keep spending on goods and services unchanged. **China** has already shown the signs of a slowdown, while the global economic and geopolitical environment may not allow the same growth of exports that underpinned developments in 2025 thanks to a competitive exchange rate and steadily falling export prices. Domestic demand remains weak, and could further slowdown in 2026 unless there is a policy shift in favor of domestic spending, which the new five-year plan does not anticipate. **Europe** is penalized globally, due to its high level of trade openness and its economic and political fragmentation. The weak economic environment, especially in Germany, does not suggest growth significantly above 1%, which would in any case imply resilience in the global landscape, since it is determined by internal spending.

On February 28, 2026, a joint military operation was launched by the United States and Israel against military and civilian targets, including political officers and command leaders of Iran. In response to the **Israeli-US attack, Iran** in turn attacked targets in all the countries of the region, particularly in the Gulf countries, including Saudi Arabia, the United Arab Emirates, and Israel, hitting both military installations (US bases and radar) and infrastructure (ports, airports), particularly in key economic areas (oil refineries, gas plants, data centers) and blocking navigation in the Strait of Hormuz. 25% of the world's seaborne oil passes through the Strait, as does 20% of the world's liquefied natural gas. Moreover, Iran has hit the world's largest liquefied natural gas (LNG) plant in Qatar, forcing it to close. The world's largest oil refinery has been hit in Saudi Arabia. Meanwhile, Iraqi oil production is heading for a total shutdown.

This is having a major impact on global oil and gas prices with far-reaching implications for the world's major economies, creating a scenario of further and even more critical uncertainty.

The Italian economy

The agreement reached in July by the European Union and the United States helped to defuse the tariff escalation triggered by the new US administration, keeping the average effective tariff on imports from Italy substantially in line with that in place in the previous months, at around 16%. Nevertheless, this still implies a strong deterioration in competitiveness compared with 2024, when the average tariff applied to Italian exports to the US market was just over 2%.

This loss of competitiveness has immediately been estimated to have a significant impact on the growth of the Italian economy since the United States is one of our main export markets and Italian growth rate is already between zero and one. This already complex situation was further penalized by the marked depreciation of the dollar against the euro, by about 20% compared with 2024, which negatively impacted the price competitiveness of **Italian exports**.

Yet, the situation of Italian export to the US appears to be definitely less unfavorable than initially expected, largely reflecting a strong accumulation of inventories by US companies, particularly of pharmaceutical products, as a preventive response to repeated threats of further tariff increases. In fact, Italian exports to the United States grew by 9% at current prices in the period January-November 2025, after falling by 4.6% in 2024.

In a complicated international environment, which has had limited repercussions on Italian GDP growth so far, domestic demand supported economic activity, bringing acquired **GDP** growth in 2025 (based on figures updated at the third quarter) to 0.5%. This is expected to be marginally higher at year-end, in view of an acceleration of the quarterly growth rate in the fourth quarter compared to 0.1% in the previous quarter. Investments are the most dynamic component of demand, supported to a significant extent by the implementation of the **National Recovery and Resilience Plan (NRRP)**. This trend regarded both investments in non-residential buildings, which grew at double-digit rates, more than offsetting the decline in residential construction, and investments in capital goods and intangible assets. The Transition 5.0 Plan, funded with NGEU resources, is also part of this framework and aims to encourage the digital and energy transition of businesses. After a slow start in 2024, the Plan has

accelerated rapidly in 2025, thanks to a simplification of the rules for accessing incentives.

Consumer spending continued to grow slowly over the first three quarters of 2025, supported by the recovery in households' purchasing power (as measured by disposable income adjusted for inflation). At the same time, propensity to save increased, reaching among the highest levels since the global financial crisis (excluding the exceptional levels during the pandemic). The caution shown by households in this respect may reflect the fact that per capita incomes do not have yet fully recovered from losses incurred as a result of the inflationary shock while food price inflation has remained significantly higher than headline inflation, with a negative impact on the spending power of low-income households. However, the caution in household spending may also reflect structural factors, such as the growing need for spending on care and assistance for an increasingly ageing population, in the face of increasingly tight public finances.

Looking ahead to 2026, the outlook remains vulnerable to new risks, not only related to renewed and then denied threats of tariff increases, but also to a geopolitical environment increasingly marked by tensions. Domestically, the stimulus provided by the NRRP is expected to remain a key factor in supporting the growth of economic activity. NRRP spending is expected to reach its highest value in 2026, due to the approaching of the Plan's deadline. Households will continue to benefit from the growth in purchasing power, while investment will be supported not only by the NRRP but also by tax incentives (hyper-depreciation) linked to the Industry 4.0 measure.

Performance of the financial markets in 2025

In 2024, both the ECB and the Fed lowered their policy rates by a total of 100bp: the ECB brought the deposit rate down to 3% and the Refi rate to 3.15% (following the realignment of the policy rate spreads foreseen by the new operational framework); the Fed funds rate at the end of 2024 settled in the 4.25-4.50% range. The ECB continued along this path in 2025, with four more rate cuts from January to June bringing the deposit rate to 2% and the Refi rate to 2.15%. Signs of greater caution in the rate-cutting process emerged already at the March meeting followed by a first pause in July, with inflation reaching the 2% target reducing the prospects for further cuts. At its meeting on **December 18**, the Governing Council of the ECB left the three key interest rates unchanged, in line with expectations and for the fourth consecutive meeting. Interest rates on the deposit facility, the main refinancing facility and the marginal lending facility therefore remained unchanged at 2.00%, 2.15% and 2.40% respectively. The ECB has, however, raised its inflation forecast for 2026 – mainly because it expects service inflation to fall more slowly – and its economic growth forecast for 2025-27, thanks to the support of domestic demand. **The Fed**, however, after having shown greater caution in continuing the rate-cutting phase at the end of 2024, kept rates **unchanged until July 2025**, considering the risk of price pressures from trade policies to be still too high. In the summer, signs of weakness in the labor market increased the likelihood of an imminent cut: **at the FOMC meeting in mid-September, the Fed resumed rate cuts**, by 25bp in each of the three subsequent meetings, bringing the Fed funds to 3.50-3.75% by the end of 2025. After the last cut, the possibility of a pause before continuing the easing phase emerged.

In the first months of 2025, developments in long-term interest rates in the US and the EMU started to **diverge significantly**. The yield on the 10-year Treasury bond fell by almost 40bp by the end of March, driven by the rate in real terms and reflecting growing uncertainty about the slowdown in US economic growth following the tariffs announced by Trump and subsequent trade retaliation by concerned countries. In the same period, rates rose in EMU countries - the Bund increased by more than 30bps to around 2.7%, approaching 2.9% in early March – driven by the announcement of the ReArm EU plan and the infrastructure investment plan proposed by the new German government, fueling expectations of a possible boost to Eurozone growth and inflation. After tensions caused by the “Liberation day” at the beginning of April, ten-year rates started to increase again, in particular the Treasury which exceeded 4.5% in mid-May as a reflection of the risks on US debt – in a context characterized by tensions for the approval of the new budget law and the loss of the triple-A by Moody's. After the peak in May, the Treasury then began gradually scaling back. In the second half of 2025, however, the ten-year Bund continued to rise, with an acceleration in the final part of the year, to just under 2.9% (around the level at the beginning of March 2025). **Over 2025 as a whole, the Treasury fell by around 40bp**, mainly driven by the real rate (reflecting the negative effects of tariffs on the US business cycle) but also in part by the easing of inflation expectations. On the other hand, the **Bund rose by almost half a percentage point, entirely accounted for the real rate** (due to the expansionary effects of investment plans but also the resulting increase in the future supply of debt securities).

During the first part of 2025, the yield differentials between securities of the EMU countries and the Bund continued to decrease, with the BTP-Bund spread falling to just above 100bp at the end of March and the OAT-Bund spread returning to around 70bp, after tensions in the aftermath of French elections and the formation of a new government. After the announcement of a pause on tariffs (on April 9), the BTP-Bund spread resumed its

decline, on the back of growing investors preference for Italian bonds, favored by political stability and the positive outlook of public finances, as Italy approaches the end of the excessive deficit procedure. Italian bonds also benefited from the decisions of the rating agencies: in April S&P upgraded the Italian debt to BBB+ and in May Moody's raised the outlook to positive (while confirming the BBB- rating, the lowest among the agencies). During the summer, the BTP-Bund spread fell below 90pb, not affected by the new political crisis in neighboring France – after Bayrou announced his measures to try and reduce debt – and, indeed, the yield on Italian bonds fell just below that of French bonds. The second half of the year saw a continuation of the favorable phase for the bond market, thanks to the absence of particular tensions during the discussions on the new budget law and also thanks to the new upgrades on debt between September and November: to BBB+ by Fitch, A- by DBRS and BBB by Moody's (the first upgrade in 23 years). **At the end of 2025, the BTP-Bund spread stood just below 70bps, compared to 116bps at the end of 2024, bringing it to unprecedented levels since 2010.**

After double-digit gains in 2024 – with performances of around 20% for the US and Italian indices – and a favorable start in 2025, stock markets were penalized by the escalation of trade tensions since February. The first announcements of US tariffs on a number of countries and on steel and aluminum, combined with the prospects of reactions from other countries, fueled uncertainty in global markets. The US stock index closed the first three months of the year with a 4.5% loss, in line with economic evidence proving that tariffs tend to hurt first the country imposing them. In the same period, however, the EMU indices rose (by almost 8%), supported by expectations of increasing economic resilience thanks to the new investment plans in defense and infrastructure. With the additional tariffs announced by Trump at the beginning of April (“Liberation day”), the stock markets entered a strong turbulence phase, with heavy losses in all countries – up to more than 10 percentage points in a few days – and with the VIX volatility index exceeding 50%, the same level as in the Covid crisis. Markets then experienced a strong rebound from April 9, when Trump surprisingly decided a 90-day “pause” on reciprocal tariffs and bilateral negotiations began, helping to de-escalate global trade tensions. However, the upward phase of the stock market became more volatile since mid-May, when Trump reignited tensions over tariffs, compounded by fears of a new geopolitical crisis in the Middle East following Israel's attack on Iran. These risk factors have supported the volatility of stock markets, which have still shown an overall positive trend in the first half of the year, with a significant overperformance of the Italian stock index (+17%). Stock markets continued to grow in the second half of the year, supported in the summer by the tariff agreements and expectations of Fed rate cuts. The agreements reached by the US, with Japan first and then almost at the last minute with the EU, have in fact reassured the markets because the new tariffs are not particularly higher than those in force during the pause. **The last part of the year, however, was more volatile**, reflecting the effects of the shutdown in the US (43 days, the longest in history), uncertainties about the tariffs between the United States and China following the end of the trade truce at the beginning of November and fears on a possible bubble of the US technology sector. **Stock markets closed 2025 in largely positive territory: +16% for the US index compared with the end of 2024; +19% for the EMU index and +35% for the Italian stock market.**

Developments in the Italian credit system

At the end of 2025, **bank lending to households and businesses** continued the recovery started in the second quarter, with a 3.2% growth (net of the effect of settlements and securitizations), confirming the improvement in the credit market in a context of more favorable financing conditions, also thanks to the rate cuts taking place until mid-2025. The positive trend primarily reflects developments in loans to households, which continued to grow throughout 2025, with a 2.5% increase in December. The strengthening of the real estate market and improving financing conditions supported loans for house purchases (+3.4% at the end of 2025), the main driver of the segment. Consumer credit also grew at an expanding pace, albeit with a slight slowdown over the course of the year (+4% in December 2025). From the second quarter of 2025, lending to businesses also started to grow again, showing a modest acceleration to 2% in December (data adjusted for securitizations), in line with a gradually recovering investment cycle and overall stable lending conditions. For 2026, the ongoing recovery of households' purchasing power will continue to support consumption and positive lending developments, while demand for loans by businesses will remain conditioned by high uncertainties about the international environment and the weakness of the construction sector. At the same time, the NRRP will continue to provide significant support, especially through the consolidation of investments in plant and equipment. Overall, in 2026, bank lending growth would remain broadly in line with 2025 for households (+2.3%) and slightly lower for businesses.

The most recent economic data show that the banking system continues to benefit from good overall solidity, with risk still historically contained. In the third quarter of 2024, the **credit deterioration rate** stood at 1.3% (annualized), slightly lower than the corresponding period of 2024. However, this trend hides different sectoral developments, with deterioration being more marked for businesses, across most segments and consistent with an environment of high uncertainty and moderate growth of domestic demand. At the end of 2025, the overall credit deterioration rate is expected to be below 2024 levels, showing a more marked reduction from 2026, supported by decreasing debt servicing costs and the strengthening of the economic cycle. For households, the preservation of disposable income and financing conditions remaining more favorable in the short term than during the more restrictive phase of the recent past should help contain risk. For businesses, high liquidity and profitability levels, albeit with increasing tensions within less competitive sectors and businesses, will still help contain risk; more specifically, the most exposed sectors are trade and fashion. Overall, the growth of non-performing loans (NPL) is expected to remain contained, also thanks to active credit management and assignments, with a system-wide NPL ratio⁷ (net of loans related to CDP operations) expected to remain stable at the end of 2025 (+3.4%) and moderately increasing as from 2026, without however returning to the levels observed during the most stressful historical periods.

As regards **funding**, the recomposition of direct bank funding continued in 2025, with developments concentrating on the more liquid segment in the last months of the year. According to the most recent economic data, total bank deposits increased in December 2025 (+2%), driven by current accounts (+4%), while fixed-term deposits showed a broadly stable trend. This development is consistent with an environment where, despite the recovery in purchasing power and the growth in consumption, households maintain a cautious attitude: spending is growing at a slower pace than disposable income and the propensity to save remains high, supporting the demand for liquidity. At the same time, the search for higher returns continues to direct a part of wealth towards debt securities (in particular government debt) and managed products, limiting the expansion of fixed-term deposits. For 2026, direct funding is expected to grow at an overall moderate pace, with deposits substantially stable and a still significant contribution from the bond component, confirming a progressive diversification of funding sources towards more expensive instruments. As monetary policy is expected to remain stable until the first half of 2027, the cost of funding is also expected to stabilize in 2026, after the decrease in 2025. And, in a context in which investors' focus on securities with longer maturities will remain high, the banking offer will tend to prioritize the maintenance and retention of the funding base, through a combination of term deposit and instruments consistent with funding stability objectives and maturity management needs, while preserving the balance between the cost of funding and margins.

In 2025, the **profitability of the banking sector** remained high. In the first nine months of the year, the leading Italian banks⁸ reported profits of about €24 billion (+7% compared with 2024) and an annualized ROE of 16.2% well above the European average. This performance was mainly supported by an increase of non-core revenue – specifically net fee and commission income and other operating income – and the contribution of positive **non-recurring items**, which more than offset the decrease in **net interest income**, penalized by the reduction of the bank spread. The increase in **net fee and commission income** was mainly driven by asset management and financial intermediation, which benefited from favorable financial market conditions and the growing popularity

⁷ The indicators include CDP lending but exclude interbank lending and loans to central banks.

⁸ The banks that are part of the sample are the 10 Italian Significant Institutions, both Commercial (Intesa Sanpaolo, Unicredit, Banco BPM, BPER, MPS, Credem, BP Sondrio) and Specialized (Mediobanca, Mediolanum e Fineco). For greater comparability, stand-alone data for BPER and MPS have been used, which consolidate BP Sondrio (from July 1, 2025) and Mediobanca (from September 30, 2025) respectively.

of advisory services. On the risk side, the quality of the loan book remained solid overall and the **cost of risk** was kept at historically low levels, despite a macroeconomic environment characterized by international uncertainty. Operating costs showed moderate growth in the first nine months of 2025, reflecting the impact of contract renewals and the push of IT investments and regulatory adjustments, partially offset by efficiency measures on other expense items. Finally, the capital position of Italian banks slightly deteriorated, with the **CET1 ratio** down by 30 basis points from the end of 2024, to 14.6%. This trend is mainly due to M&A operations (Anima acquisition by Banco BPM, BP Sondrio acquisition by BPER and Mediobanca acquisition by MPS) and the effects of the first application of Basel 4 (CRR3), only partially offset by retained earnings.

In 2026, the profits of the traditional banking activities are expected to decline mainly as a result of, above all, the normalization of the interest margin reflecting the further decline in the banking spread, only partly offset by the greater contribution of service revenue, in particular the fees related to the management and intermediation of savings. Operating costs, after the increase in 2025, are expected to decrease moderately in 2026, despite still significant investments in IT, cybersecurity and regulatory/ESG adjustments, which will limit the scope for structural cost reduction. The overall sector ROE is expected to be around 11% in 2026, down from the 11.8% estimate for 2025.

EU measures

During 2025, the European institutions have focused on supporting and guiding countries in matters of **defense** and **decarbonization**.

The European **defense** strengthening program, **ReArmEurope/Readiness 2030**, was launched on March 4, 2025, with the aim of mobilizing up to €800 billion over the four-year 2025-2030 period. Of this amount, €650 billion would be financed at the national level and €150 billion would be raised on the capital markets by the Commission through the **Security Action For Europe (SAFE)** instrument and disbursed in the form of loans to Member States that request them. For expenditures made from national budgets, the fiscal space is granted up to an increase of 1.5 percentage points of GDP over 4 years by requesting the activation of the national safeguard clause provided for in the Stability and Growth Pact which allows Member States to exempt such expenditures for the purposes of fiscal constraints.

As regards **decarbonization**, on June 25, 2025 the European Commission adopted the new State aid framework to support the **Clean Industrial Deal⁹ (CISAF, or Clean Industrial Deal State Aid Framework)**, which was presented in February, replacing the Temporary Crisis and Transition Framework in force since 2022. The framework, which is the subject of a public consultation, applies from June 25, 2025; it **will remain in force until December 31, 2030** and aims to strengthen European industrial competitiveness, allowing Member States to incentivize clean energy, industrial decarbonization and renewables.

The "Joint Roadmap towards Competitiveness and Decarbonization" sets out how Member States can develop State aid measures to support their objectives under the Deal. Aid covers the following areas:

- accelerating the rollout of renewable energy and low-carbon fuels, through investment support - which can reach 100% of eligible costs - and direct price support;
- promoting non-fossil electricity flexibility, in the form of contracts offering a direct subsidy determined through a competitive bidding process;
- capacity mechanisms, in compliance with certain criteria linked to a strategic reserve or a specific objective model;
- temporary support for electricity costs for energy-intensive users, provided that they cover a maximum 50% reduction of the wholesale market price in the beneficiary's bidding area, no more than 50% of annual electricity consumption, and that beneficiaries make investments that contribute to the green transition;
- facilitating industrial decarbonization, including electrification, hydrogen, biomass, and carbon storage, with intensities up to 100% in case of a competitive tender or of the funding gap of the eligible investment;

⁹ Communication from the Commission - Framework for State Aid measures to support Clean Industrial Deal State (Clean Industrial Deal state aid Framework) (C/2025/3602)

- developing generation capacity in the clean technology sector, with intensity up to 15% of eligible costs and €150 million per project. Higher intensities are envisaged in the regions identified by the Regional Aid Maps and for Small and Medium-Sized Enterprises;
- supporting investments positively assessed under the Innovation Fund, within the limits of the funding gap not yet funded;
- reducing the risks of private investments connected to the objectives of the Clean Industrial Deal, in the form of equity, quasi-equity, newly issued loans or other debt instruments and guarantees for investments that do not exceed €250 million per single project.

In line with the objective of reducing energy dependence on third countries, measures are being adopted to **gradually eliminate Russian imports of gas, oil and other raw materials**.

A proposal for regulation, published by the Commission at the end of June¹⁰ and on which the Presidency of the Council and representatives of the European Parliament reached a provisional agreement in December 2025,¹¹ introduces a **legally binding phased ban on imports of both liquefied natural gas (LNG) and pipeline gas from Russia, followed by a full ban by January 1, 2028 at the latest**. More specifically, it is confirmed that Russian pipeline gas and LNG imports will be banned starting six weeks after the regulation enters into force, while a transition period will be maintained for existing contracts.

In addition to the general regulatory framework on State aid, the Commission has made specific **recommendations to Member States** on the design of tax incentives, with particular reference to those aimed at promoting investments in low environmental impact technologies.

The Plan also provides for the promotion of long-term financial instruments suitable for stabilizing energy prices, mitigating the effects of excessive market fluctuations. These instruments include contracts for difference (CFDs) between operators and regulatory authorities and long-term bilateral power purchasing agreements (PPAs).

Following the military escalation between Israel and Iran in March 2026, the European Union responded with emergency measures to address repercussions on energy, as characterized by soaring prices and supply risks. European policies are focusing on further strengthening energy independence, through several lines of action already implemented or currently being evaluated.

- measures to control gas and electricity prices, including the possible introduction of a price cap on gas and state aid for businesses and households;
- acceleration of the energy transition, focusing decisively on renewable and nuclear sources to reduce external dependence;
- oil reserves activation to counter increasing energy prices, using 400 million barrels, in an attempt to mitigate market instability;
- confirmation of legislation for reducing residential energy consumption, with the aim of gradually eliminating fossil fuels (such as gas boilers) in new buildings by 2040.

Main measures taken in Italy to support the economy and bank lending

During 2025, Italy's fiscal policy commitment was significantly scaled back in line with the deficit reduction required by the new European rules following the end of the exceptional support period that began in 2020 in response to the Covid crisis and was renewed during the energy crisis. The medium-term structural plan adopted at the end of 2024 has constrained public finance trends until 2029, charting a path for the gradual reduction of the deficit.

The new measures in the 2025 budget law adopted at the end of 2024 were primarily aimed at household incomes, with a net impact of 0.4% of GDP. The law turns the two relief measures already active in 2024, i.e. the reduction of the tax wedge for employees with incomes up to €40,000 (about €12 billion) and the transition to three IRPEF rates (about €4 billion), into structural measures, while introducing limitations on deductions for incomes above €75,000. In addition, resources were allocated for public employment; measures for the needy are refinanced; and a "birth" allowance was introduced. Finally, note the extension until December 31, 2027, of the special regime of the First-Home Guarantee Fund (introduced on May 25, 2021, by the "Support 2" Decree Law), with coverage up to a

¹⁰ Regulation on phasing out Russian natural gas imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938, June 17, 2025.

¹¹ Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on phasing out Russian natural gas imports, improving monitoring of potential energy dependencies and amending Regulation (EU) 2017/1938.

maximum of 80% of the principal amount for certain categories and circumstances.

A number of guarantee instruments remain in place to support businesses. For SMEs, the transitional implementation of the Guarantee Fund was confirmed and extended until the end of 2025, with the exception of the percentage of guarantee on financial transactions granted for the financing of SME liquidity needs, which is reduced to 50% without any differentiation based on the category assigned through the Fund's evaluation model. Conversely, the 80% coverage on all financing transactions concerning investment programs and for start-ups remains unchanged.

The 2025 budget also called for an increase, from €80 thousand to €100 thousand, of the maximum amount of eligibility for "reduced amount" transactions in cases where the guarantee request is submitted as reinsurance by authorized guarantors. Finally, the budget takes action to overcome a critical issue in the definition of a "small mid-cap" company, including companies that do not meet the definition of SME but do have fewer than 250 employees. It should also be noted that the SACE 2024 Guarantee dedicated to infrastructural and industrial investments (the latter relating to energy transition processes and the circular economy, sustainable mobility, and the industrial, technological and digital innovation of enterprises) is active until 2029.

The 2026 budget law, adopted in December 2025, is contained in the amounts. Support for households is confirmed with reductions in the IRPEF tax for medium incomes (from 35 to 33% for incomes up to €200 thousand), a favorable regime for contract renewals for low-income earners and productivity and night and holiday work allowances in the private sector, extensions of support for birth and for the needy. Conversely, a number of taxes are increased: tobacco, financial transactions, short-term rental, diesel excise duties.

Measures on businesses, on the other hand, are generally restrictive, especially the contribution required from financial and insurance companies (special contribution on banks' net interest income and increase in IRAP rates for banks and insurance companies) and the suspension of the deduction of negative components related to DTAs and taxation of capital gains. Conversely, but with smaller financial effects, some measures are approved to support business investment:

- tax incentives for investments in capital goods 4.0 are strengthened through increased depreciation in the period 2026-2028;
- a fund of €1.3 billion to increase the Industria 4.0 tax credit;
- confirmed the single ZES tax credit for the Mezzogiorno region with resources up to 2028;
- introduced a tax credit for Simplified Logistics Zones (ZLS);
- establishment of customs free zones in Lazio in port and industrial areas, re-financed the Nuova Sabatini law to support SME investment;
- increased resources for Development Contracts in the 2027-2029 three-year period, enhanced support for exports and internationalization through MAECI funds and the Fondo 394;
- extension to 2026 of CDP operations in respect of investments of Italian companies in Africa (Mattei Plan);
- streamlining of the public guarantee instruments, with measures relating to the so-called "Archimede Guarantee" and the reallocation of the residual financial resources, free from commitments, contributed to the SME Guarantee Fund towards the specific guarantee for loan portfolios.

3. THE ICCREA COOPERATIVE BANKING GROUP: DISTINGUISHING CHARACTERISTICS, GEOGRAPHICAL DISTRIBUTION, STRUCTURAL ARRANGEMENTS, SPECIFIC NATURE OF THE AFFILIATED MUTUAL BANKS AND THEIR MISSION

The Iccrea Cooperative Banking Group has its legal foundation in the Cohesion Contract (pursuant to Article 37-bis of the Consolidated Banking Act) between the Parent Company, Iccrea Banca (the central body), and the affiliated mutual banks (affiliated banks), through which the latter have granted the Parent Company powers of management and coordination, exercised on a proportionate basis and as a function of the relative health of the affiliated banks, with the aim of preserving the stability of the Group and its members and promoting the cooperative spirit and mutualistic function of the mutual banks and the Group.

The Cohesion Contract calls for the joint and several guarantee of all obligations assumed by the Parent Company and by the affiliated banks in observance of the principles of prudence applicable to banking groups and to the individual affiliated banks as a further necessary factor. This cross-guarantee is governed by contract with the effect of qualifying the liabilities of the Parent Company and of the affiliated banks as joint and several obligations of all those who accept the agreement. The guarantee also calls for intercompany financial support mechanisms under which the members of the group provide mutual support to ensure solvency and liquidity and avoid, where necessary, undergoing the resolution procedures of Legislative Decree 180/2015 or the compulsory liquidation procedures of Article 80 et seq. of the Consolidated Banking Act.

Any necessary support (capital or liquidity) provided to the affiliated banks in order to ensure the solvency and liquidity of the individual participants in the scheme are carried out by the Parent Company, drawing on the financial resources made available by the participants under the provisions of the Guarantee Agreement. Support actions may include: i) capitalization measures making use of the Ex Ante Share of the readily available funds (RAFs); and ii) liquidity support measures, using the Ex Post Quota of the RAFs.

The RAFs are composed of an amount established ex ante and an amount that can be called up by the Parent Company when needed (the Ex Post Quota). The guarantee obligation assumed by each participating entity is commensurate with their risk-weighted assets and kept within the limits of any capital in excess of their individual capital requirements, without prejudice to compliance with said requirements.

In view of the foregoing, the Iccrea Cooperative Banking Group is a group of entities affiliated with a central body pursuant to Article 10 of Regulation (EU) no. 575/2013 (the CRR), with the simultaneous presence of a mutual guarantee system.

At least once a year, the Parent Company conducts stress tests of the participants in the scheme, aimed at determining the readily available funds and consequently adjusting the shares of the affiliated banks based on the greater or lesser amount already provided. The outcome of these stress tests is used to quantify the total amount of readily available funds and, consequently, the guarantee obligations of the affiliated banks. It also serves to calibrate the thresholds of the early warning system.

The figures for the RAFs for 2024 revealed the following estimates:

- a) Ex Ante Quota of €333.7 million;
- b) Ex Post Quota of €333.7 million.

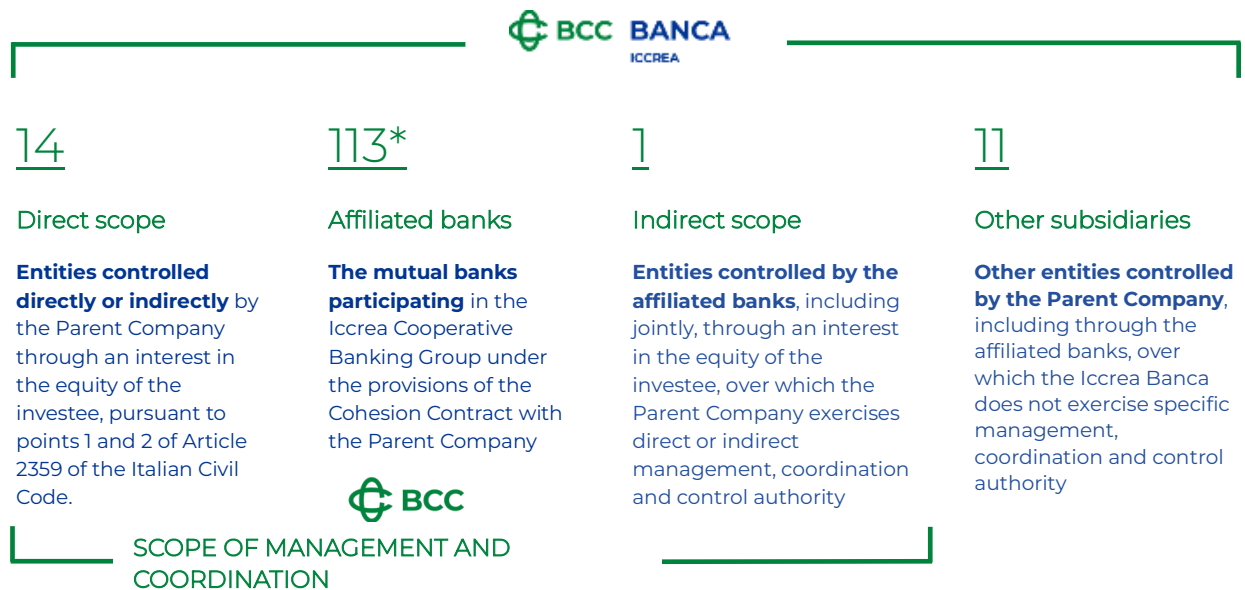
The resources of the Ex Ante Quota are invested in liquid and enforceable assets, in accordance with the prescriptions, limits and requirements set out in the Investment Policy. The financial resources constituting the Ex Ante Quota of the RAFs are invested in readily convertible instruments, with a limited risk profile and sufficiently diversified in order to pursue the objective of capital conservation and ready availability.

Structure of the Banking Group

As summarized in the following chart, at December 31, 2025, the Group is structured as follows:

- the Parent Company, Iccrea Banca SpA, which plays a management and coordination role for the Group and for interacting with regulatory and supervisory authorities;
- the companies subject to the management and coordination of the Parent Company, which include:
 - the affiliated banks, participating in the Group in virtue of the Cohesion Contract signed with the Parent Company;

- subsidiaries held, directly or indirectly, by the Parent Company in accordance with points 1 and 2 of Article 2359 of the Italian Civil Code, over which the Parent Company exercises management, coordination and control powers (by convention, these companies are said to fall within the “direct scope” of management and coordination);
- companies controlled by affiliated banks, separately or jointly, by way of equity investments, over which the Parent Company directly or indirectly exercises management, coordination and control powers in light of their instrumental roles within the ICBG (by convention, these companies are said to fall within the “indirect scope” of management and control);
- other subsidiaries of the Parent Company, held directly or through the affiliated banks, over which Iccrea Banca does not exercise specific management, coordination, or control power.



*Including Banca di Pisa e Fornacette C. C. in liquidation

The organizational structure of the Parent Company is based on the operating model and the strategic-operational activities required by regulations and the Cohesion Contract, which can be summarized in the following macro-areas: (i) management, coordination, direction and control, (ii) provision of services to the affiliated banks and the direct scope companies, (iii) performance of the Parent Company's own activities.

The organization of the Parent Company is based on a structure made up of hierarchical levels. The first-level structures reports to the Board of Directors (in the case of Corporate Control Functions - CCFs) or to the General Manager and mainly groups organizational units carrying out synergic/complementary activities, linked in a functional and operational logics and/or belonging to the same technical-operational area, ensuring the completion of the tasks necessary to carry out the activities of the Parent Company and to coordinate the choices and operations of subordinated units.

As of December 31, 2025, the organizational model of the Parent Company therefore includes:

- second and third level Corporate Control functions (CCF), reporting directly to the Board of Directors. The Corporate Control functions are centralized and operate under an outsourcing regime for all Group companies (affiliated banks and direct scope companies);
- organizational structures/areas reporting to the General Manager:
 - Chief Financial Officer Area (CFO Area), internally structured with the Project Coordination and Transversal Activities structures; Administration and Budget (whose manager also assumes the qualification of Financial Reporting Manager as per Law 262/2005); Tax; Planning and Management Control; Group Finance; Investor Relations; Relations with Supervisory Authorities; Sustainability Steering; Mutual banks Governance; Data Governance and Group Registry;
 - Credit and Associates Activities Area, internally structured with the Chief Lending Officer Area structures; Associates, M&A and Special Projects; Institutional Insurance Management; General Counsel; Credit Asset Management;

- Chief Operating Officer Area (COO Area), internally structured with the Back Office structures; AI Strategy & Process Innovation; Demand & Portfolio Management & FAC Findings; Real Estate; Cost Strategy; Operations Strategy; HR Management, Development and Change Management and Organization; Industrial Relations, Compensation, Staff Planning;
- Chief Business Officer Area (CBO Area), internally structured with the Marketing and Commercial Tools structures; Digital Innovation & Multichannel Division; Commercial Planning and Coordination; Private and POE Division; Enterprise Division;
- Chief Information Officer Area (CIO Area), internally structured with the ICT Governance and Security and Business Continuity and Resilience. The CIO Area is functionally connected to the Group company dedicated to IT systems;
- Institutional Communications unit;
- GM Staff unit.

The branch network and strategic positioning of the Group's retail banks

At December 31, 2025, the Group had 112¹² mutual banks distributed in almost all regions of the country, with the exception of Valle d'Aosta, Trentino Alto Adige, Liguria and Umbria (although the Group does have branches in the latter three regions).

The Group has 2,409 branches. More than 56% of branches are located in the Italian regions of Lombardy, Veneto, Tuscany and Emilia-Romagna for a nationwide branch market share of 12.6%.

In 2025 the affiliated bank branch network saw the closure of 43 branches, offset by the opening of new branches in locations with greater potential for business development and commercial penetration. The result of these changes was a net decrease of 6 branches compared with December 2024.

Number of branches per region and associated market share

The Group has at least one branch in 1,674 of the 4,436 Italian municipalities served by banks (37.7% of the total). In 398 of these municipalities (23.8% of the total), the Group's branches are the only banking presence, consistent with the mutual banks' community-centric mission. Lombardy is the region in which the Group is present in the most municipalities (390), while Marche boasts the largest share of municipalities with a banking presence with a Group branch (68.5%).

Region	Municipalities with banking services	with ICBG branch	(%)	of which ICBG is the only bank	(%)
Abruzzo	118	56	47.5%	13	23.2%
Basilicata	64	29	45.3%	11	37.9%
Calabria	103	49	47.6%	24	49.0%
Campania	239	81	33.9%	34	42.0%
Emilia-Romagna	303	119	39.3%	10	8.4%
Friuli-Venezia Giulia	147	62	42.2%	12	19.4%
Lazio	181	93	51.4%	16	17.2%
Liguria	99	11	11.1%	0	0.0%
Lombardy	939	390	41.5%	116	29.7%
Marche	143	98	68.5%	27	27.6%
Molise	22	10	45.5%	4	40.0%
Piedmont	403	64	15.9%	12	18.8%
Puglia	188	69	36.7%	5	7.2%
Sardinia	243	12	4.9%	0	0.0%
Sicily	238	97	40.8%	34	35.1%
Tuscany	242	140	57.9%	11	7.9%
Trentino-Alto Adige/Südtirol	241	2	0.8%	0	0.0%
Umbria	59	24	40.7%	3	12.5%
Valle d'Aosta/Vallée d'Aoste	445	268	60.2%	66	24.6%
Veneto	19	0	0.0%	0	0.0%
Total	4,436	1,674	37.7%	398	23.8%

Source: based on Bank of Italy data as at December 31, 2025

¹² The mutual banks are 113 including Banca di Pisa e Fornacette C. C. in liquidation.

With regard to competitive pressure, about 43.4% of the municipalities in which the Group is present have at most one branch of another bank, while 33.6% of municipalities have more than three bank competitors. Compared with December 31, 2024 the number of municipalities in which the Group is the only banking presence increased by 16.

No. of other banks present in the municipalities in which ICBG has a presence	0	1	2	3	More than 3	Total
No. Municipalities	398	328	206	180	562	1,674
% of total	23.8%	19.6%	12.3%	10.7%	33.6%	100.0%

Source: based on Bank of Italy data as at December 31, 2025

Strategic positioning of the Group and distribution of employees

The Group banks have a total market share of lending to resident customers (performing loans to consumer households and firms, net of repurchase agreements and Monetary Financial Institutions) of 6.5%, with a value of about €81.4 billion broken down similarly between loans to consumer households (48%) and firms (52%).

By region, the Group has its largest market share, about 16%, of loans to customers in the Marche, followed by Friuli-Venezia Giulia, Basilicata, Veneto and Abruzzo with over 10%.

Region	Market share of lending to households and firms	Market share of lending to consumer households	Market share of lending to firms	Market share of customer deposits (consumer households and firms)
Abruzzo	10.8%	9.7%	12.0%	9.6%
Basilicata	11.3%	6.9%	16.3%	7.0%
Calabria	6.8%	4.0%	11.5%	4.9%
Campania	3.2%	1.9%	4.9%	3.0%
Emilia Romagna	7.8%	9.6%	6.5%	7.2%
Friuli Venezia Giulia	11.4%	13.4%	9.4%	10.4%
Lazio	6.6%	8.1%	5.1%	5.7%
Liguria	1.8%	1.4%	2.4%	1.3%
Lombardy	5.3%	5.5%	5.2%	6.5%
Marche	16.0%	15.3%	16.7%	15.5%
Molise	6.1%	4.5%	8.2%	3.0%
Piedmont	4.4%	3.8%	4.9%	4.3%
Puglia	5.6%	4.2%	7.8%	4.9%
Sardinia	2.5%	0.9%	5.0%	2.0%
Sicily	4.1%	2.8%	6.5%	4.7%
Tuscany	9.4%	9.0%	9.7%	10.9%
Trentino-Alto Adige	0.6%	0.2%	0.8%	0.5%
Umbria	4.7%	3.7%	5.5%	5.4%
Valle d'Aosta/Vallée d'Aoste	0.5%	0.4%	0.5%	0.3%
Veneto	11.0%	11.8%	10.4%	11.1%
ITALY	6.5%	6.5%	6.5%	6.5%

Source: based on supervisory and Bank of Italy data as at December 31, 2025. Loans to customers and customer deposits have been allocated on the basis of customer residence.

With regard to deposits by resident customers, market share is at 6.5% equal to an amount of about €110.8 billion, of which €68.7 billion attributable to consumer households. Customer deposits (consumer households and firms) are also led by Marche, in which the Group has the largest market share (15.3%), followed by Veneto, Tuscany and Friuli-Venezia Giulia.

In line with the regional distribution of branches, the branch network by number of employees shows peak numbers in the regions of Lombardy, Veneto, Tuscany, Emilia-Romagna and Lazio. The average number of employees per branch nationwide was 4.7. The average number of employees per branch is the outcome of a process begun some time ago by the mutual banks, who have sought to optimize their presence in the territories in which mutual banking performs a social service, reducing opening hours and days where appropriate while at the same time balancing the need for physical proximity with that for financial sustainability. Analyzing the data by region, Lazio has the largest number of employees per branch (5.4), followed by Lombardy (5.1) and Tuscany (5.0).

Region	No. branch employees	Employees/Branch
Abruzzo	330	4.2
Basilicata	121	4.0
Calabria	201	3.8
Campania	394	4.2
Emilia-Romagna	1,118	4.9
Friuli-Venezia Giulia	385	4.4
Lazio	1,003	5.4
Liguria	54	4.9
Lombardy	2,497	5.1
Marche	757	4.7
Molise	27	2.5
Piedmont	423	4.8
Puglia	390	4.5
Sardinia	40	3.0
Sicily	359	3.2
Tuscany	1,237	5.0
Trentino-Alto Adige/Südtirol	3	1.5
Umbria	142	3.5
Veneto	1,852	4.8
Total Italy	11,333	4.7

Source: based on supervisory and Bank of Italy data as at December 31, 2025

Ownership structure of the Group's affiliated banks

In terms of ownership structure, the number of shareholders at December 2025 totaled more than 920 thousand, an increase of more than 17 thousand compared with December 31, 2024 (+2%); Northern and Central Italy account for 43% and 45% of shareholders, respectively, together covering 88% of the total. Northern Italy contributed the most to the growth of the shareholders' base, with an increase of 9,123 in 2025.

Geographical area	No. Shareholders 31/12/25	(%)	No. Shareholders 31/12/24	(%)	Delta 31/12/25 – 31/12/24
North	396,375	43.1%	387,252	42.9%	9,123
Center	417,671	45.4%	410,843	45.5%	6,828
South	106,255	11.5%	104,476	11.6%	1,779
Total	920,301	100.0%	902,571	100.0%	17,730

Source: based on supervisory and Bank of Italy data as at December 31, 2025

Industrial relations

During 2025, the Commission for "Equal Opportunities, Inclusion and ESG Issues", continued its work to promote conditions of parity and substantive equality and prevent discrimination based on gender, age, sexual orientation, ethnicity, disability and political or religious beliefs. In this context, in December 2025 the Group confirmed its compliance with the UNI PdR 125:2022 Gender Equality Certification.

In order to reduce work hours, in application of the latest national collective bargaining agreement effective from July 1, 2025, the Parent Company and the direct scope companies agreed on June 17, 2025, to enforce half-hour reduction, placed at the end of the working day on Friday.

Three particularly significant events occurred with reference to the direct scope in 2025: the Agreement for access to the Solidarity Fund, which will enable generational turnover with the departure of 211 employees and the arrival of new resources, primarily young graduates, over the July 2025-July 2027 period; the Agreement on work-life balance, which introduced measures to support parenting and disability; and the Agreement on Smart Working, which extended the number of days available to all staff, across the various Italian offices.

During 2025, 19 agreements were signed in direct scope companies for the consensual individual termination of employment through incentives for early retirement. The agreements for the termination of employment, signed in protected conditions in compliance with the constraints of the Remuneration Policies in force from time to time, have resulted in the exit of personnel, generally without the need for replacement. The result was a streamlining of the workforce without leaving unsolved management problems.

Follow-up meetings on the trade union agreements signed in December 2024 were held both within direct scope

companies and in 24 mutual banks of the Group. In 2025, further agreements were also defined for access to the Solidarity Fund, which involved 15 mutual banks.

Remuneration and incentive policies

In compliance with the applicable “Provisions governing remuneration and incentive policies and practices in banks and banking groups” of the Bank of Italy, the Parent Company has adopted a Group policy on remuneration and incentive systems consistent with the characteristics of the Group and all its components, taking due account of the cooperative nature that distinguishes it and the mutualistic purposes of the affiliated banks.

Policies adopted in 2024 take into account the sustainability-related issues, as outlined in a series of ESG targets and indicators included within the formalized short-term incentive system of the Parent Company and the direct scope companies and, where applicable, in the incentive systems of the Group's mutual banks. As part of the process of progressively aligning remuneration and incentive policies with the Group's objectives related to environmental and social risks, measures have been defined for improving the definition of ESG targets to be integrated into commercial, lending and financial policies. For further details, see the Sustainability statement section.

With these policies, Group companies and banks seek to:

- ensure the coherence of the values of the mutual banking industry, a corporate culture based on strong roots in local territories, the overall corporate governance and control structure of the Group; promote the pursuit of long-term financial and non-financial strategies, in line with the general framework of governance and risk management policies and with the established liquidity and capitalization requirements;
- ensure a constant balance between the fixed and variable components of remuneration to enable compliance with capital requirements and limit excessive risk taking;
- ensure the adoption of ex-ante and ex-post risk correction mechanisms (malus and claw back systems) with a view to penalizing improper or fraudulent behavior by staff in respect of customers, the Bank and/or the Group;
- guarantee the gender neutrality of personnel and, therefore, ensure that personnel receive equal remuneration for performing the same activities, including equal conditions for recognition and payment of such remuneration.

The annual Group Remuneration and Incentive Policies report was approved by the Ordinary Shareholders' Meeting of the Parent Company – acting on a proposal of the Board of Directors - on May 15, 2025 and is available on the Parent Company's website.

The Group's asset management company, BCC Risparmio&Previdenza, prepares its own Remuneration and Incentive Policies report, in compliance with specific sector regulations, in accordance with the Group Remuneration and Incentive Policy.

With regard to the affiliated banks, in order to ensure the uniformity and adequate compliance with the applicable provisions and the uniformity of application of the principles on which the Group's Remuneration and Incentive Policies is founded, a standard has been prepared to support the adoption of remuneration policies and incentive models consistent with the Group policies and in compliance with the applicable regulations and the principle of proportionality. In this respect, the Affiliated mutual banks take into account derogations permitted by the Supervisory regulations and apply the rules on remuneration according to the category "banks of smaller size or operational complexity" or "other than those of smaller size or operational complexity".

In 2025, in compliance with regulatory requirements and the Cohesion Contract, the Parent Company provided instructions to affiliated banks on how to identify more relevant persons (material risk takers, MRTs) - based on Delegated Regulation (EU) 2021/923 - Relevant persons and credit intermediaries, comply with disclosure requirements pursuant to Article 450 of the CRR, calculating the bonus pool, and collecting information necessary for consolidated reporting/information requirements (EBA and Pillar III).

4. DEVELOPMENTS IN GROUP OPERATIONS

The following provides an overview of the main balance sheet and income statement figures of the Iccrea Cooperative Banking Group as at December 31, 2025. To enable a more immediate understanding of the Group's balance sheet and income statement, the following tables are presented in more summary form than those provided for in Circular no. 262/05 of the Bank of Italy.

Balance sheet

Consolidated assets

€/thousand	31/12/2025	31/12/2024
Cash and cash equivalents	1,703,492	3,316,821
Financial assets measured at fair value through profit or loss	1,540,230	1,493,523
Financial assets measured at fair value through other comprehensive income	7,443,125	6,914,461
Financial assets measured at amortized cost	148,120,749	143,283,468
a) due from banks	1,727,630	1,911,716
b) loans to customers	97,902,051	93,541,310
c) securities	48,491,068	47,830,442
Hedging derivatives and value adjustments of macro-hedged financial assets	376,203	197,435
Equity investments	310,306	300,366
Property, plant and equipment	2,340,620	2,292,185
Intangible assets	225,120	200,283
Tax assets	969,419	1,012,497
Non-current assets and disposal groups held for sale	9,245	109,553
Other assets	4,608,901	5,491,320
Total assets	167,647,410	164,611,913

The consolidated assets of the Iccrea Cooperative Banking Group totaled €167.6 billion, up €3 billion on December 31, 2024.

Financial assets measured at fair value through profit or loss, in the amount of €1.5 billion, include financial assets held for trading in the amount of €82 (which mainly includes derivatives and securities held for trading), financial assets designated as at fair value in the amount of €333 million (represented by instruments in which liquidity from the Guarantee Scheme is invested) and other financial assets mandatorily measured at fair value in the amount of €1.1 billion (mainly in units of collective investment undertakings - CIUs, policies and postal bonds).

€/thousand	Level 1	Level 2	Level 3	Total 31/12/2025
Financial assets held for trading	26,358	55,219	188	81,765
Debt securities	24,029	1,775	-	25,804
Equity securities	1,448	2	-	1,450
Units in collective investment undertakings	687	735	94	1,516
Financial derivatives	194	52,707	94	52,995
Financial assets designated as at fair value	332,060	-	723	332,783
Debt securities	332,060	-	-	332,060
Financing	-	-	723	723
Financial assets mandatorily measured at fair value	38,361	741,704	345,617	1,125,682
Debt securities	10,870	11,123	3,062	25,055
Equity securities	21,791	34,256	-	56,047
Units in collective investment undertakings	5,700	80,484	326,975	413,160
Financing	-	615,841	15,580	631,420
Financial assets measured at fair value through profit or loss	396,779	797,923	346,528	1,540,230

The portfolio of financial assets measured at fair value through other comprehensive income amounted to €7.4 billion, up compared with December 31, 2024 – and is mainly represented by government securities held under the HTCS business model. The item also includes equity securities (in the amount of €510.6 million), mainly represented by non-controlling interests, measured at fair value through other comprehensive income without recycling to profit or loss.

€/thousand	Total 31/12/2025	Total 31/12/2024
Debt securities	6,932,528	6,413,006
Equity securities	510,597	501,455
Financial assets measured at fair value through other comprehensive income	7,443,125	6,914,461

Financial assets measured at amortized cost amounted to €148.1 billion, of which about 67% is in loans with the remainder in debt securities. These assets can be categorized by their relative level of risk as shown below.

€/thousand	Gross value		Total writedowns		Net value
	Stage 1 and 2	Stage 3	Stage 1 and 2	Stage 3	31/12/2025
Financing	99,645,536	2,540,461	(630,979)	(1,925,336)	99,629,681
Loans to banks ¹³	1,731,514	-	(3,885)	-	1,727,629
Loans to customers ¹³	97,914,022	2,540,461	(627,095)	(1,925,336)	97,902,052
Debt securities	48,203,978	421,201	(107,800)	(26,311)	48,491,068
Total financial assets measured at amortized cost	147,849,513	2,961,662	(738,779)	(1,951,647)	148,120,749

More specifically, net loans to customers totaled about €97.9 billion, of which €97.3 billion performing and about 0.6 billion related to impaired positions. Of this total, about 78% was in medium and long-term financing (both loans and leases).

€/thousand	31/12/2025	% share	31/12/2024	% share
Current accounts	6,793,586	6.9%	6,580,147	7.0%
Repurchase agreements	2,517,359	2.6%	1,230,915	1.3%
Medium/long-term loans	72,722,350	74.3%	70,245,056	75.1%
Credit cards, personal loans and salary-backed loans	3,163,241	3.2%	2,797,132	3.0%
Lease financing	3,369,549	3.4%	3,441,276	3.7%
Factoring	900,470	0.9%	907,280	1.0%
Other lending	8,435,496	8.6%	8,339,504	8.9%
Financial assets measured at amortized cost – Loans to customers	97,902,052	100.0%	93,541,310	100.0%

Gross impaired loans, which have continued to decrease in recent years thanks to robust de-risking efforts came to about €2.5 billion, or 2.5% of total gross lending (2.5% also considering loans to customers alone).¹⁴

Net impaired loans amounted to about €615 million, equal to 0.6% of net lending (0.6% when considering only ordinary customers).¹⁵ The ratios of net bad loans and net unlikely-to-pay positions to total net lending came to 0.1% and 0.4% (0.1% and 0.4% when considering only ordinary customers).

¹³ Source: based on consolidated Finrep data

¹⁴ Excluding transactions with institutional counterparties (mainly repurchase agreements and deposits with the Clearing and Guarantee Fund totaling €3.2 billion) the gross NPL ratio is 2.6%.

¹⁵ Excluding transactions with institutional counterparties (mainly repurchase agreements and deposits with the Clearing and Guarantee Fund totaling €3.2 the net NPL ratio is 0.7%.

As shown in the table below, efforts to improve the Group's risk profile can also be seen in the more prudent assessment policies, which have resulted in an increase in the coverage of NPLs to 75.8%, an increase compared with the end of the previous year.

Type of exposure	Gross exposure	Writedowns	Net exposure	Coverage 31/12/2025	Coverage 31/12/2024
Bad loans	754,780	684,661	70,119	90.7%	88.5%
Unlikely-to-pay positions	1,529,461	1,116,591	412,870	73.0%	71.5%
Impaired past-due positions	256,220	124,112	132,108	48.4%	48.3%
Impaired exposures to customers at year end	2,540,461	1,925,364	615,097	75.8%	73.8%

As shown in the table below,¹⁶ the particular business model of the affiliated banks, which account for the largest component of assets and of total loans to customers, is reflected, above all, in the type of counterparty. Total loans disbursed, a gross amount of €100.5 billion, have mainly gone to producer and consumer households, which accounted for 48.5% of total lending. These segments, which have always been the core customer base of mutual banks, feature a lower NPL ratio than non-financial companies.

Type of counterparty	Gross value	Ratio to total loans and advances	Performing loans and advances		Non-performing loans and advances	
			Ratio to total	Ratio to total performing	Ratio to total	Ratio to total NPL
Financial companies	5,976,508	6.0%	99.6%	6.1%	0.4%	1.0%
Non-financial companies	44,382,362	44.2%	96.4%	43.7%	3.6%	62.5%
of which: small and medium-sized enterprises	27,970,725	27.8%	97.4%	27.8%	2.6%	28.9%
of which: secured by non-residential real estate as collateral	13,261,399	13.2%	95.8%	13.0%	4.2%	21.8%
Households	48,764,020	48.5%	98.1%	48.9%	1.9%	36.5%
of which: secured by residential real estate as collateral	37,927,828	37.8%	98.5%	38.1%	1.5%	22.6%
of which: consumer credit	3,235,177	3.2%	98.1%	3.2%	1.9%	2.4%
Government	1,331,592	1.3%	99.8%	1.4%	0.2%	0.1%
Total loans to customers	100,454,482	100.0%	97.5%	100.0%	2.5%	100.0%

With regard to financial assets measured at amortized cost, amounts due from banks amounted to approximately €1.7 billion and include more than €1.5 billion in respect of the reserve requirement with central banks, a decrease compared with 2024.

€/thousand	Stage 1 and 2	Stage 3	Total 31/12/2025	% share	Total 31/12/2024	% share
Due from central banks – reserve requirement	1,521,757		1,521,757	88.1%	1,625,061	85.0%
Loans to banks - financing	205,873	-	205,873	11.9%	286,656	15.0%
Financial assets measured at amortized cost – Loans to banks	1,727,630	-	1,727,630	100.0%	1,911,716	100.0%

Finally, debt securities measured at amortized cost (under the HTC business model), largely represented by Italian government securities, totaled almost €48.5 billion, up by €661 million on December 31, 2024.

Equity investments, totaling €310 million, mainly represent interests in associates, the most significant of which include the investments in Numia Group SpA (€154.2 million), BCC Vita (€81.6 million), Pitagora SpA (€22 million) and BCC Assicurazioni (€12.4 million).

Property, plant and equipment, totaling €2.3 billion, mainly include property used in operations (€1.9 billion) as well as properties contributed to consolidated real estate funds (€0.3 billion).

Intangible assets (€225 million) mainly include software and user licenses (€198.2 million), goodwill recognized on initial consolidation of a number of controlling interests (€15.6 million) and, to a lesser extent, goodwill recognized among assets of the affiliated banks for the acquisition of bank branches (€2.8 million) prior to creation of the Cooperative Banking Group.

Other assets include: (i) tax assets totaling about €969 million and including current tax in the amount of €346 million and deferred tax assets in the amount of about €623 million, the latter including about €322 million

¹⁶ Source: Finrep

referring to Law 214/2011; (ii) other assets of about €4.6 billion which among other things include tax credits of about €2.9 billion.

Consolidated liabilities and equity

€/thousand	31/12/2025	31/12/2024
Financial liabilities measured at amortized cost	145,644,783	143,756,450
a) due to banks	2,436,775	6,554,016
b) due to customers	127,933,676	123,234,220
c) securities issued	15,274,332	13,968,214
Financial liabilities held for trading	45,634	63,920
Financial liabilities designated as at fair value	67,763	-
Hedging derivatives and value adjustments of macro-hedged financial liabilities (+/-)	245,123	244,789
Tax liabilities	50,498	83,193
Liabilities associated with assets held for sale	-	30,922
Other liabilities	3,161,250	3,699,491
Post-employment benefits	172,471	197,279
Provisions for risks and charges	591,443	658,125
Equity	15,736,954	13,847,157
Profit/(loss) for the period	1,931,491	2,030,587
Total liabilities and equity	167,647,410	164,611,913

Total consolidated liabilities and equity amounted to more than €167.6 billion, up by €3 billion on December 31, 2024.

More specifically, financial liabilities measured at amortized cost include direct funding from ordinary customers (securities issued, amounts due to customers, the latter net of institutional fundraising of about €12.4 billion) came to €130.8 billion, up on the end of 2024 due to the increase in current accounts and demand deposits (+€5.7 billion) and new issues of securities (+€1.3 billion) and the decrease in time deposits (-€0.7 billion).

€/thousand	31/12/2025	31/12/2024
Due to customers	115,514,324	110,476,755
Current accounts and demand deposits	108,995,386	103,294,029
Time deposits	5,387,124	6,135,365
Other amounts due	1,131,814	1,047,361
Outstanding securities	15,274,332	13,968,214
Bonds	8,549,741	7,316,465
Other securities	6,724,591	6,651,749
Financial liabilities measured at amortized cost – Direct funding from ordinary customers	130,788,656	124,444,969

The remainder of financial liabilities measured at amortized cost comprises funding from institutional customers (€14.9 billion) and includes: (i) €10.9 billion in repurchase agreements, almost entirely with the Clearing & Guarantee Fund, (ii) €2.4 billion in amounts due to banks, entirely attributable to operations with other non-Group banks following the repayment of the financing from central banks during the year.

€/thousand	31/12/2025	31/12/2024
Loans to customers	12,419,352	12,757,465
Repos	10,862,731	10,647,133
Other	1,556,621	2,110,332
Due to banks	2,436,775	6,554,016
Due to central banks	-	4,701,855
Due to banks	2,436,775	1,852,161
Current accounts and demand deposits	1,070,954	869,637
Time deposits	12,944	13,188
Loans and repurchase agreements	1,345,805	965,502
Other	7,072	3,834
Financial liabilities measured at amortized cost – Funding from institutional customers	14,856,127	19,311,481

Other main liabilities include the following: (i) financial liabilities held for trading, in the amount of €45.6 million, which include the negative fair value of trading derivatives; (ii) tax liabilities in the amount of €50.5 million, which include deferred tax liabilities on temporarily non-taxable revenues in the amount of €40.8 million; (iii) other liabilities in the amount of €3.2 billion; (iv) post-employment benefits for the Group totaling €172.5 million and (v) provisions for risks and charges of €591.4 million, including about €192 million in provisions for credit risk against commitments to disburse funds and financial guarantees issued.

Consolidated shareholders' equity

Consolidated shareholders' equity totaled €17.7 billion. Share capital includes the capital of the Parent Company, amounting to €1.4 billion, and the capital of the mutual banks, which, together with the Parent Company, constitute a single consolidating entity. Treasury shares mainly represent the capital of Iccrea Banca held by the affiliated banks consolidated in application of Article 1072 of Law 145/2018.

Reserves totaled about €14.4 billion, and mainly included legal reserves of €14.9 billion – accumulated as a result of an aggressive use of self-funding by the affiliated banks in relation to the aforementioned obligation for the capitalization of at least 70% of earnings – and a negative IFRS 9 reserve of €1.6 billion.

€/thousand	31/12/2025	31/12/2024
Share capital	2,284,100	2,292,445
Equity instruments	30,139	30,139
Share premium reserve	156,204	154,624
Treasury shares	(1,393,479)	(1,387,018)
Valuation reserves	248,192	201,291
Reserves	14,399,624	12,543,839
Profit for the period	1,931,491	2,030,587
Equity attributable to shareholders of the Parent Company	17,656,271	15,865,908
Non-controlling interests (+/-)	12,175	11,837
Total shareholders' equity	17,668,446	15,877,745

INCOME STATEMENT

Consolidated income statement

€/thousand	31/12/2025	31/12/2024
Net interest income	3,992,244	4,363,532
Net fee and commission income	1,455,511	1,404,519
Dividends, net gain/(loss) on trading activities, net gain/(loss) on hedging and net gain/(loss) on assets and liabilities at FVTPL	9,447	57,449
Net gain (loss) on disposals	139,015	92,024
Gross income	5,596,218	5,917,525
Net writedowns/writebacks for credit risk	(234,031)	(336,913)
- of which financial assets measured at amortized cost: loans to customers	(210,122)	(323,394)
Gains/losses from contract modifications without cancellations	(980)	(7,433)
Net income/(loss) from financial operations	5,361,207	5,573,178
Administrative expenses	(3,302,768)	(3,252,135)
a) personnel expenses	(2,067,289)	(2,104,039)
b) other administrative expenses	(1,235,479)	(1,148,096)
Depreciation, amortization and provisions	(184,567)	(218,020)
- of which provisions for guarantees issued	73,438	40,877
Other operating income/expense	382,367	378,687
Operating expenses	(3,104,969)	(3,091,468)
Profit/(loss) from equity investments	16,577	9,801
Net gain/(loss) from fair value measurement of property, plant and equipment and intangible assets	(12,259)	(21,448)
Writedown of goodwill	-	(310)
Profit/(loss) from disposal of investments	(680)	(252)
Profit/(loss) before tax on continuing operations	2,259,876	2,469,502
Income tax expense from continuing operations	(371,009)	(418,411)
Profit/(loss) after tax on discontinued operations	42,965	(20,946)
Profit/(loss) for the period	1,931,831	2,030,144
Net profit/(loss) attributable to non-controlling interests	340	(442)
Net profit/(loss) attributable to shareholders of the Parent Company	1,931,491	2,030,587

The Group ended 2025 with net profit of more than €1.9 billion, a slight decrease compared with 2024.

More specifically, net interest income came to about €4 billion, the net result of interest income of €5.6 billion (including €3.8 billion on loans to customers and €1.4 billion on debt securities) and interest expense of about €1.6 billion (mainly related to amounts due to customers and outstanding securities recognized among financial liabilities and measured at amortized cost).

The decrease in net interest income is mainly attributable to: (i) a decrease in interest income on loans to customers (-€721 million) and on debt securities (-€129 million) mainly reflecting the decrease in interest rates; (ii) a €168 million decrease in hedging differentials; (iii) a decrease in interest expense on customer funding of about €416 million, also significantly attributable to developments in interest rates; (iv) an increase in interest on securities issued of about €21 million, related to issues carried out by the Group in the year and (v) a decrease in interests on amounts due to central banks of about €339 million, following repayments in the year.

Interest and similar income

€/thousand	Debt securities	Loans	Other transactions	Total 31/12/2025	Total 31/12/2024
Financial assets measured at fair value through profit or loss	9,728	4,087	1,869	15,684	20,430
Financial assets measured at fair value through other comprehensive income	173,575	-	-	173,575	181,900
Financial assets measured at amortized cost	1,249,213	3,865,752	-	5,114,965	6,030,586
- of which loans to banks	57,171	29,880	X	87,051	174,879
- of which loans to customers	1,192,042	3,835,872	X	5,027,913	5,855,707
Hedge derivatives	-	-	112,311	112,311	300,648
Other assets	-	-	194,417	194,417	230,999
Financial liabilities	-	-	195	195	1,616
Interest and similar income	1,432,516	3,869,839	308,792	5,611,147	6,766,179

Interest and similar expense

€/thousand	Debt securities	Loans	Other transactions	Total 31/12/2025	Total 31/12/2024
Financial liabilities measured at amortized cost	(1,162,059)	(452,047)	-	(1,614,106)	(2,367,333)
- of which central banks	(31,892)	X	X	(31,892)	(370,600)
- of which banks	(50,857)	X	X	(50,857)	(70,631)
- of which due to customers	(1,079,310)	X	X	(1,079,310)	(1,495,527)
- of which securities issued	X	(452,047)	X	(452,047)	(430,576)
Financial liabilities held for trading	-	-	-	-	-
Financial liabilities designated as at fair value	-	(1,869)	-	(1,869)	-
Other liabilities and provisions	-	-	(662)	(662)	(2,181)
Hedge derivatives	-	-	1,572	1,572	(18,716)
Financial assets	-	-	(3,844)	(3,838)	(14,417)
Interest and similar expense	(1,162,059)	(453,916)	910	(1,618,903)	(2,402,648)

Net fee and commission income amounted to €1.5 billion in 2025, a slight increase of +€51 million compared with 2024, include fee and commission income of about €1.8 billion (mainly relating to commissions for collection and payment services, the management of current accounts and distribution of third-party services) net of fee and commission expense of €299.6 million.

Fee and commission income

€/thousand	31/12/2025	31/12/2024
Guarantees issued	25,732	25,978
Management, intermediation and advisory services	196,050	169,892
Management of current accounts	561,202	562,856
Other collection and payment services	546,924	544,619
Distribution of third-party services	334,215	295,903
Other services	90,964	90,150
Fee and commission income	1,755,087	1,689,398

Fee and commission expense

€/thousand	31/12/2025	31/12/2024
Guarantees received	(4,122)	(2,584)
Management and intermediation services	(13,588)	(12,602)
Collection and payment services	(260,779)	(252,381)
Other services	(21,087)	(17,312)
Fee and commission expense	(299,576)	(284,879)

The net gain on disposals came to €139 million, mainly reflecting the gain on the assignment of loans by Group banks in the amount of €98.3 million, and the gains on the sale of debt securities classified at amortized cost and assets measured at fair value through other comprehensive income (totaling a net €40.5 million).

At December 31, 2025, net writedowns for credit risk amounted to €234 million, down from the previous year also reflecting the robust monitoring of impaired positions implemented by the Group since its establishment, with a coverage ratio of 75.8%.

Operating expenses amounted to about €3.1 billion, essentially stable compared with 2024, reflecting the net effect of: (i) a slight decrease in personnel expense in the amount of €37 million, mainly attributable to the decrease in the cost of early retirement incentives, (ii) an increase of €87.4 million in other administrative expenses, mainly related to the increase in IT costs following the disposal of the infrastructure segment of BCC Sistemi Informatici to a no-Group entity, (iii) lower provisions for risks and charges in respect of commitments to disburse funds and guarantees issued in the amount of €33 million.

Profit from equity investments amounted to €16.6 million, including the financial effect of the equity valuation of investments in associates and the recognition of the earn-out connected with the sale of the investment in BCC Pay (now Numia SpA) to FSI during 2022 in the amount of €2.4 million.

The profit after tax on discontinued operations (about €43 million), mainly includes: (i) the net gain on the sale of a 100% interest in BCC POS (+€54.7 million) whose assets and liabilities were classified as held for sale at December 31, 2024 and (ii) the loss (-€13.2 million) of the Infrastructure segment of BCC Sistemi Informatici, the sale of which was finalized on April 1, 2025.

CONSOLIDATED OWN FUNDS AND CAPITAL ADEQUACY**Own funds**

The following table offers a breakdown of own funds at December 31, 2025, which amounted to about €17.57 billion.

Capital and capital ratios

€/thousand	31/12/2025	31/12/2024
Share capital	2,284,100	2,292,445
Share premium reserve	156,204	154,624
Treasury shares and repurchase commitments	(1,414,268)	(1,408,426)
Reserves	14,653,221	12,797,294
Profit/(Loss) for the period	1,727,822	1,834,161
Other comprehensive income	(5,405)	(52,164)
Transitional provisions – IFRS 9	3,640	59,628
Goodwill (net of related tax effects)	(21,461)	(21,485)
Intangible assets (net of related tax effects)	(105,701)	(128,514)
Other deductions	(15,708)	(19,778)
Prudential filters	(20,748)	(27,230)
Common Equity Tier 1 (CET 1)	17,241,694	15,480,554
Additional Tier 1 (AT1)	30,139	30,139
Tier 1 (T1)	17,271,833	15,510,693
Eligible subordinated loans	294,175	308,221
Tier 2 (T2)	294,175	308,221
Total Own funds (TC)	17,566,009	15,818,914

In light of the special accounting rules applicable¹⁷ and the obligation under Article 38 of the Consolidated Banking Act for the affiliated banks to allocate at least 70% of annual earnings to reserves, own funds mainly include reserves (€14.6 billion) in addition to share capital (mainly composed of the shareholder contributions of the affiliated banks and the associated share premiums). Group capital in the amount of about €2.3 billion decreased to about €870 million after elimination of the capital of the Parent Company held by the affiliated banks (reported under treasury shares).

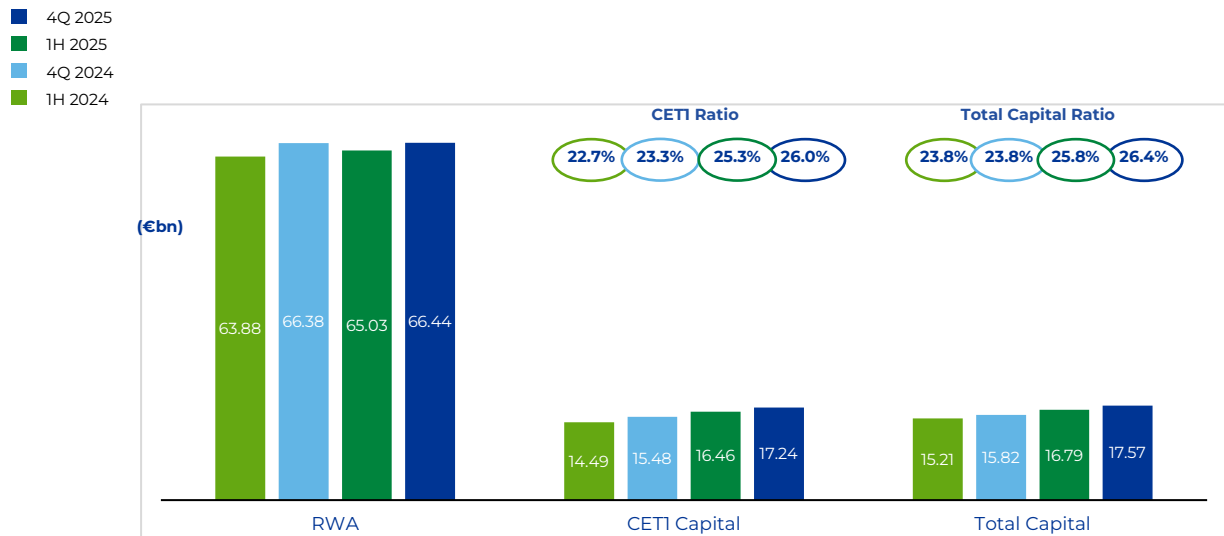
CET1 at December 31, 2025, which represents approximately 98% of total own funds, increases compared with December 2024 by a total of about €1.7 billion, as the algebraic sum of some of its main components, including: (i) the calculation of annual profit - as per the authorization received from the ECB on February 10, 2026 - for a total of about €1.728 billion; (ii) the decrease of the effect of transitional provisions, now only applicable to the OCI prudential filter (-€56 million), the phase-in of the new IFRS 9 impairment model having been concluded in 2024 (overall benefit down from €59.6 million at December 2024 to €3.6 million at December 2025); (iii) the increase in the FVOCI reserve, which came to -€5.4 million (+€46.8 million compared with December 2024).

Additional Tier 1 capital did not change, while the change in Tier 2, mainly reflecting the rates on the subordinated bond of Iccrea Banca (paying the annual coupon in January), as well as the repayments of the subordinated bonds issued by the mutual banks and subscribed by third parties before the establishment of the Group, is not significant.

With the dynamics in own funds noted above, RWAs increased by 0.09% to €66.44 billion (from €66.38 billion at December 2024). In 2025, the new prudential rules on credit, counterparty and operational risk introduced by Regulation (EU) 2024/1623 (so-called CRR 3) came into force. The new rules, mainly aimed at increasing the risk sensitivity of capital requirements, have generally contributed to containing the increase in the Group's RWAs.

¹⁷ Pursuant to Art. 1072 of Law no. 145/2018

At December 31, 2025, CET1 ratio was 26.0%, while TCR came to 26.4% (respectively 23.3% and 23.8% at December 2024).



Requirements for 2025 - 2026

As regards the outcome of the supervisory review and evaluation process (SREP), on December 10, 2024 the supervisory authorities communicated to the Parent Company the **prudential requirements** to be met at the consolidated level **with effect from January 1, 2025**:

- an additional Pillar 2 own funds requirement (P2R) of 2.52% (of which 2 bps for the NPE P2R, which is subject to reduction within the year upon the occurrence of certain conditions), of which a minimum of 56.25% to be held in the form of primary Tier 1 capital (Common Equity Tier 1, CET1) and 75% in the form of Tier 1 capital;
- a Pillar 2 capital guidance (P2G) equal to 1.25%, consisting entirely of CET1, held in addition to the Overall Capital Requirement (OCR).

As with the previous decisions, the SREP decision did not impose own funds requirements to be met on an individual basis by the Group's affiliated banks.

In April 2024, the Bank of Italy announced the decision to apply to all authorized banks and banking groups in Italy, at both consolidated and individual level, a Systemic Risk Buffer (SyRB) equal to 1% of the risk-weighted exposures for credit and counterparty risk to residents in Italy. The target rate of 1% was achieved gradually, by applying a 0.5% on relevant exposures by December 31, 2024 and the remaining 0.5% by June 30, 2025. At December 31, 2025 the requirement to be met is 1%.

On November 22, 2024 the Parent Company received the decision from the Bank of Italy which confirmed for 2025 designation of the Iccrea Cooperative Banking Group as an Other Systemically Important Institution (O-SII) authorized in Italy. Following the analyses performed for the purposes of calibrating the O-SII buffer, the Bank of Italy assigned the Group an O-SII requirement of 0.25% for 2025.

Following the preliminary discussions undertaken in the second half of 2024, the supervisory authorities, with a notice received on October 28, 2025, informed the Parent Company of the results of the SREP decision, which establishes the **prudential requirements to be met at the consolidated level with effect from January 1, 2026** (consisting of own funds requirements and qualitative requirements). With this decision, which replaces the previous SREP decision, the supervisory authorities established the following own funds requirements to be met for 2026:

- an additional Pillar 2 own funds requirement (P2R) of 2.25% of which a minimum of 56.25% to be held in the form of primary Tier 1 capital (Common Equity Tier 1, CET1) and 75% in the form of Tier 1 capital;
- a Pillar 2 capital guidance (P2G) equal to 1.00% consisting entirely of CET1, held in addition to the Overall Capital Requirement (OCR).

As with the previous decisions, the SREP decision did not impose own funds requirements to be met on an individual basis by the Group's affiliated banks.

Minimum Requirement of Eligible Liabilities (MREL)

With regard to Pillar II capital adequacy, Directive 2014/59/EU on bank recovery and resolution (Bank Recovery and Resolution Directive - BRRD - as amended) introduced the “MREL” (Minimum Requirement of Eligible Liabilities), representing the minimum requirement for own funds and eligible liabilities with a view to ensuring the proper functioning of the bail-in mechanism and guaranteeing the continuity of critical economic functions during and after a possible crisis.

In March 2025, Iccrea Banca, as the Group Resolution Entity, received the decision of the Single Resolution Board on the determination of the minimum requirement of own funds and eligible liabilities (MREL - Minimum Requirement of Eligible Liabilities), including the subordination requirement, defined in terms of total risk exposure (RWAs) and a metric of the total leverage exposure (LRE) to be achieved on a consolidated basis by the Resolution Group.

The final mandatory level of the MREL on a consolidated basis (with which the Parent Company is compliant), to be met by January 1, 2026, is equal to 26.03% of RWAs (including the combined buffer requirement of 3.59% of RWAs at December 31, 2025) and 6.33% of the LRE.

With regard to the subordination requirement on a consolidated basis (with which the Parent Company is compliant), the final mandatory target, to be met by January 1, 2026, is equal to 18.52% of RWAs (including the combined buffer requirement of 3.59% of RWAs at December 31, 2025 al) and 6.33% of the LRE.

In order to comply with these requirements, the general-hybrid approach adopted by the Single Resolution Board requires consideration of the following elements:

- own funds at Group level calculated in accordance with the provisions of the CRR (Capital Requirements Regulation - Regulation (EU) no. 575/2013 as updated);
- liabilities eligible for the MREL and the subordination requirement issued by the Parent Company (as the Group Resolution Entity) with a residual maturity greater than one year.

At December 31, 2025, the Group had with respect to:

- the final mandatory MREL on a consolidated basis, a surplus of about €2,614 million in terms of RWAs (+3.93% of consolidated RWAs) and a surplus of about €8,703 million in termini di LRE (+4.92% of consolidated LRE);
- the final mandatory subordination requirement on a consolidated basis, a surplus of about €5,313 million in terms of RWAs (+8% of consolidated RWAs) and a surplus of about €6,412 million in terms of LRE (+3.62% of consolidated LRE).

5. THE GROUP'S STRATEGIC LINES OF BUSINESS

CONSOLIDATED BANKS AND OTHER COMPANIES

The ICBG's product and service delivery model is based on an organizational structure (defined internally for operational purposes) that is divided into the following strategic lines of business, chosen on the basis of factors that management considers in making its operational and strategic decisions and consistent with IFRS 8's disclosure requirements. A specific segment has been retained for the mutual banks based on their unique qualities, in line with the sector regulations that distinguish and preserve the nature of cooperative banking.

The following tables show the main operational areas and the result of the individual business areas in which the Group operates.

	CORPORATE	INSTITUTIONAL	RETAIL	MUTUAL BANKS	INTERSEGMENT TRANSACTIONS	TOTAL
Financial assets ¹⁸	280,787	16,116,930	10,627	47,671,359	(5,533,481)	58,546,223
Due from banks	42,782	18,002,311	187	11,605,936	(27,923,586)	1,727,629
Due from customers	4,675,163	9,719,039	2,277,829	84,677,391	(3,447,370)	97,902,052
Funding from banks	4,341,897	20,992,585	2,187,077	13,767,147	(38,851,929)	2,436,776
Funding from customers	273,613	13,441,319	657	114,382,963	(164,876)	127,933,675
Securities and other financial liabilities ¹⁹	25,394	9,714,431	-	10,028,498	(4,135,472)	15,632,851

	CORPORATE	INSTITUTIONAL	RETAIL	MUTUAL BANKS	INTERSEGMENT TRANSACTIONS	TOTAL
Net interest income	103,404	202,481	70,120	3,571,066	45,173	3,992,244
Net fee and commission income	8,938	88,608	110,054	1,308,336	(60,425)	1,455,511
Other financial expense and income	4,334	115,491	(82)	99,485	(70,766)	148,462
Gross income	116,676	406,580	180,092	4,978,887	(86,017)	5,596,218
Net value adjustments	2,625	(21,947)	(5,238)	(210,451)	-	(235,011)
Net gains/(losses) from financial operations	119,301	384,633	174,854	4,768,436	(86,017)	5,361,207
Operating expenses	(69,158)	(232,991)	(72,844)	(2,737,909)	7,933	(3,104,969)
Other costs and revenues	80	(1,809)	(239)	(2,224)	7,830	3,638
Profit/(loss) before tax on continuing operations	50,223	149,833	101,771	2,028,303	(70,254)	2,259,876
Income tax expense from continuing operations	(15,407)	(22,701)	(32,616)	(299,666)	(619)	(371,009)
Profit/(loss) for the period	34,816	127,132	69,155	1,728,637	(70,873)	1,888,867
Profit/(loss) after tax on continuing operations		42,965				42,965
Profit/(loss) after tax on discontinued operations	34,816	170,097	69,155	1,728,637	(70,873)	1,931,831
Profit/(loss) attributable to non-controlling interests	-	340	-	-	-	(340)
Profit/(loss) attributable to shareholders of the Parent Company	34,817	169,757	69,155	1,728,634	(70,872)	1,931,491

¹⁸ "Financial assets" includes item 20 "Financial assets measured at fair value through profit or loss", item 30 "Financial assets measured at fair value other comprehensive income", "Debt securities" of which under item 40 "Financial assets measured at fair value through other comprehensive income" and item 50 "Hedging derivatives".

¹⁹ "Securities and other financial liabilities" includes securities issued under item 10 "Financial liabilities measured at amortized cost", item 20 "Financial liabilities held for trading", item 30 "Financial liabilities designated as at fair value" and item 50 "Hedging derivatives".

INSTITUTIONAL BUSINESS AREA

This area includes the companies that provide products and services directly to the affiliated banks and their customers. The wide range of solutions available includes financial services, payment systems, securities administration, credit collection services, Web services, facility management, real estate services, and IT and back-office services, as well as logistical, administrative and infrastructure support.

The main Group companies engaged in this area are Iccrea Banca – which as Parent Company carries out the management, coordination and control activities provided for under applicable law and the Cohesion Contract - BCC Sistemi Informatici, BCC Sinergia and other minor companies.

€/thousand	INSTITUTIONAL							
	Iccrea Banca		BCC Sistemi Informatici		BCC SINERGIA		Other (*)	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Cash and cash equivalents	968,102	3,406,816	712	524	46,248	42,051	8,932	7,691
Financial assets measured at fair value through profit or loss	1,910,013	1,644,108	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	1,141,925	1,220,887	8	8	3	3	-	-
Financial assets measured at amortized cost	41,143,107	40,914,461	-	-	6,430	3,166	-	-
a) due from banks	17,995,976	18,408,558	-	-	6,335	3,071	-	-
b) loans to customers	9,931,011	8,968,108	-	-	95	95	-	-
c) securities	13,216,120	13,537,796	-	-	-	-	-	-
Hedging derivatives and value adjustments of macro-hedged financial assets	115,208	93,082	-	-	-	-	-	-
Equity investments	1,163,434	1,326,954	-	-	-	-	-	-
Property, plant and equipment	92,446	90,248	94,005	15,743	16,534	18,098	42,462	15,695
Intangible assets	822	8	194,426	167,752	271	372	46	231
Tax assets	84,858	39,691	6,217	6,700	2,471	3,869	2,296	2,282
Non-current assets and disposal groups held for sale	-	2,000	-	34,817	-	-	-	-
Other assets	602,715	632,144	217,633	120,318	47,472	57,241	5,535	7,121
Total assets	47,222,630	49,370,398	513,001	345,863	119,428	124,799	59,270	33,019

€/thousand	INSTITUTIONAL							
	Iccrea Banca		BCC Sistemi Informatici		BCC SINERGIA		Other (*)	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial liabilities measured at amortized cost	42,372,138	45,073,293	258,615	90,930	34,846	43,129	17,941	13,134
a) due to banks	20,987,957	25,657,921	176,903	78,735	22,800	29,488	17,941	13,134
b) due to customers	13,363,101	12,963,954	81,712	12,195	12,046	13,640	-	-
c) securities issued	8,021,079	6,451,419	-	-	-	-	-	-
Financial liabilities held for trading	1,130,999	847,759	-	-	-	-	-	-
Financial liabilities designated as at fair value	461,029	385,075	-	-	-	-	-	-
Hedging derivatives and value adjustments of macro-hedged financial liabilities (+/-)	101,324	109,785	-	-	-	-	-	-
Liabilities associated with disposal groups held for sale	-	-	-	307	-	-	186	145
Tax liabilities	3,657	5,985	587	21,573	-	-	-	-
Other liabilities	503,718	460,163	120,805	99,705	45,178	44,709	4,085	5,147
Post-employment benefits	8,712	11,666	1,599	2,065	3,376	3,338	110	110
Provisions for risks and charges	133,940	149,906	9,646	12,917	7,098	10,577	626	447
Shareholders' equity	2,322,742	2,248,017	118,349	122,789	20,088	12,151	36,111	14,044
Profit/(loss) for the period (+/-)	184,371	78,749	3,399	(4,423)	8,842	10,895	211	(8)
Total liabilities and equity	47,222,630	49,370,398	513,001	345,863	119,428	124,799	59,270	33,019

(*) "Other" includes BCC Gestione Crediti, BCC Beni Immobili.

CONSOLIDATED REPORT ON OPERATIONS

€/thousand	INSTITUTIONAL							
	Iccrea Banca		BCC Sistemi Informatici		BCC SINERGIA SpA		Other (*)	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net interest income	207,728	196,552	(6,182)	395	1,081	668	(235)	(112)
Net fee and commission income	80,887	73,177	(2)	(2)	(87)	(24)	8,213	8,569
Dividends	79,014	61,195					-	-
Net gain/(loss) on trading	28,147	21,861	53	(74)			-	-
Net gain/(loss) on hedging	(3,783)	2,299					-	-
Net gain/(loss) on disposals	20,008	15,054					-	-
Net gain/(loss) on financial assets and liabilities at FVTPL	(15,205)	(26,929)					-	-
Gross income	396,795	343,211	(6,130)	319	994	644	7,978	8,456
Net writedowns/writebacks for credit risk	(21,947)	(10,407)					-	-
Net gains/(losses) from financial operations	374,848	332,804	(6,130)	319	994	644	7,978	8,456
Administrative expenses	(526,118)	(516,391)	(305,195)	(212,214)	(143,565)	(146,797)	(8,533)	(9,202)
a) personnel expenses	(237,046)	(256,736)	(45,855)	(52,633)	(64,078)	(67,888)	(3,430)	(4,122)
b) other administrative expenses	(289,072)	(259,655)	(259,341)	(159,581)	(79,487)	(78,909)	(5,103)	(5,080)
Depreciation, amortization and provisions	(7,788)	(23,981)	(61,500)	(42,616)	(5,379)	(8,436)	(1,616)	(1,092)
Other operating expenses/income	265,091	250,865	395,146	331,293	160,280	156,618	2,684	1,928
Operating expenses	(268,815)	(289,507)	28,451	76,462	11,335	1,385	(7,466)	(8,365)
Profit/(loss) from equity investments	94,127	55,773					-	-
Profit/(loss) from disposal of investments			200	-	-	-	-	-
Impairment of goodwill							-	-
Profit/(loss) before tax on continuing operations	200,161	99,070	22,520	76,781	12,329	2,028	513	91
Income tax expense from continuing operations	(15,790)	(20,321)	(5,901)	(19,108)	(3,488)	(1,022)	(302)	(99)
Profit/(loss) on discontinued operations after tax	-	-	(13,220)	(62,097)	-	9,889	-	-
Profit/(loss) for the period	184,371	78,749	3,399	(4,423)	8,842	10,895	211	(8)

(*) "Other" includes BCC Gestione Crediti and BCC Beni Immobili

ICCREA BANCA SpA

Within the Group, Iccrea Banca performs the duties and responsibilities in respect of the affiliated banks relating to strategic and operational oversight, coordination and control and interacts with supervisory and regulatory authorities. The traditional role of the second-level bank, which provides products, services and advisory services to help the affiliate mutual banks meet the needs of their shareholders, customers, households and the development of local communities, is supplemented by the addition of duties connected with the responsibilities of our role and performing the activities needed to ensure the consistency of the Group's strategic policy, operational governance, risk management, pursuit of industrial and operational synergies to achieve ever-improving levels of operational efficiency and effectiveness and the development of production and distribution models

Financial services

In the financial services area, the Parent Company supports the affiliated banks with a variety of activities associated with investment services, including trading in equities and bonds, accessing over-the-counter (OTC) markets for unlisted securities, order execution and transmission services both for transactions connected with the management of the proprietary portfolio and for the provision of investment services to their retail and/or professional customers. In this context, i) defines guidelines and investment strategies (also declined during the year through a monthly Finance Steering Committee in which the affiliated banks participate ii) assumes the role of central counterparty in the liquidity management system; iii) performs capital and money-market activities and hedging; iv) monitors and analyzes the ALM position of the affiliated banks in order to predict its evolution and, if necessary, identify the paths and actions for rebalancing the positions, v) offers a delegated risk management service to enhance the efficiency of the arrangements and techniques adopted to manage the risk profiles associated with the finance book of the affiliated banks.

With specific regard to liquidity management, in 2025 the collateralized funding operations of the Group banks through ECB' short-term auctions (MRO/LTRO) aimed at the gradual reduction in the use of this type of funding source. The use by Group banks decreased to approximately €0.453 billion at December 31, 2025 (€0.111 billion MRO and €0.342 billion LTR). These amounts were entirely financed by the Parent Company, accessing liquidity from intercompany deposits, while the Group's participation in the Central Bank's MRO/LTRO auctions came to nil.

Collateralized funding activity on the market was mainly conducted through repos on government securities channeled through the central counterparty Clearing & Guarantee Fund. At December 31, 2025, the stock of funding repos on the market amounted to about €11.6 billion, compared with reverse repos of about €2.6 billion (for a net balance of about €9 billion). In the context of diversifying funding sources, approximately €500 million of repos on senior GACS securities and self-securitizations (Crediper) were outstanding at December 31.

During 2025 the Group Treasury managed an average balance at the Bank of Italy of about €1.1 billion, having regular recourse to the deposit facility at the Bank of Italy, which averaged a balance of about €0.700 billion in the period.

With regard to the deposits and investment accounts held by the mutual banks on the Parent Company, fixed-term deposits amounted to about €5.1 billion at December 31, 2025, while rolling deposits with maturity beyond one year amounted to about €3.3 billion and rolling deposits with maturity between one and six months amounted to about €815 million.

The balance on the demand account (daily settlement account) held by the mutual banks on the Parent Company amounted to €6.8 billion at December 31, 2025.

The ECB's monetary easing continued throughout 2025, bringing the Deposit facility rate to 2%. The market is not currently pricing in further significant rate cuts. In this environment, the Treasury continued to optimize the cost of funding along the curve, conducting repo transactions in addition to ordinary short-term funding operations, including transactions with maturities greater than one year, in order to manage liquidity indicators and transactions requested by the mutual banks.

As regards activities with the MEF in the unsecured segment, where the Group is an authorized counterparty to receive liquidity at short-term maturities on the money market, operations were progressively reduced and then eliminated during the first half of the year, with a single €250-million funding operation lasting two weeks in September and closed on December 31, 2025 with zero outstanding.

With regard to forex operations, at December 31, 2025, 81,321 contracts had been negotiated, with a total volume of

about €9.584 billion. In particular, approximately €7.068 billion were negotiated for the mutual banks (€3.424 billion in swap transactions, €3.548 billion in spot transactions and €96 million in outright transactions). Proprietary trading transacted a total €2.516 billion, of which €714 million in spot transactions, €1.661 billion in swap and the remainder outright.

Capital market operations for MREL purposes included the issue effective January 30, 2025 of a Green Senior Preferred Social bond in the amount of €500 million, with a maturity of 5 years. The issue received orders for more than 3 times the placement amount from institutional investors. The transaction is part of the process of meeting the MREL requirements, and was carried out under the €5 billion EMTN program and the Green, Social and Sustainability Bond Framework adopted in October 2021 and updated in November 2024 in order to include the Green and Social Bond Principles and Sustainability Bond Guidelines issued by ICMA (International Capital Market Association) and more accurately reflect the evolution of the Group's sustainability strategy.

Covered bond issues are detailed in the following section "The covered bond program", under significant events during the period.

At December 31, 2025 the amount of outstanding bonds of Iccrea Banca totaled €7.93 billion, with a weighted average residual maturity of 3.94 years, broken down as follows:

- senior preferred securities of €2.96 billion with a weighted average residual maturity of 2.26 years;
- senior not preferred of €0.05 billion with a weighted average residual maturity of 1.20 years;
- subordinated Tier 2 of €0.30 billion with a weighted average residual maturity of 6.05 years;
- covered bond of €4.55 billion with a weighted average residual maturity of 4.9 years;
- certificates of €0.07 billion with a weighted average residual maturity of 3.62 years.

Other structural funding operations included, as part of the "EU Blending Programme" of the EIB: i) in July the EIB disbursed the 1st tranche, in the amount of about €34 million, of a medium/long term loan totaling €100 million, to be used, through the affiliated banks based in Tuscany, to finance eligible initiatives promoted by SMEs and mid-cap enterprises; ii) a medium/long-term loan agreement entered in December for an amount of €30 million. The funds to be disbursed by the EIB are to be used, through the Affiliated Banks based in Marche, to finance eligible initiatives promoted by SMEs and mid-cap enterprises.

With regard to Italian government securities, within market making operations on the Vorvel platform, 2025 saw the listing of 141 securities with a total volume handled on the Vorvel platform of about €9.9 billion, up by 9% on 2024. Trading continued on the MOT market of Borsa Italiana, totaling about €8.6 billion in 2025, up by 25% on 2024. Trading on the MTS, BondVision and Bloomberg platforms reserved for institutional investors came to €54 billion. As part of market making operations for eurobonds, 347 eurobonds were listed on the Vorvel market, 239 on the EuroTLX and 173 on ExtraMOT and MOT. Total volumes traded on these markets came to about €2.5 billion, an increase of 46% on 2024.

Execution activities on national and foreign financial markets on behalf of the affiliated banks in 2025 were characterized by a 5.15% increase over the previous year. With a total transacted value of €20.4 billion, the Italian equity sector recorded a volume of €5.7 billion, an increase of 26.67% compared with 2024. Foreign equities recorded volumes of €697 million with an increase of 22.93% on 2024. Operations in the bond segment posted a transacted volume of €8.8 billion, a decrease of 7.37% on 2024. In addition, financial instruments totaling €5.2 billion were placed, of which some €5 billion in Italian government securities.

The affiliated banks carried out derivative transactions with a nominal amount of about €4.8 billion in 2025.

More specifically, mutual banks belonging to the Group carried out transactions to hedge the interest rate risk of their mortgage portfolios in the nominal amount of about €2.06 billion, a significant increase on 2024. Transactions to hedge the variable-rate mortgage portfolios, with a view to optimizing the SOT NII (Supervisory Outlier Test on Net Interest Income), had a nominal amount of about €600 million.

In managing their securities portfolio, the mutual banks transacted interest rate and inflation risk hedges in the notional amount of around €973 million and cash flow hedges on CCTs in the notional amount of about €716 million. During the year, unwinding operations (the early termination of outstanding swaps) were carried out for a nominal amount of €285 million, and forward sales for a nominal amount of approximately €119 million.

As regards transactions in derivatives with BCC Leasing, new and unwinding transactions were closed with a total notional amount of about €340 million.

Transactions on the proprietary financial portfolios focused primarily on the banking book, with trading book

operations were modest.

At December 31, 2025 the size of the financial portfolio on the Parent Company's banking book was about €11.7 billion, a marginal 1.92% decrease on 2024. The portfolio is diversified as follows: €9.7 billion (82.9% of the total) is represented by Italian sovereign bonds; €0.8 billion (6.7% of the total) by "financial" bonds; €1.1 billion (9.8% of the total) by European sovereign bonds (Spain, France and Germany); €0.04 billion (0.3% of the total) by supranational bonds; €0.03 billion by corporate bonds (0.3% of the total); and the remainder is invested in equities and funds. Overall, the financial portfolio consists of 92.3% variable-rate items (originally floater securities, or fixed-rate or inflation-linked securities hedged by derivatives), 2.35% inflation-linked items and 5.36% fixed-rate items (with an average duration of 3.0 years).

The HTC business model covers 92.4% of the financial portfolio, whose securities have an average residual duration of 6.5 years, classified on the basis of the fair value policy as 98% Level 1, 1.6% L2 and 0.4% L3. At December 31, 2025 the remaining 7.6% of the financial portfolio, allocated to the HTCS category, had an average residual maturity of 4.1 years classified as 96% Level 1 and 4% Level 2.

The financial portfolio also gradually accumulated a position in ESG financial instruments, which at December 31 amounted to about €0.7 billion, or 5.7% of the overall total of the portfolio under management.

With regard to the management and mitigation of the financial risks of the portfolios, new hedging and unwinding derivative operations were carried out with a total notional amount of about €2.9 billion.

At December 31, 2025, the bond trading portfolio registered flows (cash, listed derivatives and OTC positions) totaling €8.2 billion with an average daily VAR of €98 thousand, a decrease of 22% compared with 2024. The decrease in traded volumes came to approximately 42%.

In the equities segment, in 2025 the value of securities traded reached €73 million, while the value of transactions in listed derivatives was equal to €130 million with an average daily VAR of €35 thousand. Trading volumes decreased by 58% compared with 2024.

The trading portfolio in OTC derivatives on interest rates (IR) and inflation rate (IL), saw transactions in contracts with a total notional amount of about €1.3 billion, with an average daily VAR of about €44 thousand. Trading volumes increased by 128% compared with 2024.

Lending to firms

In 2025, the Group's lending activity, also carried out through direct scope companies specialized in leasing and factoring, confirmed a positive trend, consolidating its role in supporting businesses in the areas of capital expenditure, working capital and specialized consultancy services, as well as in services supporting internationalization and risk management through state guarantees and the application for incentive measures.

The specialist skills qualifying the Group's offer most notably include structured finance and business consultancy, in supporting SMEs growth and generational transition, energy and environmental transition, social infrastructure and some specialist sectors such as tourism, shipping, healthcare, local public services, with the use of instruments such as LBOs, public private partnerships (including project financing and turnkey projects), minibonds, often with the involvement of institutional investors specialized in these market areas.

New loans in the Structured Financing and Business Consulting segment, including leases originated and finalized on behalf of BCC Leasing, came to €347 million, up 17% compared to 2024. Work with the European Investment Bank continued through the management of Third-Party Funds, with the launch of the €85 million Tourism Fund (NRRP), in addition to funds already operational in the energy efficiency, urban redevelopment, and education sectors.

Operations in the sector of subsidized loans included in 2025, loans from the CDP Ambiente fund in the amount of €90 million and IEB NRRP in the amount of €46 million.

In the agro-industry sector, work continued with the Supply Chain and District Contracts initiative, with Iccrea Banca operating both as lending bank (under contract with the CDP) and as authorized bank (under a contract with the Ministry of Agricultural Policies, Food Sovereignty and Forests). The overall portfolio under management, relating to the IV and V tenders, is made up of 39 contracts, for a total of more than 580 companies involved and investments over €1 billion.

Lending to support investments abroad and international trade increased (+33%), together with the growth in "transactional activities" (+7%) and short-term financing related to foreign operations (+12%).

Operations in SACE guarantees came to €258.3 million, an increase of 145% compared with 2024.

As regards the main incentive programs traditionally followed, it should be noted that, 2,178 new applications were submitted corresponding to €560 million in investments and €54 million in grants booked with the Ministry of Italian Enterprise. In addition, there is the “Sabatini Friuli Venezia Giulia” program for leasing, which in 2025, recorded an increase of about 6% of new applications (to a total 50), substantially confirming the developments of 2024. Consulting activity related to MCC guarantees also continued, with 12,314 applications processed (+12%) for €2.4 billion in financing and €1.6 billion in guaranteed amounts.

Finally, the collaboration with Cassa Depositi e Prestiti continues within the framework of the Revolving Funds (FRI). In 2025, the facility for tourism (FRI-Turismo, NRRP) allowed investments in the amount of €21.2 million, while the fund FRI-Specializzazione Intelligente allowed bank lending in the amount of €3.2 million and CDP subsidized loans for €6.4 million. The agreement with CDP for the FRI-Green New Deal has also been completed, with operations expected to start in 2026.

Payment systems

During 2025 Iccrea Banca has continued its efforts in the analysis, development and management of payment solutions available to the Group banks to help them ensure compliance with evolving EU and international legislation.

Transaction volumes increased in 2025 compared with the previous year (+5% of transactions handled), confirming the overall growth trend of the sector, partly reflecting the substitution of cash with electronic transactions. Growth focused on digital payment services (+7% for ordinary and instant SEPA credit transfers, direct debits, +13% PagoPA); more than offsetting the contraction experienced by traditional paper-based products (checks, cashier's checks, bills, RIBA, MAV).

The main payment solutions initiatives undertaken in 2025 included projects for:

- ensuring compliance with the requirements set by European regulations governing instant credit transfers, making the new Verification of Payee service available to all customers from October 5th;
- the launch of the project for the use of the new PagoPA service which allows the receipt/payment/storage in home banking of payment slips issued by government entities;
- enhancing the efficiency of integrated cash cycle management by adopting the market-leading management application for the benefit of the mutual banks and their customers;
- analyses and design initiatives related to the digital euro.

BCC SISTEMI INFORMATICI SPA

The company is responsible for the Group's information technology, managing applications, infrastructure, architecture and security. The year saw the start of the development phases of initiatives aimed at accelerating the application and technological transformation process of the Group's information system, also through the partnership with the minority shareholder AFAST/Accenture. In this context, significant developments in operations include the sale of the infrastructure segment to AFAST/Accenture effective as from April 1, 2025.

Major initiatives during the year included: (i) actions to support the coordination and control efforts of the Parent Company; (ii) the start of the initiative to establish a 3-site data center architecture; (iii) the completion of the strategic initiative (turnaround of supervisory reports); (iv) the start and prosecution of other strategic initiatives (turnaround finance, new loans platform, cloud adoption, digital projects, data platform, data registry, current accounts, liquidations); (v) the strengthening of security and the extension of control on peripheral systems (e.g.: Strengthening system access protection, Group other local device management, local computing, teams only).

Other relevant developments in operations include the disposal of the business unit ICT Security to the Parent Iccrea Banca on December 29, 2025 effective as from January 1, 2026. This operation is part of a process to strengthen IT security by establishing centralized management at the Group level. At the same time, effective January 1, 2026, BCC SI has formally outsourced security services to the Parent Company.

Balance sheet

The company's assets are characterized by the relevance of property, plant and equipment, and of intangible assets, totaling €288.4 million, and represented by proprietary or licensed software that constitutes the "main" IT system in use at the mutual banks, the Parent Company and the companies of the direct scope and by the components of the data processing infrastructure in existing service contracts (recognized pursuant to IFRS 16). Other assets, amounting to €217.6 million include prepaid expenses of 130.6 million, tax credits pursuant to Italy's "Salva" and "Cura" Italy Decrees of €28.8 million, trade receivables of €30.4 million and other receivables of €28 million. Tax assets and cash and cash equivalents amounted to €6.2 and €0.7 million, respectively.

Liabilities and equity include: financial liabilities of €258.6 million, of which €176.9 million is payable to banks and €81.7 million of obligations to make payments for rights of use assets (recognized pursuant to IFRS 16); other liabilities of €120.8 million include – among others - payables to suppliers of goods and services in the amount of €92.7 million of which €4.8 million to the Parent Company and to other companies in the direct scope and accrued liabilities and deferred income for €15.2 million; provisions for risks and charges came to €9.6 million mainly attributable to the provision in 2024 following the specific early retirement initiative activated through access to the extraordinary benefits of the fund for the support of employment and earnings of mutual bank staff; equity was €121.7 million.

Income statement

The company closed the year with a net profit of €3.4 million. Administrative expenses amounted to €305.2 million an increase of €93 million on 2024. Personnel expenses (€45.9 million) decreased by €6.7 million, notwithstanding the increase in expenses due to the implementation of a staff hiring plan, since in 2024 the item included higher expense in the amount of €11.9 million due to the extraordinary allocation to the provision for the support of employment and earnings of mutual bank staff. The €99.8 million increase in "other administrative expenses" (to €259.3 million) reflects costs related to the IT development program offered to mutual banks as well as the project to strengthen IT security with the outsourcing of the service to AFAST/Accenture. Other operating expenses/income came to €395.1 million, an increase of €63.9 million on 2024, primarily including revenues from sales and services, the increase in the level of services related to current operations (+€57 million) and new projects. Provisions, depreciation and amortization of 2025 (€61.5 million) increased by €18.9 million reflecting the commissioning of new assets as well as the IFRS16 portion of the new infrastructure outsourcing contract.

The net value of components related to disposal groups held for sale amounts to €13.2 million.

BCC SINERGIA S.P.A.

During the period under review, the following acquisitions were completed: (i) the business unit from Banca Centro related to lending and guarantee back office operations; (ii) the business unit from BCC delle Terre Venete related to back office operations (iii) the business unit from BCC Risparmio&Previdenza related to finance and contact center back office operations.

Balance sheet

The company's assets showed a positive trend in cash and cash equivalents which amounted, at the end of the year, to approximately €46.2 million.

Other relevant items include:

- property, plant and equipment (€16.5 million), including leased assets;
- “other assets” in the amount of €47.5 million, including prepaid expenses of €0.9 million, tax credits pursuant to Italy's “Salva” and “Cura” Italy Decrees of €22 million, trade receivables of €22 million and other receivables of €4.6 million. Tax assets amount to €2.3 million.

Liabilities and equity include: financial liabilities of €34.8 million, of which €22.8 million is payable to banks and €12 million relating to obligations to make payments for rights of use assets pursuant to IFRS 16.

Other liabilities of €45.2 million include – among other – payables to suppliers of goods and services, to the Parent Company and to other companies in the direct scope for €29.8 million, as well as accrued liabilities and deferred income in the amount of €0.4 million.

Provisions for risks and charges came to €7 million, while equity was €28.9 million.

Income statement

The company reported net profit for the year of €8.8 million.

Administrative expenses amounted to €143.6 million, a €3.2 million decrease on 2024. More specifically, personnel expenses (€64.1 million) decreased by €3.8 million, notwithstanding the increase in expenses due to which the implementation of a staff strengthening plan, since in 2024 the item included higher expense in the amount of €7.2 million due to the extraordinary allocation to the provision for the support of employment and earnings of mutual bank staff.

Other administrative expenses amounted to €79.5 million, a slight increase over 2024, mainly reflecting costs incurred for the purchase of services instrumental to providing back office activities for the Group's banks.

Other operating expenses/income came to €160.3 million, a significant increase of €3.7 million on 2024, mainly reflecting the increase in revenues from sales and services, due to the increased volume of services provided.

Provisions, depreciation and amortization decreased by €3.1 million, reflecting, on the one hand, the decrease in non-current assets, in particular intangibles, but also changes in net provisions, reflecting the release of funds deemed to be excessive.

RETAIL BUSINESS AREA

€/thousand	RETAIL							
	BCC		BCC CreditoConsumo		BCC R&P		BCC Servizi Assicurativi	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Cash and cash equivalents	7,751,724	9,265,102	43,896	36,800	54,842	48,402	9,628	8,778
Financial assets measured at fair value through profit or loss	1,360,869	1,339,843	-	-	10,624	10,489	-	-
Financial assets measured at fair value through other comprehensive income	7,751,526	7,169,976	-	-	3	3	-	-
Financial assets measured at amortized cost	133,970,566	128,197,354	2,216,286	1,853,014	61,731	53,368	-	-
a) due from banks	11,606,004	10,410,129	46	53	141	22	-	-
b) loans to customers	84,677,391	81,101,895	2,216,240	1,852,961	61,589	53,346	-	-
c) securities	37,687,171	36,685,329	-	-	-	-	-	-
Hedging derivatives and value adjustments of macro-hedged financial assets	250,730	125,326	-	-	-	-	-	-
Equity investments	3,773	2,917	-	-	-	-	-	-
Property, plant and equipment	1,800,624	1,801,151	82	2	3,530	3,728	-	-
Intangible assets	5,577	7,327	1,832	1,392	6,504	6,639	-	-
Tax assets	728,298	772,879	4,343	3,498	674	1,175	347	420
Non-current assets and disposal groups held for sale	8,468	11,280	-	-	-	-	-	-
Other assets	3,956,841	4,878,473	125,495	127,476	39,660	40,384	4,934	3,667
Total assets	157,588,996	153,571,627	2,391,933	2,022,182	177,568	164,187	14,909	12,866

€/thousand	RETAIL							
	BCC		BCC CreditoConsumo		BCC R&P		BCC Servizi Assicurativi	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial liabilities measured at amortized cost	138,033,188	134,866,626	2,116,505	1,790,063	71,229	70,138	-	-
a) due to banks	13,774,067	14,575,841	2,115,854	1,789,567	71,223	70,120	-	-
b) due to customers	114,382,962	110,096,122	651	496	7	18	-	-
c) securities issued	9,876,159	10,194,663	-	-	-	-	-	-
Financial liabilities held for trading	77	283	-	-	-	-	-	-
Financial liabilities designated as at fair value	-	-	-	-	-	-	-	-
Hedging derivatives and value adjustments of macro-hedged financial liabilities	154,436	191,748	-	-	-	-	-	-
Tax liabilities	45,073	75,518	-	197	576	640	-	-
Liabilities associated with disposal groups held for sale	-	-	-	-	-	-	27	21
Other liabilities	2,344,911	2,897,217	44,469	38,531	30,008	23,404	3,815	2,388
Post-employment benefits	156,575	177,273	282	280	44	221	514	664
Provisions for risks and charges	470,112	518,999	282	351	513	1,052	742	781
Equity	14,653,999	12,940,426	192,786	152,719	42,976	42,951	9,011	8,601
Profit/(loss) for the period (+/-)	1,730,625	1,903,538	37,610	40,041	32,223	25,782	801	411
Total liabilities and equity	157,588,996	153,571,627	2,391,933	2,022,182	177,568	164,187	14,909	12,866

CONSOLIDATED REPORT ON OPERATIONS

€/thousand	RETAIL							
	BCC		BCC CreditoConsumo		BCC R&P		BCC Servizi Assicurativi	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net interest income	3,571,105	3,940,908	67,718	67,560	1,698	2,718	161	229
Net fee and commission income	1,308,335	1,287,147	14,702	12,204	89,067	73,752	6,288	(2)
Dividends	11,881	11,406	-	-	189	94	-	-
Net gain/(loss) on trading activities	21,128	28,278	-	-	-	-	-	-
Net gain/(loss) on hedging	(2,245)	(96)	-	-	-	-	-	-
Net gain/(loss) on disposals or repurchases	119,015	77,987	(224)	163	-	-	-	-
Net gain/(loss) on assets and liabilities at FVTPL	(50,577)	255	-	-	(46)	150	-	-
Gross income	4,978,642	5,345,884	82,196	79,927	90,909	76,715	6,449	228
Net writedowns/writebacks for credit risk	(210,454)	(371,197)	(3,868)	1,217	-	-	-	-
Net gains/(losses) from financial operations	4,768,188	4,974,687	78,328	81,144	90,909	76,715	6,449	228
Administrative expenses	(2,961,978)	(2,929,916)	(25,147)	(24,589)	(43,632)	(39,114)	(10,606)	(9,167)
<i>a) personnel expenses</i>	(1,676,811)	(1,679,053)	(6,823)	(6,435)	(7,365)	(7,415)	(5,608)	(6,014)
<i>b) other administrative expenses</i>	(1,285,167)	(1,250,863)	(18,324)	(18,154)	(36,267)	(31,700)	(4,998)	(3,153)
Depreciation, amortization and provisions	(103,512)	(145,927)	(568)	(413)	(3,776)	(3,342)	-	(50)
Other operating expenses/income	328,316	348,697	3,645	3,473	2,778	2,594	5,299	9,659
Operating expenses	(2,737,174)	(2,727,146)	(22,070)	(21,530)	(44,630)	(39,861)	(5,307)	443
Profit/(loss) from equity investments	-	(90)	-	-	-	-	-	-
Profit/(loss) from disposal of investments	(723)	(695)	-	-	-	-	-	-
Impairment of goodwill	-	(310)	-	-	-	-	-	-
Profit/(loss) before tax on continuing operations	2,030,291	2,246,445	56,258	59,614	46,278	36,853	1,142	671
Income tax expense from continuing operations	(299,666)	(342,907)	(18,648)	(19,573)	(14,055)	(11,072)	(341)	(260)
Profit/(loss) on discontinued operations after tax	-	-	-	-	-	-	-	-
Profit/(loss) for the period	1,730,625	1,903,538	37,610	40,041	32,223	25,782	801	411

AFFILIATED BANKS

The segment includes the affiliated mutual banks that represent the largest portion of the Group's consolidated assets.

The structure of the mutual banks' balance sheets reflects the nature of local banking, characterized by a high level of funding from customers stemming from the historic ties that the mutual banks have with their local areas, with a prevalence of loans to households and small firms and the investment of excess liquidity primarily in government securities.

The sections below summarize the main balance sheet and income statement items of the mutual banks of the Iccrea Cooperative Banking Group as at December 31, 2025, presented in aggregate form and gross of intercompany items.

Balance sheet

Total assets at December 31, 2025 amounted to €157.6 billion, up €4 billion compared with December 31, 2024.

Financial assets measured at amortized cost increased by €5.8 billion to about €134 billion and consist of:

- loans to customers totaling €84.7 billion (+€3.6 billion compared with the end of 2024), mainly represented by mortgage loans to customers (€70.1 billion), current accounts (€6.7 billion), other financing (€6.8 billion) and transactions involving credit cards, personal loans and loans repaid by automatic deductions from wages (€1.1 billion);
- amounts due from banks of €11.6 billion, an increase of €1.2 billion on 2024. The item consists of fixed-term deposits (€10.8 billion) and other financing (€0.8 billion);
- debt securities amounting to about €37.7 billion (+€1 billion on December 2024), represented by securities with customers (about €36.5 billion) and securities issued by banks (€1.2 billion).

The characteristics of the mutual banks' business model is reflected primarily by the type of customers served. As shown in the table²⁰ below, total loans to mutual bank customers were made largely to consumer and producer households (52.9% of total lending).

The aggregate NPL ratio stood at 2.6%, while the coverage ratio for impaired loans was 76.7% (74.8% at December 31, 2024).

Type of counterparty	Gross value	Ratio to total loans and advances	Performing loans and advances		Non-performing loans and advances		
			Ratio to total receivables	Ratio to total performing	Ratio to total receivables	Ratio to total NPE	Coverage NPE
Financial companies	2,034,090	2.3%	99.7%	2.4%	0.3%	0.3%	83.0%
Non-financial companies	37,822,288	43.5%	96.4%	43.0%	3.6%	61.3%	79.0%
of which: small and medium-sized enterprises	24,747,597	28.5%	97.4%	28.5%	2.6%	28.2%	74.1%
of which: secured by non-residential real estate as collateral	10,504,085	12.1%	95.9%	11.9%	4.1%	19.4%	79.1%
Households	45,982,638	52.9%	98.1%	53.3%	1.9%	38.3%	73.0%
of which: secured by residential real estate as collateral	37,867,954	43.6%	98.5%	44.0%	1.5%	25.4%	70.4%
of which: consumer credit	980,529	1.1%	98.1%	1.1%	1.9%	0.8%	74.0%
Government	1,106,300	1.3%	99.8%	1.3%	0.2%	0.1%	70.8%
Total	86,945,315	100.0%	97.4%	100.0%	2.6%	100.0%	76.7%

²⁰ Source: Finrep

Financial investments totaled about €42.5 billion²¹ and are almost entirely represented by debt securities issued by government entities (in particular the Italian State). Of these, 86% are measured at amortized cost (Hold-to-Collect, HTC, business model) in line with the traditional business model that characterizes these banks, in order to take advantage of the coupon yield and at the same time to not expose its funds to risks associated with volatility.

The portfolio of financial assets measured at fair value through other comprehensive income, represented almost entirely by Italian government securities, amounted to about €7.8 billion, up from the end of the previous year. Financial assets measured at fair value through profit or loss amounted to €1.4 billion and are almost entirely represented by financial assets mandatorily measured at fair value (which also include receivables in respect of the Parent Company for the Ex-Ante contribution to the Guarantee Scheme) and assets held for trading in the amount of €17.2 million.

Finally, other relevant items include property, plant and equipment - which amounted to about €1.8 billion and mainly includes land and buildings for use in operations (€1.5 billion) and other capital equipment - while intangible assets amounted to just about €5.6 million, of which €2.8 million in goodwill paid on the acquisition of bank branches before the formation of the ICBG.

Strong ties with the territory are also reflected in the composition of liabilities, with a large proportion of direct funding from customers, especially current accounts and demand deposits, and to a lesser extent bonds and certificates of deposit. Accordingly, liabilities largely consist of financial liabilities measured at amortized cost, which amounted to €138 billion. More specifically:

- amounts due to customers, up €4.3 billion compared to the end of the previous year, amounted to €114.4 billion and are mainly represented by current accounts and demand deposits (€107.3 billion), fixed-term deposits (€5.3 billion) and other financing (€1.8 billion);
- amounts due to banks came to €13.8 billion, mainly attributable to loans obtained through ordinary monetary policy operations and refinancing transactions with the Parent Company. The decrease of about €0.8 billion is attributable to repayments made during the financial year;
- securities issued show a slight decrease compared with 2024, to €9.9 billion, of which €3.2 billion are represented by bonds and €6.7 billion by certificates of deposit.

The aggregate equity of the mutual banks amounted to €16.4 billion, an increase of €1.5 billion on 2024, and consists of about €1 billion of share capital, with the rest made up of reserves.

Income statement

On aggregate, the mutual banks closed 2025 with a profit of €1.7 billion, down by about €173 million on the same period of the previous year.

More specifically, gross income decreased by €367 million, to about €5 billion, as a result of:

- a decrease in net interest income (-€370 million), largely attributable to lower interest income on loans to customers (-€559 million) and lower interest income on debt securities (-€93 million) due to the decrease in interest rates, and lower interest expense on funding from banks (+€325 million);
- an increase of €21 million in net fee and commission income;
- an increase in gains on disposal of about €41 million, attributable to the profit deriving from the disposal of loans during the year.

During the year, writedowns for credit risk amounted to €210 million, a decrease compared with December 2024, reflecting the robust monitoring of non-performing positions implemented by the Group since its establishment.

Operating expenses amounted to about €2.7 billion, a slight decrease on the previous year, the net effect of: (i) an increase of €34 million in other administrative expenses, mainly related to the renewal of the collective bargaining agreement (CNLL) finalized in 2024; (ii) a decrease in provisions for risks and charges and net adjustments of property, plant and equipment and intangible assets, in the amount of €42 million; and (iii) a decrease of €20 million in other operating income.

²¹ The aggregate includes securities measured at amortized cost and measured at fair value through other comprehensive income and through profit or loss).

BCC CREDITOCONSUMO S.P.A.

During 2025, the Company continued its activities in the distribution of consumer credit products to private customers in the form of personal loans and, through a distribution agreement with Pitagora SpA, salary/pension-backed loans. The company makes use of the branches of the mutual banks for the promotion and placement of these products. For personal loans, the company also employs a direct channel both through the Crediper.it website and through online comparison sites (Facile.it and Prestitionline.it). Salary/pension-backed loans are provided directly by the partner Pitagora.

Balance sheet

Financial assets measured at amortized cost amounted to €2.22 billion and consisted almost entirely of exposures to customers for consumer credit products. In particular, personal loans amounted to €1.6 billion and salary/pension-backed loans amounted to €644 million.

The table below provides a breakdown of gross loans to customers for consumer credit at December 31, 2024, by credit quality, including an indication of associated loan loss allowance and the coverage percentage.

€/thousand	Gross exposure	Writedowns	Net exposure	% Coverage	Benchmark coverage*
Performing exposures	2,218,780	13,750	2,205,031	0.6%	1.2%
Impaired past due	12,236	5,866	6,370	47.9%	38.6%
Unlikely to pay	17,980	13,530	4,450	75.3%	50.3%
Bad loans	12512	12,122	390	96.9%	74.1%
Non-performing exposures	42,728	31,518	11,210	73.8%	52.5%
Total	2,261,508	45,268	2,116,240	2.0%	

* Source: studio Assofin/KPMG 2025 on 2024 financial statements

Other assets amounted to €125.5 million and include receivables in respect of the self-securitization vehicle in the amount of €93 million (arising from the transfer to the vehicle of the amounts collected on the assigned portfolio).

Financial liabilities measured at amortized cost amounted to €2.1 billion and are mainly represented by intercompany liabilities payable to Iccrea Banca related to funding.

Other liabilities amounted to €44.5 million and include €17.2 million in liabilities for fees and commissions due to the affiliated mutual banks.

Income statement

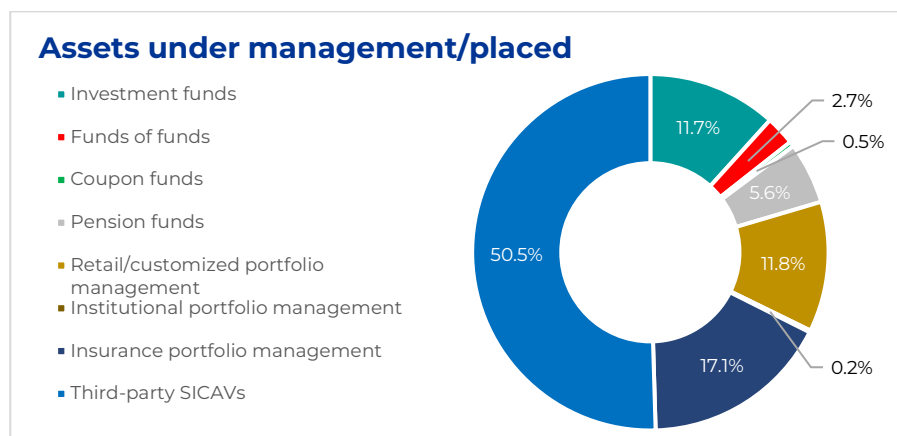
The gross margin came to €82.2 million, an increase of €2.3 million on 2024, mainly attributable to the increase in net fee and commission income (+€2.5 million). Operating costs came to €22.1 million, in line with 2024.

The year ended December 31, 2025 closed with a net profit of €37.6 million (€40.0 million in 2024).

BCC RISPARMIO&PREVIDENZA SGRPA

At December 31, 2025 total assets managed or placed by BCC Risparmio & Previdenza amounted to €34.9 billion, an increase of €5.4 billion on 2024, with total net funding of €4.5 billion and positive market development producing a gain of €989 million.

The chart below shows the weight of each investment product out of total assets under management as at December 31, 2025.



Assets under management

Net funding from investment funds and funds of funds was a positive €853 million. Total assets under management at year end came to €5 billion and the number of supplementary pension contracts rose to 269,293 an increase of 11.25% compared with 2024 (when the number of contracts was 242,061).

Net funding from coupon fund was a negative €46 million. Assets under management at year end came to €160 million.

With regard to supplementary pension funds, the company confirmed the positive trend in annual net funding, which amounted to €196 million bringing assets under management to about €1.9 billion and a total number of investors of 214,012 (+11% compared with 2024).

With regard to retail, institutional and insurance portfolio management, net funding was also positive at a total of €1,600.8 million (of which €548.8 million in the retail segment, €1,047.6 million in the insurance segment, €4.5 million in the institutional segment). Total assets under management at year end came to about €10.1 billion. The placement of retail asset management products generated a total of 1,108 new accounts to reach a total of 61,184 accounts at year end.

Assets in placement

Total assets placed at the end of the period amounted to €17.6 billion with net funding of €1,847.1 million.

Income statement

The year closed with pre-tax profit of about €46.3 million (+26% compared with December 31, 2024) and net profit of about €32.2 million (+25% compared with December 2024).

The results mainly reflect:

- net fee and commission income of €89 million, up by about €15.3 million on 2024;
- operating expenses of about €44.6 million (up by 12% on 2024), reflecting:
 - €7.4 million in personnel expenses (-0.7% on 2024, mainly reflecting employees transferred to BCC Sinergia following the spin-off of the branch, only partially offset by the remuneration policies implemented during 2025);

- €36.3 million in other administrative expenses (+14.4% on 2024), partly reflecting the asset management transformation plan;
- other net income of €2.8 million (+€0.2 million on 2024).

CORPORATE BUSINESS AREA

€/thousand	CORPORATE							
	BCC Leasing		BCC Rent&Lease		BCC Factoring		BCC Financing	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Cash and cash equivalents	4,105	7,959	399	329	6,302	3,326	181,111	217,720
Financial assets measured at fair value through profit or loss	72,400	58,294	-	-	-	-	17,531	18,408
Financial assets measured at fair value through other comprehensive income	280	283	-	-	11	11	6,676	10,552
Financial assets measured at amortized cost	3,123,447	3,205,701	512,297	501,310	914,412	902,905	354,824	439,940
a) due from banks	8,213	12,748	851	833	-	-	34,357	34,064
b) loans to customers	3,095,377	3,166,475	511,446	500,476	914,412	902,905	156,434	207,650
c) securities	19,857	26,478	-	-	-	-	164,033	198,226
Hedging derivatives and value adjustments of macro-hedged financial assets	-	-	-	-	-	-	-	-
Equity investments	-	-	-	-	-	-	-	-
Property, plant and equipment	6,869	7,500	537	463	-	-	5,962	6,407
Intangible assets	-	-	659	543	220	439	-	17
Tax assets	102,983	104,495	2,049	1,663	2,459	2,704	30,034	32,868
Non-current assets and disposal groups held for sale	777	30,699	-	-	-	-	-	-
Other assets	55,138	39,252	10,109	10,531	10,757	23,967	10,830	8,697
Total assets	3,365,999	3,454,182	526,049	514,838	934,159	933,352	606,968	734,608

€/thousand	CORPORATE							
	BCC Leasing		BCC Rent&Lease		BCC Factoring		BCC Financing	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Financial liabilities measured at amortized cost	2,850,921	2,833,276	448,644	444,712	857,431	870,631	458,514	584,154
a) due to banks	2,827,551	2,813,222	446,368	441,981	849,816	857,061	218,162	310,492
b) due to customers	23,371	20,055	2,275	2,731	7,615	13,570	240,352	268,823
c) securities issued	-	-	-	-	-	-	-	4,840
Financial liabilities held for trading	24,924	35,862	-	-	-	-	-	-
Financial liabilities designated as at fair value	-	-	-	-	-	-	-	-
Hedging derivatives and value adjustments of macro-hedged financial liabilities	-	-	-	-	-	-	471	463
Tax liabilities	-	-	-	32	2	-	75	75
Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-
Other liabilities	67,097	75,658	14,387	15,225	44,070	34,518	15,602	18,981
Post-employment benefits	661	886	150	162	317	407	131	208
Provisions for risks and charges	32,763	32,309	1,347	1,352	1,340	1,257	6,996	7,632
Equity	369,436	435,343	53,365	43,381	26,552	22,596	123,180	119,155
Profit/(loss) for the period (+/-)	20,196	40,848	8,157	9,974	4,447	3,943	2,000	3,940
Total liabilities	3,365,999	3,454,182	526,049	514,838	934,159	933,352	606,968	734,608

ICCRA BANCA SPA – 2025 REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

€/thousand	CORPORATE							
	BCC Leasing		BCC Rent&Lease		BCC Factoring		BCC Financing	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Net interest income	63,771	65,522	23,012	23,061	11,105	12,059	4,701	5,940
Net fee and commission income	211	969	(546)	(532)	5,092	4,534	4,864	5,193
Dividends	91	2					645	430
Net gain/(loss) on trading activities	2,277	1,615			(35)	16	1	(34)
Net gain/(loss) on hedging							(10)	(181)
Net gain/(loss) on disposals or repurchases		(1,913)					217	966
Net gain/(loss) on financial assets and liabilities at FVTPL	1,731	316					(582)	(409)
Gross income	68,080	66,510	22,466	22,529	16,162	16,609	9,835	11,904
Net writedowns/writebacks for credit risk	2,921	37,141	(3,146)	131	338	(963)	2,513	933
Net income/(loss) from financial operations	71,001	103,652	19,320	22,660	16,499	15,647	12,347	12,838
Administrative expenses	(35,259)	(38,733)	(13,441)	(13,224)	(9,600)	(9,836)	(10,223)	(11,662)
a) personnel expenses	(13,152)	(14,720)	(3,843)	(4,012)	(4,384)	(4,686)	(5,154)	(5,985)
b) other administrative expenses	(22,107)	(24,013)	(9,597)	(9,212)	(5,216)	(5,150)	(5,069)	(5,677)
Depreciation, amortization and provisions	(3,177)	(2,635)	(185)	(937)	(472)	(113)	(1,110)	3,336
Other operating expenses/income	(3,218)	(1,751)	6,545	6,582	171	221	811	422
Operating expenses	(41,655)	(43,119)	(7,081)	(7,579)	(9,901)	(9,728)	(10,522)	(7,904)
Profit/(loss) from equity investments								
Profit/(loss) from disposal of investments							80	
Goodwill impairment								
Profit/(loss) before tax on continuing operations	29,346	60,533	12,239	15,080	6,599	5,918	1,906	4,933
Income tax expense from continuing operations	(9,150)	(19,685)	(4,082)	(5,106)	(2,152)	(1,975)	94	(993)
Profit/(loss) after tax on discontinued operations								
Net profit/(loss) for the period	20,196	40,848	8,157	9,974	4,447	3,943	2,000	3,940

BCC LEASING SPA

Company operations are focused exclusively on finance leasing.

Balance sheet

In 2025, new contacts amounted to a total €961.1 million, an increase of 4% compared with the objectives of the plan (€923 million) and of 12.3% compared with 2024. The strong performance was mainly driven by the growth of the equipment segment (€551.1 million, +27% y/y) and the heavy vehicle segment (€151.6 million, +14% y/y), while Property was essentially stable.

BCC Leasing increased its market share in 2025, from 5.8% at December 31, 2024 to 6.12% at December 31, 2025, in an increasingly competitive environment characterized by a growing emphasis on pricing. The prudent policies applied when approving new financing have made it possible to continue benefitting from a lower cost of risk, while maintaining satisfactory profitability on the portfolio.

The following table provides a breakdown by type of new output in the period, with equipment leasing representing about 57.3% of new output.

Product line	Lease volumes			
	dic-25	dic-24	Annual change	% 2025
	Amount	Amount	%	%
Light commercial vehicle leasing	21,554	22,032	-2.2%	2.2%
Heavy vehicle leasing	151,583	133,487	13.6%	15.8%
Equipment	551,140	434,976	26.7%	57.3%
Air and nautical	2,095	6,578	-68.2%	0.2%
Public	40,471	67,534	-40.1%	4.2%
Property	194,236	191,276	1.5%	20.2%
Total leasing	961,078	855,883	12.3%	100.0%
Total contracts	3,441	3,241	6.2%	

Of the bank's lending portfolio, totaling €3.1 billion, about 99% is represented by non-financial counterparties.

€/thousand	31/12/2025	31/12/2024	% change
1. Debt securities	19,857	26,477	-25.0%
b) Other financial companies	19,857	26,477	-25.0%
2. Financing to	3,095,377	3,166,475	-2.2%
a) Government entities	164,969	156,139	5.7%
b) Other financial companies	7,284	10,484	-30.5%
of which: insurance undertakings	438	328	33.5%
c) Non-financial companies	2,824,043	2,885,694	-2.1%
d) Households	99,081	114,158	-13.2%
Total	3,115,234	3,192,952	-2.4%

As regards impaired loans, note that gross exposure decreased (to about €100 million, a decrease of about €21 million on 2024) while coverage remained high in application of valuation policies and methodologies based on particularly prudent criteria.

The gross and net NPE ratio stood at 3.12% and 0.98%, lower than the budgeted figure of 3.52% and 1.13% respectively). At the end of 2025 the coverage ratio of non-performing loans came to 69.6% (up from 66.3% at the end of 2024).

Income statement

The year 2025 lower than the budgeted figure of 29.3 million (€60.5 million in 2024). After taxes, net profit stood at €20.2 million (€40.8 million in 2024).

A breakdown of the main income statement components that contributed to the result for the period shows:

- interest income of €147 million (€191 million in 2024, -23%). Interest expense also decreased by 34% to €83.3 million (from €125.6 million in 2024). As a result, net interest income decreased by 3% to (€63.8 million from €65.5 million in December 2024);
- net writedowns/writebacks for credit risk showing net writebacks of €2.9 million compared with €37.1 million in 2024. This is the combined effect of: (i) an average coverage of the NPE portfolio further increasing compared with December 2024; (ii) recovery activities on non-performing positions;
- administrative expenses amounting to €35.3 million, a decrease of about €3.5 million compared with December 31, 2024. Personnel expenses totaled €13.2 million, a decrease of about €1.6 million on 2024, mainly attributable the charges relating to the early retirement incentive agreement (over €1.8 million in 2024). Other administrative expenses amounted to €22.1 million (down from €24 million in 2024).
- net provisions for risks and charges increased by about €0.5 million (to €3.1 million from €2.6 million in 2024), other operating income and expense showed net expenses of €3.2 million, up from €1.8 million in 2024, mainly attributable to non-recurring items.

BCC RENT&LEASE SPA

The company operates in the small-ticket lease market. Developments in 2025 showed an increase of 10.8% in new business (19,657 contracts agreed with a total value of €283 million, from 18,968 contracts for €250 million in 2024). The breakdown of operations compared with last year is shown in the table below.

Balance sheet

	Contracts					
	Jan-Dec 2025		Jan-Dec 2024		% change	
Equipment vendor	Number	Amount	Number	Amount	% change number	% change value
Operating leases	8,374	81,057	7,987	70,312	4.80%	15.30%
Equipment leasing	3,670	68,380	3,638	62,892	0.90%	8.70%
Special-purpose financing	5,621	63,979	5,699	61,061	-1.40%	4.80%
Total vendor	17,665	213,417	17,324	194,265	2.00%	9.90%
Mutual banks	Number	Amount	Number	Amount	% change number	% change value
Light commercial vehicle leasing	1,106	42,022	919	34,966	20.30%	20.20%
Equipment leasing	650	15,282	527	11,467	23.30%	33.30%
Heavy vehicle leasing	91	6,975	47	2,930	93.60%	138.10%
Total mutual banks	1,847	64,279	1,493	49,363	23.70%	30.20%
Other	Number	Amount	Number	Amount	% change number	% change value
Light commercial vehicle leasing – Agents	127	5,259	128	5,367	-0.80%	-2.00%
Heavy vehicle leasing – Agents	18	846	23	1,056	-21.70%	-19.90%
Total other	145	6,105	151	6,423	-4.00%	-5.00%
Total	19,657	283,800	18,968	250,052	3.60%	13.50%

Net lending came to €512 million, up from 2024 (€501 million). The gross and net NPE ratio at the end of the year stood at 3.5% and 1.2%, respectively, reflecting a coverage of 67.1%.

Income statement

Profit before tax in 2025 came to €12.2 million (€15.1 in 2024). Net profit stood at €8.2 million (€10 million at December 2024).

Gross income totaled €22.5 million, in line with 2024. The cost of risk increased (€3,146 thousand from €130 thousand in writebacks at the end of 2024) but is within budget.

BCC FACTORING SPA

The year at December 31, 2025 closed with a net profit of €4.4 million (€3.9 million at December 2024), the theoretical tax burden is €2.2 million.

The net profit outperformed budget expectations thanks to lower administrative expenses and positive credit risk. The Company's turnover has increased steadily in the last 4 years, closing at over €3,005 million (+10.66% on 2024).

Balance sheet

The year 2025 closed with over €921 million in gross lending (+1.23% on 2024), of which 1.95% classified as impaired.

The company's total assets, almost entirely represented by loans to customers, amounted to €934 million.

Impaired loans increased by 7.4% compared with 2024 mainly reflecting past-due positions. The coverage ratio remained at 12.5% for pas due positions, while it was higher than 89% for UTP and at 93% for non-performing loans.

Income statement

Profit before tax came to €6.6 million, and net profit was €4.4 million (+12.8% on 2024).

Interest income and expenses decreased, by 21% and 28% respectively. Net interest income came to €11.1 million, down from €12.1 million in 2024 (-7.9%). Commission income increased (+13%) driven by the growth in turnover. Gross income decreased by 2.69% compared with 2024.

Credit quality is a positive €0.4 million at item 130 reflecting significant writebacks on transactions classified at the end of 2024.

Operating expenses were substantially in line with 2024.

BCC FINANCING S.P.A.

BCC Financing SpA specializes in medium and long-term lending and is also responsible for the lending granted through subsidized financing instruments that the Autonomous Region of Friuli Venezia Giulia (in part under Revolving Funds) and other public entities have made available to businesses. In 2025 new lending to businesses in Friuli Venezia Giulia came to a total €33.5 million (of which €22.7 million through subsidized regional financing).

Balance sheet

At December 31, 2025 total assets amounted to €607 million, represented by €156 million in loans to customers (a decrease of about €51.2 million on 2024), financial assets of about €188 million and loans to banks and cash and cash equivalents (€34 million and about €181 million, respectively), and tax assets (€30 million).

Net performing loans amounted to €156 million, down 24.42% on 2024; Net impaired exposures decreased by 51.10%, to €0.9 million (from €1.9 million at December 31, 2024). The gross and net NPL ratios came to 6.9% (6.7% in 2024) and 0.59% (0.91% in 2024), respectively.

Direct funding from customers amounted to €163 million, a decrease of 10.12% on the end of 2024.

Income statement

At December 31, 2025 profit before tax came to €1.9 million (€4.9 million at December 31, 2024) and profit was €2 million.

Gross income of €9.8 million decreased compared with December 31, 2024 (€11.9 million). This performance reflects the reduction in net interest income reflecting developments in market rates and the contraction of interest-bearing assets, the decrease in fee and commission income and in gains from the disposal of financial assets.

Net writebacks for credit risk, including those on commitments and guarantees issued, which comprise subsidized transactions with government funding, totaled €2.3 million (€3.3 million at December 31, 2024).

Operating costs increased to €10.5 million (from €7.9 million at December 31, 2024) reflecting the increase in provisions for risk and charges.

Conversely, administrative expenses decreased by 12.34%, with other administrative expenses at €5 million (down by 10.71% compared with December 31, 2024) and personnel expenses at €5.1 million (-13.9% compared with December 2024).

6. DEVELOPMENTS IN PARENT COMPANY OPERATIONS AND THE MAIN ITEMS OF THE BALANCE SHEET AND INCOME STATEMENT

The following provides a summary description of the main items of the Parent Company's balance sheet and income statement at December 31, 2025. In order to permit a more immediate assessment of the items, the balance sheet and income statement schedules shown below are presented in a more summary format than those provided for by Circular 262/05 of the Bank of Italy.

Balance sheet

Assets

€/thousand	31/12/2025	31/12/2024	Change	% change
Cash and cash equivalents	968,102	3,406,816	(2,438,714)	(71.6)
Financial assets measured at amortized cost – <i>Due from banks – Loans and securities</i>	20,861,857	21,355,847	(493,990)	(2.3)
Financial assets measured at amortized cost – <i>Due from customers – Loans</i>	9,931,011	8,968,108	962,904	10.7
Financial assets measured at amortized cost – <i>Due from customers – Securities</i>	10,350,239	10,590,506	(240,267)	(2.3)
Financial assets measured at fair value through profit or loss	1,910,013	1,644,108	265,905	16.2
Financial assets measured at fair value through other comprehensive income	1,141,925	1,220,887	(78,961)	(6.5)
Hedging derivatives	115,208	93,878	21,330	22.7
Equity investments	1,163,434	1,328,954	(165,521)	(12.5)
Other assets	602,715	632,144	(29,428)	(4.7)
Total interest-bearing assets	47,044,504	49,241,247	(2,196,744)	(4.5)
Other non-interest-bearing assets	178,127	129,151	48,976	37.9
Total assets	47,222,630	49,370,398	(2,147,768)	(4.4)

At December 31, 2025, total assets amounted to €47.2 billion, down from €49.4 billion in 2024, mainly reflecting:

- a decrease of €2.4 million in cash and cash equivalents due to the decrease in: i) overnight deposits with the ECB at the date (-€1.6 billion); ii) current accounts and demand deposits with the mutual banks (-€0.8 billion);
- stable loans measured at amortized cost compared with the end of 2024 resulting from:
 - the decrease in amounts due from banks (-€0.5 billion) primarily reflecting the decrease in intercompany lending (-€0.3 billion) granted against collateral in the form of refinancable securities (pool collateral) and the decrease in reserve requirements (-€0.1 billion);
 - an increase in lending to customers (+€0.7 billion) essentially attributable to an increase in repurchase agreements with central counterparties (+€1.3 billion) partly offset by lower exposure to the “Corporate” segment (-€0.2 billion).

The following table provides a breakdown of amounts due from banks including:

- €15.9 billion, in loans to the mutual banks (substantially unchanged from 2024). These loans, secured by securities eligible for refinancing (pool collateral) came to about €8.5 billion while lending connected with covered bonds came to €4.6 billion;
- €4.9 billion, in amounts due from other credit institutions include €3.0 billion in intercompany lending.

€/thousand	31/12/2025	31/12/2024	Change	% change
Mutual banks	15,911,975	16,097,897	(185,922)	(1.2)
Other credit institutions	4,949,882	5,257,950	(308,068)	(5.9)
Due from banks	20,861,857	21,355,847	(493,990)	(2.3)

The following table provides a breakdown of impaired positions, with decreasing exposures and an increase in coverage equal to 72.1% (+9.6% compared to the previous year):

€/thousand	31/12/2025			
	Gross exposure	Impairment losses	Net exposure	% coverage
a) Bad loans	17,814	17,221	592	96.7
b) Unlikely to pay	88,537	61,745	26,793	69.7
c) Impaired past-due	5,701	1,863	3,837	32.7
Total 31/12/2025	112,052	80,829	31,222	72.1
Total 31/12/2024	115,795	72,401	43,394	62.5
Change	(3,743)	8,428	(12,172)	9.6

- Financial assets measured at fair value through profit or loss, as detailed in the table below, amounted to about €1.9 billion – an increase of €0.3 billion on the end of 2024 reflecting: i) an increase in the value of trading derivatives partly offset by securities held at the reporting date (+€283.6 million, with a similar development in trading derivatives in liabilities); ii) a decrease in other financial assets mandatorily measured at fair value (-€26.2 million), mainly due to redemptions in the period and a decrease in the value of units in CIUs (-€24.1 million);

€/thousand	31/12/2025			
	Financial assets held for trading	Financial assets designated as at FV	Other financial assets mandatorily measured at FV	Total
Debt securities	9,317	355,135	6,103	370,555
Equity securities	1,139	-	46,367	47,506
Units of CIUs	1,408	-	326,906	328,314
Derivative instruments	1,163,639	-	-	1,163,639
Total 31/12/2025	1,175,502	355,135	379,376	1,910,013
Total 31/12/2024	891,898	346,666	405,545	1,644,108
Change	283,605	8,469	(26,169)	265,905

- Financial assets measured at fair value through other comprehensive income, held under the HTCS business model, came to €1.1 billion – a decrease of €79.0 million attributable to debt securities (-€47.0 million) and equity securities (-€32.0 million) following the redemptions by a number of mutual banks of the AT1 bonds subscribed by the Parent;
- Equity investments decreased by €165.5 million, mainly reflecting the combined effect of: i) the merger of Banca Sviluppo with elimination of equity (-€94.5 million); ii) return of capital exceeding capitalization requirements by BCC Leasing (-€70.0 million); iii) the disposal of 100% of investment in BCC POS (-€2.0 million) relating to partnership agreements for the reorganization of the e-money segment of the Group. Regarding financing shares pursuant to Article 150-ter, we note the repayment (authorized by the ECB) of financing shares by Banca Tema, Banca Centro and BCC Centropadana (totaling -€9.0 million); conversely shares pursuant to Article 150-ter issued by Banca di Pesca e Cascina (+€10.0 million) were subscribed.

Liabilities

€/thousand	31/12/2025	31/12/2024	Change	% change
Financial liabilities measured at amortized cost – <i>Due to banks</i>	20,987,957	25,657,921	(4,669,963)	(18.2)
Financial liabilities measured at amortized cost – <i>Due to customers</i>	13,363,101	12,963,954	399,148	3.1
Financial liabilities measured at amortized cost – <i>Securities issued</i>	8,021,079	6,451,419	1,569,660	24.3
Financial liabilities held for trading	1,130,999	847,759	283,240	33.4
Financial liabilities designated as at fair value	461,029	385,075	75,954	19.7
Hedging derivatives	101,324	109,785	(8,461)	(7.7)
Other liabilities	503,718	460,163	43,556	9.5
Total interest-bearing liabilities	44,569,208	46,876,074	(2,306,866)	(4.9)
Other non-interest-bearing liabilities	146,309	167,558	(21,249)	(12.7)
Shareholders' equity	2,322,742	2,248,017	74,725	3.3
Profit for the period	184,371	78,749	105,622	134.1
Total liabilities	47,222,630	49,370,398	(2,147,768)	(4.4)

The decrease in liabilities compared with the end of 2024 is mainly attributable to the decrease of €2.3 billion in interest-bearing funding, which was the net effect of the following developments:

- a decrease in amounts due to banks (-€4.7 billion) to €21.0 billion, due to developments in central banks funding (-€4.7 billion);
- an increase in amounts due to customers (+€0.4 billion), to €13.4 billion, mainly due to higher current accounts and demand deposit balances;
- an increase in securities issued (+€1.6 billion) due to new issues in the period (+€1.3 billion), connected to the covered bond program and, for the first time, the Green Bond Senior Preferred program.

Amounts due to banks break down as follows:

- €18.6 billion in positions with the affiliated banks mainly in respect of demand and time deposits (€18.2 billion), of which €1.6 billion in mutual bank deposits to meet the reserve requirement, €4.2 billion in “tiered” deposits and €6.9 billion in amounts held on the daily settlement account;
- €2.4 billion in amounts due to other credit institutions, a decrease on December 2024 (-€4.2 billion), mainly related to Centro Adana financing from the marginal lending facility with the ECB.

€/thousand	31/12/2025	31/12/2024	Change	% change
Mutual banks	18,561,933	19,068,145	(506,212)	(2.7)
Other credit institutions	2,426,024	6,589,776	(4,163,751)	(63.2)
Due to banks	20,987,957	25,657,921	(4,669,963)	(18.2)

Funding with customers amounted to €13.4 billion, a slight increase (+€0.4 billion) compared with December 31, 2024, mainly attributable to higher balances in current account and deposit (+€0.8 billion) and repurchase agreements with Central counterparties (+€0.2 billion), partly offset by a decrease in unsecured operations with the Ministry for the Economy and Finance (-€0.6 billion).

€/thousand	31/12/2025	31/12/2024	Change	% change
Current accounts and deposits	1,809,829	1,006,972	802,858	79.7
Financing	11,200,669	11,654,596	(453,927)	(3.9)
Other payables	352,603	302,386	50,217	16.6
Due to customers	13,363,101	12,963,954	399,148	3.1

Equity

€/thousand	31/12/2025	31/12/2024	Change	% change
Capital	1,401,045	1,401,045	-	-
Share premium reserve	6,081	6,081	-	-
Reserves	860,134	784,115	76,020	9.7
Equity instruments	-	-	-	-
(Treasury shares)	-	-	-	-
Valuation reserves	55,481	56,776	(1,294)	(2.3)
Total	2,322,742	2,248,017	74,725	3.3

At December 31, 2025 the share capital of Iccrea Banca, represented by 27,125,759 ordinary shares with a par value of €51.65 each, was equal to €1.4 billion, unchanged from 2024. Shareholders' equity, excluding profit for the period, amounted to €2.3 billion, an increase of €74.7 million on December 31, 2024. The main changes reflect the allocation of 2024 profit (€78.7 million; of which €7.9 million to the legal reserve, €5.2 million to the own shares reserve and €65.7 million as retained earnings).

Income statement

€/thousand	31/12/2025	31/12/2024	Change	% change
Net interest income	207,728	196,552	11,175	5.7
Other gains/losses on financial transactions	29,167	12,286	16,881	137.4
Dividends	79,014	61,195	17,819	29.1
Net fee and commission income	80,887	73,177	7,710	10.5
Gross income	396,795	343,211	53,585	15.6
Personnel expenses	(237,046)	(256,736)	19,691	(7.7)
Other administrative expenses	(289,072)	(259,655)	(29,417)	11.3
Net adjustments of property, plant and equipment and intangible assets	(5,921)	(6,627)	707	(10.7)
Other operating expenses and income	265,091	250,865	14,226	5.7
Total operating expenses	(266,947)	(272,153)	5,206	(1.9)
Gross operating profit	129,848	71,057	58,791	82.7
Net provisions for risks and charges	(1,867)	(17,354)	15,486	(89.2)
Net losses/recoveries on impairment of loans and other financial transactions	(21,947)	(10,407)	(11,540)	110.9
Total provisions and adjustments	(23,814)	(27,760)	3,946	(14.2)
Profit/(loss) from equity investments	94,127	55,773	38,354	68.8
Profit/(loss) before tax	200,161	99,070	101,091	102.0
Income tax expense	(15,790)	(20,321)	4,531	(22.3)
Profit/(loss) after tax on discontinued operations	184,371	78,749	105,622	134.1

The year 2025 closed with a net profit of €184.4 million, compared with net profit of €78.7 million in 2024. The main factors that contributed to the result for the period are described below:

- an overall increase of €53.6 million in gross income, to €396.8 million, which reflected the following factors:
 - an increase in net interest income (+€11.2 million), reflecting: i) a decrease in the cost of Repo funding (+€123.5 million), unsecured transactions with the MEF (+€51.4 million) and balances on current accounts and other technical forms of funding (+€188.5 million). These factors were countered by: ii) an increase in the cost of funding through bond issues in the period (-€32.3 million); iii) a decrease in yield of securities– net of the effect associated with hedging derivatives (-€107.8 million, almost all of which are Italian government securities indexed to inflation); iv) interest on Repo transactions (-€77.8 million); v) medium/long term loans (-€33.0 million); vi) margins on other technical forms of lending, including loans to mutual banks using pool collateral mechanisms and auctions (-€20.0 million); overnight deposits with the ECB (-€70.6 million) and other lending (-€10.8 million);
 - an increase in net commission income (+€7.7 million) mainly attributable to higher placement commissions (+€2.1 million) and collection and payment services (+€5.1 million);
 - an increase in “other income/(loss) from financial operations” (+€16.9 million) – which amounted to €29.2 million (see the table) – as a consequence of the positive contribution of trading mainly related to derivatives (+€6.3 million); higher performance of the FVTPL mandatory portfolio (+€11.7 million) and

higher gains on disposals of the HTC and HTCS portfolios (+€5.0 million). Hedging generated a negative result (-€6.1 million);

€/thousand	31/12/2025	31/12/2024	Change	% change
Net gain (loss) on trading activities	28,147	21,861	6,286	28.8
Net gain (loss) on hedging activities	(3,783)	2,299	(6,083)	(264.5)
Net gain (loss) on the disposal or repurchase of:	20,008	15,054	4,954	32.9
a) financial assets measured at amortized cost	17,665	14,718	2,947	20.0
b) financial assets measured at fair value through other comprehensive income	2,534	695	1,839	264.6
c) financial liabilities	(190)	(358)	168	(47.0)
Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss	(15,205)	(26,929)	11,723	(43.5)
a) financial assets and liabilities measured at fair value	(1,437)	(5,546)	4,109	(74.1)
b) other financial assets mandatorily measured at fair value	(13,769)	(21,383)	7,614	(35.6)
Total other income/(loss) from financial operations	29,167	12,286	16,881	137.4

- an increase in dividend income (+€17.8 million), to €79.0 million; of which €36.8 million from BCC Leasing, €25.8 million from BCC Risparmio & Previdenza, €3.5 million from BCC Sinergia and €10.6 million from interest held in the Bank of Italy. In 2024 dividend income included €41.0 million from BCC Leasing, €6.3 million from Numia Group and the same interest from the Bank of Italy;
- a decrease of €5.2 million in operating expenses, to €266.9 million in 2025, reflecting the following factors:
 - a decrease in personnel expenses (-€19.7 million), mainly reflecting the recognition in 2024 of a provision of €25.7 million following the agreement on access to the extraordinary benefits of the Cooperative Banking Solidarity Fund for employees; this is in contrast with the increase of the component related to wages and salaries following the renewal of the collective bargaining agreement;
 - an increase in other administrative expenses (+€29.4 million), mainly due the increase in outsourcing and IT advisory services in particular in the infrastructural component;
 - an increase in other operating expenses/income (+€14.2 million) mainly due to the re-pricing of some services;
- the decrease in net provisions for risks and charges (-€15.5 million) is attributable to “other provisions for risks and charges” in the amount of €5.7 million and to commitments and guarantees issued falling within the scope of application of the rules for calculating expected losses in accordance with IFRS 9 (better detailed in the following point) in the amount of €9.8 million;
- the increase in the cost of risk (detailed below) with the recognition of writedowns on on-balance-sheet and off-balance-sheet exposures of about €18.6 million, as the net effect of writebacks on stage 1 and 2 exposures (€14.8 million) and writedown of non-performing stage 3 exposures (€33.3 million);

€/thousand	31/12/2025	31/12/2024	Change	% change
A. On-balance sheet exposures				
Stage 1 and 2	11,640	3,023	8,617	285.1
Stage 3	(33,587)	(13,429)	(20,157)	150.1
B. Off-balance sheet exposures				
Stage 1 and 2	3,147	(5,377)	8,524	(158.5)
Stage 3	240	(1,047)	1,287	(122.9)
Total	(18,559)	(16,831)	(1,729)	10.3

- an increase in gains/loss on equity investments (+€38.4 million) to €94.1 million, reflecting the recognition of gains on the disposal of the 100%-interest held in BCC POS (+€91.7 million) and the adjustment of the earn-out on Numia (+€2.4 million) relating to the partnership agreements for the complete reorganization of the e-money segment of the Group. In 2024, the item included the gain on the disposal of 51% of BCC Vita (€18.5 million) and BCC Assicurazioni (€34.6 million) in the bancassurance segment.

7. SIGNIFICANT EVENTS DURING THE PERIOD

2026-2028 Group Business Plan

With the establishment of the Banking Group, a detailed program of strategic initiatives was defined (Full Revenue Potential, Operational Efficiency, Group Simplification, Credit Quality Monitoring, Group Sustainability), which was constantly updated at each annual planning cycle. The implementation of this program has significantly improved the Group's overall performance and financial position as well as its positioning in the national competitive environment, in line with the nature of mutual banking, which characterizes the business model of the Group's banks.

Having completed the transformation process begun with its establishment, the Group is now ready to face new challenges, strengthened by the positive feedback from financial markets, rating agencies, and supervisory authorities. We are also aware of the areas for improvement that remain, such as revenue diversification, efficiency levels, and digitalization.

While most banking operators are evolving toward models bringing about an increasing "depersonalization" of the relationship with customers, the Group can take advantage of the opportunities offered by the cooperative model to further strengthen its positioning with customers, shareholders, and local communities.

At the same time, customers' needs have changed compared with the past, moving towards "multichannel" and hyper-customization of products and services. For intermediaries, this translates into the need to specialize the service models while seizing the opportunities offered by new technologies.

In light of the current challenges and context, the Parent Company has defined the strategic initiatives it intends to pursue in the next business planning cycle 2026–2028, set out in the Business Plan approved by the Parent Company's Board of Directors on March 26, 2026.

The 2026-2028 Business Plan is based on four pillars, which reflect the Group's key priorities: **Local communities**, and the provision of support to economic and infrastructural development; **Customers and Shareholders**, and the provision of stronger solutions for the entire life cycle and all needs, with a focus on "proximity"; **Mutual banks**, for strengthening technological and operational support; **Employees**, by enhancing talent and skills as a growth driver. All of this is integrated by a cross-cutting commitment to **sustainable development**, understood as lasting value creation for communities, people and the mutual banking system.

Our goals for 2028 are driven by the ambition of transformational development in volume growth, sustainable profitability and robust control over credit quality. More specifically, the Plan aims to achieve ROA above 0.9%, ROE above 7.5%, Cost/Income "ratio" below 60% by the end of 2028. As regards business goals, we expect loans to grow by more than 2% on average per year, in addition to an extra €20 billion in qualified "captive" funding over the Plan period and an average growth of commission income over 5% per year. We also expect a consolidation of the insurance segment, with non-life premium over €400 million per year over the Plan period. We also confirm our ESG targets and objectives to the 2030 horizon with decarbonization of the loan portfolio, emissions reduction and inclusion.

Local communities

The vision for 2028 is based on complementary directions: increasing specialization in services to the business sector, for a stronger impact on local economies and employment, and an enhanced support to local investments and infrastructure transformation projects.

In line with the mission to support the development of local economies, the Business segment will be strengthened by improving the service model, expanding specialized offering, also by integrating digital components, and increasing the integration between the center and the network.

At the same time, the Group will consolidate its role as a catalyst for high-impact infrastructural projects, by including new asset classes and strengthening its Project Financing capabilities. Finally, the Group will further strengthen its position in the Third Sector and its relationships with local institutions.

Customers and shareholders

The vision for 2028 is based on two key guidelines: becoming a reference point for customers throughout their entire life, anticipating their needs with integrated solutions for savings, pension and protection, and developing a fully integrated multichannel model, in which digital and remote channels support and enhance the physical channel, taking full advantage of our proximity model.

In Wealth Management, our mission is to be the benchmark for advanced wealth management. In this context, the strategy aims to enhance the value of savings for customers and mutual banks through distinctive solutions, an increasingly specialized sales network and a more effective and digitalized operating model, supporting significant growth in the collection of “managed” and “life” savings products.

In the Bancassurance segment, the Group aims to become the reference point for customer protection, offering modern, specialized solutions that can fully cover insurance and pension needs. Our strategy is to strengthen service models and commercial skills, enhance strategic partnerships and simplify processes and tools supporting the network.

The Group aims to evolve towards a fully omnichannel model in which branches, digital and remote channels operate in an integrated and complementary way. In line with the omnichannel evolution, the Digital Adoption program is an accelerator, promoting integration, leveraging data and fully enhancing the customer experience.

Mutual banks and employees

With regard to services offered to Group’s mutual banks, the aim is to continue providing high-quality technological services, always putting the customer at the center, through a resilient and secure infrastructure and the integration of Artificial Intelligence in key processes.

The goal is to develop processes, infrastructure and skills that accelerate our innovation capacity in support of strategic initiatives. This will be done by strengthening the main IT areas and operating models, enhancing security and business continuity, and increasing “change-making” investments.

With regard to AI, our ambition is to make it a natural working tool, fully integrated into our key processes.

The goal is also to continue to leverage talent and skills as a driver of Group growth.

Sustainability

The ESG Plan 2026-2028 consolidates and strengthens the guidelines already launched along the three dimensions of Environment, Social and Governance, confirming the decarbonization targets for the loan portfolio and the decrease in our own emissions (Scope 1 and 2) by 2030. In the environmental area, we reinforce our presence in sustainable products and control of physical risks; as regards the social dimension, we strengthen support for local communities and the third sector, promoting inclusion, financial education and objectives on diversity, equality and female leadership; in governance, we enhance internal systems and ESG safeguards along the supply chain.

To this end, the new plan provides for the completion of previous initiatives by the end of the plan horizon as well as the launch of new initiatives to achieve our sustainability objectives, as detailed by the quantitative targets in Section 8 “Sustainability Statement” of this document.

De-risking projects

As part of the de-risking strategy aimed at achieving a gross consolidated NPE ratio in line with the average of leading national competitors, in 2025 the proactive management of non-performing loans and the most vulnerable performing positions and the closing of a number of assignment transactions in the period, allowed to bring the consolidated gross NPE down to 2.5%, significantly ahead of the results expected in the Business Plan 2025-2027 (which provided for a NPE ratio target of 3.0% by the end of 2025 and 2.9% at the end of 2026, with a target of 2.7% at the end of 2027). The net ratio is 0.6%.

During 2025 two multi-originator competitive process were finalized (Pjt Athena, Pjt Ananke), as well as another assignment operation - Pjt Orchidea – of a lower amount and a leasing assignment operation Pjt Pausilypon.

More details regarding the above operations are set out below:

- the first quarter saw the launch of “Project Orchidea”, a non-recourse assignment operation finalized in June, with the participation of the mutual banks Pratola Peligna, Ravennate and Imolese and Banca Centro. The transaction mainly concerned UTP Corporate positions, partly backed by Public Guarantee (MCC), for a total credit claim of approximately €21 million. These receivables were derecognized as of June 30, 2025;
- in the second half of 2024, “Project Pausilypon” was launched, a leasing assignment operation with completion of the binding phase in December 2024 and the subsequent classification of the receivables under assets held for disposal pursuant to IFRS 5. The transaction, finalized in June 2025, involved the sale, to a reserved closed-end mutual investment fund, of a portfolio consisting exclusively of UTP leasing receivables and non-real estate and real estate bad debts, originated by BCC Leasing, for a total value of approximately €59.7 million;
- September saw the finalization of the multi-originator operation “Project Athena”, largely through the non-recourse assignment of a portfolio of impaired loans, originated by 65 Group banks (63 mutual banks, Iccrea Banca SpA and BCC Financing), mostly classified UTPs, with a portion of Public Guarantee (MCC) secured loans, mostly attributable to Large Ticket, Corporate and households (largely residential mortgages) clusters, for a total credit claim of about €207.8 million. The derecognition of the loans was finalized as of September 30, 2025. The transaction includes the residual share of receivables assigned in December 2025 by subscription of FIA units for a total credit claim of about €5.8 million;
- December saw the finalization of “Project Ananke”, a multi-originator operation entirely consisting in the non-recourse assignment of a portfolio of impaired loans originated by 54 Group banks (53 mutual banks and Iccrea Banca), mainly attributable to positions classified as UTP within the Large Ticket, Corporate clusters (mainly medium and long-term installment loans, largely secured by real guarantees) with a portion of Public Guarantee secured loans and households (residential mortgages), for a total credit claim of about €230 million, with derecognition as from December 31, 2025.

In 2026, analysis were started to identify the potential portfolio to be sold.

The covered bond program

In 2025, as part of the Group's Covered Bond Program intended for institutional investors, bonds were issued for a total of €1.1 billion. This figure was achieved by way of two issues of European Covered Bonds (Premium) compliant with the new European directive and the respective national transposition rules and the reopening of the series of three previous issues for a total amount of €425 million.

More specifically, in May 2025 the first issue offered to institutional investors was completed for an amount of €600 million and with a 5.5-year maturity. Rated Aa3 (Moody's), with a fixed rate coupon of 2.625% and maturity in November 2030, the issue had the following geographical breakdown: Italy (31%), Germany and Austria (27%), United Kingdom and Ireland (17%), Nordic countries (14%), Iberian countries (4%), France (3%), The Netherlands (3%) and other (1%). In terms of types of investor, 44% of the issue was allocated to funds, 27% to banks, 25% to institutions and central banks and 4% to other investors. The funding raised with this issue met the funding needs of 17 affiliated banks.

In July 2025 the second covered bond issue, (private placement), for institutional investors was completed for an amount of €75 million with a 15-year maturity. Rated Aa3 (Moody's), with a fixed rate coupon of 3.65% and maturing in July 2040, raised funds meeting the funding needs of one affiliated bank within a specific investment transaction.

For the purposes of completing the Group's Funding Plan, in March the three series of Covered Bank Bond were reopened: series 4 in March for an amount of €100 million, series 6 in May for an amount of €75 million and series 8 in September for an amount of €250 million.

No new issues for the Retained Covered Bond program were finalized in 2025.

On November 25, 2025 the rating agency Moody's raised the rating of both the programs from Aa3 to Aa2. The main driver of this review is the increase in the country rating to which, according to the Agency's methodology, the program's maximum rating is anchored.

The funding raised through the issues of covered bank bonds allowed Iccrea Banca to provide funds to the participating mutual banks based on their actual contribution to the segregated assets in the SPV.

For more information on the Programs, see the explanatory notes, Part E.

Reorganization of the Group's retail segment – Electronic money

As part of partnership agreements aimed at reorganizing the electronic money segment of the Group, in August 2024 Iccrea Banca decided to accept a binding offer for the purchase by Numia of 100% of the stake held in BCC POS. Therefore, in the separate financial statements of Iccrea Banca at December 31, 2024, the investment was classified as “non-current assets held for sale and disposal groups”.

On February 28, 2025, Iccrea Banca sold 100% of its interest in BCC POS to Numia for €93.7 million, generating a gross capital gain of €91.7 million. The transaction allows Numia to maximize commercial and offering synergies as well as operational synergies, further strengthening the existing strategic partnership between Numia, Iccrea Banca, Banco BPM SpA and FSI SGR SpA.

Reorganization of the Group's Operations segment

As part of the Operations Strategy project to create a single back office hub within the Group taking into account the financial benefits already obtained from previous operations, the virtuous process of centralizing within BCC Sinergia back-office activities carried out by the affiliated banks continued in 2025. In particular, in 2025, the business unit was transferred from Banca Centro – Credito Cooperativo Toscana - Umbria – SC, effective February 1, 2025, and Banca delle Terre Venete Credito Cooperativo – SC effective from September 1, 2025.

Effective from December 1, 2025, the demerger of the "Back Office Finance and Contact Center" branch from BCC Risparmio&Previdenza Sgrpa to BCC Sinergia has been completed to achieve economies of scale and scope and the progressive streamlining of processes and tools used in the Group in the management of mutual funds, pension funds, individual portfolios and support to mutual banks and their customers.

Reorganization of Banca Sviluppo

Following the sale of all its 109 branches to the affiliated banks between 2016 and 2022 and the establishment of the Iccrea Cooperative Banking Group in March 2018, Banca Sviluppo has exhausted its corporate purpose.

On April 23 2025, the transfer of the real estate portfolio of Banca Sviluppo to BCC Beni Immobili was finalized for a total of €22.1 million.

On November 22, 2025 the merger of Banca Sviluppo into Iccrea Banca was finalized.

Evolution of the Group's "ICT" segment

As part of the overall strategic evolution of the ICT sector, the Group chose Accenture as an industrial partner for a number of applications and infrastructure services.

The partnership agreement with Accenture includes:

- on the application side, the development of digital platforms, core systems and the Group's data platform;
- on the infrastructural side, the provision of the service by AFAST,²² also through the acquisition of the dedicated business unit of BCC SI, which took place on March 31, 2025 after receiving regulatory clearance.

In 2025, Iccrea Banca approved the acquisition of the ICT Security business unit from BCC SI for €4.8 million, with the aim of strengthening its coverage of key IT services, with expected benefits including:

- consolidating functions within the Parent Company to consistently define and apply security guidelines across the Group, while also ensuring strategic and operational consistency across affiliated entities;
- strengthening strategic and regulatory control through centralized governance within the Parent Company over security issues, enabling more effective oversight of the IT roadmap and regulatory compliance, also to

²² Note that, to strengthen the overall partnership, in November 2024 AFAST carried out a dedicated capital increase to acquire a 10% share of BCC Sistemi Informatici.

align the organizational model with changing circumstances and increase monitoring of technological and risk aspects.

The sale of the business unit from BCC SI to the Parent Company is effective from January 1, 2026.

Rationalization of the shareholding structure in CBI Scpa Benefit Company and capital increase

On March 26, 2025, interests held in CBI Scpa Società Benefit by the affiliated mutual banks, Banca Sviluppo, and BCC Financing, were centralized under the Parent Company, for a total €1.6 million. Following the completion of the transaction, Iccrea Banca holds a total interest in CBI Scpa Società Benefit equal to 8.05%.

As provided for in the new 2026-2028 Business Plan, in March 2025 the company's Shareholders' Meeting approved a capital increase of €24 million, which was completed on May 19, 2025. Iccrea Banca participated in the operation by subscribing new shares for a total value of €0.84 million, thus increasing its shareholding to 8.52%.

Reorganization of BCC Financing

In line with the strategic objective of streamlining the Group operations, an agreement was finalized in June for transferring the business segment offering secretarial and administrative services to the Friuli Venezia Giulia Autonomous Region to FVG Plus SpA, a company in which the Region holds an indirect interest through Friulia SpA. The transfer of the business segment took effect on December 1, 2025.

Refund of capital by BCC Leasing

In light of the performance achieved by BCC Leasing in the last few years, and the capital endowment well above minimum requirements, BCC Leasing did not consider it necessary to proceed with the conversion of the future capital increase payment made by Iccrea Banca in 2022 into a capital increase and refunded the amount of €70 million to the Parent Company in December 2025.

The Group's Bancassurance segment

Developments in the bancassurance segment launched in 2024 continued in 2025, both in the life segment, with BCC Vita and BNP Paribas Cardif SA (hereinafter "Cardif") and in the non-life segment, with BCC Assicurazioni and Assimoco SpA, with the updating of the product offering and the strengthening of initiatives to support the distribution network, confirming the growth trends already recorded.

Considering the higher-than-expected net collections on the BCC Vita Garantita Separate Management during 2024 and 2025, BCC Vita has reconsidered the strategic and commercial interest of fully maintaining the financing and treasury lines granted and disbursed in 2024 by Iccrea Banca and BNP Paribas Italian Branch for a total €550 million (of which €269.5 million by Iccrea Banca), originally aimed at injecting liquidity into the Separate Management for the purchase of securities with returns aligned with market returns.

In light of the above, on November 28, 2025, BCC Vita proceeded with the early and voluntary partial repayment of €300 million of the financing lines (of which €147 million to Iccrea Banca). On December 19, 2025, BCC Vita received subordinated loans totaling €30 million aimed at supporting growth in the coming years, eligible for Tier 2 capital for Solvency II purposes, and granted at market conditions by Cardif and Iccrea Banca in the amount of €21 million and €9 million, respectively.

Furthermore, efforts continued to implement the bancassurance model defined in the Business Plan, with the centralization of the Group's insurance activities in BCC Servizi Assicurativi. More specifically, on December 17, 2025, and effective January 1, 2026, BCC Servizi Assicurativi completed the acquisition of Agecooper Srl, the Insurance Agency serving the affiliated banks in Central Italy and Sardinia, from the sole shareholder Banca di Credito Cooperativo di Roma, for €0.3 million, with price adjustment equal to the net profit at December 31, 2025, which will be paid following the approval of the 2025 financial statements of Agecooper Srl.

Demerger of the Cronos insurance portfolio (formerly Eurovita) in favor of the Unipol group

In line with the original structure of the Eurovita transaction, as defined in the term sheet signed by the parties on

June 30, 2023, following the corporate demerger of Cronos Vita Assicurazioni SpA (hereinafter "Cronos"), effective from October 1, 2025, Cronos was dissolved and the insurance assets were divided into five pools, transferred to the five shareholder insurance companies (Generali Italia SpA, Poste Vita SpA, Allianz SpA, Unipol Assicurazioni SpA, Fideuram Vita SpA). In this context, Unipol Assicurazioni SpA, a company of the Unipol Group, was the beneficiary of the pool comprising the entire portfolio of Cronos insurance policies brokered by the affiliated banks, operating under a regime of operational and contractual continuity of the agreements in place with Cronos.

Mergers between mutual banks

In 2025, the following extraordinary operations were finalized:

- the partial non-proportional demerger of the business assets of Banca di Pisa e Fornacette CC with the assignment of the related pools (each consisting of assets, liabilities and equity, customers and partners) to:
 - Banco Fiorentino - Mugello Impruneta Signa – CC with legal effect as from February 17, 2025;
 - Banca di Pescia e Cascina C. C., with legal effect as from February 24, 2025;
- the merger of Cassa Rurale - Banca di Credito Cooperativo di Treviglio into Banca di Credito Cooperativo di Carate Brianza – S.C. (now "Banca di Credito Cooperativo Carate Brianza e Treviglio - SC") with legal effect as from June 9, 2025.

On October 21, 2025 the ECB authorized the merger of Banca di Credito Cooperativo di Nettuno S.C. into Banca di Credito Cooperativo dei Colli Albani S.C.; the Board of Directors of the banks approved the merger in December. The merger is expected to take effect as from February 23, 2026.

In December, the request for a merger of Confidi Sardegna Scpa and Unifidi Sardegna Scpa into Banca di Credito Cooperativo di Arborea was submitted to the ECB with the aim of creating a regional hub characterized by a strong potential for development, high level local knowledge and a significant capital base to support local economies and continue to ensure strong customer satisfaction.

Actions within the scope of the Guarantee Scheme

During 2025, the Parent Company implemented, through the cross Guarantee Scheme, a capital support initiative for Banca di Pescia e Cascina CC drawing on the Ex Ante Quota of the Readily Available Funds, through the subscription of shares issued in accordance with Article 150-ter of Legislative Decree 386/93 for a total nominal amount of €10 million, as in the intervention provisions provided for by the partial non-proportional demerger of Banca di Pisa e Fornacette Credito Cooperativo.

On November 7, 2025 the repurchase and subsequent cancellation of shares pursuant to Article 150-ter of the Consolidated Banking Act were carried out by:

- Banca Terre Etrusche di Valdichiana e di Maremma Credito Cooperativo, for an amount of €3 million, on a residual value of the support intervention of €31 million, carried out on May 26, 2021 in favor of ex Banca Valdichiana (absorbed by Banca Terre Etrusche di Valdichiana e di Maremma on July 26, 2021);
- Banca Centro, for an amount of €3 million, on the total value of the support intervention of €16 million, carried out on September 29, 2021 in favor of ex Vival Banca (absorbed by Banca Centro on December 12, 2022);
- Banca Centropadana, for an amount of €3 million, on the total value of the support intervention of about €23.1 million, carried out in several tranches from June 23, 2021.

Regarding the management of the Ex Post Quota of the Readily Available Funds, on March 17, 2025 Banco Fiorentino extinguished the interest-bearing bullet loan of €100 million, originally granted to Banca di Pisa e Fornacette drawing on the Ex Post Quota of the Guarantee Scheme, and transferred to Banco Fiorentino on February 17, 2025, following the legal effectiveness of the merger of the relevant pool of Banca di Pisa e Fornacette into Banco Fiorentino.

The EWS and affiliated mutual banks in the management and coordination scope

As regards the Early Warning System, the usual monitoring activities were carried out on the risk profile of affiliated banks in 2025. The outcome of these activities show an overall balance in the capital, financial and management situation of the affiliated banks. In the event of imbalances, the affiliated banks are subject to the mechanisms provided for in the Cohesion Contract, which provide for the definition of rebalancing and derisking initiatives. In particular, mutual banks in the management and coordination scope of the Parent Company are subject to specific directives containing actions and remedial plans to be adopted or the recovery targets to be achieved in order to improve their risk profile. Currently, two affiliated banks within the management and coordination scope have a "critical" overall risk situation.

Voluntary liquidation of Banca di Pisa e Fornacette

On June 30, 2025, the voluntary liquidation procedure of Banca di Pisa e Fornacette Credito Cooperativo was initiated pursuant to Article 96 quinquies of Legislative Decree 385/1993 (TUB) (authorized by the Bank of Italy on 09.06.2025), resulting in the revocation of the banking license.

Main changes to the regulatory framework

The Parent Company continuously monitors regulatory developments, adopting the necessary initiatives for their implementation and guiding the activities of the banks and companies within its scope accordingly. With regard to organizational and procedural adjustments, the main areas of significant regulatory review are outlined below.

Interventions in the banking sector to support the competitiveness of the European economy and initiatives of banking supervisors

During 2025, the banking sector was involved in a number of initiatives proposed by the European Commission to pursue the strategic priorities of its new term. The press release "A Competitiveness Compass for the EU," published at the end of January, identified three main areas of intervention to support the competitiveness of the European economy, which draw on the points highlighted in the Draghi report: promoting innovation, accelerating the environmental transition, and strengthening Europe's strategic autonomy. The implementation of these three pillars has resulted in a series of legislative proposals that will have implications for the banking industry, particularly in terms of simplifying regulatory and administrative burdens for businesses and reducing barriers within the single market.

The issue of simplification has become central to the European strategy, since excessive regulatory complexity has been recognized as an obstacle to the competitiveness of European businesses and to the development of the single market. The **first Omnibus package**, published in February 2025, was a first step in the regulatory simplification process, regarding the reporting, due diligence and taxonomy on ESG topics with proposed amendments to the Accounting Directive, the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). In early December, the European Parliament and the Council, engaged in the trilogue, announced a provisional agreement on the Omnibus I simplification package, which includes: 1) the elimination of reporting and due diligence obligations for many companies; 2) the protection of smaller companies from excessive disclosure requirements from larger companies; and 3) the elimination of the requirement for companies to adopt a transition plan for climate change mitigation. At the same time, the European Financial Reporting Advisory Group (EFRAG) completed the revision of the European Sustainability Reporting Standards (ESRS) by submitting to the EU Commission a series of draft simplified standards that introduce greater operational flexibility and interoperability with the ISSB standards and a reduction in data points (-61% compared to the 2023 version), in addition to the elimination of all voluntary disclosures.

The Commission has also developed proposals to increase the efficiency of capital markets, as outlined in the Action Plan for the **Savings and Investments Union (SIU)** presented in March 2025. This initiative, inspired by the Letta Report (April 2024), outlines the development of the Capital Markets Union with joint interventions on capital markets and the banking sector. The goal is to build a more cohesive European financial market to channel European private savings towards the area's economic development. This regulatory framework includes:

- the proposal to introduce a specific prudential treatment of equity exposures held by banks in connection with legislative programs aimed at stimulating specific sectors of the economy;
- the EU Securitization Framework, to revitalize the securitization market, including lower capital requirements for banks, a reduction in the conditions for recognition of significant credit risk transfer, and easier access for securitized securities to qualify for the Liquidity Coverage Ratio (LCR);
- the package of regulatory proposals of December 4, 2025, to simplify the European regulatory and supervisory framework, which, among other measures, provides for the introduction of a single European passport for companies operating multiple trading platforms in various European countries and the expansion of the powers of the European Securities and Markets Authority (ESMA), assigning the Authority direct supervision of both the largest financial market infrastructures and crypto-asset service providers (CASPs).

Confirming the current transition phase of European regulation, the European Commission has adopted a delegated act to postpone the application of the new Basel standards on market risks (the so-called Fundamental Review of the Trading Book, FRTB) by one year, starting from 2027. The postponement, motivated by delays in implementation by some of the major global jurisdictions, reflects a more cautious regulatory approach aimed at ensuring that European banks can operate on a level playing field internationally. The high level of attention to the competitiveness of the European banking sector is also demonstrated by a report on the topic that the SIU action plan envisages being presented by the Commission to the European Parliament and Council in 2026. In this respect, on December 11, 2025, the ECB published 17 high-level recommendations addressed to the European Commission, containing significant proposals for changes to the regulatory, supervisory, and reporting framework. These recommendations are the result of work initiated in March 2025 with the establishment of a dedicated Task Force and include interventions on primary legislation, including: simplification of capital and leverage requirements, revision of the European stress test methodology, and expansion of the proportionality principle to ease compliance obligations for smaller banks (small and non-complex institutions). The recommendations will be assessed by the European Commission as part of its report on the competitiveness of the banking sector.

The ECB has also published its **supervisory priorities for the three-year period 2026-2028**, which identify the most significant vulnerabilities to which the European banking sector is exposed and outline the strategic objectives that will guide supervisory activity. Two priorities have been identified, which are consistent with those defined last year: (i) the first requires banks to maintain resilience to geopolitical risks and macrofinancial uncertainties by maintaining sound credit standards, adequate capitalization through the consistent implementation of the Capital Requirements Regulation (CRR3), and the prudent management of climate- and nature-related risks; (ii) the second priority is to ensure strong operational resilience and ICT capabilities. The ECB will also continue to monitor the use of artificial intelligence to assess banks' strategies, promote the adoption of industry best practices, and ensure appropriate safeguards are in place.

As already anticipated in the 2024 financial statements, the **"Banking Package 2021"** came into force on July 9, 2024, i.e. a package of rules²³ proposed by the European Commission in October 2021 with the aim of transposing into European legislation the international standards approved by the Basel Committee in 2017 ("Basel 3 Finalization"). The relevant legislative texts are:

- Regulation (EU) 2024/1623 (CRR3) of May 31, 2024, containing the new rules for calculating risk-weighted assets, which banks must apply from January 1, 2025 (but with the ability to benefit from important phase-in mechanisms that will extend beyond 2030);
- Directive (EU) 2024/1619 (CRD6) of May 31, 2024, containing rules on supervisory powers, sanctions, third-country branches, and environmental, social and governance risks, which Member States must implement within 18 months of its entry into force.

Furthermore, at the end of December 2024, Implementing Regulation 2024/3317 was published, which establishes the new implementing technical standards for the application of the CRR with regard to supervisory reporting of institutions and which repeals the previous regulation on the matter.

Most of the provisions introduced by CRR 3 regarding credit and operational risks have been applied starting from January 1, 2025. In this regard, during 2025, the activities to adapt processes and procedures and analyze the exposures at the transition date to assign them to the new prudential categories were completed. The design and

²³The package consists of three legislative proposals to revise the Single Rulebook, namely an amendment of the Capital Requirements Directive (CRD6) and the Capital Requirements Regulation (CRR3) and a proposal for a regulation on the "daisy chain", which introduces targeted adjustments that improve the resolvability of banks by amending the CRR and the BRRD Directive. The daisy-chain proposal followed an autonomous legislative process that accelerated its adoption with publication of EU Regulation 2022/2036 applied from November 14, 2022.

adaptation activities conducted were based on the indications – still not definitive – produced by the EBA (European Banking Authority) in the context of the macro financial development of secondary legislation mandated by CRR 3 (which entrusts this Authority with the production of over 140 regulatory products – technical standards, guidelines, reports – over the next 4 years), following the timeline published in December 2024 (EBA Roadmap on Strengthening the Prudential Framework – Implementation Timeline of EBA mandates under EU Banking Package).

Global minimum tax

With Legislative Decree 209 of December 27, 2023, Italy formally implemented the provisions of Directive (EU) 2022/2523 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union (the so-called global minimum tax or GMT).

The provisions introduce the GMT into the Italian tax system, which, taking account of the option exercised by Italy, is broken down into three distinct forms of levy having a specifically regulated hierarchical order of application: the national minimum tax, the minimum supplementary tax and the minimum additional tax with deferred start date. The national minimum tax and the minimum supplementary tax shall apply from financial years starting from December 31, 2023. The minimum additional tax will be applied, subject to certain conditions, from financial years starting from December 31, 2024.

With reference to the implementing regulations relating to the global minimum tax, there have been certain interpretative and operational doubts regarding the correct definition of companies falling within the scope of application of the provision, including taking into account the specificities of mutual banking groups.

In this regard, on February 17, 2025, the Ministry for the Economy and Finance (MEF) published the guidelines on global minimum tax specifically for mutual banking groups. According to these guidelines, a mutual banking group resulting from a cohesion contract, although characterized by a single consolidated financial statement, does not fall within the scope of the global minimum tax, as it cannot be considered a single entity for the purposes of the aforementioned regulation. The conclusions of the document state that the parent company and each individual mutual bank must be classified separately and can indistinctly assume the role of Parent Company with respect to its distinct group and set of subsidiaries. Therefore, in light of the changes referred to in the aforementioned MEF guideline, the legislation on global minimum tax is applicable only to Iccrea Banca and its direct subsidiaries and not to the mutual banks.

Collaborative compliance

The Collaborative Compliance regime, introduced by Legislative Decree no. 128/2015, is aimed at promoting transparency and collaboration between the tax administration and taxpayers. As a rewarding tool, it is reserved for taxpayers who implement an effective Tax Control Framework (TCF), and generates benefits such as reduced intensity of controls, reduced penalties and assessment deadlines, and greater certainty in tax relationships. The TCF is intended as a structured system for managing tax risk and, in this respect, is a key element of the internal control structure integrated with other organizational models, such as Model 262 and Model 231.

On December 30, 2025 the Revenue Agency has decided, with effect from the 2024 tax period, to admit two affiliated mutual banks, BCC Provincia Romana and BCC Basilicata, to the Collaborative Compliance regime, following the path already started by Iccrea Banca in 2021, and BCC CreditoConsumo and BCC Risparmio&Previdenza in 2023.

Hybrid mismatch arrangements

The Ministerial Decree of December 6, 2024, provides implementation to the provisions contained in Art. 1, paragraph 6-bis, of Legislative Decree 471/1997 regarding hybrid mismatch arrangements, including the possibility for taxpayers to access "penalty protection", i.e. the non-application of sanctions for incorrect statements, provided that, during the control or verification, documentation with a certain date is delivered to the Administration, proving the application of the anti-hybrid rules.

In 2025 a project was launched in 2025 to enable all Group companies to benefit from penalty protection through the preparation of appropriate documentation. A review was conducted of any transactions/instruments potentially falling under the anti-hybrid regulation within the Group. For companies that presented at least one case, suitable documentation was prepared to demonstrate the inapplicability of the anti-hybrid legislation.

As required by law, the analysis and production of suitable documentation was conducted for the tax periods from 2020 to 2024 and concluded within the legal deadline, i.e., October 31, 2025. From the 2025 tax period onwards, the suitable documentation will be prepared within the deadline for filing the tax return.

8. SUSTAINABILITY STATEMENT

ESRS 2 – GENERAL INFORMATION	84
ENVIRONMENTAL	130
DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION 2020/852 (EU TAXONOMY REGULATION)	130
ESRS E1 – CLIMATE CHANGE	164
ESRS E2 – POLLUTION	201
ESRS E3 – WATER AND MARINE RESOURCES	202
ESRS E4 – BIODIVERSITY AND ECOSYSTEMS	203
ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY	204
SOCIAL	209
ESRS S1 – OWN WORKFORCE	209
ESRS S2 – WORKERS IN THE VALUE CHAIN	255
ESRS S3 – AFFECTED COMMUNITIES	260
ESRS S4 – CONSUMERS AND END-USERS	273
GOVERNANCE	286
ESRS G1 – BUSINESS CONDUCT	286

ESRS 2 - GENERAL INFORMATION

Starting from 2024, the Iccrea Cooperative Banking Group (hereinafter the “Group” or “ICBG”) prepares an annual sustainability statement, pursuant to the Directive (EU) 2013/34 of the European Parliament and of the Council of June 26, 2013,²⁴ as amended by Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022²⁵ -the Corporate Sustainability Reporting Directive (hereinafter also the “CSRD”) and transposed into Italian law by Legislative Decree 125/24 (the “Decree 125/24”)

This sustainability statement is prepared in accordance with the European Sustainability Reporting Standards (hereinafter also “ESRS”) published by EFRAG²⁶ and endorsed by Delegated Regulation (EU) 2023/2772²⁷ and contains information on the material impacts, risks and opportunities related to environmental, social and governance matters, as required by Decree 125/24. The statement also complies with the principles set out in other applicable regulations, including Regulation (EU) 2019/2088 (SFDR - Sustainable Finance Disclosure Regulation) and Regulation (EU) 2020/852 (Taxonomy Regulation).

Pursuant to the Delegated Regulation (EU) 2025/1416, amending the Delegated Regulation (EU) 2023/2772 (endorsing the ESRS), the Group has postponed the date of application of some disclosure requirements whose application was subject to phase in, and which would otherwise have been applicable for the purposes of the 2025 reporting.

The information reported in the following sections refers not only to the current financial year, but also contains retrospective and forward-looking data and complies with the requirements of relevance, faithful representation, comparability, verifiability and understandability provided for by ESRS 1.

The sustainability statement is subject to limited legal review by the Audit Firm Forvis Mazars SpA pursuant to Legislative Decree 39 of January 27, 2010.

ESRS 2 BP-1 - GENERAL BASIS FOR THE PREPARATION OF THE SUSTAINABILITY STATEMENT

This sustainability statement has been prepared in such a way as to ensure transparency, comparability and reliability of the information provided. More specifically, in preparing the sustainability statement, the Group complied with the following general principles:²⁸

- the fundamental qualitative characteristics of information, i.e. relevance and faithful representation;
- the enhancing qualitative characteristics of information, i.e. comparability, verifiability and understandability.

Pursuant to ESRS 1, Appendix B, information presented in the statement is:

- relevant, that is, they are related to the sustainability matters that have been found to be relevant following the double materiality process;
- faithfully represented, in relation to the substance of the phenomenon they intend to describe. To this end, the information has been presented in a way that is:
 - complete, as it provides the user all the elements to understand the impacts, risks, opportunities, also by describing the Group's strategy and governance in relation to such impacts, risks and opportunities;
 - neutral, as it describes both positive and negative material impacts, and financially material risks and opportunities in a prudent manner (neither underestimating nor overestimating them);
 - accurate, as it is free from material errors or mismeasurements, and with a description of the methodologies for determining the quantitative data and the related limitations where relevant;
 - comparable, that is consistent over time and with other information disclosed by the Group;

²⁴ Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19).

²⁵ Directive (EU) 2022/2464 of the European Parliament and of the Council of December 14, 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting (OJ L 322, 16.12.2022, p. 15).

²⁶ European Financial Reporting Advisory Group.

²⁷ Note that the Delegated Regulation (EU) 2025/1416, amending the Delegated Regulation (EU) 2023/2772, has put off the date of application of some phase-in disclosure requirements, which would otherwise have been mandatory for the 2025 reporting.

²⁸ ESRS 1, paragraph 2, “Qualitative characteristics of information”.

- verifiable, in the sense that it is possible to corroborate such information (or the inputs used to derive it), confirming its characteristics of completeness neutrality and accuracy;
- understandable, that is clear and concise, presented as a consistent context with linkage with other parts of the consolidated financial statements.

In presenting the information, the provisions of paragraph 10 Transitional provisions of ESRS 1 have also been used, where applicable to the Group.

No material (i) classified, (ii) sensitive, or (iii) secret information (specific information relating to intellectual property, know-how or innovation results) has been omitted.

ESRS 2 BP-1 - REPORTING SCOPE AND VALUE CHAIN

The sustainability statement at December 31, 2025, pursuant to Article 29-bis, paragraph 7, of the CSRD, is prepared on a consolidated basis and presents the information relating to the Group for the period from January 1, 2025 to December 31, 2025.

In compliance with the new regulatory framework, the composition of the Group and the accounting scope of consolidation were taken into consideration to determine the scope of sustainability reporting, in order to identify the companies relevant for understanding the Group's strategy and performance in relation to environmental, social and governance sustainability-related issues.

Based on the analyses conducted on the affiliated banks and on the companies directly and indirectly owned by Iccrea Banca SpA, the reporting scope at December 31, 2025 corresponds to the IAS/IFRS scope used for the Group's consolidated financial statements, (for a description of which, please see Part A of the Notes to the consolidated financial statements – paragraph 3. - Scope and methods of consolidation.

As provided for by Article 7, par. 1 a) of Decree 125/2024, Group companies²⁹ covered by the sustainability statement are exempted from the obligation to disclose non-financial information pursuant to the CSRD in their individual report on operations.

Where shown relevant by the double materiality analysis,³⁰ the sustainability statement also includes information relating to the actors in the Group's value chain.

For each applicable ESRS standard, the statement describes the material impacts, risks and opportunities and their relevance to the upstream and/or downstream value chain, as well as metrics related to the upstream (scope 3 emissions, categories 1, 2, 3, 6 and 8) and downstream (scope 3 emissions, categories 13 and 15) value chain actors.

²⁹ Hereinafter also referred to as “companies” of the Group or, individually, the “company”.

³⁰ The double materiality analysis process was carried out by identifying impacts, risks and opportunities along the Group's value chain. See below ESRS 2 – General information; Double materiality for a description of methodology and outcomes.

The table below lists the standards and value chain information for each Disclosure Requirement (DR), where applicable.

ESRS	Disclosure requirement	Value chain information	Section
ESRS 2	BP-1 – General basis for preparation of sustainability statements BP-2 – Disclosures in relation to specific circumstances SBM-1 – Strategy, business model and value chain SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model	Description of the value chain and elements of strategy, policies and targets that affect or may influence the value chain	ESRS 2 – General information
ESRS E1 ESRS E5	IRO-1 – Description of the processes to identify and assess material impacts, risks and opportunities	Description of impacts, risks and opportunities along the value chain	ESRS E1 – Climate change and ESRS E5 – Resource use and circular economy
ESRS E1 ESRS E5	ESRS E1-2 – Policies related to climate change mitigation and adaptation E1-3 – Actions and resources in relation to climate change policies E5-1 – Policies related to resource use and circular economy E5-2 – Actions and resources related to resource use and circular economy	Information on policies and actions that affect the value chain	ESRS E1 – Climate change and ESRS E5 – Resource use and circular economy
ESRS E1	ESRS E1-6 Gross Scopes 1, 2, 3 and total GHG emissions	Scope 3 Greenhouse Gas (GHG) Emissions	ESRS E1 – Climate change
ESRS S2	All DR	Information on impacts, risks and opportunities related to workers in the value chain, and on policies and actions affecting workers in the value chain	ESRS S2 – Workers in the value chain
ESRS S3	All DR	Information on impacts, risks and opportunities relating to the affected communities impacted by operations and the value chain	ESRS S3 – Affected communities
ESRS S4	All DR	Information on impacts, risks and opportunities relating to end consumers impacted by operations and its value chain	ESRS S4 – Consumers and end-users

ESRS 2 BP-2 - DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

In defining the time horizons relating to the targets set by the Group,³¹ the criteria set out in ESRS 1, par. 6.4 “Definition of short-, medium- and long-term for reporting purposes” were used:

- short-term: one year for sustainability and financial reporting;
- medium-term: up to five years from the end of the short-term reporting period;
- long-term: more than five years.

The definition in section 6.4 of ESRS 1 was also used in defining the time horizons for the identification and assessment of impacts, risks and opportunities. In this regard, the mapping and assessment of climate-related and environmental risks relating to the portfolio financed by the Group carried out by the Risk Management function,³² was based on time horizons defined in line with (i) the short-term horizon used in the internal capital adequacy assessment process (1-3 years),³³ and (ii) the (medium-term) horizon for the entry into force of the first decarbonization targets for 2030 defined by the Group (5-7 years) as it coincides with the 2030 objectives of the UN SDGs and the European Commission and (iii) the long-term horizon, i.e. beyond 10 years, in line with what is indicated in the EBA Guidelines on ESG risk management (EBA/GL/2025/04). For the purposes of the double materiality analysis, these time horizons were realigned with the time horizons envisaged by the methodology in use, i.e. with the definition envisaged by ESRS 1.

In the sustainability statement as of December 31, 2025, the Group reports data relating to its value chain in compliance with the disclosure requirement E1-6 - Gross Scopes 1, 2 and 4 and Total greenhouse gas (GHG) emissions, reporting the following data on Scope 3 emissions, in particular relating to:

- Category 1. Purchased goods and services (emissions generated by suppliers in the production of goods and in the provision of services and in intermediate transport activities);
- Category 2. Capital goods (emissions generated by suppliers in the production of such assets and in intermediate transport activities);
- Category 3. Fuel and energy-related activities (including extraction, production, transportation of purchased energy, excluding what is already reported in Scope 1 and 2 emissions);
- Category 6. Business travels (employee travel for business-related activities using vehicles owned or operated by third parties, including, for example, trains and planes);
- Category 8. Upstream leased assets (indirect emissions related to operating property leased from third parties, not already reported as direct emissions of scope 1 and 2);
- Category 13. Downstream leased assets (indirect emissions related to non-operating property leased to third parties);
- Category 15. Investment activities (emissions generated by own financial activities).

As permitted by paragraph 10.2 “Transitional provision related to Chapter 5 Value Chain”, par. 133 a) of EU Delegated Regulation 2023/2772, other relevant metrics downstream of the double materiality analysis do not include information connected with the value chain.³⁴

Given the complexity of the Group's value chain (in terms of the number of players and the heterogeneity of the sectors in which they operate), which is composed both upstream (mainly suppliers) and downstream (mainly financed customers) of small and medium-sized entities and companies, the Group operates in a context of still very limited data availability.

For small and medium-sized companies, the Group estimates indirect emissions through the application of methodologies based on internationally recognized measurement standards (GHG Protocol and PCAF). This also allows to overcome the limitations associated with limited data availability (and the use of consolidated measurement techniques for metrics related to GHG emissions) from the actors in the value chain, mainly due to

³¹ GHG emission reduction targets (ESRS E1) and targets related to own workforce (ESRS S1) set for 2030, in 5 years, in line with the definition of short-term (ESRS 1, para 77b “up to five years after the end of the short-term reference period”, i.e from December 31, 2024). For details on the targets and criteria for determining and monitoring them, please see section E1 – Climate change and S1 – Own workforce, respectively.

³² Climate & Environmental Materiality Assessment (CEMA), an analysis carried out annually by the Risk Management function, which provides an input for the broader double materiality analysis. More information in the “Double materiality” section.

³³ Internal Capital Adequacy Assessment Process (ICAAP); This time horizon is also aligned with the EBA recommendations.

³⁴ Except Scope 3 GHG emissions, according to DR E1-6.

their size, and the lack, as of today, of reporting requirements on sustainability.³⁵

For categories 1 and 2, the calculation was based on the Spend Based Method provided by the GHG Protocol, using the Environmental Extended Input Output (EEIO) emission factors.³⁶

For category 3, the calculation, developed on the average-data method provided for by the GHG Protocol, is based on consumption reported in the Scope 1 and 2 emission categories, applying the relevant secondary emission factors to quantify upstream emissions per unit of consumption.³⁷

For category 6, the calculation is based on the mileage travelled by the workforce in the context of business travel (distance-based method provided for by the GHG Protocol), which is then converted into greenhouse gas emissions using the emission related relating to transportation used.³⁸

For categories 8 and 13, a proxy has been developed that allows the calculation of indirect emissions³⁹ based on historical Scope 1 and 2 emissions data, re-proportioned for energy sources and emission factors, applied to the surface area of property.

For category 15, the methodological approach is largely based on the principles and standards developed by the Partnership for Carbon Accounting Financials (PCAF), an initiative that has provided a crucial contribution in the development of specific methodologies for measuring and reporting GHG emissions in the financial sector. The approach adopted aims to meet the reliability required by regulators, ensuring robustness of the method and consistency of calculation. The key pillars on which the framework is based are:

- transparency, i.e. an adequate structuring of the method and process to provide clarity on data and estimates, making the results comparable at international level;
- data quality, evaluated with the PCAF scoring system, which allows to represent the level of confidence in the estimates and improve their quality over time;
- the graduality of the approach, aimed at improving the quality of estimates, starting from industry average data (where necessary) and working to obtain more specific and verified data from the counterparties.

In particular, two different methodologies have been developed, respectively for the “NFC” (Non-Financial Corporate) and “Real Estate” customer segments (financing with real estate as collateral, CRE – Commercial Real Estate and RRE – Residential Real Estate).

To calculate emissions related to the NFC portfolio, absolute emissions are calculated as the ratio between the emission intensity⁴⁰ of the NACE sector of the company and a factor representing the individual counterparty. To calculate financed emissions, the attribution factor is multiplied by absolute emissions, which defines the share of the counterparty's emissions attributable to the financing obtained by the latter from the Group.

Estimates of absolute emissions associated with properties used as collateral for the loans granted by the Group are calculated following a hierarchical approach, based on a cascade logic that favors more precise and direct data on the properties (emission levels present in the energy certification of each property - APE or EPC rating), using indirect estimates (indicators combined with national statistical data for the estimate of emissions or the energy class via proxy associated with the type of property) only when such information is not available. The calculation of the financed emissions is therefore completed by multiplying absolute emissions by the value of the property at the time of the disbursement of the related loan (so-called “LTV - Loan To Value”).

³⁵ See the size thresholds set out in Decree 125/2024, Art. 3. In this regard, note that with Law no. 118 of August 8, 2025, transposing Directive 2025/794/EU - part of the “Omnibus package”, the CSRD obligations for so-called “wave 2 and 3” companies have been postponed, that is, respectively, (i) companies that at the reporting date have exceeded two of the following thresholds in the first financial year of operations or subsequently for two consecutive financial years: balance sheet total: €25,000,000; net revenue from sales and services: €50,000,000; average number of employees during the financial year: 250 and (ii) small and medium-sized enterprises - SMEs - listed on EU regulated markets, including small credit institutions and captive insurance companies.

³⁶ Eurostat data - “EEIO Consumption – based accounting tool”.

³⁷ UK Department for Business, Energy & Industrial Strategy - “Conversion factors 2024: full set (for advanced users)”

³⁸ UK Department for Business, Energy & Industrial Strategy - “Conversion factors 2024: full set (for advanced users)”

³⁹ Category 8 indirect emissions include emissions related to property used for operational purposes, the utilities of which are not registered to the individual entity, in which the entity carries out its operations but does not have control over the mechanical systems and for which the occupation of the surface area is partial or the rental contract provides for the payment of a quota based on the number of workstations.

Category 13 indirect emissions include emissions related to investment property; the proxy used estimates emissions related to properties whose utilities are registered to the tenant; in the case of utilities registered to a single company, the reported data corresponds to the specific data reported in the documentary evidence.

⁴⁰ Emission intensity can be determined based on companies that release official GHG data and/or released by public agencies/research bodies.

For further methodological details, please refer to the following section in the ESRS E1 – Climate change section.

The use of proxies for the calculation of metrics, also using industry information acquired from external infoproviders, due to the lack of specific data from the value chain and/or robust (and consistent) measurement techniques used by the individual players in the value chain to estimate their emissions, generates possible uncertainties in the data. This approach, however, allows to overcome the aforementioned limitations in the availability and accuracy of data coming directly from the value chain, without compromising the qualitative characteristics of data required by ESRS 1.

In order to obtain granular data on its upstream and downstream value chain, in 2025 the Parent Company has strengthened its ESG supply chain assessment framework, improving the approach based on external ESG ratings with the introduction of a more structured model that integrates, through a qualitative and quantitative questionnaire provided by Infoprovider, a dedicated assessment level for suppliers considered "ESG relevant."

The methods for estimating metrics do not seem affected by significant uncertainties, given the measures adopted by the Group and described above (use of internationally recognized frameworks, use of sector data acquired from info providers or official sources).

Finally, for the purposes of materiality of information, this sustainability statement does not contain references to documents external financial statements.

STRATEGY, BUSINESS MODEL AND STAKEHOLDERS ENGAGEMENT

ESRS 2 SBM-1 - STRATEGY AND BUSINESS MODEL

In 2025, the Group achieved about €100.5 billion in net loans, and direct funding from ordinary customers of about €130.8 billion, counting more than 5.2 million of customers.⁴¹

Among the Group's companies, the 112 affiliated mutual banks,⁴² distributed throughout the country contribute to value creation, covering 1,674 Italian municipalities with 2,409 branches.⁴³

Thanks to network of branches of its affiliated mutual banks, the Group covers approximately 37.7% of Italian municipalities with banking presence; in 23.8% of the municipalities where it is located, the affiliated banks are the only banking entity. Furthermore, the territorial distribution covers almost the entire national territory, as a result of a mission oriented towards mutualistic support of local communities.⁴⁴ This peculiar characteristic of the Group fully represents the cooperative mission of assisting local areas and communities by providing access to financial services, also through the physical channel represented by the branch and the consultancy and direct assistance provided by operators.

In carrying out their activities, the Affiliated mutual banks pursue the objective of maximizing social utility in the local area where they operate, in line with their nature as mutual cooperative societies.

At the end of 2025, the shareholder base of the affiliated banks reached over 920,000 members, a net growth of 2%. In line with previous years and with the vocation of mutual banking, the majority of shareholders are physical persons.

In the Italian legal system, mutual banks enjoy constitutional recognition. As part of the broader cooperative movement, they are protected by Article 45, which recognizes "the social function of mutual cooperation, not aimed at private speculation." Their role as intermediaries in savings and credit falls within the specific task assigned to the Republic by Article 47: "to encourage and protect savings in all its forms and to regulate, coordinate, and control the provision of credit."

In addition to a specific business model based on relationships, the difference between mutual banks and the traditional banking model is reflected in the Consolidated Banking Act (TUB) in Articles 33 and following, with the relevant amendments introduced by Reform Law no. 49/2016 which introduced the regulation of cooperative

⁴¹ See "The Iccrea Cooperative Banking Group – Distinguishing characteristics, geographical distribution, structural arrangements, specific nature of the affiliated banks and their mission" in the Report on Operations for more details.

⁴² Including Banca di Pisa e Fornacette CC in liquidation, the number of Affiliated mutual banks in the consolidation scope is 113.

⁴³ See "The Iccrea Cooperative Banking Group – Distinguishing characteristics, geographical distribution, structural arrangements, specific nature of the affiliated banks and their mission" in the Report on Operations for more details.

⁴⁴ The only regions where the Group's banks are not present are Valle d'Aosta, Trentino-Alto Adige, Liguria and Umbria (in the latter three, however, there are branches).

banking groups.

In particular, the primary regulation (Articles 33 to 37 of the Consolidated Banking Act, as amended by rules regarding cooperative banking groups) provides that mutual banks:

- are established in the form of a limited liability cooperative company;
- must have a minimum of five hundred members;
- have as members individuals who reside, have their registered office or operate on a continuous basis in the territory where the bank is located;
- respect the principle of one vote per members, regardless of the number of shares subscribed;
- no member may own shares with total nominal value exceeding €100 thousand;
- the allocation of at least 70% of annual net profits to the legal reserve (in addition to a 3% share of annual net profits to be allocated to funds for the promotion and development of cooperation).
- the allocation of profits to members but in an amount not exceeding the maximum interest on postal savings certificates, increased by 2.5 points with respect to the capital actually paid;
- the allocation of remaining profits, net of any revaluation of the shares and the portion assigned to other reserves or distributed to members, to charitable or mutual purposes;
- the non-distribution of the company's assets to members, neither during the company's life nor upon the dissolution of the company.

The commitment to localism is further expressed in the secondary regulations issued by the Bank of Italy (Circular No. 285, Part Three, Chapter 5), which, among other things, provides - in implementation of Article 35, paragraph 2 of the Consolidated Banking Act - that no less than 95% of the business be carried out within the territorial jurisdiction and at least 50% for the benefit of shareholders or in low-risk activities,⁴⁵ ensuring that the collected savings essentially support and finance the growth of the real economy in the area of operation. The provisions protecting mutuality and localism were confirmed by the Reform Law, whose main objective, as also reflected in the Bank of Italy's provisions, was to "overcome the regulatory and operational constraints typical of cooperative organizations—which could hinder rapid recapitalization, including through access to the capital market—and the diseconomies associated with small company sizes."⁴⁶

The principles inspiring the action of mutual banks are also laid down in Article 2 of the Standard Articles of Association of the mutual banks, which states: "In conducting its business, the Company's action is inspired by the cooperative principles of mutualism free of motives of private speculation. Its purpose is to favor the members of local communities in banking operations and services, pursuing the improvement of their moral, cultural and economic conditions and promoting the development of cooperation and education on savings and welfare issues, as well as social cohesion and responsible and sustainable growth of the local areas in which it operates. The Company is distinguished by its social orientation and its commitment to building the common good. It is also committed to acting in compliance with the Charter of Mutual Banking Values and implementing appropriate forms of economic and financial democracy and mutualism among its shareholders, as well as their participation in the life of the Company".

These features are safeguarded by the Iccrea Cooperative Banking Group through the management, coordination and control role of the Parent Company, Iccrea Banca, ensuring stability, help the achievement of efficiency levels appropriate to the market, compliance with Supervisory Provisions, as well as promoting the development of shareholders and the local communities, cooperation and education on savings and pensions, as well as social cohesion and the responsible and sustainable growth of the territories in which they operate.

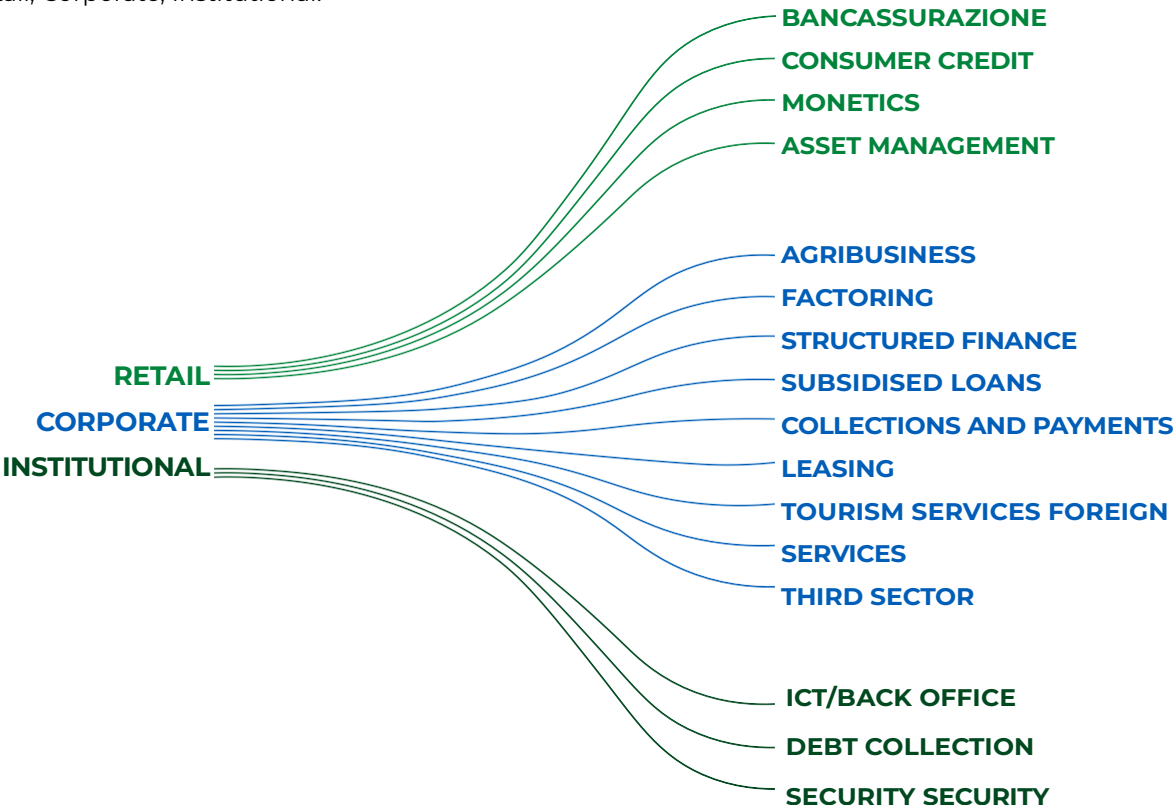
For their part, the mutual banks operate preferentially with the Group companies, reinforcing the features of partnership and proximity that have long characterized their relationships in order to ensure the implementation of the business vision embodied in the Cohesion Contract.

The Group includes mutual banks, and financial and instrumental companies directly controlled by Iccrea Banca, which carry out support and service activities for the mutual banks to support them in their growth. To effectively help the mutual banks in the relationship with their customers and cover the entire range of banking, financial and insurance products and services, the Group Companies are divided into the following three strategic business

⁴⁵ This specifically refers to exposures to or guaranteed by (i) central governments of the euro area, the ECB and the Bank of Italy, (ii) the parent company or other companies of the group to which it belongs; (iii) the guarantee systems established within the cooperative credit sector.

⁴⁶ Circular n. 285, Part Three, Chapter 5, Section 1, paragraph 1.

areas: Retail, Corporate, Institutional.



Compared to the previous reporting year, there have been no significant changes in the products and services offered by the Group.

The table below provides a list of the Group companies, divided by strategic business area and setting out the main features of their business:

BUSINESS AREA	GROUP COMPANY	MAIN BUSINESS FEATURES
INSTITUTIONAL	Iccrea Banca	As Parent Company provides financial services, including investment services (security trading, access to OTC markets), liquidity management (Group treasury, collateral funding with ECB, funding on regulated markets with the issue of bonds), execution of operations on the markets on behalf of the Affiliated banks, management of payment systems, managing relationships with the main players in the financial market. The Parent Company creates value by supporting the mutual banks in raising and managing capital, in accessing national and international markets, and in offering products and services to customers.
	BCC Sistemi Informatici BCC Sinergia BCC Gestione Crediti BCC Beni Immobili	These service organizations offer support to the operations carried out by the Parent Company and the other Group companies and Affiliated banks (information technology services, back-office services, credit management, facility management).
CORPORATE	BCC Leasing	This "captive" company addresses businesses by offering financial lease products placed through the online channel and the mutual banking network. The commercial offer includes "ESG" financing aimed at the purchase and construction of highly energy efficient properties, energy renovation of properties and construction of renewable energy generation plants.
	BCC Rent&Lease	This "captive" company targets the private market by offering "small ticket" lease products placed through the online channel and the mutual banking network. The commercial offer includes "ESG" financing aimed at purchasing low environmental impact vehicles.
	BCC Factoring	This "captive" company addresses the business market by offering factoring products placed through the online channel and the mutual banking network.
	BCC Financing	This bank specializes in medium-long term credit to businesses, in particular in the area of subsidized finance provided by the Friuli-Venezia Giulia region.
RETAIL	Mutual banks	The mutual banks are the main means by which the Group branches out in local areas to distribute its products and services and contribute to local social and economic development. The mutual banks offer consists of financing with "ESG" purposes, in addition to the products placed through their own network but originated by the other Group Companies. Their main target is represented by private individuals and small and medium-sized enterprises in the area in which they operate.
	BCC CreditoConsumo	This "captive" company is aimed at the private market by offering consumer credit products placed by the mutual banking network.
	BCC Risparmio&Previdenza	This "captive" company manages the assets collected from savers through the management of funds and funds of funds, whose shares are placed through the online channel and the mutual banking network. The commercial offer of the asset manager includes sustainable products, including funds aligned with art. 8 and 9 of the SFDR regulation.
	BCC Servizi Assicurativi	The company acts as a point of reference and support for the development and management of the insurance sector, providing services as an insurance hub to the Group's companies and providing operational and management support to the affiliated mutual banks to encourage the growth of the insurance sector.

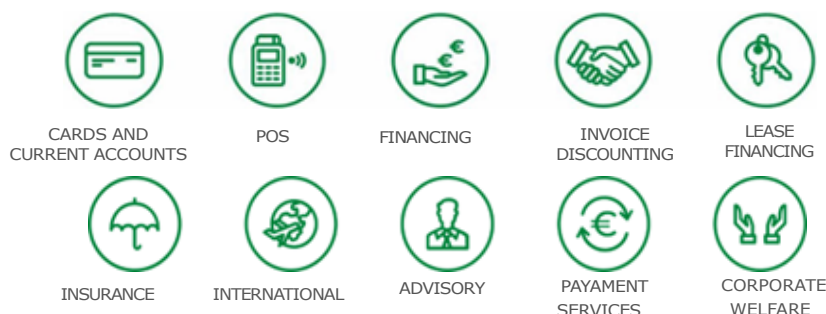
For details on operations and results generated by the strategic business areas as represented above, see section 5. "The Group's strategic lines of business" in the Report on Operations.

As regards loans, the main customer target segments are represented by consumer households and small-medium sized businesses, which are mainly offered medium-long term financing (mortgages and leasing). Also collection, due to the principle of circularity pursued by mutual banking, mainly comes from consumer households and small-medium sized businesses. Finally, the principle of supporting the local community is also implemented in the process of selecting suppliers, represented almost exclusively by counterparties based in the national territory, and, with particular reference to the mutual banks, preferring local suppliers, while respecting the criteria of ethics and impartiality).

Services to businesses⁴⁷ range from traditional technical forms of financing to structured finance products that can

⁴⁷ See <https://imprese.gruppobcciccrea.it>

be customized based on the sector of the client company, also through the vast network of consultants operating at the Affiliated banks and the support of the Parent Company's. The consultancy service offered by the Group aims to promote the growth of companies also from a sustainable perspective, through a vast offer of green products.



The services offered to retail customers,⁴⁸ including small economic operators and producer households, allow them to obtain an all-comprehensive support, tailored on the basis of needs of the individual customer, thanks also to the proximity of the Affiliated banks that characterizes the structure and strategy of the Group.



The affiliated banks and the Group companies are supported by the Parent Company at every stage of value creation, thanks to the information and technological systems made available, back- and front-office activities, specialist and professional skills within the organization.

Among the strategic initiatives included in the Group's business plan, a specific section is dedicated to the ESG strategy, expressing the Group's commitment to supporting the development of local communities, facilitating a sustainable transition, enhancing its personnel, as well as promoting innovation and digitalization processes as enabling factors for competitiveness and sustainability in the medium to long term.

In this regard, the Group has long been engaged in a process of continuous improvement in sustainability, progressively integrating ESG factors into corporate processes. In this regard, the following areas, among others, have assumed particular importance within the 2025-2027 ESG Plan:

- decarbonization of the loan portfolio: initiatives aimed at reducing "financed" emissions in sectors deemed priority based on the Group's exposures, identified, in this first phase, in the Agri-food sector and Residential Mortgages;
- reduction of own CO₂ emissions: initiatives aimed at reducing direct (Scope 1) and indirect (Scope 2) emissions;
- diversity, equity and inclusion initiatives: aimed at enhancing inclusive leadership and raising employee awareness on diversity issues;
- definition of the social framework: proactively measure and manage the social dimension of the communities involved, enhancing the peculiar elements of mutual banking.

In line with regulatory developments and with the Group's strategy aimed at a structured monitoring of ESG factors and strengthening the connection with local areas, the new 2026-2028 Sustainability Plan was defined and approved by the Board of Directors of the Parent Company on March 12, 2026, based on a proactive approach to sustainability, to systematically integrate environmental, social and governance dimensions into the Group's decision-making and operational processes.

Moreover, for the purposes of identifying and defining further strategic initiatives within the plan period, the

⁴⁸ See <https://www.gruppobccicrea.it/Pagine/ProdottiServizi/Per-tutti-i-progetti-di-vita.aspx>

following were considered as inputs, in addition to the results deriving from the double materiality analysis:

- the analysis of applicable legislation and its development;
- the analysis of the market and identification of the main trends, also in terms of national and European policies, functional to facilitate and accelerate the transition processes towards green production systems;
- analysis of the operating context of the Group,⁴⁹ with particular reference to risks and opportunities arising from climate and environmental issues related to the loan portfolio and the impact on the core business.

In this context, the existing ESG objectives were confirmed, as they are considered consistent with the Group's profile and aimed at generating a positive impact on local communities, while further activities were planned to strengthen existing controls and define new interventions, with particular reference to the following areas:

- **Environment:** The Group intends to promote an integrated, comprehensive approach to managing climate and environmental issues, confirming the decarbonization targets for its loan portfolio and reducing its own emissions. Key activities in this respect include the definition of a framework for sustainable products and the strengthening of the Group's green product offering.
- **Social:** The Group intends to consolidate its role in favor of social cohesion and financial inclusion in the area where it operates by strengthening tools for measuring social impact and promoting initiatives on diversity, equity and inclusion, as well as financial education, through mutual banks.
- **Governance:** The ambition is to strengthen the ESG culture and internal awareness on sustainability issues, through dedicated training initiatives, as well as improving the supplier evaluation framework, in line with the evolution of European regulations (CSDDD).

ESRS 2 SBM-2 - STAKEHOLDERS ENGAGEMENT

The definition of strategic ambitions related to sustainability derives from a constant analysis of the external and internal context and dialogue with the Group's main stakeholders, conducted within the scope of the double materiality analysis⁵⁰ aimed at identifying the priority topics, sub-topics and sub-sub topics for the Group.

A constant dialogue with stakeholders is particularly useful and constructive, first and foremost to always be well informed and effectively interpret the economic and social context in which we operate. This approach allows us to quickly adapt to the development of the industry, promoting the continuous improvement of the processes and strategies adopted. In this awareness, the Iccrea Group has established since its formation in 2019 a sound relationship with its internal and external stakeholders, based on the principles of transparency and mutual trust.

The engagement channels represent the main levers with which the Parent Company and the individual Group companies collect, analyze and incorporate the opinions and needs of stakeholders into their strategy and processes. Some channels are in fact codified within operational processes such as, for example, monitoring the achievement of commercial plans through analysis of periodic actual data, monitoring the execution of the diversity, equity and inclusion policy of workforce through climate surveys. Furthermore, using specific questionnaires to assess the materiality of sustainability matters represents the preferred channel for assessing the degree of attention of certain categories of stakeholders to ESG issues; this, together with the results from the other engagement channels, allows the prioritization of issues in the Group strategy.⁵¹

⁴⁹ With particular reference to climate-related and environmental risks and opportunities, see the section "ESRS E1 - Climate change"

⁵⁰ For a description of the analysis, please refer to the "Double materiality" section below.

⁵¹ This process ultimately involves the ESG Committee and the Board of Directors of the Parent Company in the development and approval of the sustainability plan included in the Group's business plan.

The following table summarizes the Group's stakeholders and highlights the main commitments undertaken towards them, as well as the engagement method used.

THE GROUP STAKEHOLDERS		
Category	General commitment taken	Main engagement methods
INTERNAL STAKEHOLDERS		
Mutual banks	Promote relationships based on the principles of collaboration, professionalism and transparency (as established by the Cohesion Contract). Support the stability and continuous development of mutual banks.	Surveys on the satisfaction with services and products offered by the Parent Company Territorial assemblies, Management team meetings Surveys for assessing the relevance of sustainability matters
Members of the mutual banks	Promote relationships, through the mutual banks, based on the principles of collaboration, professionalism and transparency. Ensure the development and strengthening of mutual banking.	Local committees managed by individual mutual banks Institutional website of the Parent Company and individual mutual banks (information on the banks' performance and local initiatives), social media Shareholders' meetings of mutual banks Questionnaires for assessing the relevance of sustainability matters
Iccrea Group people	Promote the growth and development of personnel, in compliance with the principle of equal opportunities. Recognize and enhance the skills of human resources. Ensure the protection of the psychological and physical integrity of workers and respect for their moral personality. Ensure the dignity of each person and prevention against any form of discrimination.	Climate surveys Group intranet portal ("mutual banks space") Questionnaires for assessing the relevance of sustainability matters
EXTERNAL STAKEHOLDERS		
Suppliers	Give priority to local suppliers, in order to foster the development of the areas in which the Group operates. Ensure a selection of suppliers based on the principle of impartiality, avoiding preferential or discriminatory treatment.	Questionnaires for assessing the relevance of sustainability matters Institutional website of the Parent Company and individual mutual banks (information on the banks' performance and local initiatives), social media
Local communities and territories	Contribute to the economic, intellectual and social enrichment of the territory and local communities. Use donations and sponsorships to support and promote initiatives to sustain and develop the community.	Direct reports from individual mutual banks Institutional website of the Parent Company and individual mutual banks (information on the banks' performance and local initiatives), social media
Customers	Promote relationships based on the principles of collaboration, professionalism and transparency. Ensure the transparency of banking operations and financial culture with the provision of exhaustive information prior to transactions, acting with a view to promoting customer engagement and supporting the activation of a sustainable transformation process. Adopt effective cyber security practices. Satisfy customers' financial needs with high-quality services and products oriented towards a green transition.	Customer satisfaction assessment Evaluation of the Group's and individual bank's reputation on the market Direct feedback via telephone and digital channels Questionnaires for assessing the relevance of sustainability matters
Third sector entities	Ensure the transparency of banking operations and financial culture with the provision of exhaustive information prior to transactions. Adopt effective cyber security practices. Satisfy customers' financial needs with increasingly better and high-quality services and products. Develop a line of ad hoc products to meet the needs of this category of stakeholders and a dedicated website.	Direct reports from the Parent Company and individual mutual banks Institutional website of the Parent Company and individual mutual banks (information on the banks' performance and local initiatives),
Trade associations	Promote relationships based on the principles of collaboration, professionalism and transparency. Ensure the transparency of banking operations and financial culture with the provision of exhaustive information prior to transactions.	Institutional website of the Parent Company and individual mutual banks (information on the Group performance)

	Adopt effective cyber security practices. Satisfy customers' financial needs with increasingly better and high-quality services and products.	
Financial communities and government entities	Promote relationships based on the principles of collaboration, professionalism and transparency. Ensure the transparency of banking operations and financial culture with the provision of exhaustive information prior to transactions. Adopt effective cyber security practices. Satisfy customers' financial needs with increasingly better and high-quality services and products.	Direct reports from the Parent Company Institutional website of the Parent Company and individual mutual banks (information on the Group performance)
Regulators and supervisors	Promote relationships based on the principles of collaboration, professionalism and transparency. Ensure the transparency of banking operations and financial culture with the provision of exhaustive information prior to transactions.	Direct reports from the Parent Company Institutional website of the Parent Company and individual mutual banks (information on the Group performance)

Among the internal stakeholders, top managers play a primary role, both in the Parent Company, for being in charge of defining and implementing the entire Group's strategic lines, and in the other Group companies, for being in charge for defining and implementing the Group's strategic lines within their own activities and territory.

In particular, a traditionally fundamental and consistent interaction with the mutual banks allows the Group to monitor relations with customers, territories and local communities. This interaction takes on strategic importance especially in relation to market, business development, communication and marketing activities that are carried out with the coordination of the Parent Company in close collaboration with the mutual banks.

In this regard, the organization of frequent opportunities for dialogue and discussion continued in 2025, contributing to an increasing flow of information to/from the Group Banks, including:

- the local area meetings, consultative meetings with a view to sharing the Group's directions and actions, taking into account the peculiarities of the local areas. The discussions concern issues of strategic importance, pertaining to the Group's business and related to mutual banking purposes;
- the plenary meetings of the so-called Management team, i.e. meetings between the top management of the Parent Company and the top management of the Group companies aimed at creating periodic (monthly) opportunities of dialogue on strategic, commercial and planning issues;
- information and training sessions dedicated to the commercial development of the "business" segment, aimed at helping the mutual banks' commercial network to understand regulatory innovations and market developments, the Group's lending strategies, services and products made available by the Group for the mutual banks, with a focus also on the issues of sustainability and green products;
- meetings organized by IDEE, the Association of Women in Cooperative Credit, aimed at promoting the contribution of women in the industry through the contribution of solidarity and culture between members, in order to strengthen the presence of women in the governance and management of the mutual banking system, promoted by the Parent Company.

As commented above, a fundamental step in the continuous listening process is represented by stakeholder engagement, a step in the broader double materiality analysis process that aims to gather the point of view of the various relevant stakeholders on material issues, in order to guide the Group's strategic choices on these aspects. The process, described in the following section "Double materiality", also provides for the representation of the results of the stakeholder engagement to the top bodies and internal board committees (Board of Directors and ESG Committee).

ESRS 2 IRO-1 – DOUBLE MATERIALITY

METHODOLOGY

In sustainability reporting, the concept of "materiality" is a crucial principle that guides the company in identifying the most important sustainability issues on which to base the definition of corporate strategic lines and to focus the disclosure of its performance to its stakeholders. Thinking from the perspective of material sustainability issues is in fact equivalent to considering, on the one hand, internal contextual factors such as strategic objectives, action priorities and company activities, and on the other, external contextual factors, represented by the interests and demands of the various stakeholders as well as regulatory developments and market trends.

The Group, progressing on the path of alignment with regulatory developments undertaken in previous years, has updated the process of assessing the materiality of sustainability issues in accordance with the requirements introduced by the CSRD, which provides for the performance of a so-called "double materiality" analysis, consisting of two dimensions:

- impact materiality ("inside-out"): assessment of actual or potential impacts on people and the environment related to the Group's operations and business. Impacts include those related to the company's operations and the upstream and downstream value chain, including its products and services, as well as its commercial relationships.
- financial materiality ("outside-in"): assessment of the financial implications, in terms of risks and opportunities, on the Group's financial performance.

The analysis of double materiality breaks down into the following macro-phases:

- understanding the context in which the Group operates;
- identification of impacts, risks and opportunities (hereinafter also "IRO") relating to sustainability matters;
- assessment and determination of the materiality of the IRO;
- reporting of the process followed and the results obtained.

Understanding the context is based on an in-depth analysis, both internal and external, aimed at identifying the qualifying elements of the market in which the Group operates and related trends. This analysis also considers the structure of the Group's business and its evolution, in line with the strategic ambitions and in response to changes in the market environment. The elements considered in the internal analysis include, first of all, the sustainability plan, integrated into the broader context of the Group's strategic plan. This analysis includes the evaluation of the results achieved, the identification of areas for improvement and the identification of any necessary revisions. The evaluation also includes: the assessments of rating agencies, the remarks of the Group's control functions, and those formulated by the supervisory bodies; information published by the Group on its institutional website (for example, financial reports, news and events); internal policies and processes, including risk management strategies; and regulations applicable to the Banking Group, together with their evolutions.

These internal context elements are analyzed in relation to additional information sources, including reports on standards for measuring sustainability performance (e.g., Global Risk Report, MSCI ESG Index, CDP Report, Principles for Responsible Banking – PRB), in addition to supervisory expectations of the Bank of Italy and the ECB in the ESG field. Furthermore, the positioning of the main market peers in sustainability is the subject of a benchmark analysis conducted on publicly available documentation, with the aim of contextualizing the Group's positioning with respect to comparable companies.

This analysis is preparatory to the identification and preliminary assessment of the list of IROs applicable to the Group, defined on the basis of the list of regulatory topics, sub-topics and sub-sub-topics referred to in ESRS 1, RA. 16, appropriately aggregated on the basis of the Group's context (business model and operations limited to the national context, value chain and commercial relations). The mapping of the IROs, structured on the 10 topical regulatory standards, integrates the mapping of impacts defined in previous financial years with the risks defined in the context of other internal processes, including in particular the Climate & Environmental Materiality Assessment activity carried out by the Risk Management Function on the climate and environmental risks to which the Group is exposed in relation to its operations and value chain, based on the preliminary analysis of the operating context, aimed at also identifying the potential opportunities (along the value chain) arising from the evolution of climate and environmental policies in relation to its business model.

The IRO assessment was developed on the basis of the metrics indicated by the regulation and the EFRAG guidelines for the impact and financial dimensions of materiality, assigning each of these a score from 1 to 4, as the materiality of the individual metric increases. In particular:

- the materiality of an impact was based on its level of severity, as the arithmetic mean of the score assigned to its scale (intensity of the effects on the environment and people), its scope (scale of the effects on the environment and people), the irremediability of the damage for negative impacts, and the likelihood for potential impacts;
- for the assessment of a risk or an opportunity, the scale of the financial effects was taken into account (scale of the effects on performance and on the economic-financial situation), and the likelihood for potential risks or opportunities.

The Group has defined a preliminary materiality threshold to identify the material topics⁵² and individual material IROs linked to each topic, equal to a score of 3 out of 4.

The preliminary assessment of the IROs, limited to impacts and opportunities, was integrated with the assessment received from stakeholders, with a weighing system identified by the Group.⁵³ The initiative, which allowed for the collection of about 4 thousand questionnaires, received the contribution of the following macro-categories of stakeholders:

GROUP MAIN STAKEHOLDERS

Stakeholder	Method of engagement	Contribution
Top managers ³⁷ of the Parent Company	Dissemination of questionnaire with dedicated e-mail message	Assessment of severity of impacts Assessment of scale of opportunities
ESG Ambassador ³⁸ del Gruppo	Dissemination of questionnaire with dedicated e-mail message	Assessment of severity of impacts Assessment of scale of opportunities
Top managers of the mutual banks and the direct scope companies	Dissemination of questionnaire with dedicated e-mail message	Assessment of severity of impacts Assessment of scale of opportunities
Employees of the Cooperative banking group	Dissemination of questionnaire via intranet	Assessment of severity of impacts
Members customers, suppliers of the mutual banks	Link on the company website and dissemination with dedicated e-mail message	Assessment of severity of impacts

In respect of risks, the preliminary analysis was integrated with the contribution of the Risk Management Function - in order to ensure an alignment between the risk mapping for CSRD purposes and that deriving from the internal frameworks - and the alignment of the evaluation rationale of the internal frameworks with the methodology defined for the purposes of the double materiality analysis conducted pursuant to the CSRD.

⁵² The score of which is equal to the maximum score detected at the level of single impact, risk and opportunity relating to the topic.

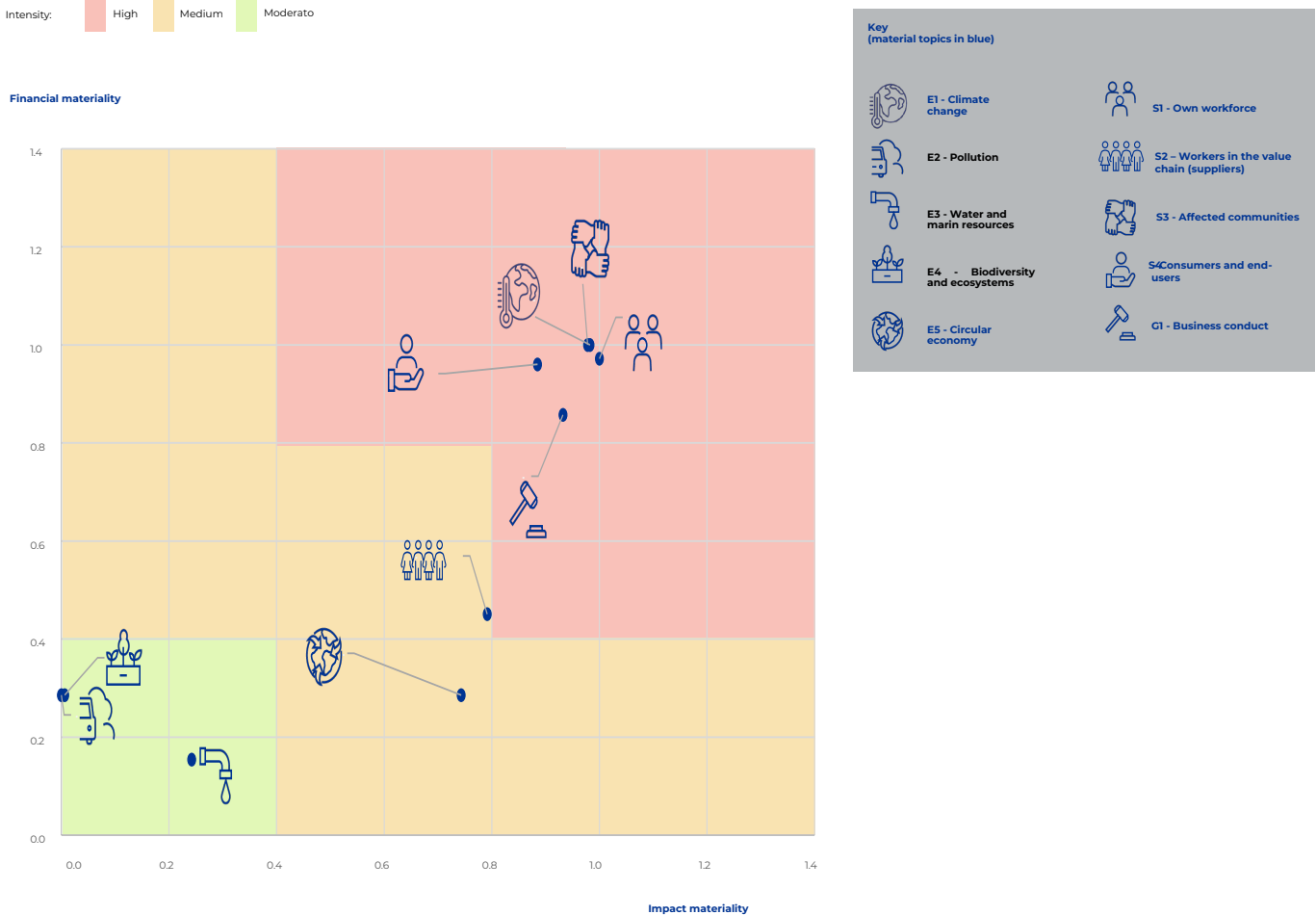
⁵³ Based on the weights assigned by the Group to the preliminary assessment (so-called "desk analysis") and to the assessment related to the involvement of top managers, ESG Ambassadors, employees and shareholders, customers and suppliers (the latter group representing the so-called stakeholders "affected" by the Group's operations), the same has an overall lower materiality than the views expressed by internal stakeholders and those affected.

³⁷ Directors, Managers, Area Chiefs of the Parent company.

³⁸ A position established under the Group's Sustainability Policy, which represents the point of reference for ESG issues within each corporate area of the Parent Company and each Group company.

ESRS 2 SBM-3 – OUTCOMES

To consolidate the analysis of the materiality of sustainability issues, the scores relating to impact materiality and financial materiality (composed of the scores of risks and opportunities, specifically the maximum score detected) have been normalized on a scale from 0 to 1, in order to allow their comparison, prioritization and representation within a matrix, reported below. Based on the result obtained, a normalized materiality threshold equal to 0.4 has been defined which determines the materiality of a topic in both the impact and financial dimensions.



From the combination of the two dimensions (impact materiality and financial materiality) summarized in the matrix, the following topics have with medium and high materiality: climate change, affected communities, own workforce, consumers and end-users, business conduct, workers in the value chain and circular economy. The remaining topics (i.e. pollution, biodiversity and ecosystems, and water and marine resources), which overall have a materiality level below the defined threshold, are not included as material topics in 2025 sustainability reporting.

The following table shows the regulatory topics and sub-topics that are material for reporting purposes as of December 31, 2025.

ESRS	Topic	Sub-topic	Sub-subtopic
E1	Climate change	Climate change adaption	
		Climate change mitigation	
		Energy	
E5	Circular economy	Circular economy	Waste
S1	Own workforce	Working conditions	Secure employment
			Working time
			Adequate wages
			Social dialogue
			Freedom of association, the existence of works councils and the information, consultation and participation rights of workers
			Collective bargaining, including rate of workers covered by collective agreements
			Work-life balance
			Health and safety
		Equal treatment opportunities for all and	Gender equality and equal pay for work of equal value
			Training and skill development
			Employment and inclusion of persons with disabilities
			Measures against violence and harassment in the workplace
			Diversity
		Other work related rights	Privacy
S2	Workers in the value chain	Working conditions	Secure employment
			Working time
			Adequate wages
			Social dialogue
			Freedom of association, including the existence of works councils
			Collective bargaining
			Work-life balance
			Health and safety
		Equal treatment opportunities for all and	Gender equality and equal pay for work of equal value
			Training and skill development
			Employment and inclusion of persons with disabilities
			Measures against violence and harassment in the workplace
			Diversity
		Other work related rights	Privacy
S3	Affected communities	Communities' economic, social and cultural rights	Adequate housing
			Adequate food
			Water and sanitation
			Land-related impacts
			Security-related impacts
		Communities' economic, social and cultural rights	Freedom of expression
			Freedom of assembly
			Impacts on human rights defenders
			Privacy
			Freedom of expression
S4	Consumers and end-users	Information-related impacts for consumers and end-users	Access to (quality) information
			Non discrimination
			Access to products and services
		Social inclusion of consumers and end-users	Responsible marketing practices
G1	Business conduct	Corporate culture	
		Protection of whistle blowers	
		Management of relationships with suppliers, including payment practices	Prevention and detection including training
			Injuries

The issues related to the fight against climate change, attention to the Group's values and integrity, and care and enhancement of its workforce are confirmed as priorities. Attention to the protection of customer rights, the supply

chain, as well as support for the local territory and communities where the Group operates, in line with the values and mission of mutual banking, are also central.

The process and results of the double materiality analysis were validated by the ESG Committee and approved by the Board of Directors of Iccrea Banca.

The following table shows the material IROs that emerged from the double materiality analysis for 2024, broken down by regulatory topic.

Material IRO	ESRS	Type of IRO	Upstream	Value Chain		Time horizon		
				Own operations	Downstream	Short	Medium	Long
Promoting awareness and commitment to fighting climate change by providing products and services to customers aimed at financing initiatives that promote the transition to a green economy and mitigate the negative impacts of climate change	Climate change	Impact			x		x	
Contribution to Scope 3 indirect emissions through own supply chain and financed customers	Climate change	Impact	x		x		x	
Production of direct and indirect emissions (scope 1 and scope 2) in the course of its operations, resulting in negative performance in terms of environmental sustainability	Climate change	Impact		x		x		
Reduction of the environmental impact of office facilities and related improvement of the working environment and of energy efficiency, through initiatives such as the green renovation of buildings, obtaining certifications of the environmental performance of facilities, increasing the use of green energy and the progressive conversion of the company car fleet	Climate change	Impact		x		x		
Credit Risk (transition risk). Decrease in the solvency of companies (Corporate) due to the negative impact on financial strength due to the failure to adapt to the sustainable transition	Climate change	Risk			x		x	
Credit Risk (physical risk) Decrease in the solvency of companies (Corporate) due to the negative impact on financial strength caused by physical risks	Climate change	Risk			x		x	
Credit Risk (Transition Risk) Loss of value of property collateral on exposures secured due to negative Energy Performance Certificate (EPC) ratings	Climate change	Risk			x		x	
Operational risk (physical risk): Damage to headquarters, network nodes, owned properties and IT system support infrastructure (including external suppliers) due to exposure to acute climate risks could slow operations and affect the Group's core functions.	Climate change	Risk		x			x	
Reputational and litigation risk (transition risk) Exposure to sectors with high climate risks could lead to detailed scrutiny from private and institutional stakeholders	Climate change	Risk		x	x		x	
Reputational and Litigation Risk (Transition Risk) Non-compliance with regulations and C&E expectations could result in audits and sanctions from supervisors	Climate change	Risk		x		x		
Reputational and litigation risk (transition risk) Risk of greenwashing on product offerings in the event of partial evidence of the actual positive "green" impact	Climate change	Risk		x		x		
Reputational and litigation risk (transition risk) Failure to align with decarbonization objectives with related reputational impacts	Climate change	Risk		x			x	
Reputational and litigation risk (transition risk) Misconduct on C&E issues towards a trusted counterparty	Climate change	Risk			x		x	
Sovereign risk (physical risk) Impact on sovereign bond portfolios due to the	Climate change	Risk			x	x		

implementation of policies to address climate change that require increased government spending by states, together with increased costs of dealing with the increased frequency of damages related to climate hazards						
Operational risk (transition risk) Fluctuations in energy prices that have a significant impact on current expenditure and the value of investments	Climate change	Risk		x		x
Creation of products, services and initiatives aimed at customers to support them in pursuing their environmental objectives, including the achievement of decarbonization targets	Climate change	Opportunity			x	x
Investments aimed at implementing green projects (e.g. green project financing) with a view to energy transition	Climate change	Opportunity		x		
Investment in new technologies and access to new markets (e.g. carbon credit trading)	Climate change	Opportunity		x		
Development of initiatives to promote energy efficiency of buildings and greater use of renewable energy sources	Climate change	Opportunity		x		x
Support for the "responsible and sustainable growth of the area in which it operates", distinguishing itself "for its social orientation and for the choice to build the common good", in line with the mission provided for in the articles of association	Business conduct	Impact		x	x	x
Dissemination a culture of fairness and ethics among employees and in the market	Business conduct	Impact		x	x	x
Ineffectiveness of whistleblowing processes and/or in the protection of users who rely on whistleblowing processes, resulting in their distrust in the Banking Group	Business conduct	Impact		x		x
Damages to suppliers, especially SMEs, due to failure to meet payment deadlines	Business conduct	Impact	x			x
Contribution to the diffusion of a culture of fairness and ethics among employees and in the market through the provision of training programs aimed at employees and shareholders and the communication of company policies	Business conduct	Impact		x	x	x
Occurrence of corruption episodes to the detriment of the market and the community	Business conduct	Impact		x		x
Risk of non-compliance. Failure to update internal regulations in the face of expanding regulatory framework on corporate culture and whistleblower protection	Business conduct	Risk		x		x
Reputational and Litigation Risk Incidents of regulatory non-compliance and loss of customer and market confidence	Business conduct	Risk	x	x	x	x
Reputational and Litigation risk Reputational damages following incorrect management of supplier relations (including failure to respect agreed payment terms)	Business conduct	Risk		x		x
Operational Risk Losses incurred as a result of legal proceedings, which could interrupt business continuity, resulting from money laundering, misconduct events and non-compliance events	Business conduct	Risk		x		x
Fraud risk (internal and external) Fraud attempted or perpetrated by Group employees or external parties to the detriment of the Group	Business conduct	Risk		x		x
Reputational and Litigation risk Financial crime: money laundering, sanctions violations, corruption and bribery	Business conduct	Risk		x		x
Improving reputation by promoting initiatives that support corporate culture.	Business conduct	Opportunity	x			x
Improving the quality of products and services purchased through a more sustainable supply chain and certified	Business conduct	Opportunity		x		x

products (incorporating minimum environmental criteria), and developing good business relationships with suppliers (based on responsible payment practices).					
Improving reputation through investments in the development of innovative tools to manage, monitor and prevent active and passive corruption.	Business conduct	Opportunity	x		x
Improvement of the working environment through policies and initiatives aimed at ensuring the psychological and physical well-being of its employees, and through the implementation of the Management System for Health and Safety at Work	Own workforce	Impact	x		x
Adoption and promotion of policies and actions aimed at promoting employment stability.	Own workforce	Impact	x		x
Contribution to the satisfaction of workforce and to improving the quality of work, ensuring compliance with union agreements and/or the freedom of association of employees and the constraints set out in collective bargaining	Own workforce	Impact	x		x
Increased employee well-being through the use of flexible working arrangements and/or remote working	Own workforce	Impact	x		x
Increased well-being of workers with the protection of the work-life balance, the formalization of People Care policies functional to the promotion of initiatives that include respect for work-life balance, and the recognition of welfare goods and services, such as study and education and assistance services	Own workforce	Impact	x		x
Reduction of employee insecurity due to incidents of harassment and/or the lack of measures to protect workers and/or awareness-raising initiatives	Own workforce	Impact	x		x
Creating a respectful and inclusive work environment	Own workforce	Impact	x		x
Creating an accessible and barrier-free work environment for the integration of workers with disabilities	Own workforce	Impact	x		x
Employee feelings of insecurity and frustration due to discrimination and non-inclusive practices within the workplace	Own workforce	Impact	x		x
Implementation of policies and initiatives aimed at ensuring equal treatment in selection and remuneration policies, including through obtaining specific certifications that attest to the ongoing Group's commitment and results	Own workforce	Impact	x		x
Improving workers' skills through training and professional development activities, general and technical programs, also linked to personal growth and evaluation objectives, creating a working environment characterized by a culture of merit	Own workforce	Impact	x	x	
Violation of employees' right to privacy resulting from inadequate management systems or ineffective application of preventive procedures and actions	Own workforce	Impact	x		x
Reputational and litigation risk, Risk of negative impact on the Group's image due to violations of human rights, labor legislation, suboptimal management of employment relationships (level of working conditions such as guarantees of adequate working hours, guarantee of social dialogue and freedom of association, compliance with collective agreements, protection of health and safety conditions) as well as wages, benefits and employment relationships (dismissals, illegal transfers, deaths, illnesses, etc.) for employees and/or non-employees) and failure to guarantee safe employment	Own workforce	Risk	x		x

Reputational and litigation risk, Risk of a high increase in the level of stress of workforce, with consequent increase in the turnover rate and loss of positive image on the job market	Own workforce	Risk	x		x
Reputational and litigation risk Inability of Group companies to attract and retain qualified employees due to incorrect management of company personnel	Own workforce	Risk	x		x
Reputational and litigation risk Risk of not being effective in identifying and preventing situations of discrimination in the workplace, also due to inadequate staff training	Own workforce	Risk	x		x
Operational risk Risk of financial losses due to a high turnover rate, caused by the sense of insecurity and dissatisfaction generated in one's workforce	Own workforce	Risk	x		x
Reputational and Litigation risk Damage to the image caused by the failure to ensure the neutrality of remuneration treatments (in fixed and variable amounts) with respect to elements of diversity	Own workforce	Risk	x	x	
Operational Risk Failure to leverage the skills of qualified employees and increased operational inefficiency, while increasing the occurrence of events that may compromise business continuity	Own workforce	Risk	x		x
Operational Risk Risk of loss due to breach of confidentiality, failure of system and data integrity, inadequacy or unavailability of systems and data. This includes security risks arising from inadequate or failed internal processes or external events, including cyber-attacks, and risks due to the inability to manage IT changes	Own workforce	Risk	x		x
Increased ability to attract staff through job creation and protection, and consequent improvement in workforce performance and reduction in turnover rate	Own workforce	Opportunity	x		x
Improve the performance of own workforce and reduce turnover rates by creating a safe and healthy workplace, promoting people's well-being and improving work-life balance	Own workforce	Opportunity	x		x
Creation and promotion of a working environment that guarantees respect for human rights and workers' rights and the promotion of equality and human dignity, and that promotes equal access to equal opportunities for all its employees	Own workforce	Opportunity	x		x
Increase the productivity of own workforce through an effective training and skills development system, and ensuring the availability of a performance evaluation and professional development system	Own workforce	Opportunity	x		x
Promotion of initiatives aimed at ensuring confidentiality and privacy in the Group's work environments	Own workforce	Opportunity	x		x
Dissemination of ethics of worker protection and their rights					
Dissemination of the development of good working practices and promotion of talent development initiatives	Workers in the value chain				
Reputational and litigation risk. Commercial relationships of the Group with entities along the value chain that: - do not have adequate measures/policies for the prevention of violence and harassment, inclusion and diversity, employment and inclusion of people with disabilities, training activities, ensuring equal treatment and opportunities, gender pay gap;	Workers in the value chain	Impact Risk	x		x
- they do not provide an inclusive working environment;	Workers in the value chain	Opportunity	x		x

- they do not provide a safe working environment and do not adopt measures to protect work-life balance	Consumers and end-users	Impact	x	x
Promote collaborations with suppliers and business partners that respect human rights and establish good business practices	Workers in the value chain	Opportunity	x	x
Improved customer satisfaction levels by offering tailor-made products/services and using user-friendly digital channels	Consumers and end-users	Impact	x	x
Contribution to promoting knowledge and understanding of banking services and products by customers and individuals through the planning of financial education activities	Consumers and end-users li	Impact	x	X
Promoting access to products and services by supporting small businesses, and projects with positive social impacts through the provision of microcredit financing and the offer of dedicated credit for the Third Sector	Consumers and end-users	Impact	x	x
Dissemination of misleading information, or implementation of commercial strategies that spread misleading messages, which contribute to generating confusion or false expectations in customers	Consumers and end-users	Impact	x	x
Violation of the right to privacy of customers resulting from inadequate management systems or ineffective application of procedures and preventive actions resulting in loss of data	Consumers and end-users	Impact	x	x
Operational risk Inability of individuals and/or organizations not yet integrated into the ordinary financial system to access banking services	Consumers and end-users	Risk	x	x
Reputational and litigation risk Lack of transparency in relations with the community and damage to the image in the event of exclusion of disadvantaged categories or areas in the offer of banking services	Consumers and end-users	Risk	x	x
Reputational and Litigation Risk Inability to provide financial products that attract greater customer interest	Consumers and end-users	Risk	x	x
Reputational and Litigation risk Lack of structured relationships with regulatory bodies and with Partners that generate reputational damage	Consumers and end-users	Risk	x	x
Operational Risk Risk of loss due to breach of confidentiality, failure of system and data integrity, inadequacy or unavailability of systems and data. This includes security risks arising from inadequate or failed internal processes or external events, including cyber-attacks, and risks due to the inability to manage IT changes	Consumers and end-users	Risk	x	x
Creation of systems/platforms that guarantee access to the products and services offered to all customers	Consumers and end-users	Opportunity	x	x
Expansion of market share and improvement of retention thanks to the implementation of digital/innovative solutions, products and services	Consumers and end-users	Opportunity	x	x
Increase of market share through the development of initiatives to support customers and facilitate access to economic and financial resources	Consumers and end-users	Opportunity	x	x
Improved reputation by promoting effective financial education initiatives	Consumers and end-users	Opportunity	x	x
Improved relationships with customers and shareholders through clear and transparent communication	Consumers and end-users	Opportunity	x	x
Improved customer loyalty by optimizing company assets in terms of privacy and data security and by creating a solid and secure IT system	Consumers and end-users	Opportunity	x	x

Adoption of long-term responsible tax practices in order to attract conscientious customers and investors and, consequently, gain a competitive advantage	Consumers and end-users	Opportunity	x	x
Promoting access to adequate housing and basic services, including through financing initiatives for the construction, renovation and development of social housing aimed at low-income population groups	Affected communities	Impact	x	x
Contribution to the social and economic progress of the area, thanks to widespread support for households and micro and small-medium enterprises, and through strategic collaborations with local organizations and the financial and business sector aimed at establishing and promoting financial inclusion projects	Affected communities	Impact	x	x
Contribution to the dissemination of civil rights related to freedom of expression and assembly that has a positive impact (e.g. on human rights defenders) on affected communities	Affected communities	Impact	x	x
Contribution to the creation of a positive social impact through direct support, financing to third sector entities, and provision of funds for charity and sponsorships	Affected communities	Impact	x	x
Reputational and Litigation Risk of violation of regulations and consequent sanctions due to incorrect management of credit or reduced presence in the territory	Affected communities	Risk	x	x
Reputational and Litigation Risk Reputational risk following the disclosure of data on grants, donations, sponsorships and other initiatives to support communities below stakeholders' expectations	Affected communities	Risk	x	X
Promotion of initiatives that support the development of the territories and affected communities	Affected communities	Opportunity	x	X
Collaborations with local organizations, industrial and professional associations and community groups to create sustainable and impactful programs	Affected communities	Opportunity	x	x
Promotion and support of subsidized financing, in order to be able to meet the needs of every type of client company	Affected communities	Opportunity	x	x
Increase market share by expanding the offer of products with a positive social impact, such as those related to the third sector	Affected communities	Opportunity	x	x
Promotion of an efficient and responsible approach to the management of natural resources, starting from own operations and the management of office facilities and branches and through initiatives to dematerialize processes and services	Circular economy	Impact	x	x
Promotion of an efficient and responsible approach to waste management thanks to initiatives such as, for example, increased use of recycled products, reduction of waste production, and increase in the share of recycled waste	Circular economy	Impact	x	x
Credit Risk (transition risk). Decrease in the solvency of companies (Corporate) due to the negative impact on financial strength caused by failure to comply with environmental protection	Circular economy	Risk	x	x
Economic savings related to the implementation of initiatives and projects for an efficient use of resources and raw materials, reuse, recycling and dematerialization	Circular economy	Opportunity	x	x
Design of new products and services to support customers in projects for an efficient waste production and management	Circular economy	Opportunity	x	x

ESRS 2 IRO-2 - LIST OF DISCLOSURE REQUIREMENTS INCLUDED IN THE SUSTAINABILITY STATEMENT PURSUANT TO ESRS

Considering the results of the double materiality analysis, the table below lists the disclosure requirements for each topic included in the Statement and a cross reference within the Statement:

ESRS	Topic	Disclosure Requirement	Cross-reference in the sustainability statement	Page
2	General information	BP-1	ESRS 2 BP-1 – General basis for preparation of the sustainability statement	84
		BP-2	ESRS 2 BP-1 – Reporting scope and value chain	85
		BP-2	ESRS 2 BP-2 – Disclosures in relation to specific circumstances	87
		GOV-1	ESRS 2 GOV-1 – Group governance	113
		GOV-1	ESRS 2 GOV-1 – Composition and role of the administrative, management and supervisory bodies	114
		GOV-2	ESRS 2 GOV-2, GOV-3 – Sustainability governance	122
		GOV-3	ESRS 2 GOV-2, GOV-3 – Sustainability governance	122
		GOV-4	ESRS 2 GOV-4 – Due diligence	127
		GOV-5	ESRS 2 GOV-5 – The internal control system	127
		SBM-1	ESRS 2 SBM-1 – Strategy and business model	89
		SBM-2	ESRS 2 SBM-2 – Stakeholders engagement	94
		SBM-3	ESRS 2 SBM-3- Outcomes	99
		IRO-1	ESRS 2 IRO-1 – Double materiality	97
		IRO-1	ESRS 2 IRO-1 –ESG risk management	128
		IRO-2	ESRS 2 IRO-2 – List of disclosure requirements included in the sustainability statement pursuant to ESRS	107
E1	Climate change	ESRS 2 GOV-3	ESRS E1 GOV-3 – Incentive schemes	199
		ESRS 2 SBM-3	ESRS E1 – SBM-3 and IRO-1 – Resilience analysis	170
		ESRS 2 IRO-1	ESRS E1 – SBM-3 and IRO-1 – Resilience analysis	170
		E1-1	ESRS E1-1 – Transition plan	164
		E1-2	ESRS E1-2 – Policies	178
		E1-3, E1-5, E1-6	ESRS E1-3, E1-5, E1-6 – Actions and metrics	183
E5	Circular economy	E1-4	ESRS E1-4 – Targets	197
		ESRS 2 IRO-1	ESRS IRO-1, E5-2, E5-3, E5-5 – Actions and metrics	205
		E5-1	ESRS E5-1 – Policies	204
S1	Own workforce	E5-2,E5-3, E5-5	ESRS IRO-1, E5-2, E5-3, E5-5 – Actions and metrics	205
		ESRS 2-SBM-3	ESRS S1 – Own workforce	209
		S1-1	ESRS S1-1 - Policies	210
		S1-2	ESRS S1-2 – Processes for engaging with own workforce	216
		S1-3	ESRS S1-3 – Processes to identify and remediate negative impacts	218
		S1-4, S1-6, S1-8, S1-9, S1-10, S1-11, S1-12, S1-13, S1-14, S1-16, S1-17	ESRS S1-4, S1-6, S1-8, S1-9, S1-10, S1-11, S1-12, S1-13, S1-14, S1-16, S1-17 – Actions and metrics	219
		S1-5	ESRS S1-5 – Targets	252
		ESRS 2 SBM-3	ESRS S2 – Workers in the value chain	255
S2	Workers in the value chain	S2-1	ESRS S2-1 – Policies	255
		S2-2	ESRS S2-2 - Processes to identify and remediate negative impacts	257
		S2-3	ESRS S2-3 – Channels for value chain workers to raise concerns	258
		S2-4, S2-5	ESRS S2-4, S2-5 – Actions	259
S3	Affected communities	ESRS 2 SBM-3	ESRS S3 – Affected communities	260
		S3-1	ESRS S3-1 – Policies	260
		S3-2, S3-3	ESRS S3-2, S3-3 - Processes for engaging with affected communities	261
		S3-4, S3-5	ESRS S3-4, S3-5 – Actions	262
S4	Consumers and end-users	ESRS 2 SBM-2	ESRS S4 – Consumers and end-users	273
		S4-1	ESRS S4-1 – Policies	273
		S4-2	ESRS S4-2 - Processes for engaging with consumers and end-users	278
		S4-3	ESRS S4-3 – Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	280
		S4-4, S4-5	ESRS S4-4, S4-5 – Actions	281
G1	Business conduct	ESRS 2 GOV-1	ESRS 2 GOV-1 – The role of administrative, management and supervisory bodies	286
		G1-1	ESRS G1-1 – Corporate culture and business conduct policies	288
		G1-2, G1-6	ESRS G1-2, G1-6 – Management of relations with suppliers and payment practices	295
		G1-3, G1-4, G1-5 ⁵⁴	ESRS G1-3, G1-4, G1-5 – Prevention and detection of corruption and bribery	294

⁵⁴ This information was not included in 2024 due to a problem that arose when printing the document.

The table below shows the datapoints in ESRS 2 and topical ESRSs that derive from other European Union legislations, referred to in Appendix B of ESRS 2. For each element, the table provide a cross reference within the sustainability statement, or the reason why the information element has not been reported.

Disclosure requirement and related datapoint	SFDR ⁵⁵	Pillar 3 ⁵⁶	Benchmark Regulation ⁵⁷	European climate law ⁵⁸	Cross reference in the sustainability statement
ESRS 2 GOV-1 Board's gender diversity, paragraph 21, letter d)	Annex I, table 1, indicator 13		Commission Delegated Regulation (EU) 2020/1816, Annex II ⁵⁹		ESRS 2 – General disclosures: Group Governance – Composition and role of the administrative, management and control bodies
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21, letter e)			Delegated Regulation (EU) 2020/1816, Annex II		ESRS 2 – General disclosures: Group governance - Composition and role of the administrative, management and control bodies
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Annex I, table 3, indicator no. 10				ESRS 2 - General disclosures: Group governance – Sustainability governance
ESRS 2 SBM-1 Involvement in activities related to fossil fuels, paragraph 40, letter d), i)	Annex I, Table 1, indicator no. 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 ⁶⁰ , Table 1 – Qualitative information on environmental risk and Table 2 – Qualitative information on social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not applicable to Group's activities
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40, letter d), (ii)	Annex I, table 2, indicator no. 9		Commission Delegated Regulation (EU) 2020/1816, Annex II		Not applicable to Group's activities
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40, letter d), (iii)	Annex I, Table 1, indicator no. 14		Article 12(1), of Delegated Regulation UE) 2020/1818 ⁶¹ and Annex II of Delegated Regulation (UE) 2020/1816		Not applicable to Group's activities
ESRS 2 SBM-1 Involvement in activities related to the cultivation and production of tobacco, paragraph 40, letter d) (iv)			Article 12(1), of Delegated Regulation UE) 2020/1818 and Annex II of Delegated Regulation (UE) 2020/1816		Not applicable to Group's activities
ESRS E1-1				Regulation	ESRS E1 Climate

⁵⁵ Regulation (EU) 2019/2088 of the European Parliament and of the Council of November 27, 2019 on sustainability-related disclosures in the financial services sector (SFDR) (OJ L 317, 9.12.2019, p. 1).

⁵⁶ Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation) (OJ L 176, 27.6.2013, p. 1).

⁵⁷ Regulation (EU) 2016/1011 of the European Parliament and of the Council of June 8, 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

⁵⁸ Regulation (EU) 2021/1119 of the European Parliament and of the Council of June 30, 2021 establishing the framework for the achievement of climate neutrality, and amending Regulation (EC) No 401/2009 and Regulation (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).

⁵⁹ Commission Delegated Regulation (EU) 2020/1816 of July 17 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

⁶⁰ Commission Implementing Regulation (EU) 2022/2453 of November 30 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 with regard to disclosure of environmental, social and governance risks (OJ L 324, 19.12.2022, p. 1).

⁶¹ Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council with regard to minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Transition plan to reach climate neutrality by 2050, paragraph 14			(EU) 2021/1119 article 2(l)	change: Transition plan;
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16, letter g)		Article 449a of Regulation (EU) 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Article 12, paragraph 1, points (a) to (g), and paragraph 2, of Delegated Regulation (EU) 2020/1818	ESRS E1 Climate change: Actions and metrics
ESRS E1-4 GHG emission reduction targets, paragraph 34	Annex I, Table 2, indicator no. 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – climate change transition risk: alignment metrics	Article 6 Delegated Regulation (EU) 2020/1818	ESRS E1 – Climate change; Targets
ESRS E1-5 Energy consumption from fossil fuels disaggregated by sources (only high climate impact sectors), paragraph 38	Annex I, Table 1, indicator no. 5 e Annex I, Table 2, indicator no.5			ESRS E1 – Climate change: Actions and metrics
ESRS E1-5 Energy consumption and mix, paragraph 37	Annex I, Table 1, indicator no. 5			ESRS E1 – Climate change: Actions and metrics
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraph 40 to 43	Annex I, Table 1, indicator no. no.6			ESRS E1 – Climate change: Actions and metrics
ESRS E1-6 Gross scope 1, 2, 3 and total GHG emissions, paragraph 44	Annex I, Table 1, indicators no. 1 and 2	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – climate change transition risk: credit quality of exposures by sector, emissions and residual maturity	Article 5, paragraph 1, art. 6 and 8, paragraph 1, of Delegated regulation (EU) 2020/1818	ESRS E1 – Climate change: Actions and metrics
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Annex I, Table 1, indicator no.3	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book – climate change transition risk: alignment metrics	Article 8, paragraph 1, of delegated regulation (EU) 2020/1818	ESRS E1 – Climate change: Actions and metrics
ESRS E1-7 GHG removal and carbon credits, paragraph 56			Article 2 (l) Regulation (EU) 2021/1119	Not applicable (for 2025);
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Annex II of Delegated Regulation (EU) 2020/1818 and Annex II of Delegated Regulation (EU) 2020/1816	N/A (phase-in)
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Location of significant physical assets at material physical risk, paragraph 66(c)		Article 449a of Regulation (EU) 575/2013; points paragraphs and 47 of Commission Implementing Regulation (EU) 2022/2453; Template 5: Banking book – Climate change physical risk: exposures subject to physical risk		N/A (phase-in)
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy efficiency classes, paragraph 67, letter c)		Article 449a of Regulation (EU) No 575/2013; paragraph 34 of Commission Implementing Regulation (EU) 2022/2453; Template 2: Banking book – climate related transition risk: loans collateralized by immovable property– Energy efficiency of the collateral		N/A (phase-in)
ESRS E1-9 Degree of exposure of the			Annex II to Delegated	N/A (phase-in)

portfolio to climate-related opportunities, paragraph 69		Regulation (EU) 2020/1818	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and land, paragraph 28	Annex I, Table 1, Indicator No.8; Annex I, Table 2, Indicator No.2; Annex I, Table 2, Indicator No.1; Annex I, Table 2, Indicator No.3		N/A (not material in 2024)
ESRS E3-1 Water and marine resources, paragraph 9	Annex I, table 2, indicator no.7		N/A (not material in 2024)
ESRS E3-1 Dedicated Policy, paragraph 13	Annex I, table 2, indicator no.8		N/A (not material in 2024)
ESRS E3-1 Sustainable oceans and seas paragraph 14	Annex I, table 2, indicator no.12		N/A (not material in 2024)
ESRS E3-4 Total water recycled and reused, paragraph 28, letter c)	Annex I, table 2, indicator no.6,2		N/A (not material in 2024)
ESRS E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29	Annex I, table 2, indicator no.6,1		N/A (not material in 2024)
ESRS 2 IRO-1 – E4 paragraph 16, letter a), point i)	Annex I, table 1, indicator no.7		ESRS E4 – Biodiversity and ecosystems
ESRS 2 IRO-1 – E4 paragraph 16, letter b)	Annex I, table 2, indicator no.10		ESRS E4 – Biodiversity and ecosystems
ESRS 2 IRO-1 – E4 paragraph 16, letter c)	Annex I, table 2, indicator no.14		ESRS E4 – Biodiversity and ecosystems
ESRS E4-2 Sustainable land/agriculture practices and policies, paragraph 24, letter b)	Annex I, table 2, indicator no.11		N/A (not material in 2024)
ESRS E4-2 Sustainable ocean/seas practices or policies, paragraph 24, letter c)	Annex I, table 2, indicator no.12		N/A (not material in 2025)
ESRS E4-2 Policies to address deforestation, paragraph 24, letter d)	Annex I, table 2, indicator no.15		N/A (not material in 2025)
ESRS E5-5 Non-recycled waste, paragraph 37, letter d)	Annex I, table 2, indicator no.13		ESRS E5 – Resource use and circular economy; Actions and metrics
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Annex I, table 1, indicator no.9		Not applicable to Group's activities
ESRS 2 – SBM3 – S1 Risk of incidents of forced labor, paragraph 14, letter f)	Annex I, table 3, indicator no.13		N/A (not material in 2025)
ESRS 2 – SBM3 – S1 Risk of incidents of child labor, paragraph 14, letter g)	Annex I, table 3, indicator no.12		N/A (not material in 2025)
ESRS S1-1 Human rights policy commitments, paragraph 20	Annex I, table 3, indicator no.9 e Annex I, table 1, indicator no.11		ESRS S1 – Own workforce; Policies
ESRS S1-1 Due diligence policies on issues addressed by fundamental International Labor Organization conventions 1 to 8, paragraph 21		Commission Delegated Regulation (EU) 2020/1816, Annex II	ESRS S1 – Own workforce; Policies
ESRS S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Annex I, table 3, indicator no.11		N/A (not material in 2025)
ESRS S1-1 Workplace accidents prevention policy or management system,	Annex I, table 3, indicator no.1		ESRS S1 – Own workforce; Policies; Actions and metrics

paragraph 23			
ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32, letter c)	Annex I, table 3, indicator no.5		ESRS S1 – Own workforce; Actions and metrics
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88, letters b) e c)	Annex I, table 3, indicator no.2	Commission Delegated Regulation (EU) 2020/1816, Annex II	ESRS S1 – Own workforce; Actions and metrics
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88, letter e)	Annex I, table 3, indicator no.3		ESRS S1 – Own workforce; Actions and metrics
ESRS S1-16 Unadjusted gender pay gap, paragraph 97, letter a)	Annex I, table 1, indicator no.12	Commission Delegated Regulation (EU) 2020/1816, Annex II	ESRS S1 – Own workforce; Actions and metrics
ESRS S1-16 Excessive CEO pay ratio, paragraph 97, letter b)	Annex I, table 3, indicator no.8		ESRS S1 – Own workforce; Actions and metrics
ESRS S1-17 Incidents of discrimination, paragraph 103, letter a)	Annex I, table 3, indicator no.7		ESRS S1 – Own workforce; Actions and metrics
ESR S1-17 Non-respect of UN Guiding Principles on Business and Human Rights and OECD, paragraph 104, letter a)	Annex I, table 1, indicator no.10 e Annex I, table 3, indicator no.14	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	ESRS S1 – Own workforce; Actions and metrics
ESRS 2 SBM-3 – S2 Significant risk of child labor or forced labor in the value chain, paragraph 11, letter b)	Annex I, table 3, indicators nn. 12 and 13		N/A (not material in 2025)
ESRS S2-1 Human rights policy commitments, paragraph 17	Annex I, table 3, indicator no.9 e Annex I, table 1, indicator no.11		ESRS S2 –Value chain workers; Policies
ESRS S2-1 Policies related to value chain workers, paragraph 18	Annex I, table 3, indicators nn. 11 and 4		ESRS S2 – Value chain workers; Policies
ESRS S2-1 Non-respect of UN Guiding Principles on Business and Human Rights and OECD Guidelines, paragraph 19	Annex I, table 1, indicator no.10	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	ESRS S2 – Value chain workers; Policies
ESRS S2-1 Due diligence policies on issues addressed by fundamental International Labor Organization conventions 1 to 8, paragraph 19		Commission Delegated Regulation (EU) 2020/1816, Annex II	ESRS S2 – Value chain workers; Policies
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Annex I, table 3, indicator no.14		ESRS S2 – Value chain workers; Policies
ESRS S3-1 Human rights policy commitments on, paragraph 16	Annex I, table 3, indicator no.9 e Annex I, Table 1, indicator no.11		ESRS S3 – Affected communities; Policies
ESRS S3-1 Non-respect of the United Nations Guiding Principles on Business and Human Rights, the ILO Principles or and the OECD Guidelines, paragraph 17	Annex I, table 1, indicator no.10	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	ESRS S3 – Affected communities; Policies
ESRS S3-4 Human rights issues and incidents, paragraph 36	Annex I, table 3, indicator no.14		ESRS S3 – Affected communities; Policies
ESRS S4-1 Policies related to	Annex I, table 3,		ESRS S4 –

consumer and end-users, paragraph 16	indicator no.9 and Annex I, table 1, indicator no.11		Consumers and end-users; Policies
ESRS S4-1 Non-respect of the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines, paragraph 17	Annex I, table 1, indicator no.10	Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	ESRS S4 – Consumers and end-users; Policies
ESRS S4-4 Human rights issues and incidents, paragraph 35	Annex I, table 3, indicator no.14		ESRS S4 – Consumers and end-users; Policies
ESRS G1-1 United Nations Convention against Corruption, paragraph 10, letter b)	Annex I, table 3, indicator no.15		ESRS G1 – Business conduct; Prevention and detection of corruption
ESRS G1-1 Protection of whistleblowers, paragraph 10, letter d)	Annex I, table 3, indicator no.6		ESRS G1 – Business conduct; Prevention and detection of corruption
ESRS G1-4 Fines for violations of anti-corruption and anti-bribery laws, paragraph 24, letter a)	Annex I, table 3, indicator no.17	Annex II of Delegated Regulation (EU) 2020/1816	ESRS G1 – Business conduct; Prevention and detection of corruption
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24, letter b)	Annex I, table 3, indicator no.16		ESRS G1 – Business conduct; Prevention and detection of corruption

ESRS 2 – GOV-1 – GROUP GOVERNANCE

The governance model of the Parent Company and of the management and coordination scope companies is founded on the principle of sharing a single business design whose goal is to create value for the affiliated banks and the Group as a whole.

This principle is designed to ensure:

- an adequate level of integration and coordination for the effective implementation of the Group's organizational model, the achievement of economies and synergies, and the achievement of strategic objectives;
- the degree of independence of the directors of the management and coordination scope companies to enable them to be fully accountable for strategic and operational decisions, consistent with the guidelines and guidance provided by the Parent Company;
- the operational autonomy and the accountability of the management and coordination scope companies' management, in order to ensure the full achievement of the results envisaged in their strategic plans and, consequently, the objectives of the Group's Strategic Plan.

The Group is founded on the Parent Company's powers of management, coordination and control as resulting from the provisions of primary legislation, supervisory regulations governing banking groups and the Cooperative Banking Group, the Cohesion Contract and the Group's company rules.

The distinctive features of the governance model of the Iccrea Group can be summarized as follows:

- a management, coordination and control model developed using a risk-based approach centered on a voluntary agreement with the affiliated banks (the Cohesion Contract);⁶²
- a corporate governance model designed to ensure the appropriate quality and scale of the membership of the management and control bodies of the Group companies in order to ensure governance arrangements are based on sound and prudent management criteria;
- a monitoring and classification system for the risks to which the affiliated banks are exposed, based on qualitative and quantitative indicators: the Early Warning System (EWS). The responsibility for this activity rests with the Board of Directors of the Parent Company, which is advised by a specific Board committee, i.e. the Affiliated Bank Controls & Interventions Committee (CIBA), composed of independent directors tasked with monitoring, classifying and assessing risks involving the affiliated banks;
- the implementation of a non-contributory system of protection within Iccrea (the Guarantee System), which guarantees, in addition to capital support for the solvency and liquidity of the Group companies, also protection for the shareholders and customers of the companies that benefit from it and therefore for the entire local area served by them.

The Parent Company carries out management, coordination and control activities in the following fields: (i) Corporate governance, (ii) Strategic planning, (iii) Risk management and internal control system, (iv) Lending policies and related risk profiles, (v) Financial management and related risk profiles, (vi) Marketing and distribution, (vii) Communication and media relations, (viii) Management and supervisory reporting, (ix) Tax management, (x) Organizational model, (xi) Purchasing and expenditure, (xii) Human resources, (xiii) IT, (xiv) Legal affairs, (xv) Operations and real estate, (xvi) Sustainability.

On top of the management, coordination and control activities as described above, in its capacity as Parent Company, Iccrea Banca is therefore expected to perform several different functions, including:

- support the management and coordination scope companies in the pursuit of the objectives set out in their articles of association;
- ensure and promote the functions, mutualistic purposes and local nature of the affiliated banks, supporting them in developing a relationship of mutual benefit with shareholders and their operations in the areas in which they operate;

⁶² The Cohesion Contract, in addition to regulating the "general" powers of management and coordination of the affiliated banks, also regulates the specific powers necessary to ensure the unity and effectiveness of the management and control systems at the consolidated level. It also establishes compliance with prudential requirements, reporting obligations applicable to the participating parties, as well as other banking and financial provisions.

- preserve and develop the Group's cooperative spirit and typical mutualistic function, performing its role and its functions in line with the principles of mutual banking, solidarity, equality of treatment and non-discrimination;
- steer the Group towards business models that are consistent with cooperative principles, having regard to the objectives of equilibrium and effective operation of the Guarantee Agreement and adopting organizational measures and Group arrangements that limit the risks deriving from its activities;
- perform the role of exclusive contact with the supervisory authorities with regard to consolidated supervision and in conducting relations with third-party institutions;
- issue directives and recommendations for the implementation of the general and specific instructions of the supervisory authorities in the interests of the stability and sound and prudent management of the Group and its components, ensuring compliance with prudential regulations and, if necessary, implementing the intercompany support referred to in the Guarantee Agreement;
- implement any further general and specific instructions of the supervisory authorities and requirements of the resolution authority concerning the resolvability of the Iccrea Group and the application of the associated resolution plan;
- verify compliance by the scope companies with the directives issued on the basis of the instructions of the supervisory authorities in order to ensure compliance with prudential supervision rules. The governing bodies of individual companies remain responsible for ensuring that reporting flows are correct and that the procedures for producing and checking the data supplied are satisfactory;
- foster the competitiveness and efficiency of the scope companies by offering a range of products, services and organizational and technological solutions that meet market demands;
- provide the affiliated banks with periodic information flows regarding the Group's operations, financial position and performance.

ESRS 2 GOV-1 - COMPOSITION AND ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Parent Company is responsible for defining corporate governance guidelines ensuring that the administrative, management and control system is effective and appropriate to the structure, activities and risks of the Group and all its member, therefore taking into account the organizational structures and the administration and control models adopted by the articles of association of the companies within the management and coordination scope and the complexity of the various risks to which the Group and the individual companies are exposed.

The Group's corporate governance model is based on the following principles:

- company officers must be fit to perform the administration or control duties assigned to them;⁶³
- the overall composition of the Board of Directors and Board of Auditors must be suitably diversified not only in terms of professional qualifications and competence, but also age, gender and time in office (seniority), so as to foster an exchange of views and internal dialogue within the governing bodies, facilitate the emergence of diverse approaches and points of view when issues are analyzed and decisions are taken, provide effective support to corporate processes in developing strategies and take account of the multiple interests that contribute to the sound and prudent management of the company;
- the duties and powers of management and control are distributed in a clear and balanced manner, avoiding concentrations of power that could prevent effective internal dialogue and the creation of organizational units (e.g. interbody committees) with powers that could encroach on the prerogatives of the corporate bodies themselves;⁶⁴

⁶³ For this purpose, with specific regard to the corporate governance model of the Group's supervised entities (banks, financial intermediaries under Art. 106 of the Consolidated Banking Act), Art. 26 of the Consolidated Banking Act and Art. 13 of the Consolidated Law on Financial Intermediation (Consolidated Act) require that company officers shall meet the requirements for professionalism, integrity and independence, meet criteria of competence and fairness and devote the time necessary for the effective performance of their duties so as to ensure the sound and prudent management of the supervised entities

⁶⁴ Accordingly, the scope of delegated powers must be established specifically and must be clear and precise, setting quantity or value limits and providing for procedures for their exercise so that the collegial body is able to specifically verify that the powers have been employed correctly and to exercise its own powers of direction or to assume the powers of other subordinate bodies.

- directors act in an informed manner, aware of their regulatory obligations laid down in, among other sources, supervisory provisions;
- all the directors of the Parent Company and of the management and coordination scope companies understand the duties and responsibilities associated with their positions and take part in initiatives to enhance their knowledge of the Group and its companies and their dynamics, having regard to the applicable regulatory framework, in order to be able to perform their duties in an effective manner;
- the Chairman of the Board of Directors plays a key role within that body. Chairpersons must be able to perform their duties as guarantor of the proper operation of the Board of Directors and, above all, take responsibility for encouraging effective dialogue within the Board, ensuring that it operates effectively and that all its members make constructive contributions;
- the Chairman of the Parent Company's Board of Directors is not a senior executive of the Group. He has neither an executive role nor does he perform operational functions, even on a de facto basis, although he may take decisions for which the Board of Directors is responsible in urgent situations, acting on a binding proposal of the executive bodies, subject to reporting to the Board at its next meeting;
- the Chairman is not a member of the Executive Committee, even if he attends its meetings – without voting rights – in order to ensure a reliable information flow between the Board of Directors and the relevant delegated body. The Chairman coordinates the Board's activities and ensures that it functions normally and that information within the Board is circulated regularly in compliance with the articles of association and company rules;
- the Board of Auditors must act proactively, seeking to prevent anomalies, malfunctioning or irregularities, operating both with regard to the companies' interest and bearing in mind the environment in which the Group operates. In this regard, the Parent Company's Board of Auditors works in close liaison with the corresponding bodies of the direct scope companies and the affiliated banks;
- the Group has established appropriate safeguards against conflicts of interest. More generally, arrangements have been made to manage the risk that close relationships between individuals and company decision-making centers might jeopardize the objectivity and impartiality of decisions concerning transactions in which they are involved or actions that they may take within the scope of their management, coordination and control activities that would otherwise lead to distortions in the allocation of resources, the exposure of the company to risks that have not been adequately measured or managed or possible potential harm to customers and members.

In this context, the Board of Directors of the Parent Company is responsible for the strategic supervision and management of the company. As the top management body of the Parent Company, the Board of Directors also has the power to strategically direct the companies within the management and coordination scope, as sanctioned by the provisions of the Civil Code governing the Parent Company and its subsidiaries (see Art. 2497 of the Civil Code), to be implemented using the tools set out in the Group rules. The Board of Directors of the Parent Company also exercises control over the implementation of strategic guidelines.

The Boards of Directors of the companies within the management and coordination scope exercise strategic oversight functions for their respective companies in compliance with the instructions of the Parent Company's Board of Directors through the approval of the Group Strategic Plan, as well as performing management functions in accordance with the specific nature of their business. More specifically, the Boards of Directors of the companies within the management and coordination scope:

- implement the strategic guidelines and risk management policies established at the Group level by the Parent Company's Board of Directors. They must be aware of the risks to which the company is exposed and understand and approve the methods used to identify and measure the risks themselves;
- approve the organizational structure of their company; ensure that duties and responsibilities are assigned in a clear and appropriate way - with particular regard to mechanisms for the delegation of powers - and subject them to review where necessary; and ensure that company policies and procedures are communicated promptly to all affected personnel;
- adopt the Group's internal control system and ensure that the operation, efficiency and effectiveness of the internal control system are periodically evaluated and that the findings of the audits are brought to the attention of the Board. If deficiencies or anomalies should be found, promptly adopt appropriate corrective measures;

- approve the procedures and organizational safeguards implemented to contain risks in respect of related parties, consistent with the applicable policies defined by the Board of Directors of the Parent Company;
- implement the directives issued by the Parent Company, including those issued in execution of instructions given by the supervisory authorities to preserve the stability of the Group.

Accordingly, the Boards of Directors of the Parent Company and of the companies within the management and coordination scope are invested with all the powers of ordinary and extraordinary management of their companies and have the power to take decisions on all acts falling within the corporate purpose that have not been reserved by applicable legislation to the authority of shareholders' meetings. In supervised entities, these bodies are responsible for the strategic oversight and management functions defined in supervisory provisions.

The Boards of the Parent Company, the companies with the direct scope and the affiliated banks have their own internal rules governing the following matters:

- the powers, duties and responsibilities of the Board;
- the functioning of the Board, with specific reference to:
 - the role of the Chairman;
 - the procedures for holding meetings, specifying the roles present within the Board;
 - the procedures for adopting resolutions and their consequent recording and storage.

The principles applicable to the appointment and selection of corporate officers of the supervised entities within the Iccrea Cooperative Banking Group are set out in the corporate governance policies of the Iccrea Group and in the policy on the eligibility of officers of supervised entities.

With reference to the stakeholders involved in the appointment process, the Group's Corporate Governance Policies provide as follows:

- the management and control bodies of the Parent Company and of the management and coordination scope companies are elected by their respective Shareholders' Meetings in accordance with the election procedures set out in their articles of association and, where applicable, their election rules;
- the Shareholders' Meetings of the direct scope companies appoint the candidates for their respective Boards of Directors indicated by the Board of Directors of the Parent Company by means of directives;
- the Shareholders' Meetings of the affiliated banks appoint their governing bodies autonomously, subject to the provisions concerning the powers of appointment and dismissal granted to the Parent Company under applicable legislation and the articles of association. The election procedure that they use is governed by the Meeting and election rules adopted by each affiliated bank, which use the standard rules drafted by the Parent Company as a model.

The supervised entities are tasked with the identification of suitable representatives and ensuring appropriate qualitative/quantitative composition of the administrative and supervisory bodies, in order to guarantee corporate governance based on sound and prudent management criteria.

With regard to the selection criteria and the appropriate qualitative/quantitative composition of the management bodies, the policy on the eligibility of officers of the Group's supervised entities establishes that the membership of the corporate bodies must be adequately diversified in order to:

- encourage the exchange of views and internal dialogue within the bodies;
- encourage a plurality of approaches and perspectives in the analysis of issues and taking decisions;
- effectively support company processes for strategy development, management of operations and risks and oversight of the actions of senior management;
- take account of the multiple interests that contribute to the sound and prudent management of the supervised entity.

The number of members of the Boards of Directors of supervised entities are determined considering the size and complexity of the organizational structure of each company. In accordance with the principle of proportionality, and in order to ensure that Boards of Directors are not oversized, the size of the affiliated banks' Boards of Directors comply the provisions of the standard articles of association drawn up by the Parent Company and specifically:

- 5-7 directors for small banks – assets of €250 million or less;

- 7-9 directors for medium banks – assets of between €250 million and €3.5 billion;
- 9-13 directors for large banks – assets over €3.5 billion.

The policy on the eligibility of officers of Group supervised entities also provides that the Group banks shall take account of the following criteria:

- the collective composition of the Board shall meet at least the following requirements in order to ensure an adequate balance in terms of age, gender and seniority:
 - average age of 65 years or less (may be applied only on the occasion of the total renewal of the body);
 - at least one director younger than 45 at the time of voting (not applicable to the Parent Company and the supervised direct scope companies, may be applied to the affiliated banks when electing all or part of the Board of Directors);
 - at least 33% of the members belong to the less represented gender, in line with the recently updated supervisory provisions on the corporate governance of Banks;
 - an average total seniority in office - calculated as the number of terms already held in the bank by each officer divided by the number of directors – of 5 full terms or less;
 - at least one member in his/her first term of office, if the average total seniority in office is greater or equal to 3 full terms;
- as provided for by supervisory provisions on Corporate Governance and referred to in the Group's Corporate Governance, it is good practice that i) at least one member of the Board Committees must belong to the less represented gender; ii) the positions of Chairman of the Board of Directors, Chairman of the Board of Auditors and Chief Executive Officer/General Manager must not be held by members of the same gender.
- with regard to the professionalism of Board members:
 - at least two-thirds of the members of the Board of Directors must have competence and/or experience in at least two of the subject areas referred to in the policy on eligibility. No shortcomings shall be accepted for the chairmen of the Boards of Directors of the banks;
 - in smaller banks with less complex operations, at most half of non-executive officers may be selected from among people who meet the requirements laid down in Art. 8, paragraph 2, of the Decree;
 - at least one of the directors must have theoretical knowledge of and/or practical experience in: i) matters connected with environmental, social and governance (ESG) factors;⁶⁵ ii) matters connected with money laundering and terrorist financing;⁶⁶ iii) particular or sector-related subjects meeting the specific needs of the bank and knowledge of or experience which are identified within the scope of an optimal qualitative and quantitative assessment.

As provided for by the Group's Corporate Governance, the composition of the boards of directors must also comply with the following principles:

- non-executive members: supervised entities must have an adequate number of non-executive members with clearly defined roles and duties, who effectively act as a counterweight to the top managers and managers of the supervised entity and foster internal dialogue within their respective bodies;
- independent members: supervised entities must have a number of independent members who oversee corporate management with independent judgment, helping to ensure that it is conducted in the company's best interests and in line with the objectives of sound and prudent management, in accordance with the relevant external regulations and the bylaws;
- transactions with related parties: the boards of directors of the Group's banks appoint the Related Party Transactions Committee to oversee issues relating to risk activities with related parties. This function may be performed by the Risk Committee, if established, by another committee established for this purpose, or by

⁶⁵ According to the policy, the experience of (i) at least three of the last five years in administrative or control roles in corporate bodies of companies operating in the credit, financial, securities or insurance sectors, or (ii) at least two of the last five years in the public sector, as an academic or as a consultant /professional or entrepreneur having to, among other things, manage environmental and/or social issues, in line with the requirements of the applicable regulatory framework (ESG, climate change and decarbonization; European taxonomy on sustainable finance; renewable energy and energy efficiency; environmental certifications and relevant legislation; organic and biodynamic agriculture, eco-friendly production; environmental impact measurement).

⁶⁶ According to the policy, the experience of (i) at least three of the last five years in administrative or control roles in corporate bodies of companies operating in the credit, financial, securities or insurance sectors, or (ii) at least two of the last five years in the sectors referred to in art. 3 of Legislative Decree 231/2007 is relevant.

individual non-executive and independent directors. The Group's non-banking companies assign this function to the board of statutory auditors;

- internal controls: the boards of directors of supervised entities appoint a director with responsibility for the internal control system, who must have adequate knowledge and experience in this area. If a Risk Committee is not established, the director with responsibility for the internal control system also oversees anti-money laundering matters (see "AML");
- anti-money laundering: the boards of directors of supervised entities appoint a director responsible for anti-money laundering issues. This director must possess adequate knowledge, skills, and experience regarding money laundering risks, anti-money laundering policies, controls, and procedures, as well as the company's business model and the sector in which it operates. Supervised entities without a Risk Committee can appoint for this matter the member overseeing internal control issues, while those with a risk committee may appoint a different member, taking into account the executive nature of the mandate;
- ESG: to facilitate the integration of environmental, social, and governance (ESG) factors into decision-making processes, supervised entities must appoint a director or an internal board committee responsible for this matter with advisory, investigative, and proactive functions on sustainability issues. These appointments must select individuals with adequate knowledge and experience in sustainability matters. If an ESG Committee is established, it must consist of three non-executive directors, at least one independent. If the ESG responsibility is granted to a single director, that director may also hold executive positions.

The possession of an appropriate level of experience and knowledge is verified based on a careful examination of previous professional experience or other technical knowledge and skills acquired by the company officer or manager through education and training in the areas provided for by Ministerial Decree 169/2020⁶⁷ or, in particular or sectoral areas (e.g. legal, management, IT, HR, cooperation, etc.), that meet specific needs of the supervised entity or that are identified within the assessment of the optimal composition defined by the competent Body, including ESG areas.

The Board of Directors of the Parent Company is made up of 15 directors, of whom 10 are elected from among the directors of the Group's mutual banks. Of the 15 members of the Board, five make up the Executive Committee and four meet the statutory independence requirements. The membership of the Board is considered appropriately diversified in terms of its professionalism, skills and experience, as it includes members of the professions, entrepreneurs, university professors and managers of large companies.

The Boards of Directors of the Group's financial intermediaries under Art. 106 of the Consolidated Banking Act and asset managers are formed in accordance with the same principles as those provided for the Group banks, with the exception of the provisions on professionalism. With regard to gender diversification, at least 20% of the members of the Board of Directors shall belong to the less represented gender.

With regard to the collective composition of the Boards of Auditors of the Group banks, in order to ensure an appropriate balance in terms of age, gender and seniority of their members, Group policies provide for compliance with the following criteria:

- average age of 65 years or less (may be applied only on the occasion of the total renewal of the body);
- at least 33% of the standing members shall belong to the less represented gender;
- alternate auditors shall belong to both genders. The alternate auditor of the less represented gender among standing auditors is chosen from among certified auditors enrolled in the Register of Auditors who have practiced statutory auditing for no less than three years;
- with specific regard to the seniority, the requirements, if any, set forth in the respective articles of association shall apply.

With regard to the professionalism of the standing and alternate members of the Board of Auditors:

⁶⁷ The areas covered by the "Regulation on requirements and eligibility criteria of corporate officers of banks, financial intermediaries, collective guarantee financial consortia, electronic money institutions, payment institutions and depositor guarantee schemes" are the following: 1) financial markets, 2) regulation in the banking and financial sector, 3) strategic guidelines and planning, 4) organizational and corporate governance structures, 5) risk management (identification, assessment, monitoring, control and mitigation of the main types of risk of a bank, including the responsibilities of the officer in such processes), 6) internal control systems and other operational mechanisms, 7) banking and financial activities and products, 8) accounting and financial reporting, 9) information technology.

- at least one of the standing auditors and at least one of the alternate auditors shall be chosen from among certified auditors enrolled in the Register of Auditors who have practiced statutory auditing for no less than three years;
- at least one of the standing auditors must have theoretical knowledge of and/or practical experience in: i) matters connected with environmental, social and governance (ESG) factors; ii) matters connected with money laundering and terrorist financing; iii) particular or sector-related subjects meeting the specific needs of the bank and knowledge of or experience which are identified within the scope of an optimal qualitative and quantitative assessment;
- at least two standing auditors shall have competence and/or experience in at least two of the subject areas referred to in the eligibility policy, including ESG and AML topics.

The supervised companies are also responsible for ensuring that the directors comply with the requirements and suitability criteria identified by the legislation at the time of appointment and for the entire duration of the assignment.

In compliance with supervisory provisions and company rules on the matter, each year Iccrea Banca's Board of Directors conducts a self-assessment exercise in order to verify its proper and effective functioning and ensure that its membership is appropriately composed. Every three years the assessment is conducted with the assistance of a specialized independent advisor.

The last self-assessment exercise, carried out with specific focus on ESG-related issues, identified a need to further strengthen the competence of the members, using the industry best practices and favoring a consistent comparison with industrial benchmarks.

The table below shows the composition of the Board of Directors for the Parent Company and the Group as a whole.

COMPOSITION OF THE BOARD OF DIRECTORS OF THE PARENT COMPANY BY GENDER AND AGE GROUP						
Age group (no.)	2025			2024		
	Men	Women	Total	Men	Women	Total
Under 30	-	-	-	-	-	-
Between 30 and 50	-	-	-	-	-	-
Over 50	9	6	15	9	6	15
Total	9	6	15	9	6	15

COMPOSITION OF THE BOARD OF DIRECTORS OF THE PARENT COMPANY BY GENDER AND AGE GROUP						
Age group (%)	2025			2024		
	Men	Women	Total	Men	Women	Total
Under 30	-	-	-	-	-	-
Between 30 and 50	-	-	-	-	-	-
Over 50	60%	40%	100 %	60%	40%	100 %
Total	60%	40%	100%	60%	40%	100%

The Board of Directors is composed by:

- 4 independent directors, equal to 27% of total;
- 5 executive directors and 10 non-executive directors.

BOARD COMPOSITION AT GROUP LEVEL, BY GENDER (no.)	2025	2024
Women	323	292
Men	736	792
Total	1,059	1,084

Distribution by gender (%)	2025	2024
Women	30.50%	26.94%
Men	69.50%	73.06%
Total	100.00%	100.00%

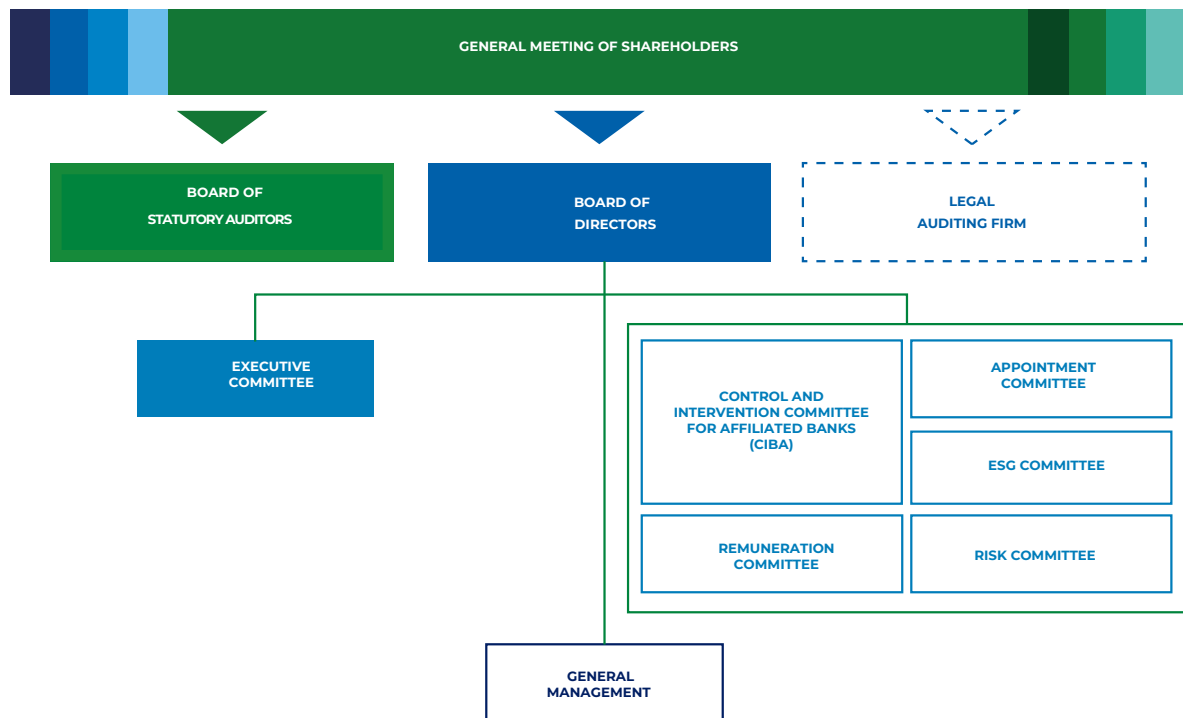
BOARD COMPOSITION AT GROUP LEVEL, BY AGE GROUP (no.)	2025	2024
Under 30	3	1
Between 30 and 50	235	237
Over 50	821	846
Total	1,059	1,084

BOARD COMPOSITION AT GROUP LEVEL, BY AGE GROUP (%)	2025	2024
Under 30	0.28%	0.09%
Between 30 and 50	22.19%	21.86%
Over 50	77.53%	78.04%
Total	100.00%	100.00%

In 2025, the number of women in Boards of Directors at Group level increased from 292 to 322, by approximately 3.5%.

Regarding the age group of board members, there has been a slight increase in the “under 30” and the intermediate “30-50” age groups.

At the Parent Company level, the Appointments Committee, Risk Committee and Remuneration Committee have been established as required by supervisory provisions in order to promote operational simplification. In addition to the above committees, an ESG Committee at the Parent Company level and an Affiliated Bank Controls & Interventions Committee (CIBA) have also been established to assist the Board of Directors in its decision making. Both of these provide advice and recommendations.



The Iccrea Cooperative Banking Group governance

The following provides a breakdown of the composition of the Board committees and the Board of Auditors of Iccrea Banca:

COMPOSITION OF THE BOARD COMMITTEES AND THE BOARD OF AUDITORS OF THE PARENT COMPANY BY GENDER AND AGE GROUP

Distribution by age group (no.)	2025			2024		
	Women	Men	Total	Women	Men	Total
Under 30	-	-	-	-	-	-
Between 30 and 50	1	1	2	1	1	2
Over 50	4	6	10	4	6	10
Total	5	7	12	5	7	12

The figures show that in 2025, as in 2024, the number of women sitting in Board committees⁶⁸ of the Parent Company and on the Board of Auditors came to 58% of the total. Also, three committees out of five are chaired by a woman. The Board of Auditors is also chaired by a woman.

In relation to the composition of the administrative and supervisory bodies and information on the personal details of its members, please refer to the "Corporate Bodies" section of the consolidated Report on Operations.

It should be noted that there are no representatives of employees or other workers within the administrative bodies.

All management roles within the Parent Company (i.e. the General Manager, the Senior Deputy General Manager and the Deputy General Manager) are all men.

⁶⁸ The table includes the following board committees: Risk Committee, ESG Committee, Remuneration Committee, CIBA Committee, and Appointments Committee. The three standing members and two alternate members of the Board of Statutory Auditors are also included. Directors who sit on more than one committee are counted only once in the table. Members of the Executive Committee are not included.

ESRS 2 GOV-2 AND GOV-3 - SUSTAINABILITY GOVERNANCE

The Group has implemented a sustainability governance model to integrate ESG factors into the design of strategies and operating and control processes, based on precise centers of responsibility. This model promotes engagement among corporate bodies and areas across the organization and gives top priority to the creation and distribution of value to all our stakeholders.

The **Board of Directors** sets out the Group's sustainability guidelines and strategies, with specific regard to the objectives of sustainable finance and the integration of environmental, social and governance factors into corporate decision-making processes.

In particular, it is responsible for integrating ESG-related objectives into the business plan, the risk management and internal control system and remuneration policies. The Sustainability Plan and Group policies and sustainability guidelines are approved by the Board of Directors, after an analysis by Board committees for the provision of advice and recommendations within the sphere of their specific responsibilities.

The Board of Directors also assesses and approves, acting with the support of the Risk Committee, the overall methodological framework for the identification of the Group's risk profiles, including environmental climate risks, liquidity risks, operational risks and reputational risks, as well as the evaluation and approval of the results of the risk assessment conducted by the Risk Management Function, following analysis by the Risk Committee and the ESG Committee with regard to sustainability issues.

The Board is responsible for approving the Group Code of Ethics, the Group Charter of Commitments on the Environment and Climate Change, the Group Charter of Commitments on Human Rights, and the Group Policy on Sustainability, which are the main reference documents in which the Group outlines its core values and principles on sustainability, and defines the methodologies with which ESG factors are integrated into operational and control processes.

The Board of Directors also assesses and approves the list of material topics outlined during the double materiality analysis, including the outcome of stakeholder engagement)⁶⁹ - with a view to setting guidelines and indicators to measure in the sustainability statement, prepared in accordance with the CSRD regulations, to be submitted to the Board for approval, after examination by the ESG Committee (and by the Risk Committee).

Therefore, action on the part of the Board of Directors takes place on several fronts, covering the processes of laying down and monitoring ESG strategies, regulatory compliance, emerging risk management and market disclosure, with the aim of providing impetus to the implementation of evolutionary developments and supervising planned projects and activities that have the capacity to facilitate and assist in sustainable transition in the tradition of the support that mutual banks historically give their local areas.

The governance structure defined by the Group, with specific regard to ESG issues, provides for:

- the appointment at the Parent Company level - of an ESG Director or ESG Committee, whose function is to provide advice, analysis and recommendations on issues relating to sustainability and the possibility, for companies - for the companies within the management and coordination scope – to do the same;
- the requirement for at least one of the directors of the Boards of Directors of the Group banks to possess theoretical knowledge and/or practical experience in areas related to environmental, social and governance factors (ESG).

These provisions guarantee, on the one hand, the ability of the Board of Directors of the Parent Company to assess, manage, direct and monitor the IROs material to the Group, and, on the other, the ability of the Board of Directors of Group companies to implement the Group strategies for the management of the IROs, adapting them to their own context and strategy at local level.

As part of the assessment of the Group's risk profile, the **Risk Committee** provides assessments and opinions to the Board of Directors in defining the overall methodological framework for measuring risk, the guidelines for the risk control and management systems and in assessing the overall adequacy of such systems.

The **ESG Committee** is a board committee established in 2022 to replace the Director for Sustainability who, since May 2019, had supported the Board on these issues. Since its establishment, the ESG Committee has contributed to further strengthening the constant monitoring of sustainability issues and to increasing the level of attention paid to these issues. In performing its activities, including the discussion and analysis of the various issues

⁶⁹ See the sections "Strategy, business model and stakeholders engagement" and "ESRS 2 – IRO 1 Double materiality".

connected to ESG factors, the Committee has acquired a holistic vision of the various initiatives to promote the integration of ESG factors into corporate processes, as well as a comprehensive understanding of the aspects relating to the assessment of risks associated with these issues.

In consideration of the ever-increasing interrelationships with other internal committees and the growing attention paid by stakeholders to sustainability, the ESG Committee rules were updated in 2024, with changes instrumental to generating greater synergies between the committees and ensuring the provision of better and more incisive support to the Board of Directors' decision-making and policy action. In February 2026, the rules were further revised in order to incorporate the internal organizational changes that had occurred and update the internal references on the basis of recent external regulatory developments in the matter (e.g. CSRD).

The ESG Committee is made up of three members chosen from among the members of the Board of Directors, at least one of whom is independent and, considering the close correlation between the work of the ESG Committee and the Risk Committee, coincides with the Chairman of the Risk Committee.

The Committee's main functions include the appraisal and formulation of opinions regarding:

- sustainability initiatives, objectives and targets, including ESG training activities provided to management and employees, monitoring their overall implementation over time;
- the Group's values and ethical approach;
- ESG reporting;
- activities related to bond issues under "Green, Social and Sustainability Bond Framework" and related reporting (Impact Reporting);
- ESG positioning of the Group, also in respect of participation in initiatives and indexes;
- models for the measurement of the social and environmental impact of the initiatives undertaken.

The ESG Committee works jointly with the Remuneration Committee on the processes for the identification of strategic ESG objectives related to remuneration and incentives processes and with the Risk Committee on (i) corporate control function reports on climate-related and environmental risk and on ESG matters and factors integrated into the various control systems and (ii) observations regarding ESG matters expressed by the supervisory authorities and the agency engaged by the Group for the assignment of the ESG rating.

The **Operations Committee** is an advisory committee to the General Manager on areas that concern the management of the Group in respect of the implementation of the Board of Directors' guidelines. The topics within the committee's remit include:

- the assessment and monitoring of the Group's main initiatives;
- in respect of strategic planning, the verification of the plans being defined and the proposal to the Board of Directors of the consequent guidelines;
- in respect of ESG initiatives, preliminary work on a proposal to the Board of Directors on priority activities to be carried out and supervision of the defined initiatives also providing alternative proposals if necessary;
- in respect of the financial situation, the preparation of budgets and monitoring the current and prospective results;
- in respect of the commercial, organizational and information system initiatives, their definition and monitoring their implementation.

The General Manager (of the Parent Company) and the heads of the central and business functions take part in this committee: Credit and Associates Activities Area (CLO), Chief Business Officer Area (CBO), Chief Financial Officer Area (CFO), Chief Information Officer Area (CIO), Chief Operating Officer Area (COO) and Institutional Communications unit.

The **Sustainability Steering** unit, under the CFO Area, plays a central role at Group level in overseeing the processes of defining and monitoring sustainability strategies, integrating ESG factors into corporate processes and developing internal and external reporting activities within its remit.

It directs its action along the following main lines: (i) it contributes to the strategic planning process, defining the Group's ESG macro-strategy, in coordination with the Planning and Control Function (target setting) and the Risk Management Function (considering evidence from the analyses of identification and measurement of Climate and

Environmental risks);⁷⁰ (ii) oversees the process of defining strategic directions and identifying strategic ESG partnerships; (iii) ensures the definition of a social strategy at Group level in terms of charitable activities, charitable initiatives, sponsorships and third sector financing, in coordination with the Institutional Communications Unit; (iv) ensures the coordination of ESG initiatives, also with reference to regulatory requirements, ensuring the necessary involvement and interaction with the affected functions, as well as the preparation of reporting to top management and corporate bodies; (v) coordinates the acquisition and maintenance of the ESG Rating by interacting with the rating agencies; (vi) prepares external communications and voluntary disclosures on sustainability matters, in coordination with the Investor Relations Unit and the Institutional Communication Unit; (vii) ensures support to the Administration and Budget Function - which is in charge of drafting the consolidated Sustainability Statement by coordinating and collecting the contributions and analyses carried out by the various Group companies⁷¹ - in collecting and consolidating the information for drafting the sustainability statement, interacting with the relevant corporate structures of the Parent Company, as well as with the companies in the consolidation scope; (viii) in close coordination with the Institutional Communication Unit, caters institutional relations on sustainability matters in order to ensure the representation of the Group's interests.

Furthermore, it monitors regulatory developments and identifies the consequent interventions, in support of the Compliance Function, and ensures the adequate level of ESG skills within the corporate management in coordination with competent units in the matter.

It also ensures an adequate level of ESG skills among company representatives.

For the fulfillment of the above listed functions, the unit is divided into two other sub-units, specifically the **Sustainability Business Steering and Social unit and the Sustainability Reporting and Disclosure unit**.

Finally, the Group's organization provides for the role of the **ESG Ambassador**, who within each corporate Area of the Parent Company and within each Group company acts as coordinator in respect of ESG issues, as well as a liaison with the Sustainability Function of the Parent Company. In some cases, this role is also included in specific ESG structures set up at local level.

In order to guarantee the overall coordination and direction of the processes of collection and evaluation of data, information, projects, initiatives relating to ESG issues, the ESG Ambassador, among others:

- handles the dialogue with the relevant functions of the Parent Company, during the identification, planning and monitoring of ESG strategies;
- collects data and information, based on input from the relevant functions of the Parent Company, for the implementation of the non-financial reporting process;
- guarantees the completeness, consistency and accuracy of the information collected for the purpose of preparing the sustainability statement pursuant to the CSRD and ensure the related information flows to the competent organizational unit (Administration and Budget), through specific control activities and prior authorization of its Chief/General Management.

⁷⁰ This includes double materiality analysis—including stakeholder engagement—aimed at identifying material impacts, risks, and opportunities and thus defining the sustainability strategy.

⁷¹ The governance, management and control framework for consolidated sustainability reporting is set out in the Group Policy on consolidated financial statements and consolidated Report on Operations and in the related provisions and operating rules.

Thanks to the characteristics of the Group in terms of diversity of member entities and of the areas where they operate, this organizational structure has allowed the activation of a virtuous process of management of the matter the impacts on the economy, the environment and people.

Body / Committee	Role
Board of Directors	In respect of corporate governance: approves the establishment of board committees; ensures the correct implementation of the information process to the public; approves a policy for the promotion of diversity and inclusiveness; establishes the rules of professional conduct, also through a code of ethics or similar instruments, ensuring their implementation and monitoring compliance by the staff. In respect of strategic planning: defines and approves the business model, being aware of the risks to which this model exposes the Group and understanding the methods through which the risks are detected and assessed; defines and approves the strategic lines and management directions with a view to guaranteeing the achievement of the corporate purpose and provides for their periodic review also in relation to the evolution of the company's activity and the external environment, taking into account, among others, objectives of sustainable finance and the integration of ESG factors in the company's decision-making processes. In respect of risk management and internal control system: defines the RAF/RAS and the ICAAP/ILAAP process; defines and approves risk governance policies and the risk management process, and approves internal risk assessment and control models, methodologies and criteria (with reference to Climate & Environmental risks, examines and approves the results of the implementation of the related Framework and directs the development of the strategies and expected positioning of the Group); defines and approves the overall structure of the internal control system; approves the code of ethics aimed at the dissemination of a culture of internal controls and mitigation of operational reputational risks, ensuring that it defines the principles of conduct, and the process for reporting violations (whistleblowing). It examines and approves policies and initiatives aimed at implementing the strategic and risk management guidelines defined, including the policies that define the Group's approach in relation to ESG issues. Based on the analysis by the board committees, it approves methodologies and results of the double materiality exercise pursuant to the CSRD. Based on the analysis by the board committees, it approves the sustainability statement pursuant to the CSRD, as part of the preparation and approval of the consolidated financial statements. It proposes the remuneration and incentive policy to the Shareholders' Meeting, determines the remuneration of Directors and Auditors to be submitted to the Shareholders' Meeting, and determines the remuneration of the General Manager and management personnel identified in the Remuneration Policy.
Risk Committee	Supports the Board of Directors in the definition and approval of: - strategic guidelines for risk management and control (particularly in the RAF/RAS area), the framework and policies for risk governance (including climate and environmental risks), and the ICAAP/ILAAP processes, supporting the Board of Directors in the subsequent control on the implementation of these guidelines. - the process for the development of new products and services, the launch of new activities, and entry into new markets. - the Group Code of Ethics, aimed at disseminating a culture of internal controls and mitigating operational and reputational risks, and the Group Anti-Corruption Code of Conduct, as well as the internal systems for reporting violations (whistleblowing). Expresses assessments and opinions to the Board of Directors about the compliance with the standards applicable to the Internal Control System and the company organization and the requirements applicable to the Corporate Control Functions, on their organizational structure, and on the overall adequacy of the internal control system. Examines the periodic results of the application of the Corporate Risk Management and Control Framework that are implemented by the Corporate Control Functions, expressing its assessments, among others, on climate and environmental risks (without prejudice to the competences of the ESG Committee), including the results and periodic implementation of the Climate & Environmental Risk system.
ESG Committee	Expresses assessments and opinions to the Board of Directors about: - sustainability initiatives (both strategic and non strategic), objectives and targets, including ESG training activities provided to management and employees, monitoring their overall implementation over time; - the policies that operationally implement ESG strategies in the various corporate areas. - ESG reporting, including the process of determining material topics in accordance with the relevant legislation, and monitoring the related regulatory developments. - the evolution of the Group's ESG positioning (including any adoption of initiatives and indexes) It examines and expresses opinions on CSRD reporting, disclosure to the public (in respect of ESG issues) and the TCFD, as well as reporting (Impact Framework) on bond issues under the "Green, Social and Sustainability Bond Framework" (also subject to examination by the Committee itself). It examines and formulates opinions to the Board of Directors regarding the Group's values and ethical guidelines (Group Code of Ethics, Group Anti-Corruption Code of Conduct, Organization, Management and Control Model pursuant to Legislative Decree no. 231/01 of the Parent Company, Commitment Charters). Without prejudice to the competences of the Risk Committee, it analyses the reporting produced by the Corporate Control Functions on climate/environmental risks and relating to the ESG areas/factors integrated into the respective control systems. Without prejudice to the competences of the Remuneration Committee, it can formulate proposals for the identification of ESG-related strategic objectives in respect of remuneration and incentive policies (MBO).
Remuneration Committee	Evaluates proposals on fixed and variable remuneration of personnel whose remuneration and incentive schemes are decided by the Board of Directors Evaluates proposals and expresses an opinion to the Board of Directors regarding the performance objectives related to the variable component of remuneration and their achievement
Sustainability Steering	Contributes to strategic planning by defining the ESG macro strategy (positioning and ambitions, initiatives, objectives, and targets) in coordination with the Planning and Control Function within the broader strategic planning process, and the Risk Management Function (considering the evidence generated by the analysis of identifying and measuring climate and environmental risks). Oversees the process of defining strategic directions and identifying strategic ESG partnerships and defines the guidelines for the development and maintenance of the ESG product catalog to support the CBO area, in coordination with the relevant CLO and CRO areas.

Ensures the definition of a social strategy and strategic objectives at Group level in terms of charitable activities, charitable initiatives, sponsorships, and third-sector financing, in coordination with the Institutional Communications unit.

Ensures coordination of ESG project initiatives, including with regard to regulatory requirements, ensuring the necessary involvement and interaction with the relevant functions, as well as preparing reporting to top management and corporate bodies.

Coordinates the ESG Rating acquisition and maintenance process, liaising with the Rating Agencies.

Oversees the preparation of external communications and voluntary sustainability disclosures, in coordination with the Investor Relations and Institutional Communications units.

Provides support to the Administration and Financial Statements function in gathering and consolidating the information required to prepare the CSRD, liaising with the relevant corporate units of the Parent Company, as well as with the companies included in the scope of consolidation.

In close coordination with the Institutional Communications unit, manages institutional relations regarding sustainability issues to ensure the representation of the Group's interests.

In support of the Compliance unit, monitors regulatory developments and identifies the measures to be implemented to ensure compliance.

Ensures an adequate level of ESG expertise among company representatives, in coordination with the relevant units.

In line with the operating model described in the Group's Sustainability Policy, the activity of the Sustainability Steering unit is also guaranteed by formal information flows towards the top management and corporate bodies that pertain to: (i) sustainability strategies and their degree of achievement; (ii) results of the double materiality analysis (including the stakeholder engagement process); (iii) disclosures on sustainability issues; (iv) feedback from the Supervisory Authorities regarding C&E risks and ESG issues in general; (v) assessments of ESG Rating Agencies. As part of its duties, the unit coordinates with the relevant functions, the internal Board committees, and the Risk Management function to identify and propose strategic sustainability targets, ensuring their full integration with the strategic guidelines defined by the corporate bodies.

Based on these periodic information flows, the Board of Directors approves the corporate strategies, outlined and proposed by the competent units, in line with the results of the double materiality analysis (approved by the Board of Directors, at least annually), and monitors the achievement of the strategic objectives set from time to time.

The information flows collect the findings of the activities carried out by the Sustainability Steering unit, consistent with the powers, responsibilities, and guidelines described in the Group Sustainability Policy.

The table below is a representation of the main sustainability information flows produced by the unit addressed to the governance and control bodies.

Scope	Information flow	Description of the information flow	Deadline	Beneficiaries
ESG Strategies	Sustainability Statement	The Group's ESG (Environmental, Social and Governance) Initiative Plan	Annually/February-March (1st quarter)	BoD, ESG Committee, Board of Auditors
ESG Strategies	Monitoring ESG initiatives (strategies and initiatives)	Progress of the initiatives launched by the Group on ESG topics of a strategic, regulatory and planning nature, as well as the trend of the related priority indicators identified at Group level within the Tableau de Bord.	At least every six months/February-March (1st quarter); September-October (3rd quarter/4th quarter)	BoD, ESG Committee, Risk Committee, Board of Auditors
ESG strategies and reporting	Double materiality	Outcomes of the identification of material ESG topics for the Group, based on external impacts (impact materiality) and returns to the company in terms of risks and opportunities (financial materiality). The definition of material topics is followed by their integration in the Group's ESG strategies and reporting indicators.	Annually, unless otherwise assessed as to whether significant changes have occurred/October	BoD, ESG Committee, Board of Auditors
ESG reporting	Voluntary disclosure	Voluntary reporting in the field of sustainability	On event	BoD, ESG Committee, Board of Auditors
Supervisors	Feedback from supervisory authorities (C&E/ESG)	Feedback from supervisors on climate and environmental risks and, more generally, ESG issues and related response plans/action plans in response to recommendations/objections. This flow also includes subsequent monitoring/reporting phases with respect to the defined action plans.	On event -	BoD, ESG Committee, Risk Committee, Board of Auditors
Supervisors	ESG Rating	Results of the Rating Agency selected to assign the Group an ESG rating. Specifically, evidence is provided of the evaluation process and related methodologies, as well as the strengths and areas for improvement identified based on the assigned rating.	Annual/In line with needs (e.g. issues); contractually defined timeframes	BoD, ESG Committee, Board of Auditors

ESRS 2 GOV-4 - DUE DILIGENCE

The EU Corporate Sustainability Due Diligence Directive (CSDDD) (Directive 2024/1760), adopted on July 25, 2024, was initially expected to be effective as from 2026. It mandates that companies identify, prevent, mitigate or minimize the impacts on **human rights** and the **environment** potentially arising from their operations and value chains, integrating due diligence in the identification, prevention, mitigation and reporting of the negative social and environmental impacts caused by their activities and through their value chain. The CSDDD has not yet been transposed in Italian legislation, the deadline for transposition, initially scheduled for 2026, having been postponed to July 26, 2027 following the Omnibus package,⁷² which has postponed the original deadlines by one year, easing the thresholds and the introduction timetable.⁷³

With reference to the current reporting year, the Group does not have a due diligence policy in place. The process is however integrated in the Group's sustainability strategy and business processes, in particular in the identification, assessment⁷⁴ and management of material negative impacts within double materiality: following the materiality analyses, the Board of Directors approves the most appropriate strategies for their mitigation, within the broader multi-year strategic plan, which also includes the multi-year sustainability strategy.⁷⁵

The Group plans to start the preparatory analysis to prepare to be compliant with the regulation, through the mapping and implementation of a system for evaluating, mitigating and monitoring the negative impacts and social and environmental risks generated in the value chain, and the subsequent drafting of a related policy on the roles and responsibilities of the corporate bodies managing the due diligence process.

ESRS 2 GOV-5 - THE INTERNAL CONTROL SYSTEM

The Corporate Control Functions integrate aspects of the management of sustainability-related issues into their risk identification and mitigation and review processes.

With reference to second level control functions:

- within the Risk Management Function, the Climate & Environmental Risk Governance unit, established in 2021, is the focal point, within the CRO Area, for cross-cutting initiatives in the field of climate and environmental risks and more generally for ESG risks, in particular in order to ensure the correct definition and implementation of the individual phases making up the identification, assessment and management of climate and environmental risks as well as the developments aimed at the full integration of these risks into the broader Group risk management framework. It has the primary responsibility of ensuring the correct integration of the climate and environmental component into the broader Group risk management framework, managing and supervising the periodic assessment of materiality as well as the integration of the climate component into the main risk governance processes (RAF/RAS, ICAAP/ILAAP, Recovery Plan);
- within the Compliance Governance unit, dedicated to ensuring the continuous monitoring of the rules applicable to the Group based on the second-level control model for compliance risk, as well as the transversal consistency of the consulting activity on compliance issues, the Indirect Regulation, Ethics and ESG unit was established to address ESG issues, performing the following activities:
 - monitoring the development of external ESG regulations, evaluating their potential compliance risk impact on the Group's processes and procedures;

⁷² On February 26, 2025, the European Commission presented the first Omnibus Package to simplify certain EU regulations, including the CSDDD. The first measure envisaged by Omnibus I, so-called "**Stop the Clock**," has already been approved by the European Parliament and the Council and entered into force on April 17, 2025, with Directive (EU) 2025/794, implemented in Italy by Law No. 118 of August 8, 2025.

⁷³ In particular, the application will be gradual from 2027 to 2029, starting from:

- July 26, 2027 (from periods beginning on or after January 1, 2028) for EU companies that had > 5,000 employees and generated a worldwide net turnover > €1.5 billion in the last preceding year, and non-EU companies that generated a net turnover > €1.5 billion;
- July 26, 2028 (from periods beginning on or after January 1, 2029) for EU companies that had > 3,000 employees and generated a worldwide net turnover > €900 million in the last preceding year, and non-EU companies that generated a net turnover > €900 million;
- July 26, 2029 (from periods beginning on or after January 1, 2030) all other companies in scope.

⁷⁴ As regards the process of identifying and assessing negative impacts (also subject to stakeholder analysis) and of analyzing and approving the results of the double materiality analysis by the ESG Committee and the Board of Directors, please see the information provided in the previous section "Double materiality".

⁷⁵ See the section "Sustainability strategy, business model and relationship with stakeholders".

- providing advice to corporate structures and bodies on the measures to take in order to ensure compliance with legislative provisions, rules, regulations and ESG standards;
- promoting the adjustment and/or adoption of control measures within the processes impacted by the Group sustainability strategies through an integrated approach to compliance risk;
- contributing to the process of integrating ESG factors into Group projects, verifying their completeness and regulatory consistency and monitoring compliance with related regulatory deadlines;
- identifies the mandatory training activities to be provided by the competent structures of the Parent Company, and the related roles/figures to be involved;
- as part of the sustainability reporting process, the role of the Financial Reporting Officer (in charge of preparing corporate accounting documents), established in 2024, certifies to stakeholders that sustainability information prepared pursuant to CSRD and included in the consolidated report on operations complies with applicable regulatory requirements. The activities of the Officer in charge of sustainability reporting are integrated into the broader framework for managing the risk of incorrect financial information as defined by Law 262/05.

With regard to third-level controls, within the Internal Audit Function, a “professional family”, has been established, a knowledge center focused on sustainability issues and operating across the CAE Area's organizational structure, with the aim of increasing the level of expertise of its members through dedicated meetings aimed at exchanging knowledge and audit practices on processes with an impact on ESG issues. At the Parent Company level, the Risk Management, Compliance Governance and Internal Audit functions also include the presence of a figure with the role of ESG Ambassador.

ESRS 2 IRO-1 - ESG RISK MANAGEMENT

With particular reference to climate-related and environmental risks, starting from 2023 the Group has carried out a series of activities to:

- review, strengthen and extend the methodological approach to identifying climate and environmental risks, through the complete description of transmission channels, including a qualitative assessment of the time horizons in which such risks may emerge, and the definition of an explicit judgement on the Group's overall exposure to the climate-related and environmental (C&E) risks identified as material;
- strengthen the monitoring of the impact of climate and environmental risks, defining an analysis framework to evaluate their impact on the overall business environment, with the aim of informing and supporting the Group's strategic decisions.

The Group has also defined a series of initiatives aimed at mitigating exposure to C&E risk factors, along the following lines:

- manage the Group's C&E risk profile through a short-term stabilization and containment strategy, combined with medium-term business strategy initiatives aimed at improving the Group's overall positioning;
- continue the process of integrating Climate and Environmental factors into corporate/business processes, improving and strengthening the analysis framework and tools to achieve ever-increasing levels of accuracy in identifying and measuring/assessing the impacts that these risk factors (C&E) may have on "primary" risks (credit risk, financial risk, operational risk, etc.);
- further consolidate the climate-related information needed to support strategic and business, risk management, and disclosure processes;
- continue the Group's investment strategy, which involves maintaining an adequate share of ESG investments in the overall Financial Portfolio (HTC+HTCS) over the Plan period.

These strategic guidelines are implemented within the Group RAS through specific Key Risk Indicators (KRI) appropriately updated and revised on the basis of the developments that have affected the C&E Risk identification framework and calibrated in terms of maximum tolerated and permitted risk levels, also in order to ensure subsequent monitoring.

Throughout 2025, the Group continued to progressively integrate climate-related factors into its capital adequacy and liquidity profile assessment processes. In this regard, the Group strengthened its internal Climate Stress

Testing framework, implementing a broad range of developments and updating of risk measurement models to take into account climate and environmental factors. These efforts included the integration of new components and the updating of estimation models based on higher levels of granularity thanks to the new provision of ESG assessments, following an approach consistent with that used in materiality analyses.

The Group has further improved its methodological framework for assessing the impacts of climate and environmental risks over the medium and long term, evaluating the resilience of the credit risk profile and the financial sustainability of the portfolio along different macro-climatic trajectories, from a forward-looking and multi-scenario perspective.

With regard to the materiality assessment of climate and environmental risks, further changes to the framework were implemented during 2025, with a view to adapting to the EBA Guidelines on ESG Risk Management, and strengthening and streamlining the resources underlying the analyses of the Group's exposure to ESG factors.

The materiality assessment process involves a preliminary mapping of ESG risk factors, a detailed examination of the channels through which these risk factors are transmitted to traditional risks, and an overall assessment of the materiality of the Group's exposures in each area. More specifically, the main steps of the process outlined above consist of:

- identification of material ESG risks, by mapping ESG risk factors with potential significant impact on the Group's portfolio;
- identification of transmission channels, by identifying the propagation lines of ESG factors to influence the Group's overall risk profile, as well as the time horizon within which these risks could materialize;
- assessment of the materiality of ESG risks, i.e., of the impact of ESG risks on traditional risks through the assignment of risk scores, the identification of materiality thresholds, and specific Key Risk Indicators (KRIs).

For each material Climate and Environmental risk factor, the Group defines the transmission channels to the traditional risk categories, in order to understand and evaluate their impact of each C&E risk, with particular reference to credit risk, market risk, operational risk, liquidity risk, reputational/litigation risk, strategic risk, sovereign risk.

With regard to Social and Governance risks, the materiality analyses consider the Group's potential exposure to indirect reputational risks arising from behavior or shortcomings on these issues by key borrowers.

For each transmission channel, the time horizons where the identified risks manifest themselves have been identified, defining short-, medium-, and long-term time horizons.

The assessment of the materiality of C&E risks across the Group's portfolio requires, in addition to the definition of specific risk indicators, the identification of specific "materiality thresholds," i.e., the impact ranges of the indicators on the relevant portfolio, which are useful for assessing the materiality of C&E risks within the scope of analysis. This analysis has been integrated into the Group's broader double materiality analysis process (see the "Double materiality" section of this document).

ENVIRONMENTAL INFORMATION

DISCLOSURES PURSUANT TO ARTICLE 8 OF REGULATION 2020/852 (EU TAXONOMY REGULATION)

EU TAXONOMY FOR SUSTAINABLE ACTIVITIES

The following paragraphs provide information pursuant to art. 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council (hereinafter also “EU Taxonomy” or “Taxonomy”), which defines a regulatory framework for classifying sustainable economic activities, promoting transparency and reducing the risk of greenwashing. According to the EU Taxonomy, an activity can qualify as environmentally sustainable if it substantially contributes to at least one of the six environmental objectives identified in Article 9 of the Taxonomy Regulation, does not do any significant harm (DNSH – Do not significant harm) to any of these objectives and is carried out in compliance with minimum social safeguards. The legislation distinguishes between eligible economic activities, for which it has established the technical screening criteria, and taxonomy-aligned economic activities, actually meet those criteria. The Green Asset Ratio (GAR) is the indicator that shows the Group's exposure to activities aligned with the EU Taxonomy (in the numerator) compared to the total covered assets (in the denominator).

The reporting follows the provisions of the Delegated Regulations (EU) 2021/2139 and 2021/2178 and 2023/2486, as applicable at December 31, 2025 for the period beginning between January 1 and December 31, 2025 as provided for in Article 4 of Regulation (EU) 2026/73, which respectively regulate the list of eligible activities for the first two climate objectives (Climate change mitigation and Climate change adaptation), disclosure requirements and the list of eligible activities for the remaining four objectives (Sustainable use and protection of marine resources, Transition to a circular economy, Prevention and reduction of pollution, Protection and restoration of biodiversity and ecosystem services). Subsequent updates, including the Delegated Regulations (EU) 2022/1214 and 2023/2485, have expanded the technical criteria and the scope of the Taxonomy.

For 2025, the Group provides disclosures on the eligibility and alignment indicators for all six environmental objectives and further indicators, including the KPI for Nuclear and Fossil Gas activities and the KPI of the Financial Asset Manager. The KPIs for the “Trading book portfolio” and “Fee and commission income” are not reported in line with the provisions of Regulation (EU) 2026/73 and with the clarifications provided by the European Commission.⁷⁶

In terms of **stock**, the Group **turnover-based GAR** is equal to **2.69%** of total covered assets, while the **capex-based GAR is 2.70%** of total covered assets.

In terms of **flow** the Group **turnover-based GAR** is **0.70%** of total covered assets, while the **capex-based GAR** is **0.71%** of total covered assets.

METHODOLOGIES FOR CALCULATING INDICATORS AND INFORMATION ON CIRCUMSTANCES

SCOPE OF CONSOLIDATION AND DATA LIMITATION

The information on EU taxonomy eligibility and alignment of consolidated assets is based on the prudential scope of consolidation of the Group as of December 31, 2025.⁷⁷ The consolidation complies with the provisions for the supervisory reporting of credit institutions under Regulation (EU) 575/2013 of the European Parliament and Council and Commission Implementing Regulation (EU) 2021/451 (FINREP).

The Green Asset Ratio is the ratio between EU taxonomy aligned assets (in the numerator) and total on-balance assets (in the denominator), the latter also defined as covered assets.⁷⁸

The indicator includes, both in the numerator and denominator, exposures to financial and non-financial counterparties subject to Corporate Sustainability Reporting Directive - CSRD, as well as exposures to households, local government and real estate repossessed collaterals held for sale. As required by law, the following categories of assets are to be taken into consideration exclusively in the denominator: i) derivatives; ii) exposures to

⁷⁶ “Draft Commission notice on the interpretation and implementation of certain legal provisions of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation, as amended by the Omnibus Delegated Act, on the reporting of Taxonomy-eligible and Taxonomy-aligned economic activities and assets (fourth notice)” of December 17, 2025.

⁷⁷ As of December 31, 2025, the prudential consolidation scope coincides with the accounting consolidation scope, excluding real estate funds. For a description of the accounting consolidation scope, see Part A of the Notes to the financial statements, Section 3 – Scope and methods of consolidation.

⁷⁸ Excluding exposures to central governments, central banks and supranational issuers and the trading book.

undertakings that are not required to publish NFS; iii) demand interbank loans; iv) cash and cash-related assets; v) other assets (e.g. goodwill, etc.). These assets are not part of the numerator on a structural basis.

Details on the methodology adopted by the Group in respect of the eligibility and alignment of the main asset categories are reported in the following paragraph, together with the performance indicators relating to the so-called “off-balance sheet exposures”, i.e. financial guarantees backing loans and advances and other taxonomy aligned debt instruments in respect of non-financial companies subject to disclosure obligations (CSRD) and managed financial assets (so-called Assets Under Management).

INDICATOR CALCULATION APPROACH BY EXPOSURE TYPE

The calculation of the GAR KPIs was carried out by applying different approaches for the different types of assets that make up the portfolio in the scope.

Financial and non-financial companies subject to disclosure obligations under CSRD

For exposures to financial and non-financial counterparties subject to CSRD, the portion of debt securities, equity instruments, general-purpose loans and advances (i.e. where the use of the proceeds is unknown) is weighted by the alignment indicators reported in the disclosures thereof and acquired through a dedicated data provider. Specific-purpose loans and advances have been excluded from reporting for the current year, due to the difficulty in finding qualified information to verify compliance with the technical screening criteria. However, the Group is taking the necessary measures to extend the alignment screening to include cases not yet considered.

Exposures to households

The legislation provides that retail exposures to households include loans for the purchase and renovation of residential properties and consumer credit for the purchase of cars. In these cases, the calculation of the Group's GAR includes data in respect of loans for the purchase of buildings, the alignment of which is assessed in line with the technical screening criteria envisaged by the Delegated Climate Act,⁷⁹ by the recovery of data on energy performance, for the evaluation of the substantial contribution criterion and the assessment of the exposure of properties to physical risk. More specifically, we consider:

- buildings built before 2021 that:
 - have a valid class A or higher energy performance certificate (EPC) (A+, A1, A2, A3, A4); alternatively,
 - in the absence of a valid EPC or with expired certification (i.e., for the purposes of calculating the KPI at 12/31/2025, issued before 12/31/2015) but in class A, have an energy consumption lower than the TOP 15% PED (Primary Energy Demand) threshold, in line with the provisions of FAQ 23 of the Taxonomy (decree “C/2024/6691”);
 - have a valid energy performance certificate of class lower than A (e.g. B, C, D) and energy consumption lower than the TOP 15% PED threshold;
- buildings built in or after 2021 are considered aligned with the Taxonomy if they have an operational primary energy requirement at least 10% lower than the threshold envisaged for nearly zero-energy buildings (NZEB – Net Zero Energy Building).

Properties with a high degree of physical risk were not considered suitable for compliance with the DNSH criteria, in accordance with the provisions of Appendix A of the Delegated Regulation on Climate. Moreover, during 2025, the Group approved an improved physical risk calculation methodology, moving from an approach based on municipal-level data to a specific assessment at the individual property level.

Loans for the renovation and construction of buildings and consumer loans for the purchase of cars have been excluded from the reporting for the current year, due to the difficulty in finding qualified information to verify compliance with the technical screening criteria.

⁷⁹ Delegated Regulation (EU) 2021/2139, as amended by Delegated Regulation (EU) 2023/2485

Other exposures

Exposures to local government (loans and advances) and repossessed commercial and residential real estate guarantees held for sale have been excluded from the reporting, due to the difficulty in finding qualified information to verify compliance with the technical screening criteria. However, the Group is taking the necessary measures to extend the alignment screening to include cases not yet considered.

Off-balance sheet exposures

The Iccrea Cooperative Banking Group reports the share of financial guarantees issued to back loans and advances and debt securities (to CSRD financial and non-financial counterparties) that finance taxonomy aligned economic activities.

Reporting also includes the share of assets under management in respect of companies that finance taxonomy aligned economic activities, compared to the total assets under management (debt securities, equity instruments and other assets). The aligned securities under management were identified using timely turnover-based and capex-based data published by the issuing counterparties subject to the CSRD and acquired through data providers according to the same alignment process activated for general-purpose loans to CSRD counterparties.

Exposures for activities related to nuclear power and fossil gases

As regards exposures in respect of activities related to nuclear power and fossil gases, for this year the Group only assessed exposures in respect of specific-purpose loans and advances, and found such exposures within its portfolios. All templates of Annex XII were completed, in the section "Disclosures pursuant to Annex IV, VI and XII of Delegated Regulation 2021/2178" below.

Asset managers

The turnover-based and capex-based KPI of the asset manager came to 2.08% and 3.55%, respectively. For more details, please refer to the template published in the section "Disclosures pursuant to Annex IV, VI and XII of the Delegated Regulation 2021/2178" below.

DISCLOSURES ANNEX IV, VI AND XII OF DELEGATED REGULATION (EU) 2021/2178

TEMPLATE 0 – ASSETS FOR THE CALCULATION OF GAR (TURNOVER)

Main KPI	Total environmentally sustainable assets ⁸⁰	KPI based on the turnover	KPI based on the capex	% coverage over total assets ⁸¹	% of assets excluded from the numerator of the GAR (Article 7 paragraphs 2 and 3 point 1.1.2.) of annex V) ⁸²	% of assets excluded from the denominator of the GAR (Article 7, paragraphs 1 point 1.2.4 of annex V) ⁸³
Green asset ratio (GAR stock)	3,095.57	2.69%	2.70%	67.64%	49.84%	32.36%

Additional KPIs	Total environmentally sustainable activities ⁸⁴	KPI based on the turnover	KPI based on the capex	% coverage over total assets	% of assets excluded from the numerator of the GAR (Article 7 paragraphs 2 and 3 point 1.1.2.) of annex V)	% of assets excluded from the denominator of the GAR (Article 7, paragraphs 1 point 1.2.4 of annex V)
GAR (flow)	809.51	0.70%	0.71%	8.27%		
Trading book ⁸⁵						
Financial guarantees	4.32	0.28%	1.07%			
Assets under management	330.43	1.82%	3.22%			
Fee and commission income						

⁸⁰ The amount is expressed in millions of euro and refers to the GAR stock KPI calculated on the basis of turnover. The total amount of environmentally sustainable assets contributing to the GAR stock KPI based on capital expenditure (CapEx) is equal to €3,106.83 million.

⁸¹ % of assets covered by the KPI over Groups's total assets. The percentage is the same for flow data.

⁸² % of assets excluded from the numerator of KPI (in particular: derivatives, exposures to undertakings not subject to the obligation to publish non-financial information pursuant to Article 19a or 29a of Directive 2013/34/EU, interbank demand loans, cash and cash-related assets, other asset categories, trading book) over total covered assets. The percentage is the same for flow data.

⁸³ % of assets excluded from the denominator of KPI (in particular: exposures to central governments and supranational issuers, exposures to central banks, trading book) over the total Bank's assets. The percentage is the same for flow data.

⁸⁴ The amount is expressed in millions of euro and refers to the GAR flow KPI calculated on the basis of turnover (Turnover-based).

⁸⁵ Trading book and Fees and Commissions KPIs shall only apply from 2026, in accordance with legislation.

⁸⁶ Values equal to zero are reported as “-”, while values reported as “0.00” are approximations to the second decimal place, but greater than zero.

a b c d e f g h i k l m n o p q r s t u v w x y z aa ab ac ad ae af																																
Million EUR ²⁶		31/12/2025																														
		Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)			Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)													
		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 towards taxonomy relevant sectors (Taxonomy-eligible)		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 environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)															
		Of which use of proceeds		Of which transitional	Of which enabling	Of which use of proceeds		Of which enabling	Of which use of proceeds		Of which enabling	Of which use of proceeds		Of which enabling	Of which use of proceeds		Of which enabling	Of which use of proceeds		Of which enabling	Of which use of proceeds		Of which transitional	Of which enabling								
48	Total GAR assets	115,241.49	31,600.22	3,089.60	-	18.55	55.79	21.19	0.30	-	0.09	3.67	2.80	-	0.00	30.84	2.76	-	0.03	1.30	0.11	-	-	0.23	-	-	-	31,657.45	3,095.57	-	18.55	55.91
49	Assets not covered for GAR calculation	55,127.59																														
50	Central governments and Supranational issuers	52,793.25																														
51	Central banks' exposure	2,252.30																														
52	Trading book	82.05																														
53	Total assets	170,369.08	31,600.22	3,089.60	-	18.55	55.79	21.19	0.30	-	0.09	3.67	2.80	-	0.00	30.84	2.76	-	0.03	1.30	0.11	-	-	0.23	-	-	-	31,657.45	3,095.57	-	18.55	55.91
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	1,530.84	21.49	3.28	-	0.41	1.65	-	-	-	1.05	0.97	-	-	3.44	0.06	-	-	0.00	0.02	-	-	-	-	-	-	-	25.99	4.32	-	0.41	1.65
55	Assets under management	18,171.42	902.24	311.04	-	14.62	159.73	15.29	0.47	-	0.11	10.83	9.53	-	0.03	55.50	7.50	-	1.93	35.05	1.88	-	-	3.52	-	-	-	1,022.42	330.43	-	14.62	161.80
56	Of which debt securities	3,301.45	756.67	260.32	-	11.03	133.19	12.11	0.22	-	0.11	0.59	0.39	-	0.00	39.94	2.53	-	1.69	17.86	0.14	-	-	0.20	-	-	-	827.37	263.60	-	11.03	134.98
57	Of which equity instruments	1,252.58	120.42	36.86	-	3.13	23.46	2.63	0.25	-	0.01	0.08	0.03	-	-	0.72	0.02	-	-	0.06	0.01	-	-	0.01	-	-	-	123.91	37.16	-	3.13	23.47

		a	b	c	d	e	f	g	h	i	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af				
		31/12/2024																																		
Million EUR ³	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)													
		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 towards taxonomy relevant sectors (Taxonomy-eligible)			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 environmentally sustainable (Taxonomy- aligned)				Of which environmentally sustainable (Taxonomy- aligned)			Of which environmentally sustainable (Taxonomy- aligned)			Of which environmentally sustainable (Taxonomy- aligned)			Of which environmentally sustainable (Taxonomy- aligned)			Of which environmentally sustainable (Taxonomy-aligned)													
		Of which use of proceeds	Of which transitional	Of which enabling			Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which transitional	Of which enabling									
55	Assets under management	14,896.32	388.00	121.47		6.17	67.39	8.19	0.40	-	0.09	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	396.19	121.87		6.17	67.49
56	Of which debt securities	1,596.42	299.26	102.59	0.00	4.26	55.44	5.80	0.18	-	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	305.06	102.77	0.00	4.26	55.52
57	Of which equity instruments	641.02	88.74	18.88	0.00	1.91	11.95	2.38	0.22	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	91.13	19.10	0.00	1.91	11.96	

TEMPLATE 1 - ASSETS FOR THE CALCULATION OF GAR (CAPEX)

		a	b	c	d	e	f	g	h	i	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		31/12/2025																														
Million EUR ²	Total (gross) carrying amount	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						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 towards taxonomy relevant sectors (Taxonomy-eligible)			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 towards taxonomy relevant sectors (Taxonomy-eligible)						Of which environmentally sustainable (Taxonomy-aligned)			
		Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)						Of which environmentally sustainable (Taxonomy-aligned)			
		Of which use of proceeds s						Of which use of proceeds s			Of which use of proceeds s			Of which use of proceeds s			Of which use of proceeds s			Of which use of proceeds s			Of which use of proceeds s						Of which use of proceeds s			
		Of which use of proceeds s	Of which transitions l	Of which enabling g				Of which use of proceeds s	Of which enabling g			Of which use of proceeds s	Of which enabling g			Of which use of proceeds s	Of which enabling g			Of which use of proceeds s	Of which enabling g			Of which use of proceeds s	Of which enabling g			Of which use of proceeds s	Of which enabling g			Of which use of proceeds s
GAR - Covered assets in both numerator and denominator																																
Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation																																
1	57,808.67	32,137.98	3,095.04	-	13.73	116.56	33.58	5.78	-	0.15	6.08	4.35	-	0.03	22.86	1.47	-	0.05	0.49	0.12	-	0.03	0.44	0.06	-	0.03	32,201.42	3,106.83	-	13.73	116.85	
2 Financial corporations	8,133.85	1,973.35	88.04	-	0.89	64.86	28.09	4.50	-	0.08	1.65	0.53	-	0.03	2.93	0.05	-	0.03	0.26	0.04	-	0.03	0.25	0.06	-	0.03	2,006.53	93.24	-	0.89	65.06	
3 Credit institutions	2,280.49	966.88	-	-	-	-	5.30	-	-	-	0.30	0.10	-	0.02	0.37	0.03	-	0.02	0.08	0.02	-	0.02	0.08	0.05	-	0.02	973.01	0.21	-	-	0.06	
4 Loans and advances	129.49	34.07	-	-	-	-	0.10	-	-	-	0.01	0.00	-	0.00	0.02	0.00	-	0.00	0.00	0.00	-	0.00	0.00	0.00	-	0.00	34.20	0.00	-	-	0.00	
5 Debt securities including UoP	2,090.06	917.35	-	-	-	-	5.19	-	-	-	0.30	0.10	-	0.02	0.35	0.03	-	0.02	0.08	0.02	-	0.02	0.08	0.05	-	0.02	923.35	0.21	-	-	0.06	
6 Equity instruments	60.93	15.45	-		-	-	0.01	-		-	0.00	0.00		-	0.00			-	-			-	-		-	-	15.47	0.00		-	-	
7 Other financial corporations	5,853.36	1,006.48	88.04	-	0.89	64.86	22.79	4.50	-	0.08	1.35	0.43	-	0.01	2.56	0.02	-	0.02	0.17	0.02	-	0.01	0.16	0.01	-	0.01	1,033.51	93.03	-	0.89	64.99	
8 Of which investment firms	1.56	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
9 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10 Debt securities including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11 Equity instruments	1.56	-			-	-				-				-				-							-	-					-	
12 Of which management companies	0.92	0.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.20	-	-	-	-	
13 Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14 Debt securities including UoP	0.92	0.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.20	-	-	-	-	
15 Equity instruments	-	-			-	-				-				-				-							-	-					-	
16 Of which insurance undertakings	704.67	130.48	-	-	-	-	2.25	-	-	-	0.05	-	-	-	0.58	-	-	-	0.10	-	-	-	-	-	-	-	-	133.47	-	-	-	-
17 Loans and advances	544.82	84.29	-	-	-	-	1.67	-	-	-	0.04	-	-	-	0.43	-	-	-	0.08	-	-	-	-	-	-	-	-	86.50	-	-	-	-
18 Debt securities including UoP	30.08	18.57	-	-	-	-	0.04	-	-	-	0.00	-	-	-	0.01	-	-	-	0.00	-	-	-	-	-	-	-	-	18.62	-	-	-	-
19 Equity instruments	129.77	27.63	-		-	-	0.55	-		-	0.01			-	0.14			-	0.03			-	-		-	-	-	28.35			-	-
20 Non-financial corporations	910.20	341.83	96.00	-	12.84	51.71	5.49	1.28	-	0.07	4.43	3.82	-	-	19.93	1.42	-	0.01	0.23	0.07	-	-	0.19	-	-	-	-	372.10	102.99	-	12.84	51.79
21 Loans and advances	506.74	147.01	43.38	-	9.74	19.28	2.73	0.48	-	-	3.28	2.87	-	-	17.95	1.35	-	0.01	0.06	0.03	-	-	0.18	-	-	-	-	171.20	47.91	-	9.74	19.29
22 Debt securities including UoP	367.99	177.58	43.27	-	3.06	25.90	2.59	0.80	-	0.07	0.15	0.05	-	-	1.93	0.05	-	-	0.08	0.02	-	-	0.01	-	-	-	-	182.34	44.19	-	3.06	25.97
23 Equity instruments	35.47	17.23	9.56		0.04	6.52	0.16	0.00		-	1.00	0.90		-	0.06	0.02		0.01	0.10	0.02		-	0.00			-	-	18.55	10.49		0.04	6.53
24 Households	48,764.62	29,822.80	2,911.00	-	-	-	-	-	-	-																		29,822.80	2,911.00	-	-	-
25 of which loans collateralized by residential immovable property	29,822.80	29,822.80	2,911.00	-	-	-	-	-	-	-																		29,822.80	2,911.00	-	-	-
26 of which building renovation loans	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	
27 of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-																	-	-	-	-	-	
28 Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29 Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30 Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31 Collateral obtained by taking possession: residential and commercial immovable properties	77.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32 Assets excluded from the numerator for GAR calculation (covered in the denominator)	57,355.31																															
33 Financial and Non-financial corporations	47,774.28																															
34 SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	44,020.38																															
35 Loans and advances	43,878.03																															
36 of which loans collateralized by commercial immovable property	-																															
37 of which building renovation loans	-																															
38 Debt securities	93.14																															
39 Equity instruments	49.21																															
40 Non-EU country counterparties not subject to NFRD disclosure obligations	187.31																															
41 Loans and advances	169.49																															
42 Debt securities	15.36																															
43 Equity instruments	2.46																															
44 Derivatives	1,071.80																															

a b c d e f g h i k l m n o p q r s t u v w x y z aa ab ac ad ae af																																
		31/12/2025																														
Million EUR ^a	Total [gross] carrying amount	Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)												
		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 towards taxonomy relevant sectors (Taxonomy-eligible)			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 environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)												
		Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which enabling		Of which use of proceeds	Of which transitional	Of which enabling		Of which use of proceeds	Of which transitional	Of which enabling						
45	On demand interbank loans	149.92																														
46	Cash and cash-related assets	824.29																														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	7,534.82																														
48	Total GAR assets	115,241.49	32,137.98	3,095.04	-	13.73	116.56	33.58	5.78	-	0.15	6.08	4.35	-	0.03	22.86	1.47	-	0.05	0.49	0.12	-	0.03	0.44	0.06	-	0.03	32,201.42	3,106.83	-	13.73	116.85
49	Assets not covered for GAR calculation	55,127.59																														
50	Central governments and Supranational issuers	52,793.25																														
51	Central banks' exposure	2,252.30																														
52	Trading book	82.05																														
53	Total assets	170,369.08	32,137.98	3,095.04	-	13.73	116.56	33.58	5.78	-	0.15	6.08	4.35	-	0.03	22.86	1.47	-	0.05	0.49	0.12	-	0.03	0.44	0.06	-	0.03	32,201.42	3,106.83	-	13.73	116.85
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	1,530.84	31.70	14.72	-	0.00	3.66	-	-	-	-	1.84	1.64	-	-	1.62	0.00	-	0.00	0.02	0.02	-	-	-	-	-	-	35.38	16.38	-	0.00	3.66
55	Assets under management	18,171.42	1,164.67	511.88	-	17.60	294.04	83.34	44.83	-	2.21	22.50	18.82	-	0.03	41.78	7.06	-	0.77	14.79	1.88	-	0.01	0.51	0.04	-	0.01	1,327.59	584.51	-	17.60	297.07
56	Of which debt securities	3,301.45	958.10	401.81	-	12.68	226.05	70.32	43.20	-	2.07	0.95	0.59	-	0.00	24.51	1.30	-	0.62	7.74	0.14	-	0.00	0.22	0.00	-	0.00	1,061.84	447.03	-	12.68	228.75
57	Of which equity instruments	1,252.58	176.12	62.46	-	4.77	34.81	10.31	0.66	-	0.02	0.10	0.04	-	-	0.46	-	-	-	0.04	0.01	-	-	0.02	-	-	-	187.05	63.18	-	4.77	34.83

ICCREA BANCA SPA – 2025 REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

		a	b	c	d	e	f	g	h	i	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af
		31/12/2024																														
Million EUR ¹	Total (gross) carrying amount	Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)			Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)												
		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 towards taxonomy relevant sectors (Taxonomy-eligible)		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 environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)			Of which environmentally sustainable (Taxonomy-aligned)												
		Of which use of proceeds		Of which transitional	Of which enabling			Of which use of proceeds		Of which enabling			Of which use of proceeds		Of which enabling			Of which use of proceeds		Of which enabling			Of which use of proceeds		Of which transitional	Of which enabling						
GAR - Covered assets in both numerator and denominator																																
1	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	53,720.45	29,084.18	2,248.33	-	16.52	27.14	19.81	0.69	-	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,103.99	2,249.03	-	16.52	27.20
2	Financial corporations	6,304.43	1,209.45	0.57	-	0.24	0.33	14.88	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,224.33	0.57	-	0.24	0.33
3	Credit institutions	1,973.02	761.88	-	-	-	-	0.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	762.10	-	-	-	-
4	Loans and advances	124.85	32.39	-	-	-	-	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32.43	-	-	-	-
5	Debt securities including UoP	1,839.34	727.60	-	-	-	-	0.18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	727.78	-	-	-	-
6	Equity instruments	8.83	1.89	-		-	-	0.00																				1.89	-	-	-	-
Other financial corporations		4,331.41	447.57	0.57	-	0.24	0.33	14.66	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	462.22	0.57	-	0.24	0.33
8	Of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Debt securities including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Equity instruments	-	-	-		-																						-	-	-	-	-
12	Of which management companies	1.43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Debt securities including UoP	1.43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Equity instruments	-	-	-		-																						-	-	-	-	-
16	Of which insurance undertakings	775.51	170.52	-	-	-	-	0.68	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	171.21	-	-	-	-
17	Loans and advances	614.27	122.72	-	-	-	-	0.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	123.25	-	-	-	-
18	Debt securities including UoP	21.64	13.91	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.92	-	-	-	-
19	Equity instruments	139.59	33.90	-		-	-	0.14																				34.04	-	-	-	-
20	Non-financial corporations	733.93	197.71	83.41	-	16.28	26.81	4.93	0.69	-	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	202.65	84.10	-	16.28	26.87
21	Loans and advances	511.81	136.15	52.56	-	14.68	9.39	1.76	0.14	-	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	137.91	52.70	-	14.68	9.44
22	Debt securities including UoP	191.26	46.85	19.96	-	1.50	12.21	3.06	0.54	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49.91	20.50	-	1.50	12.21
23	Equity instruments	30.85	14.71	10.89		0.11	5.21	0.12	0.01		0.00	-																14.83	10.90	-	0.11	5.21
24	Households	46,682.10	27,677.01	2,164.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,677.01	2,164.36	-	-	-
25	of which loans collateralized by residential immovable property	27,677.01	27,677.01	2,164.36	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,677.01	2,164.36	-	-	-
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Local governments financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Collateral obtained by taking possession: residential and commercial immovable properties	76.35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	58,952.32																														
33	Financial and Non-financial corporations	47,676.92																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	43,351.46																														
35	Loans and advances	43,202.21																														
36	of which loans collateralized by commercial immovable property	-																														
37	of which building renovation loans	-																														
38	Debt securities	102.86																														
39	Equity instruments	46.38																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	88.45																														
41	Loans and advances	69.04																														
42	Debt securities	13.91																														
43	Equity instruments	5.50																														
44	Derivatives	725.48																														
45	On demand interbank loans	153.89																														
46	Cash and cash-related assets	827.30																														
47	Other categories of assets (e.g. Goodwill, commodities etc.)	9,568.74																														
48	Total GAR assets	112,749.13	29,084.18	2,248.33	-	16.52	27.14	19.81	0.69	-	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,103.99	2,249.03	-	16.52	27.20
49	Assets not covered for GAR calculation	54,901.44																														
50	Central governments and Supranational Issuers	50,851.20																														
51	Central banks' exposure	3,962.35																														
52	Trading book	87.89																														

		a	b	c	d	e	f	g	h	i	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af		
Million EUR ¹	Total [gross] carrying amount	31/12/2024																																
		Climate Change Mitigation (CCM)						Climate Change Adaptation (CCA)				Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)														
		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 towards taxonomy relevant sectors (Taxonomy-eligible)		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 environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)		Of which environmentally sustainable (Taxonomy-aligned)														
		Of which use of proceeds						Of which use of proceeds				Of which use of proceeds		Of which use of proceeds		Of which use of proceeds		Of which use of proceeds		Of which use of proceeds														
		Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	Of which use of proceeds	Of which transitional	Of which enabling	
53	Total assets	167,650.57	29,084.18	2,248.33	-	16.52	2714	19.81	0.69	-	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,103.99	2,249.03	-	16.52	27.20
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																		
54	Financial guarantees	1,601.84	42.63	31.06	-	10.64	4.34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42.63	31.06	-	10.64	4.34
55	Assets under management	14,896.32	465.33	188.04	-	7.19	96.36	10.39	1.23	-	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	475.72	189.27	-	7.19	96.39
56	Of which debt securities	1,596.42	363.83	150.93	0.00	4.09	77.42	5.98	0.72	-	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	369.81	151.65	-	4.09	77.45
57	Of which equity instruments	641.02	101.50	371.1	0.00	3.10	18.94	4.40	0.52	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105.90	376.3	-	3.10	18.94

TEMPLATE 2 - GAR - SECTOR INFORMATION (TURNOVER)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
		31/12/2025																											
		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)															
		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	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	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	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	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD		
		(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	
Breakdown by sector - NACE 4 digits level (code and label)		Of which environmentally sustainable (CCA)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (WTR)	Of which environmentally sustainable (WTR)	Of which environmentally sustainable (CE)	Of which environmentally sustainable (CE)	Of which environmentally sustainable (PPC)	Of which environmentally sustainable (PPC)	Of which environmentally sustainable (BIO)	Of which environmentally sustainable (BIO)	Of which environmentally sustainable (CCA + CCA + WTR + CE + PPC + BIO)	Of which environmentally sustainable (CCA + CCA + WTR + CE + PPC + BIO)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (CCA)												
1	C20.11 Manufacture of industrial gasses	8.98	0.01	-	-	-	-	-	-	-	-	-	-	8.98	0.01	-	-												
2	C23.13 Manufacture of hollow glass	5.05	-	5.05	-	-	-	5.05	-	-	-	-	-	5.05	-	-	-												
3	C24.51 Casting of iron	4.27	0.10	4.27	-	4.27	0.00	4.27	-	4.27	-	4.27	-	4.27	0.10	-	-												
4	C25.11 Manufacture of metal structures and parts of structures	1.32	0.05	0.00	-	0.00	0.00	1.32	0.01	0.00	-	0.00	-	1.32	0.05	-	-												
5	C25.12 Manufacture of doors and windows of metal	1.12	-	-	-	-	-	-	-	-	-	-	-	1.12	-	-	-												
6	C25.29 Manufacture of other tanks, reservoirs and containers of metal	3.16	-	-	-	-	-	3.16	-	-	-	-	-	3.16	-	-	-												
7	C25.62 Machining	15.97	3.40	-	-	-	-	15.76	1.80	-	-	-	-	15.97	3.40	-	-												
8	C26.30 Manufacture of communication equipment	1.00	-	-	-	-	-	1.00	-	-	-	-	-	1.00	-	-	-												
9	C26.51 Manufacture of instruments and appliances for measuring, testing and navigation	0.31	-	-	-	-	-	0.31	-	-	-	-	-	0.31	-	-	-												
10	C27.11 Manufacture of electric motors, generators and transformers	0.00	0.00	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-												
11	C27.12 Manufacture of electricity distribution and control apparatus	1.45	1.25	-	-	-	-	-	-	-	-	-	-	1.45	1.25	-	-												
12	C27.51 Manufacture of electric domestic appliances	3.05	-	-	-	-	-	3.05	-	-	-	-	-	3.05	-	-	-												
13	C27.90 Manufacture of other electrical equipment	3.91	0.82	0.41	-	0.41	0.00	3.91	0.43	0.41	-	0.41	-	3.91	0.82	-	-												
14	C28.22 Manufacture of lifting and handling equipment	0.00	0.00	0.00	-	0.00	0.00	0.00	-	0.00	-	0.00	-	0.00	0.00	-	-												
15	C28.24 Manufacture of power-driven hand tools	0.00	-	-	-	-	-	0.00	-	-	-	-	-	0.00	-	-	-												
16	C28.49 Manufacture of other machine tools	1.49	-	-	-	-	-	1.49	-	-	-	-	-	1.49	-	-	-												
17	C28.91 Manufacture of machinery for metallurgy	0.00	0.00	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-												
18	C29.10 Manufacture of motor vehicles	7.88	0.27	-	-	-	-	-	-	-	-	-	-	7.88	0.27	-	-												
19	C30.11 Building of civilian ships and floating structures	47.98	1.11	47.98	-	47.98	0.03	47.98	-	47.98	-	47.98	-	47.98	1.11	-	-												
20	C30.91 Manufacture of motorcycles	2.67	-	-	-	-	-	-	-	2.67	-	-	-	2.67	-	-	-												
21	D35.11 Production of electricity	17.04	0.93	1.71	-	7.30	0.50	7.30	0.04	5.59	0.03	1.71	-	17.04	0.93	-	-												
22	D35.12 Transmission of electricity	16.96	10.83	-	-	-	-	-	-	-	-	-	-	16.96	10.83	-	-												
23	D35.13 Distribution of electricity	0.14	0.05	-	-	-	-	-	-	-	-	-	-	0.14	0.05	-	-												
24	D35.22 Distribution of gaseous fuels through mains	1.96	0.61	-	-	1.96	0.06	-	-	-	-	-	-	1.96	0.61	-	-												
25	E36.00 Water collection, treatment and supply	3.61	1.12	-	-	3.61	0.04	3.61	0.01	3.61	-	-	-	3.61	1.12	-	-												
26	E38.21 Treatment and disposal of non-hazardous waste	0.00	0.00	-	-	0.00	0.00	0.00	0.00	0.00	0.00	-	-	0.00	0.00	-	-												
27	E38.32 Recovery of sorted materials	0.05	0.01	-	-	0.05	0.02	0.05	0.00	0.05	-	-	-	0.05	0.02	-	-												
28	F42.12 Construction of railways and underground railways	6.58	2.64	6.58	0.00	-	-	-	-	-	-	-	-	6.58	2.64	-	-												
29	F42.99 Construction of other civil engineering projects n.e.c.	0.01	0.00	0.01	-	0.01	0.00	0.01	-	0.01	-	0.01	-	0.01	0.00	-	-												
30	F43.22 Plumbing, heat and air-conditioning installation	0.60	0.01	0.60	-	0.60	0.00	0.60	-	0.60	-	0.60	-	0.60	0.01	-	-												
31	H49.41 Freight transport by road	1.58	0.06	1.58	-	1.58	-	1.58	-	-	-	-	-	1.58	0.06	-	-												
32	H49.50 Transport via pipeline	5.58	0.13	5.58	-	5.58	0.00	5.58	-	5.58	-	5.58	-	5.58	0.13	-	-												
33	H52.21 Service activities incidental to land transportation	6.81	0.18	6.71	-	4.65	0.00	4.65	-	4.65	-	4.65	-	6.81	0.18	-	-												
34	H53.10 Postal activities under universal service obligation	0.08	0.00	-	-	-	-	-	-	-	-	-	-	0.08	0.00	-	-												
35	H53.20 Other postal and courier activities	40.00	1.08	-	-	-	-	-	-	-	-	-	-	40.00	1.08	-	-												
36	I61.10 Wired telecommunications activities	0.00	-	0.00	-	-	-	0.00	-	-	-	-	-	0.00	-	-	-												
37	I61.20 Wireless telecommunications activities	0.81	0.08	-	-	-	-	-	-	-	-	-	-	0.81	0.08	-	-												
38	I61.90 Other telecommunications activities	0.60	-	-	-	-	-	0.60	0.00	-	-	-	-	0.60	0.00	-	-												
39	J62.01 Computer programming activities	30.88	-	22.71	-	-	-	30.88	-	-	-	-	-	30.88	-	-	-												
40	J62.02 Computer consultancy activities	0.26	0.01	0.26	-	-	-	-	-	-	-	-	-	0.26	0.01	-	-												
41	J62.09 Other information technology and computer service activities	0.74	-	-	-	-	-	0.74	-	-	-	-	-	0.74	-	-	-												

CONSOLIDATED REPORT ON OPERATIONS

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
		31/12/2025																											
Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)		Circular economy (CE)				Pollution (PPC)		Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)							
		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		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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount	
		Of which environmentally sustainable (CCM)	Men EUR	Of which environmentally sustainable (CCM)	Men EUR	Of which environmentally sustainable (CCA)	Men EUR	Of which environmentally sustainable (CCA)	Men EUR	Of which environmentally sustainable (WTR)	Men EUR	Of which environmentally sustainable (WTR)	Men EUR	Of which environmentally sustainable (CE)	Men EUR	Of which environmentally sustainable (CE)	Men EUR	Of which environmentally sustainable (PPC)	Men EUR	Of which environmentally sustainable (PPC)	Men EUR	Of which environmentally sustainable (BIO)	Men EUR	Of which environmentally sustainable (BIO)	Men EUR	Of which environmentally sustainable (BIO)	Men EUR	Of which environmentally sustainable (BIO)	Men EUR
42	36311 Data processing, hosting and related activities	2.05	0.74			2.05	0.03			-	-			-	-			-	-			-	-			2.05	0.74	-	-
43	L6810 Buying and selling of own real estate	0.06	0.00			0.06	-			-	-			-	-			-	-			-	-			0.06	0.00	-	-
44	L6820 Renting and operating of own or leased real estate	0.17	0.00			0.17	-			-	-			-	-			-	-			-	-			0.17	0.00	-	-
45	M7112 Engineering activities and related technical consultancy	1.98	0.27			0.15	-			1.98	0.54			1.98	0.03			1.98	-			0.15	-			1.98	0.54	-	-
46	N7711 Renting and leasing of cars and light motor vehicles	30.82	-			-	-			-	-			30.82	-			-	-			-	-			30.82	-	-	-

TEMPLATE 2 - GAR - SECTOR INFORMATION (CAPEX)

31/12/2025																													
Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
	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		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		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		
	(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		(Gross) carrying amount		
	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable BIO	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCA)
1	C20.11 Manufacture of industrial gases	8.98	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.98	-	-	-	-		
2	C23.13 Manufacture of hollow glass	5.05	-	-	-	5.05	-	-	-	-	-	5.05	-	-	-	-	-	-	-	-	-	-	5.05	-	-	-	-		
3	C24.51 Casting of iron	4.27	-	-	-	4.27	-	-	4.27	0.00	-	4.27	-	-	-	4.27	-	-	-	-	4.27	-	4.27	0.00	-	-	-		
4	C25.11 Manufacture of metal structures and parts of structures	1.32	0.41	-	-	0.00	-	-	0.00	0.00	-	1.32	-	-	-	0.00	-	-	-	0.00	-	-	1.32	0.41	-	-	-		
5	C25.12 Manufacture of doors and windows of metal	1.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.12	-	-	-	-		
6	C25.29 Manufacture of other tanks, reservoirs and containers of metal	3.16	-	-	-	-	-	-	-	-	-	3.16	-	-	-	-	-	-	-	-	-	-	3.16	-	-	-	-		
7	C25.62 Machining	15.97	5.98	-	-	-	-	-	-	-	-	15.76	0.87	-	-	-	-	-	-	-	-	-	15.97	5.98	-	-	-		
8	C26.30 Manufacture of communication equipment	1.00	-	-	-	-	-	-	-	-	-	1.00	-	-	-	-	-	-	-	-	-	-	1.00	-	-	-	-		
9	C26.51 Manufacture of instruments and appliances for measuring, testing and navigation	0.31	0.00	-	-	-	-	-	-	-	-	0.31	-	-	-	-	-	-	-	-	-	-	0.31	0.00	-	-	-		
10	C27.11 Manufacture of electric motors, generators and transformers	0.00	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	-		
11	C27.12 Manufacture of electricity distribution and control apparatus	1.45	1.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.45	1.44	-	-	-		
12	C27.51 Manufacture of electric domestic appliances	3.05	-	-	-	-	-	-	-	-	-	3.05	-	-	-	-	-	-	-	-	-	-	3.05	-	-	-	-		
13	C27.90 Manufacture of other electrical equipment	3.91	1.35	-	-	0.41	-	-	0.41	0.00	-	3.91	0.21	-	-	0.41	-	-	-	0.41	-	-	3.91	1.35	-	-	-		
14	C28.22 Manufacture of lifting and handling equipment	0.00	-	-	-	0.00	-	-	0.00	0.00	-	0.00	-	-	-	0.00	-	-	-	0.00	-	-	0.00	0.00	-	-	-		
15	C28.24 Manufacture of power-driven hand tools	0.00	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-		
16	C28.49 Manufacture of other machine tools	1.49	-	-	-	-	-	-	-	-	-	1.49	-	-	-	-	-	-	-	-	-	-	1.49	-	-	-	-		
17	C28.91 Manufacture of machinery for metallurgy	0.00	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00	0.00	-	-	-		
18	C29.10 Manufacture of motor vehicles	7.88	1.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.88	1.38	-	-	-		
19	C30.11 Building of civilian ships and floating structures	47.98	-	-	-	47.98	-	-	47.98	0.04	-	47.98	-	-	-	47.98	-	-	-	47.98	-	-	47.98	0.04	-	-	-		
20	C30.91 Manufacture of motorcycles	2.67	-	-	-	-	-	-	-	-	-	-	-	-	-	2.67	-	-	-	-	-	-	2.67	-	-	-	-		
21	D35.11 Production of electricity	17.04	2.53	-	-	1.71	-	-	7.30	0.87	-	7.30	0.03	-	-	5.59	0.04	-	-	1.71	-	-	17.04	2.53	-	-	-		
22	D35.12 Transmission of electricity	16.96	12.46	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.96	12.46	-	-	-		
23	D35.13 Distribution of electricity	0.14	0.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14	0.12	-	-	-		
24	D35.22 Distribution of gaseous fuels through mains	1.96	1.54	-	-	-	-	-	1.96	0.01	-	-	-	-	-	-	-	-	-	-	-	-	1.96	1.54	-	-	-		
25	E36.00 Water collection, treatment and supply	3.61	1.96	-	-	-	-	-	3.61	0.12	-	3.61	0.01	-	-	3.61	-	-	-	-	-	-	3.61	1.96	-	-	-		
26	E38.21 Treatment and disposal of non-hazardous waste	0.00	0.00	-	-	-	-	-	0.00	0.00	-	0.00	0.00	-	-	0.00	0.00	-	-	-	-	-	0.00	0.00	-	-	-		
27	E38.32 Recovery of sorted materials	0.05	0.01	-	-	-	-	-	0.05	0.03	-	0.05	-	-	-	0.05	0.00	-	-	-	-	-	0.05	0.03	-	-	-		
28	F42.12 Construction of railways and underground railways	6.58	4.19	-	-	6.58	0.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.58	4.19	-	-	-		
29	F42.99 Construction of other civil engineering projects n.e.c.	0.01	-	-	-	0.01	-	-	0.01	0.00	-	0.01	-	-	-	0.01	-	-	-	0.01	-	-	0.01	0.00	-	-	-		
30	F43.22 Plumbing, heat and air-conditioning installation	0.60	-	-	-	0.60	-	-	0.60	0.00	-	0.60	-	-	-	0.60	-	-	-	0.60	-	-	0.60	0.00	-	-	-		
31	H49.41 Freight transport by road	1.58	-	-	-	1.58	-	-	1.58	-	-	1.58	-	-	-	-	-	-	-	-	-	-	1.58	-	-	-	-		
32	H49.50 Transport via pipeline	5.58	-	-	-	5.58	-	-	5.58	0.00	-	5.58	-	-	-	5.58	-	-	-	5.58	-	-	5.58	0.00	-	-	-		
33	H52.21 Service activities incidental to land transportation	6.81	0.08	-	-	6.71	-	-	4.65	0.00	-	4.65	-	-	-	4.65	-	-	-	4.65	-	-	6.81	0.08	-	-	-		
34	H53.10 Postal activities under universal service obligation	0.08	0.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.00	-	-	-		
35	H53.20 Other postal and courier activities	40.00	1.48	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40.00	1.48	-	-	-		
36	I36.10 Wired telecommunications activities	0.00	-	-	-	0.00	-	-	-	-	-	0.00	-	-	-	-	-	-	-	-	-	-	0.00	-	-	-	-		
37	I36.20 Wireless telecommunications activities	0.81	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.81	0.05	-	-	-		
38	I36.90 Other telecommunications activities	0.60	-	-	-	-	-	-	-	-	-	0.60	0.02	-	-	-	-	-	-	-	-	-	0.60	0.02	-	-	-		
39	I62.01 Computer programming activities	30.88	-	-	-	22.71	-	-	-	-	-	30.88	-	-	-	-	-	-	-	-	-	-	30.88	-	-	-	-		
40	I62.02 Computer consultancy activities	0.26	-	-	-	0.26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.26	-	-	-	-		
41	I62.09 Other information technology and computer service activities	0.74	-	-	-	-	-	-	-	-	-	0.74	-	-	-	-	-	-	-	-	-	-	0.74	-	-	-	-		

CONSOLIDATED REPORT ON OPERATIONS

a b c d e f g h i j k l m n o p q r s t u v w x y z aa ab															
31/12/2025															
Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)		
	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	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	Non-Financial corporates (Subject to NFRD)	SMEs and other NFC not subject to NFRD	
	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	(Gross) carrying amount	
	Of which environmentally sustainable (CCM)	Of which environmentally sustainable (CCM)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (CCA)	Of which environmentally sustainable (WTR)	Of which environmentally sustainable (WTR)	Of which environmentally sustainable (CE)	Of which environmentally sustainable (CE)	Of which environmentally sustainable (PPC)	Of which environmentally sustainable (PPC)	Of which environmentally sustainable (BIO)	Of which environmentally sustainable (BIO)	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	
	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	Me EUR	
42 36311 Data processing, hosting and related activities	2.05	1.37	2.05	0.06	-	-	-	-	-	-	-	-	2.05	1.37	-
43 L6810 Buying and selling of own real estate	0.06	-	0.06	-	-	-	-	-	-	-	-	-	0.06	-	-
4 L6820 Renting and operating of own or leased real estate	0.17	-	0.17	-	-	-	-	-	-	-	-	-	0.17	-	-
45 M7112 Engineering activities and related technical consultancy	1.98	0.40	0.15	-	1.98	0.94	1.98	-	1.98	0.01	0.15	-	1.98	0.94	-
46 N7711 Renting and leasing of cars and light motor vehicles	30.82	-	-	-	-	-	30.82	-	-	-	-	-	30.82	-	-

TEMPLATE 3 – GAR KPI (TURNOVER STOCK)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af				
% (compared to total covered assets in the denominator)		% (compared to total covered assets in the denominator)																																			
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)					Circular economy (CE)					Pollution (PPC)					Biodiversity and Ecosystems (BIO)					TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		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-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-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)					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)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
		Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of total assets covered					
	GAR - Covered assets in both numerator and denominator																																				
1	Loans and advances, debt securities and equity instruments not HTI eligible for GAR calculation	27.42%	2.68%	-	0.02%	0.05%	0.02%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.03%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	27.47%	2.69%	-	0.02%	0.05%	33.93%
2	Financial corporations	1.29%	0.11%	-	0.01%	0.02%	0.01%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	1.30%	0.11%	-	0.01%	0.02%	4.77%
3	Credit institutions	0.83%	0.03%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	0.84%	0.03%	-	0.00%	0.00%	1.34%
4	Loans and advances	0.03%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%	-	0.00%	0.00%	0.08%
5	Debt securities including UoP	0.79%	0.03%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	0.79%	0.03%	-	0.00%	0.00%	1.23%
6	Equity instruments	0.01%	0.00%		0.00%	0.00%	0.00%		-	0.00%	0.00%		-	0.00%	0.00%		-	0.00%	0.00%		-	0.00%		-	0.00%	0.00%		-	0.00%	0.00%	0.01%	0.00%		0.00%	0.00%	0.04%	
7	Other financial corporations	0.45%	0.08%	-	0.01%	0.02%	0.01%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.46%	0.08%	-	0.01%	0.02%	3.44%	
8	Of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%		
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
10	Debt securities including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11	Equity instruments	-	-		-	-	-	-		-	-		-	-	-		-	-	-		-	-		-	-		-	-	-	-		-	-	-	0.00%		
12	Of which management companies	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%		
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
14	Debt securities including UoP	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.00%		
15	Equity instruments	-	-		-	-	-	-		-	-		-	-	-		-	-	-		-	-		-	-		-	-	-	-		-	-	-	-		
16	Of which insurance undertakings	0.11%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.11%	0.01%	-	0.00%	0.00%	0.41%		
17	Loans and advances	0.07%	0.01%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.07%	0.01%	-	0.00%	0.00%	0.32%		
18	Debt securities including UoP	0.02%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.02%	0.00%	-	0.00%	0.00%	0.02%		
19	Equity instruments	0.02%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.02%	0.00%		0.00%	0.00%	0.08%			
20	Non-financial corporations	0.26%	0.05%	-	0.01%	0.02%	0.01%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.02%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.29%	0.05%	-	0.01%	0.03%	0.53%		
21	Loans and advances	0.10%	0.02%	-	0.01%	0.01%	0.01%	-	-	0.00%	0.00%	0.00%	-	0.02%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.13%	0.03%	-	0.01%	0.01%	0.30%		
22	Debt securities including UoP	0.15%	0.02%	-	0.00%	0.01%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.15%	0.02%	-	0.00%	0.01%	0.22%		
23	Equity instruments	0.01%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.01%	0.01%		0.00%	0.00%	0.02%			
24	Households	25.88%	2.53%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.88%	2.53%	-	-	-	28.62%			
25	of which loans collateralized by residential immovable property	25.88%	2.53%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.88%	2.53%	-	-	-	17.50%			
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
28	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				

⁸⁷ The proportion of total covered assets is calculated as the ratio between the gross carrying amount in Template 1 and the value of total assets (see Template 1, Row 53 “Total assets”).

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af	
		% (compared to total covered assets in the denominator)																																
		Climate Change Mitigation (CCM)			Climate Change Adaptation (CCA)			Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)														
% (compared to total covered assets in the denominator)	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-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-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)			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)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)															
	Of which Use of Proceeds			Of which Use of Proceeds			Of which Use of Proceeds			Of which Use of Proceeds			Of which Use of Proceeds			Of which Use of Proceeds			Of which Use of Proceeds															
Of which transitional			Of which transitional			Of which transitional			Of which transitional			Of which transitional			Of which transitional			Of which transitional																
Of which enabling			Of which enabling			Of which enabling			Of which enabling			Of which enabling			Of which enabling			Of which enabling																
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05%		
32	Total GAR assets	27.42%	2.68%	-	0.02%	0.05%	0.02%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.03%	0.00%	-	0.00%	0.00%	0.00%	-	-	0.00%	-	-	0.00%	-	-	27.47%	2.69%	-	0.02%	0.05%	67.64%

ICCREA BANCA SPA – 2025 REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af	
% (compared to total covered assets in the denominator)		31/12/2024																																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)			Circular economy (CE)			Pollution (PPC)			Biodiversity and Ecosystems (BIO)			TOTAL (CCM + CCA + WTR + CE + PPC + BIO)										
		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-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-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)			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)			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)										
																																		Proportion of total assets covered ^a
	GAR - Covered assets in both numerator and denominator																																	
1	Loans and advances, debt securities and equity instruments not HTF eligible for GAR calculation	25.71%	2.00%	-	0.01%	0.02%	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.72%	2.00%	-	0.01%	0.02%	32.04%
2	Financial corporations	1.03%	0.05%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.04%	0.05%	-	-	-	3.76%
3	Credit institutions	0.67%	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.67%	0.02%	-	-	-	1.18%
4	Loans and advances	0.03%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	-	-	-	-	0.07%
5	Debt securities including UoP	0.64%	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.64%	0.02%	-	-	-	1.10%
6	Equity instruments	-	-																										-	-		-	-	0.01%
7	Other financial corporations	0.36%	0.03%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.37%	0.03%	-	-	-	2.58%
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	0.14%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14%	-	-	-	-	0.46%
17	Loans and advances	0.10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.10%	-	-	-	-	0.37%
18	Debt securities including UoP	0.01%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	-	-	-	-	0.01%
19	Equity instruments	0.03%	-																										0.03%	-			-	0.08%
20	Non-financial corporations	0.13%	0.03%	-	-	0.01%	0.01%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14%	0.03%	-	-	0.01%	0.44%
21	Loans and advances	0.08%	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08%	0.02%	-	-	-	0.31%
22	Debt securities including UoP	0.04%	0.01%	-	-	-	0.01%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	0.01%	-	-	-	0.11%
23	Equity instruments	0.01%	0.01%																										0.01%	0.01%			-	0.02%
24	Households	24.55%	1.92%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.55%	1.92%	-	-	-	27.84%
25	of which loans collateralized by residential immovable property	24.55%	1.92%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24.55%	1.92%	-	-	-	16.51%
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05%	
32	Total GAR assets	25.71%	2.00%	-	0.01%	0.02%	0.02%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.72%	2.00%	-	0.01%	0.02%	67.25%

⁸⁸ The proportion of total covered assets is calculated as the ratio between the gross carrying amount in Template 1 and the value of total assets (see Template 1, Row 53 “Total assets”).

TEMPLATE 3 – GAR KPI (CAPEX STOCK)

31/12/2025																																		
a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af			
Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				Proportion of total covered assets in the denominator						
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-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-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-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)														
Of which low carbon				Of which enabling				Of which low carbon				Of which enabling				Of which low carbon				Of which enabling				Of which low carbon					Of which enabling					
Of which low carbon				Of which enabling				Of which low carbon				Of which enabling				Of which low carbon				Of which enabling				Of which low carbon					Of which enabling					
GAR - Covered assets in both numerator and denominator																																		
1	Loans and advances, debt securities and equity instruments not eligible for GAR allocation	27.88%	2.89%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	27.94%	2.70%	-	0.00%	0.00%	23.03%	
2	Financial corporations	1.71%	0.08%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	1.76%	0.08%	-	0.00%	0.00%	4.77%	
3	Credit institutions	0.84%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	1.14%	
4	Loans and advances	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	-	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	0.00%	0.08%	
5	Debt securities including Liqf	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	1.23%
6	Equity instruments	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.04%	
7	Other financial corporations	0.87%	0.08%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	3.44%
8	Of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%		
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
10	Debt securities including Liqf	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%		
12	Of which management companies	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%		
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
14	Debt securities including Liqf	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%		
15	Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
16	Of which insurance undertakings	0.0%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.4%	
17	Loans and advances	0.07%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.57%	
18	Debt securities including Liqf	0.02%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.02%	
19	Equity instruments	0.02%	-	-	-	-	-	-	-	0.00%	-	-	-	0.00%	-	-	0.00%	-	-	0.00%	-	-	-	-	-	-	-	0.00%	-	-	-	-	0.08%	
20	Non-financial corporations	0.30%	0.08%	-	0.01%	0.04%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	-	0.02%	0.04%	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.32%	0.09%	-	0.01%	0.04%	0.53%	
21	Loans and advances	0.0%	0.04%	-	0.0%	0.02%	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.02%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.16%	0.04%	-	0.0%	0.02%	0.50%	
22	Debt securities including Liqf	0.0%	0.04%	-	0.00%	0.02%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.16%	0.04%	-	0.00%	0.02%	0.52%		
23	Equity instruments	0.0%	0.0%	-	0.00%	0.0%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	0.00%	-	-	0.02%	0.0%	-	0.00%	0.0%	0.0%	0.52%		
24	Households	25.88%	2.53%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.88%	2.53%	-	-	-	28.62%	
25	Of which loans collateralized by residential immovable property	25.88%	2.53%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25.88%	2.53%	-	-	-	17.00%	
26	Of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
27	Of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
28	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
31	Colateral obtained by taking possession of residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%		
32	Total GAR assets	27.88%	2.89%	-	0.01%	0.03%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.02%	0.04%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	27.94%	2.70%	-	0.01%	0.03%	27.64%	

⁸⁹ The proportion of total covered assets is calculated as the ratio between the gross carrying amount in Template 1 and the value of total assets (see Template 1, Row 53 "Total assets").

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af

⁹⁰ The proportion of total covered assets is calculated as the ratio between the gross carrying amount in Template 1 and the value of total assets (see Template 1, Row 53 "Total assets").

TEMPLATE 4 – GAR KPI (TURNOVER FLOW)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	af	
	31/12/2025																																
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
	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-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-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)				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)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
% (compared to flow of total eligible assets)																																	
	Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling	Proportion of assets covered	
GAR - Covered assets in both numerator and denominator																																	
1	Loans and advances debt securities and equity instruments not HTF eligible for GAR calculation	5.14%	0.70%	-	0.01%	0.03%	0.00%	-	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.01%	0.03%	8.27%	
2	Financial corporations	0.83%	0.04%	-	0.00%	0.01%	0.00%	-	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.01%	3.04%	
3	Credit institutions	0.71%	0.02%	-	0.00%	0.00%	0.00%	-	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	1.12%	
4	Loans and advances	0.03%	0.00%	-	0.00%	0.00%	0.00%	-	-	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.06%	
5	Debt securities including UoP	0.67%	0.02%	-	0.00%	0.00%	0.00%	-	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	1.02%	
6	Equity instruments	0.01%	0.00%		0.00%	0.00%	0.00%		-	0.00%			-	0.00%			-	0.00%			-	0.00%			-	0.00%			-	0.00%	0.00%	0.04%	
7	Other financial corporations	0.12%	0.02%	-	0.00%	0.01%	0.00%	0.00%	-	-	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.01%	1.92%	
8	Of which investment firms	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	
9	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	Debt securities including UoP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
11	Equity instruments	-	-		-	-	-		-	-			-	-			-	-			-	-			-	-		-	-		-	0.00%	
12	Of which management companies	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	
13	Loans and advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	Debt securities including UoP	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	
15	Equity instruments	-	-		-	-	-		-	-			-	-			-	-			-	-			-	-		-	-		-	-	
16	Of which insurance undertakings	0.04%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.10%	
17	Loans and advances	0.00%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.01%	
18	Debt securities including UoP	0.01%	0.00%	-	0.00%	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	0.01%	
19	Equity instruments	0.02%	0.00%		0.00%	0.00%	0.00%	0.00%		-	0.00%			0.00%			-	0.00%			-	0.00%			-	0.00%			-	0.00%	0.00%	0.08%	
20	Non-financial corporations	0.18%	0.03%	-	0.01%	0.02%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.01%	0.02%	0.28%	
21	Loans and advances	0.05%	0.01%	-	0.00%	0.01%	0.00%	-	-	0.00%	0.00%	0.00%	-	0.01%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.01%	0.09%	
22	Debt securities including UoP	0.12%	0.02%	-	0.00%	0.01%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.01%	0.18%	
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		-	0.00%	0.00%		0.00%	0.00%	0.00%	-	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	-	0.00%	0.00%	0.01%	
24	Households	4.14%	0.63%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.95%	
25	of which loans collateralized by residential immovable property	4.14%	0.63%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.80%	
26	of which building renovation loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	of which motor vehicle loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	Housing financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Other local government financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	Total GAR assets	5.14%	0.70%	-	0.01%	0.03%	0.01%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.00%	0.00%	-	0.01%	0.03%	8.27%	

152

TEMPLATE 5 - KPI OFF-BALANCE SHEET EXPOSURES (TURNOVER STOCK)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	
	31/12/2025																															
% (compared to total eligible off-balance sheet assets) ¹	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)					Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	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-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-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)				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)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
	Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional
1	Financial guarantees (FinGuar KPI)	1.40%	0.21%	-	0.03%	0.01%	-	-	-	-	-	0.07%	0.06%	-	-	0.22%	0.00%	-	-	0.00%	0.00%	-	-	-	-	-	-	1.70%	0.28%	-	0.03%	0.01%
2	Assets under management (AuM KPI)	4.97%	1.71%	-	0.08%	0.88%	0.08%	0.00%	-	-	0.00%	0.06%	0.05%	-	0.00%	0.31%	0.04%	-	0.01%	0.19%	0.01%	-	-	0.02%	-	-	-	5.63%	1.82%	-	0.08%	0.89%

TEMPLATE 5 - KPI OFF-BALANCE SHEET EXPOSURES (CAPEX STOCK)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	
		31/12/2025																															
% (compared to total eligible off-balance sheet assets) ¹⁾		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)							
		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-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-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)				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)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)							
			Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling		Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	2.07%	0.96%	-	0.00%	0.24%	-	-	-	-	-	0.12%	0.11%	-	-	0.11%	0.00%	-	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	2.30%	1.07%	-	0.00%	0.24%
2	Assets under management (AuM KPI)	6.47%	2.82%	-	0.10%	1.62%	0.46%	0.25%	-	0.01%	0.12%	0.10%	-	0.00%	0.23%	0.04%	-	0.00%	0.08%	0.01%	-	0.00%	0.00%	0.00%	-	0.00%	-	7.31%	3.22%	-	0.10%	1.63%	

TEMPLATE 5 - KPI OFF-BALANCE SHEET EXPOSURES (TURNOVER FLOW)

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae	
	31/12/2025																															
	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)							
	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-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-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)				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)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)							
% (compared to total eligible off-balance sheet assets) ¹⁾																																
			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling		
1 Financial guarantees (FinGuar KPI)	0.13%	0.13%	-	-	0.11%	-	-	-	-	-	0.29%	0.26%	-	-	0.11%	0.02%	-	-	-	0.01%	-	-	-	-	-	-	-	0.52%	0.41%	-	-	0.11%
2 Assets under management (AuM KPI)	16.83%	4.89%	-	0.54%	1.72%	0.04%	0.00%	-	-	0.00%	0.08%	0.07%	-	0.00%	0.13%	0.03%	-	0.00%	0.18%	0.07%	-	-	0.32%	-	-	-	17.58%	5.07%	-	0.54%	1.72%	

TEMPLATE 5 - KPI OFF-BALANCE SHEET EXPOSURES (CAPEX FLOW)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab	ac	ad	ae
% (compared to total eligible off-balance sheet assets) ^a		31/12/2025																														
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)		Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)								
		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-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-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)		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)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)								
		Of which Use of Proceeds				Of which Use of Proceeds				Of which Use of Proceeds		Of which Use of Proceeds				Of which Use of Proceeds				Of which Use of Proceeds				Of which Use of Proceeds								
		Of which transitional				Of which transitional				Of which transitional		Of which transitional				Of which transitional				Of which transitional				Of which transitional								
	Of which enabling				Of which enabling				Of which enabling		Of which enabling				Of which enabling				Of which enabling				Of which enabling									
1	Financial guarantees (FinGuar KPI)	0.19%	0.19%	-	-	0.16%	-	-	-	-	-	0.49%	0.44%	-	-	0.09%	-	-	-	0.01%	0.01%	-	-	-	-	-	-	0.78%	0.64%	-	-	0.16%
2	Assets under management (AuM KPI)	22.12%	6.59%	-	0.60%	2.97%	1.67%	1.33%	-	-	0.15%	0.20%	0.16%	-	0.00%	0.24%	0.03%	-	0.00%	0.11%	0.07%	-	0.00%	0.00%	0.00%	-	0.00%	24.35%	8.19%	-	0.60%	3.11%

TEMPLATE 1 (ANNEX XII) - NUCLEAR AND FOSSIL GAS RELATED ACTIVITIES

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	YES
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	YES

TEMPLATE 2 (ANNEX XII) – TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (DENOMINATOR)

Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages) Turnover based						Amount and proportion (the information is to be presented in monetary amounts and as percentages) CapEx based					
	CCM+CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		CCM+CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
4 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	163	0.00%	163	0.00%	-	-	207	0.00%	207	0.00%	-	-
5 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	25	0.00%	25	0.00%	-	-	19	0.00%	19	0.00%	-	-
6 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	12	0.00%	12	0.00%	-	-	13	0.00%	13	0.00%	-	-
7 Amount and proportion of other taxonomy- aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	203,712,261	0.18%	203,710,748	0.18%	1,513	0.00%	175,745,822	0.15%	175,745,822	0.15%	1,513	0.00%
8 Total applicable KPI	203,712,460	0.18%	203,710,948	0.18%	1,513	0.00%	175,746,060	0.15%	175,746,060	0.15%	1,513	0.00%

TEMPLATE 3 (ANNEX XII) - TAXONOMY-ALIGNED ECONOMIC ACTIVITIES (NUMERATOR)

Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)						Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	Turnover based						Capex based					
	CCM+CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		CCM+CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
2 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
4 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
5 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
6 Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
7 Amount and proportion of other taxonomy- aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	205,497,297	6.64%	205,497,297	6.64%	-	-	177,196,152	5.70%	177,196,152	5.70%	-	-
8 Total amount and proportion of taxonomy- aligned economic activities in the numerator of the applicable KPI	205,497,297	6.64%	205,497,297	6.64%	-	-	177,196,152	5.70%	177,196,152	5.70%	-	-

TEMPLATE 4 (ANNEX XII) – TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Economic activities	Amount and proportion (the information is to be presented in monetary amounts and as percentages)						Amount and proportion (the information is to be presented in monetary amounts and as percentages)					
	Turnover based		Capex based				Turnover based		Capex based			
	CCM+CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		CCM+CCA		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1 Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	113,208	0.00%	113,208	0.00%	-	-	-	-	-	-	-	-
2 Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
3 Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-	-	-	-	-	-	-
4 Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	202,215	0.00%	202,215	0.00%	-	-	39,896	0.00%	39,896	0.00%	-	-
5 Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	47,158,835	0.04%	47,158,835	0.04%	-	-	28,702,987	0.02%	28,702,987	0.02%	-	-
6 Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	56,572	0.00%	56,572	0.00%	-	-	10,837	0.00%	10,837	0.00%	-	-
7 Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	155,068,532	0.13%	155,068,532	0.13%	-	-	145,573,000	0.13%	145,573,000	0.13%	-	-
8 Total amount and proportion of taxonomy eligible but not taxonomy aligned economic activities in the denominator of the applicable KPI	202,599,361	0.18%	202,599,361	0.18%	-	-	174,326,719	0.15%	174,326,719	0.15%	-	-

TEMPLATE 5 (ANNEX XII) – TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES

Economic activities	Turnover based		Capex based	
	Amount	%	Amount	%
1 Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
2 Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
3 Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
4 Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
5 Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
6 Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-
7 Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	205,154,278	0.18%	175,892,036	0.15%
8 Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI'	205,154,278	0.18%	175,892,036	0.15%

ANNEX IV – TEMPLATE FOR THE KPI OF ASSET MANAGERS

2025	
Weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below:	Weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below:
Turnover-based (%): 2.08	Turnover-based (€): 189,815,577
Capex-based (%): 3.55	Capex-based (€): 323,236,892
Percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities	Monetary value of assets covered by the KPI. Excluding investments in sovereign entities.
Coverage rate (%): 55.28	Coverage (€): 9,104,716,518.61
Additional, complementary disclosures: breakdown of denominator of the KPI	
The percentage of derivatives relative to total assets covered by the KPI (%): 0	The value in monetary amounts of derivatives (€): 0
The proportion of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:	Value of exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:
For financial undertakings (%): 1.03	For financial undertakings (€): 94,189,323
For non-financial undertakings (%): 0.33	For non-financial undertakings (€): 30,482,590
The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:	Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU:
For non-financial undertakings (%): 1.30	For non-financial undertakings (€): 118,455,020
For financial undertakings (%): 3.55	For financial undertakings (€): 322,784,992
The proportion of exposures to financial and non-financial undertakings subject to 19 bis and 29 bis of Directive 2013/34/EU over total assets covered by the KPI:	Value of exposures to financial and non-financial undertakings subject to Articles 19 bis and 29 bis of Directive 2013/34/EU:
For non-financial undertakings (%): 8.03	For non-financial undertakings (€): 731,557,100
For financial undertakings (%): 14.55	For financial undertakings (€): 1,324,628,946
The proportion of exposures to other counterparties over total assets covered by the KPI (%): 71.20	Value of exposures to other counterparties and other assets (€): 6,482,618,546
The value of all the investments that are funding economic activities that are not taxonomy-eligible relative to the value of total assets covered by the KPI: 1.81	Value of all the investments that are funding economic activities that are not taxonomy-eligible (€): 164,965,958
The value of all the investments that are funding taxonomy-eligible economic activities, but not taxonomy-aligned relative to the value of total assets covered by the KPI (%): 1.15	Value of all the investments that are funding Taxonomy-eligible economic activities, but not taxonomy-aligned (€): 104,772,077

Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:		For non-financial undertakings:	
Turnover-based (%): 1.59		Turnover-based (€): 144,729,705	
Capex-based(%): 3.06		Capex-based (€): 278,789,385	
For financial undertakings:		For financial undertakings:	
Turnover-based (%): 0.50		Turnover-based (€): 45,085,872	
Capex-based (%): 0.4881		Capex-based (€): 44,438,507	
The proportion of taxonomy-aligned exposures to other counterparties and other assets in over total assets covered by the KPI:		Value of taxonomy-aligned exposures to other counterparties:	
Turnover-based (%): 0		Turnover-based (€): 0	
Capex-based (%): 0		Capex-based (€): 0	

**Breakdown of the numerator of the KPI per environmental objective
Taxonomy-aligned activities**

1) Climate change mitigation	Turnover: 1.72 %	Transitional activities: 0.09%; 0.10% (Turnover; capex)
	Capex: 2.66 %	Enabling activities: 0.95%; 1.36% (Turnover; capex)
2) Climate change adaptation	Turnover: 0.01%	Enabling activities: 0.001%; 0.0004% (Turnover; capex)
	Capex: 0.02%	
3) The sustainable use and protection of water and marine resources	Turnover: N/A	Enabling activities: N/A
	Capex: N/A	
4) The transition to a circular economy	Turnover: N/A	Enabling activities: N/A
	Capex: N/A	
5) Pollution prevention and control	Turnover: N/A	Enabling activities: N/A
	Capex: N/A	
6) The protection and restoration of biodiversity and ecosystems	Turnover: N/A	Enabling activities: N/A
	Capex: N/A	

ESRS E1 – CLIMATE CHANGE

In the context of growing global awareness of environmental and climate challenges, the Group recognizes the crucial importance of integrating environmental sustainability into every aspect of its activities. Protecting the environment and mitigating the negative impacts of economic activities on the climate are an ethical responsibility, but also a strategic element to ensure the Group's resilience and competitiveness in the long term.

The climate crisis and growing regulatory pressure at European and international level, such as the European Green Deal and the United Nations Sustainable Development Goals (SDGs), underline the need for a systemic change towards low-carbon economic models. In this context, the Group is committed to playing a leading role, both by adopting sustainable internal practices and by actively supporting the green transition of its customers and the territory in which it operates.

In respect of own operations, the Group has implemented policies aimed at reducing its environmental footprint, adopting solutions such as energy efficiency, responsible management of resources and the use of renewable sources. These efforts not only help reduce the direct impacts of the Group's activities (negative impacts on the environment resulting from direct greenhouse gas emissions), but also reinforce the example that it intends to offer to the market and society in general (positive impacts resulting from awareness initiatives among Group personnel, the supply chain and customers).

In respect of the financed portfolio, the Group recognizes its key role in directing financial flows towards sustainable initiatives and projects with a positive impact. The promotion of green investments, such as the financing of energy efficiency projects, renewable energy, sustainable mobility and regenerative agriculture, are a strategic priority for the Group both in terms of commercial opportunities and the diffusion of a culture oriented to environmental protection. In particular, support for small and medium-sized enterprises - the beating heart of the Italian economy - is essential to promote sustainable practices on a local and national scale.

The Group also understands the importance of managing environmental risks in the context of its lending activity. Through the adoption of tools and methodologies for the assessment of climate and environmental risk, it aims to ensure prudent and responsible management of its portfolio. This approach allows, on the one hand, to minimize the financial risks linked to climate change and, on the other, to seize the opportunities offered by the transition to a sustainable economy.

ESRS E1-1 – TRANSITION PLAN

In line with the mission, founding values, and business model of mutual banking, the Group is committed to promoting the transition of the economy towards a more sustainable future, aware of the risks and opportunities offered by the operational and regulatory environment due to climate change. To this end, the Group is making significant efforts in developing and enriching an organic set of initiatives that can concretely push the transition towards a sustainable economy. The dimensions of intervention that support the Group's transition plan break down into three different levels:

- activities related to own operations (so-called direct emissions): the Group is committed to mitigating the environmental impact through the adoption of low-GHG emission and low environmental impact management solutions and practices;
- activities of shareholders and customers: the Group aims to support its shareholders and customers in addressing the impacts of climate change and to help their transition towards low-emission behaviors and solutions;
- proprietary portfolio and Asset Under Management (AUM): the Group aims to achieve a progressive expansion of ESG activities.

The adoption of a responsible and sustainable business model is among the Group's strategic priorities. The Group operates nationwide through its 114 mutual banks, the Parent Company and its subsidiaries, in the fields of savings collecting, financing, investment and insurance services and products to its shareholders and customers of choice, primarily households and medium and small-sized businesses operating in all the main sectors of the Italian economy. This unique business model promotes alignment with the expectations of customers and communities, while ensuring a fair transition. The decentralized model and strong local roots are elements of strength that favor the effort to accompany the transition of the economy. The various Group companies carry out their activities at a local level, close to customers, providing innovative solutions in response to the challenges posed by climate change.

Aware of the importance of its role, the Group, in continuity with what has already been outlined in the previous period, has committed to promoting a series of a series of initiatives at the consolidated level, in support of the transition plan, relating to the main areas of the business model:

- actions to improve the GHG emissions profile related to its own activities and production processes;
- actions to support its customers, increasing awareness on environmental issues and energy efficiency and stimulating the adoption of initiatives towards the transition (e.g. consultancy services);
- financing products aimed at improving emission efficiency of business processes or customers' properties;
- investment products aimed at supporting companies with low environmental impact business models or engaged in the implementation of transition programs towards a sustainable economy;
- insurance products, both for corporate and retail customers, with the aim of mitigating physical risks in particular;
- capital raising instruments from the markets (green bonds) aimed at supporting the financing of initiatives to support the environmental transition;
- investments of the proprietary portfolio in financial instruments issued to support the transition.

These actions are considered priorities and are testimony of the concrete commitment of the Group to be a driving force of its own transition, that of its shareholders, customers and business portfolio. The Group will also integrate them with the initiatives currently under development as part of its compliance with the European Banking Authority Guidelines on ESG risk management.

Own operations

In line with regulatory requirements, the Iccrea Cooperative Banking Group has identified targets relating to direct and indirect emissions for 2030 (Scope 1 direct emissions and Scope 2 and 3 indirect emissions, categories 1, 2, 3, 6, 8 and 13), considering FY 2023 as the baseline and identifying the related actions to achieve them:

- the reduction of Scope 1 direct emissions by -20% by 2030 (compared to 10,384 tons of CO₂ equivalent in 2023);
- the reduction of Scope 2 indirect emissions, calculated according to the market-based approach, by -75% by 2030 (compared to 6,909 tons of CO₂ equivalent in 2023).

With regard to direct Scope 1 emissions, actions have been defined to reduce emissions from the operation of company buildings, through the optimization of consumption, and to reduce fossil fuel use in the company car fleet. This objective is considered achievable by the Group through the adoption by the various entities, based on local specificities, of various actions such as:

- efficiency and renovation of the real estate assets and related systems, such as, for example, energy efficiency of air conditioning systems and improving the insulation of buildings from external spaces;
- actions aimed at reducing emissions generated by generators, through the transition from fossil fuels such as diesel to more ecological fuels such as LPG or biogas;
- centralized management of air conditioning and heating systems in offices, by sharing guidelines for the rational use of energy in buildings;
- awareness-raising initiatives aimed at personnel.

As regards the reduction of consumption associated with the company car fleet, two macro-directives of intervention have been identified, one linked to company choices and one linked to the behavior of individual users:

- adoption of policies relating to the management of the Car Fleet aimed at reducing its environmental impact, also in line with the provisions of the Budget Law in force;
- the conversion of the car fleet to full-hybrid, full-electric or biofuel-powered vehicles (biodiesel or bioethanol) and incentive schemes to assignees of cars towards vehicles with a lower environmental impact (e.g. increase in the guaranteed monthly employee maximum);
- promotion of initiatives for employees to disseminate greater awareness of the environmental impact generated by the use of company vehicles and direct them toward more sustainable mobility behaviors. Such initiatives include, for example, promoting the sharing of company vehicles, raising awareness about

the use of vehicles for private travel, and disseminating best practices regarding driving style.

With regard to Scope 2 indirect emissions, the Group's "market-based" Scope 2 profile is strongly characterized by electricity consumption and only to a residual extent by emissions deriving from thermal energy (10% of the total Scope 2). For this reason, the target in question should be understood mainly as a reduction of emissions connected to the electricity component. To this end, the actions that the Iccrea Cooperative Banking Group has set out to carry out are:

- exclusive purchase of green and/or certified electricity from renewable sources with Guarantee of Origin (GO), by joining the BCC Energia Consortium or by requesting its purchase from its energy suppliers;
- direct production of energy from renewable sources (e.g. installation of a photovoltaic plant).

Finally, in relation to Scope 3 indirect emissions relating to its own operations, the Group has calculated and reported the emissions produced for the relevant categories (as better detailed in this section, i.e. categories 1. Purchased goods and services, 2. Capital goods, 3. Activities related to fossil fuels and energy, 6. Business travel, 8. Upstream leased assets, 13. Downstream leased assets).

Note that the Group does not fall into any of the categories excluded from the EU benchmarks aligned with the Paris Agreement.

Financed portfolio

As regards Scope 3 indirect emissions category 15, Small and Medium Enterprises (SMEs) mainly account for the Group's portfolio of Non-Financial Corporates and these entities have specific difficulties in the measurement, engagement and monitoring of greenhouse gas emissions and the decarbonization path, due to their heterogeneity, small size and limited availability of structured data.

In this context, the Group recognizes the importance of establishing clear and realistic objectives for the reduction of emissions generated by its loan portfolio, both ambitious and reflecting the operational reality of SMEs. However, the current difficulty in obtaining complete and accurate data represents a critical element that requires a strategic and targeted approach.

Consequently, the Group has initiated a strategic process to evaluate the definition of specific targets for the sectors considered most critical based on the evidence of the Group's portfolio, in line with what emerges from the market and the main international standards.

In line with the characteristics of its loan portfolio and the type of customer, and with the results of the analyses of the operating context (better detailed below), the Group has identified two priority sectors for intervention: real estate (residential and commercial mortgages) and companies operating in the Agri-food, Industry, Steel and Transport sectors.

In order to support these customers in their decarbonization process, the Group has identified commercial levers that aim to enable the transition to a sustainable economy. These commercial actions, detailed in the following paragraphs, include the launch of new products and financing, but also consultancy services, through external companies, offered to customers, especially SMEs, to develop awareness of their positioning with respect to the transition. The Group has defined cumulative objectives for the provision of new financing to customers (both retail and corporate), aimed at improving the emission profile, for over €10 billion in the period 2025/2030.

These actions and objectives are functional to establish the Group's concrete commitment as a driver of the transition of itself, its shareholders and customers, with the ultimate goal of limiting global warming.

From 2024, the Group began an in-depth analysis of its sector priorities, focusing on the reduction of financed emissions and the alignment of its activities with global sustainability objectives. Among the key sectors identified, the agri-food and the mortgage sector were considered priorities for the definition of specific decarbonization targets.

Agri-food plays a central role in the Group's portfolio, both for its economic importance, with a strong impact on the loan portfolio, and for the deep-rooted commitment of Group to the primary sector and rural communities, contributing to their development and sustainable growth. The transition in this area requires a systematic and targeted approach, involving strategic investments in sustainable agricultural practices, the adoption of advanced technologies such as precision agriculture, the improvement of water and energy efficiency, and the transition to the use of renewable energy sources. In this spirit, the Group has decided to establish carbon footprint reduction targets (i.e. the ratio between financed emissions and gross carrying amount) for the agri-food sector, planning to reduce the carbon footprint of this sector by 2030 in a range of 5-10% (compared to approximately 845 tons of CO₂

equivalent/€ millions of gross carrying amount in 2024). Details on the strategy implemented to ensure the achievement of this target are available in the following sections.

The (residential) mortgage portfolio has been identified as another priority area of intervention, by virtue of the fundamental role the Group has always had in supporting the local economy, in particular in relation to its significant presence in the residential area outside large urban centers. This condition implies a strong responsibility in orienting the real estate sector towards more sustainable solutions. In this context, the Group has decided to set targets for reducing emissions related to the residential sector, mainly focusing on financing and supporting the redevelopment of existing building stock, while incentivizing the purchase and construction of new buildings with high energy efficiency and low environmental impact. The aim is not only to reduce direct emissions associated with real estate projects, but also to stimulate the market towards more sustainable and innovative solutions, which can have a positive impact in the long term. In the residential property segment, the Group has set itself the target of reducing its carbon footprint by 20-25% by 2030 (compared to approximately 28 tons of CO₂ equivalent/gross carrying amount in 2024), including the grid effect, which consists of the reduction of emissions from properties through the increasing use of renewable energy. Details on the strategies implemented by the Group to achieve these targets are the following paragraphs.

Overall, these targets are part of a broader strategic development to strengthen the Group's role as an active player in the transition. The actions undertaken are not limited to responding to the need to reduce emissions, but aim to create a long-term positive impact, ensuring a sustainable future for future generations and for the global economic system.

Real estate portfolio (residential and commercial) as collateral for mortgages

The real estate sector, both residential and commercial, is a major player in the fight against climate change, as it is responsible for a significant portion of greenhouse gas emissions and energy consumption globally. In response to this challenge, the EU Energy Performance of Buildings Directive (EPBD) sets very ambitious targets for the sector: a 60% reduction in emissions by 2030 compared to 2015 levels and the adoption of a zero-emission building stock by 2050. These targets require a radical change in the way buildings are designed, constructed and managed, with an urgent need for massive renovation and energy efficiency interventions, a process that involves both the public and private sectors.

In this context, the Iccrea Cooperative Banking Group aims at being a key player in supporting the transition of the real estate sector, providing structured and targeted financial leverage. The Group has recognized that the transformation of the national building stock is one of the main challenges to achieving global climate goals, and for this reason it has identified support to the real estate sector as a strategic priority. In particular, the Group has developed a wide range of green financial solutions, which include loans and financing dedicated to energy efficiency interventions, sustainable renovations and the purchase of highly energy-efficient properties. These tools are designed to facilitate access to financial resources for households and businesses, encouraging the implementation of measures that reduce the emission footprint of buildings and increase their sustainability.

Also in light of the targets for reducing financed emissions set by the Group for the residential sector, commercial levers have been identified and developed to support customers in the transition process, with a particular focus on the real estate sector. The main financial levers designed by the Iccrea Cooperative Banking Group include specific products (including, for example, Taxonomy Aligned products) for the financing of interventions not only for the renovation of existing buildings, but also for the construction of new properties with low environmental impact, with a particular focus on the most virtuous energy classes. Furthermore, specific objectives have been established for new financing relating to properties in the best energy classes, with the aim of promoting a transition towards an increasingly sustainable building heritage that respects environmental criteria.

Agri-food

The agri-food sector is a significant contributor to global greenhouse gas emissions. In particular, livestock farming and the intensive use of fertilizers are the main drivers of emissions. The transition of the agricultural sector towards more sustainable and ecological practices is essential to achieving global climate goals and requires a radical change in the methods of cultivation and production, moving towards regenerative agricultural practices that not only reduce emissions, but also improve soil health and biodiversity. The adoption of advanced technologies plays a crucial role in this process, as it allows for the optimization of resources and the improvement of the efficiency of agricultural operations, while reducing environmental impact.

The agri-food sector has historically represented a priority for the Group, which recognizes the importance of its

role in accompanying customers, especially small and medium-sized agricultural enterprises, on their path towards sustainability. Considering the targets (in terms of reduction of financed emissions) set by the Group, a targeted offer has been developed that includes financial solutions to support the transition of the agricultural sector, with a particular focus on innovative and sustainable agricultural practices. These solutions include specific financing for photovoltaic systems, biogas and other sustainable energy solutions, with the aim of reducing energy costs and emissions in the agricultural sector.

In addition to these financial solutions, there are consultancy services to facilitate access by agricultural companies to public funds from the National Recovery and Resilience Plan (NRRP) and other national and European financing programs, aimed at sustainable innovation in the agri-food sector. The Iccrea Cooperative Banking Group aims to be a strategic partner for agricultural companies that wish to undertake a transition path towards more sustainable practices, providing not only financial resources, but also technical and consultancy support to guide companies through sustainability-related regulatory and financial challenges.

Industry

The industrial sector is a significant contributor to global emissions, and sectors such as concrete and chemical production pose significant challenges for decarbonization. The adoption of advanced technologies, the electrification of processes and the use of renewable energy are key factors in achieving decarbonization objectives and pose even more ambitious challenges for SME counterparts.

The Group, in light of its role in supporting businesses, offers integrated solutions to accompany the industry towards the sustainable transition, which include financial support for the adoption of advanced technologies, such as the electrification of production processes, energy efficiency and the circular economy, credit lines that reward companies with measurable emission-reducing targets and improving ESG performance and consultancy services to guide small and medium-sized enterprises in the transition. The Group aims, in fact, to support small and medium-sized enterprises especially through the financing of high-impact technologies such as the electrification of industrial processes to replace fossil fuels with renewable energy, the adoption of CCUS (Carbon Capture, Utilization, and Storage) systems and advanced solutions for the recovery and reuse of waste materials.

Steel industry

The steel industry has a significant impact on global CO₂ emissions, especially for its heavy reliance on coal as a fuel. Its decarbonization poses a number of challenges, requiring the transition to furnaces powered by renewable electricity, the use of green hydrogen as a reducing agent in steel production, the development of CCUS (Carbon Capture, Utilization, and Storage) to capture and reuse carbon emissions, and increased steel recycling to reduce the need for carbon-intensive primary production. The Group supports its customers' decarbonization with financing for technological innovation projects, for example by supporting investments in electric furnaces and green hydrogen infrastructure, or by promoting recycling and the circular economy with dedicated solutions for secondary steel production.

Transportation

In light of the importance of the transport sector with respect to global emissions, European legislation has taken on a particularly stringent approach, requiring the adaptation of vehicles in such a way as to guarantee zero emissions for all new vehicles sold by 2035.

The technological transition in this sector is driven by the spread of zero-emission vehicles, including the development of battery electric vehicles (BEV), i.e. the dominant technology, supported by a widespread network of charging infrastructures. Other technologies include hydrogen (FCEV), suitable for heavy vehicles and long-distance applications, and advanced hybrids, the latter particularly widespread and suitable for a gradual transition towards full electrification.

The Group has set itself the strategic objective of supporting the innovation and sustainability of the entire value chain of the automotive industry with an integrated approach, which includes support for the production and purchase of electric vehicles and charging infrastructures, the offer of credit to suppliers in the automotive supply chain for the transition towards zero-emission processes, financing for leasing and long-term rental for electric vehicles and for private and public charging infrastructures.

Proprietary Portfolio and Assets Under Management

As regards the proprietary portfolio, the Group highly values the adoption of a diversification strategy of proprietary investments through ESG financial instruments, with the aim of integrating environmental, social and governance factors into corporate processes. To this end, a gradual plan has been outlined that provides for a progressive increase in ESG financial instruments in the portfolio, with the aim of reaching a share equal to or greater than 5%.

With regard to Assets Under Management, the Group's asset management company, BCC Risparmio & Previdenza SGR, integrates environmental, social and governance criteria into the investment processes relating to the managed portfolios. To this end, it has defined and adopted specific controls, graduated according to the characteristics and objectives of the individual financial products, aimed at identifying, evaluating and monitoring investments most exposed to sustainability risks. Specifically, these controls include mechanisms for:

- exclusion/restriction of certain sectors with questionable profile in terms of sustainability or considered “not responsible” (for example: alcohol, gambling, tobacco, nuclear energy, weapons) or specific exclusion of issuers with an internal ESG rating assigned on a “critical” value (CCC Rating), including the impact of any existing or arising disputes of the issuing counterparty;
- selection of investments based on sustainable investment criteria for which environmental or social characteristics, or a combination of such characteristics, are promoted provided that the companies in which the investments are made comply with governance practices including sustainable investment targets (pursuant to Articles 8 and 9 of EU Regulation 2019/2088);
- introduction of ESG investment limits, both positive, with minimum levels of investment in sustainable financial instruments and in companies that promote environmental and social characteristics, and negative, providing, in addition to the exclusion of instruments with a CCC rating, limits on exposure on instruments with an internal ESG rating assigned on a value lower than the critical one (Rating B), variable according to the characteristics of the investment itself;
- exclusion of any type of direct or indirect investment in products and services, including the distribution of funds by third-party asset managers through mutual banks, which violate Law No. 220/2021 regarding the implementation of enhanced controls on the operations of authorized intermediaries, to counter the financing of companies producing anti-personnel mines, munitions, and cluster submunitions.

Note though that the current targets and actions adopted with resolution of the Board of Directors of the Parent Company, although aimed at mitigating the negative effects deriving from climate change, are not formally aligned with the objectives set by the Paris Agreement.

Governance of the Transition Plan

The decarbonization strategies has been defined with the contribution of several units of the Parent Company, with a view to ensure a cross - integration of competences. More specifically, within the CFO area, the Planning & Control unit (responsible, among other things, contributed to defining the consolidated business plan), the CBO Area to the analysis of the context and the definition of possible commercial strategies. Within the COO area, the Operations Strategy unit contributed to the definition of targets and actions related to the reduction of own emissions, while the CRO Area prepared the estimates relating to the emissions of the financed portfolio (Scope 3). These structures are supported by the ESG Ambassadors present in each strategic area of the Parent Company and in each Group company, to act as coordinators within the relevant Area/Company on ESG matters, as well as liaison with the Sustainability Steering unit of the Parent Company. As anticipated, the latter is responsible for defining the ESG strategies and for the overall coordination of the business structures of the Parent Company and the ESG Ambassadors network.

In support of these structures and entities, the Parent Company has also invested in tools (including the purchase of specialized software for the calculation of emissions relating to the financed portfolio and reported in the Group's Scope 3 emissions, the update of the application used for the credit investigation in order to be able to collect the results of the ESG assessment questionnaire of customers and integrate it into the lending process) and personnel training courses dedicated to ESG issues.

With regard to operating expenses (OPEX) and (or) capital expenditure (CAPEX) planned for the implementation of the ESG strategy (with particular reference to issues related to climate change), these do not represent a significant value with respect to the strategic plan as a whole and the Group's capital and financial structure.

Note that the Group, in compliance with the European Banking Authority Guidelines on ESG Risk Management,

has launched specific initiatives aimed at integrating the above activities with the formal involvement of the various lines of defense to satisfy the governance requirements and the incorporation of specific scenario analyses, also on the basis of alternative adverse hypotheses.

ESRS E1 SBM-3 - IRO-1 - RESILIENCE ANALYSIS

The identification of potential climate and environmental risk factors, and related opportunities, to which the Group is exposed, is based on an in-depth analysis of regulations, market best practices, the macroeconomic environment and the indications provided by Supervisory bodies regarding risk management.

The operating context can be analyzed with three dimensions:

Global environment: characterized by increasing regulation aimed at integrating and/or limiting ESG risks in the Bank's key processes. This environment is based on intervention policies that consider different transition trajectories towards the objective of containing global warming, as well as on climate policies in place and/or necessary to address climate change. The European Commission plans significant capital investments to decarbonize the economy and adapt to climate change, and the banking sector plays a key role in financing the transition, particularly in the manufacturing, energy and transport sectors;

Market trends: they mainly include the growing attention of investors towards sustainability and the circular economy, the development of green products and the increased importance attributed to these issues by consumers and households. This offers strategic insights to accompany a sustainable transition, despite strong US pressure that has led to the closure of international alliances such as the "Net-Zero Banking Alliance" (NZBA) and the "Net Zero Asset Management Initiative" (NZAM). At financial level, retail financing will account for, until 2025, a significant share of sustainability-related revenues in Europe. This segment, including green mortgages and electric vehicle financing, represents a significant opportunity for the Group. As regards the consumer segment, the market for sustainable consumer goods is expected to continue to grow.

Competitive environment: the banking sector is characterized by a growing commitment to aligning with the objectives of the Paris Agreement, also in response to the progressive adoption of stringent policies by financial institutions. Most of the main Italian operators have already set targets for the sectors with the highest climate and environmental (C&E) risk, and have introduced exclusion policies for new disbursements in high-impact sectors, such as coal and unconventional extraction activities in the Oil & Gas sector. The Group has identified the "Inevitable Policy Response - IPR Forecast" scenario as the guide for defining the relevant climate policy framework. In particular, the use of the IPR has allowed the definition of the narrative on the most relevant sectors for the Group and the development of the assessment of risks and opportunities arising from legislative and regulatory developments in this area.

In this respect, the Group's portfolio has been divided into material C&E (Climate and Environment) sectors (based on the result of the material analysis), selected by intersecting two elements: "Medium" and "High" risk sectors according to the results of the Materiality Assessment exercise and C&E Sectors having the highest impact in terms of emissions.

The most relevant climate-related sectors have been identified (Real Estate & Construction, Agri-food, Steel Industry, Transport) and a detailed analysis has been carried out through i) the identification of the policies, in force or about to be issued, relevant for each identified sector, ii) the analysis and qualitative assessment of the impact of risks deriving from climate-related policies on the entire value chain of the sector, iii) the assessment of the financing and transition support opportunities associated with the policies.

The impact of the identified climate policies on the most important sectors in the Group's portfolio can be summarized as detailed in the following paragraphs.

Residential Mortgages & Buildings & Construction

Carbon and energy efficiency policies highlight the need to decarbonize and improve the energy efficiency of existing buildings, as well as promote the construction of new buildings that meet higher energy standards, in order to avoid cost increases.

Renewables will require significant initial investments due to the change in technology, but the presence of European or state subsidies to support the transition mitigates the cost increase.

The analysis of the impact of climate policies on the sector's value chain allows us to identify the segments most

exposed to climate-related and environmental (C&E) risks for the Group, in particular those related to real estate management and mortgages, both commercial and residential. These segments offer significant opportunities for green financing, such as investments in energy-efficient buildings, products dedicated to low-emission heating and support through specific ecosystem solutions and actions.

More specifically in the building sector, Directive (EU) 2024/1275 “Green Homes” aims to drive the transition of the sector by reducing the energy consumption of the residential building stock by 16% by 2030 and by 22% by 2035. In this regard, the Directive required Member States to submit a first draft of the “National Building Renovation Plan - PNRE” (a document that defines objectives, measures and investments towards zero-emission buildings by December 31, 2025), but several countries, including Italy, have not respected this deadline.⁹¹

The lack of information generated by the delay in the PNRE and tensions related to the Italian infringement of Article 17 thereof (ban on subsidies for the installation of fossil fuel boilers from January 1, 2025) raises doubts about the timing and the scope of the transposition of the directive into Italian law, with potentially significant impacts on the size of subsidies for specific energy efficiency objectives.

Agri-food

The impact of new climate policies on the agri-food sector is direct and significant, although potentially mitigated by state subsidies.

An increase in costs is expected for the forestry and nature segments, especially in the distribution phase, due to the new standards on traceability and transparency, but also potential financing opportunities for agricultural companies. The decommissioning of traditional fertilizers in favor of green ones causes an increase in costs for agricultural companies and also indirectly impacts the entire production and distribution chain, but also offers financing opportunities for new agricultural approaches.

In the carbon farming segment, new income opportunities are generated for farmers, deriving from the use of the soil for carbon absorption, but with significant investments required.

The analysis of the impact of climate policies on the value chain of the sector allows us to identify the segments most exposed to C&E risks for the Group, such as in particular agricultural companies and producers of inputs active in the related value chain. These segments present the main opportunities for green financing (financing new production processes and new projects such as carbon farming, as well as supporting the adoption of new fertilizers).

Steel industry

With regard to carbon prices, the impact of policies generates an increase in production costs related to the EU Emissions Trading System (EU-ETS) and the imposition of customs duties on imports.

Research and innovation initiatives aimed at supporting the transition will have a cost-reducing effect by making low-emission solutions more competitive.

In respect of renewables, initiatives to support energy saving generate a reduction in costs along the entire production chain.

Finally, energy efficiency requires short-term investments to meet energy certification requirements that will lead to a reduction in medium-long term costs.

The analysis of the impact of climate policies on the value chain of the sector allows us to identify the manufacturing of metal products as the segment most exposed to C&E risks for the Group, while at the same time offering an opportunity for green financing (financing the transition through support for the reconversion of production systems).

Transportation

The European regulatory landscape for the transport sector has undergone significant reshaping over the last two years. New provisions (EU Regulation 2023/851) allow the previously prohibited marketing of vehicles equipped with internal combustion engines (ICEs), but powered exclusively by CO₂-neutral fuels (e-fuels and advanced

⁹¹ In this regard, on March 11, 2026 the European Commission launched infringement procedures against 19 Member States for failure to submit, by December 31, 2025, the required draft national building renovation plan under the Green Homes Directive, including Italy.

biofuels). This change was accompanied by a 10% easing (from 100% to 90%) of intermediate targets for reducing average fleet emissions for new vehicles by 2035.

At the same time, regulation has shifted toward the forced decarbonization of corporate fleets, imposing progressive electrification obligations for "Large Enterprises" with fleets of more than 100 vehicles (45% of new zero-emission vehicles by 2030 and 80% by 2035).

However, policies for the decommissioning of internal combustion vehicles directly impact mainly the production segment of the sector and not the Group's portfolio, concentrated on the "distribution and sales" segment.

The impact of policies on critical raw materials, the life cycle of vehicles and automotive components will drive an increase in costs in the manufacturing sector and a contraction in sales, but will open business opportunities in the circular economy.

In the area of carbon pricing, the "EU-ETS" system will cause an increase in costs, with possible transmission of increases along the value chain but also investment opportunities in the after-sales sector.

The analysis of the impact of climate policies on the sector's value chain allows us to identify the distribution and sales segment as the segment most exposed to C&E risks for the Group, while at the same time offering an opportunity for green financing through expenditures on the adaptation of distribution and sales facilities, and earning opportunities for logistics companies.

Risk analysis and resilience assessments

In light of the priority areas identified in the analysis of the operating environment, in accordance with applicable prudential regulations, the Group periodically identifies the risks to which it could be exposed, taking into account the potential impacts of climate-related and environmental risks on assets and economic activities which, in turn, may be reflected in the financial performance of the Group; this process has led to the development of an internal taxonomy of climate and environmental risks,⁹² which are broken down into the categories of transition and physical risk, as shown in the following figure:

	TRANSITION RISKS			PHYSICAL RISKS	
	Technological	Policy	Market sentiment	Acute risks	Chronic risks
CLIMATE-RELATED	The transition to low-impact technologies requires a higher cost and affects customers' business model	Global European policies limit activities to sectors with high levels of emissions	Shifts in consumer preferences towards climate-friendly consumption habits affects all sectors more dependent on energy consumption	Risks arising from extreme climate change , with specific events in a defined time (e.g. landslides and floods)	Risks arising from chronic climate change , with effects occurring over a long time horizon
ENVIRONMENTAL	Policies to reduce environmental impact and for the transition to green technologies/products can affect companies with high levels of pollutant emissions and poor waste management The introduction of green policies and technologies , combined with a market sentiment of increased awareness of environmental damage, can influence activities that impact ecosystems and biodiversity The transition to advanced technologies , the demand for environmentally sustainable products and policies on virtuous water management can impact companies with high use of water resources , decreasing productivity in specific sectors (e.g. agriculture)			Risks arising from extreme alterations of environmental resources due to pollution, water resources, waste management, and loss of biodiversity	Risks arising from chronic long-term alterations of environmental resources due to pollution, water resource, waste management and loss of biodiversity

For the first time, integrated risk analyses include social and governance dimensions, in line with the European Banking Authority's Guidelines on ESG risk management. This approach, still predominantly qualitative due to limited market maturity and the limited availability of consolidated metrics, is a first step in integrating S&G factors, particularly with regard to reputational risk. In this context, the Group has identified the main risk drivers: for the social area, regulatory developments, stakeholder expectations, and environmental spillover effects; for the governance area, the adequacy of organizational structures, business conduct, and the effectiveness of environmental and social controls.

In order to understand the causal links connecting climate-related risk factors to financial risks, the Group has identified the transmission channels. This was done by identifying the relevant C&E risk drivers first and then by identifying the transmission channels through which drivers can have - through the counterparties, assets or the economic environment of the Group - a direct (damage to assets, interruption of the value chain, decrease in profitability) or indirect (macroeconomic changes) impact.

⁹² During the year, the materiality analysis was updated to include initial assessments of social and governance factors, in line with the relevant regulatory framework and the level of maturity of market practices on the subject.

The transmission channels were determined for seven main types of traditional risk (i.e. credit, market, operational, liquidity, reputational/litigation, strategic and sovereign risk), highlighting how these drivers have an impact in the short, medium and long term, at macro and microeconomic levels.

TYPE OF RISK	RISK DRIVER	TRANSMISSION CHANNEL
Credit risk	- Climate-related an environmental physical risks (acute and chronic) (pollution, loss of biodiversity, water stress waste) - Transition risks (Technological, Policy and Regulatory, Market Sentiment)	- Decrease in the corporate solvency of companies (Corporate) due to the negative impact on financial solidity (e.g., increased costs and decreased revenues) due to physical risks and failure to adapt to the sustainable transition and environmental protection - Impact on household income and savings (Retail) due to the repercussions of the costs to be borne by white-collar companies in sectors exposed to high physical risks or with failure to adapt to the sustainable transition - Loss of value of real estate assets used as collateral with negative energy certification (EPC) ratings or highly exposed to acute and chronic physical risks
Market risk	- Physical risks (acute and chronic) - Transition risks (Technological, Policy and Regulatory, Market Sentiment)	- Decrease in the value of assets in the trading book for companies in sectors particularly affected by new regulations encouraging the transition to a more sustainable economy and the adoption of cleaner technologies or in sectors particularly exposed to climate change and subject to acute physical risks
Operational risk	- Physical risks (acute and chronic) - Transition risks (Technological, Policy and Regulatory, Market Sentiment)	- Damage to office facilities, network nodes, owned properties and IT systems support structures (including external suppliers) due to exposure to acute climate risks, potentially impacting on operations and affecting the Group's core functions; - Non-compliance with regulations and C&E expectations, with possible audits and sanctions by the Supervisor; legal actions by NGOs or climate activists with financial impacts; risk of greenwashing on products in case of partial evidence of positive 'green' impact.
Liquidity risk	- Physical risks (acute and chronic) - Transition risks (Technological, Policy and Regulatory, Market Sentiment)	- Impact on the HQLA stock and cash outflow due to the outflow of customer funding in order to meet the liquidity needs to finance the transition process or to finance reconstruction expenses due to climate hazards, with related potential impact on the value of liquid assets
Reputational and litigation risk	- Transition risks (Technological, Policy and Regulatory, Market Sentiment)	- Exposure to sectors with high climate risks could lead to higher scrutiny by private and institutional stakeholders - Non-compliance with regulations and C&E expectations could lead to audits and sanctions from the supervisor - Risk of greenwashing on product offerings in case of partial evidence of the actual positive "green" impact - Failure to align with decarbonization targets with related reputational impacts - Lawsuits by NGOs and/or climate activists could result in financial sanctions - Exposure to sectors with high environmental risks could lead to higher scrutiny by private and institutional stakeholders - Misconduct on C&E issues towards a counterparty
Strategic risk	- Transition risks (Technological, Policy and Regulatory, Market Sentiment)	- Impact on profitability (of counterparties) in sectors exposed to C&E risks due to a reduction in profits due to emissions taxes and costs for alignment with sustainable and environmentally friendly regulations/technologies, together with impacts on the operating model due to the increase in the frequency of climate hazards in Italy with a related impact on the ability to generate margins
Sovereign risk	- Physical risks (acute and chronic) - Transition risks (Technological, Policy and Regulatory, Market Sentiment)	- Impact on the sovereign bond portfolio due to the implementation of policies to address climate change that require increased public spending by states, together with the increase in costs to move towards a sustainable transition or to address the increase in the frequency of damages linked to climate hazards

The risk relevance assessment aims to quantify the effect of the identified C&E risks on the Group's overall risk profile, i.e. by measuring the potential financial effects of such risks on the traditional risks to which the Group is exposed, by (i) defining the Key Risk Indicators, i.e. the metrics⁹³ that best express the exposure to the various C&E risks (for example, proportion of credit exposures to counterparties/properties exposed to C&E risks), and (ii) the subsequent definition of so-called "materiality thresholds" for each type of traditional risk, on a scale of 4 values (in addition to the "non-material", i.e. "low", "medium", "medium-high" and "high"), with differentiated impact along the short-term (1-3 years), medium-term (3-10 years) and long-term (over 10 years). The result of the analysis, consisting of a heatmap that synthetically represents the risks to which the Group is exposed and their relevance, derives from qualitative and quantitative assessments, through the use of external data from third-party info providers, integrated on the basis of internally conducted forward-looking assessments that take into account alternative climate scenarios, as well as on the basis of idiosyncratic information at the counterparty level.

⁹³ Reputational risk is assessed using a qualitative approach.

Starting from 2022, the Group, following analyses on climate-related risk, has developed a management framework dedicated to the Climate Stress Test in order to assess the main impacts and risks, also considering the consequences of recent climate emergencies in Italy.

The Climate Stress Test Framework aims to assess the Group's prospective exposure, broken down by physical and transition risk, through the analysis of different future scenarios, based on climate-related, macroeconomic and financial variables, with the aim of measuring its resilience capacity in adverse economic contexts. Specifically, a framework has been developed that is as transversal and integrated as possible between credit risk, operational risk, liquidity risk and sovereign risk while enhancing the risk-specific components of each risk, with the development of specific models.

The resilience analysis is based on a structured set of fundamental assumptions that guide the assessment and management of the risks the bank is exposed to due to climate and environmental changes. These assumptions allow for the selection of "science-based" scenarios, to identify vulnerabilities and plan mitigation actions. The main assumptions adopted in the analysis include:

- **Climate change scenario:** The analysis considers a variety of climate scenarios, including those aligned with the goals of the Paris Agreement, which outline different trajectories in terms of timing and ambition of mitigation policies. These scenarios allow for the assessment of a broad spectrum of possible evolutions of the climate system and the economy, highlighting the different implications in terms of transition risks, emissions levels, and rising global temperatures, as well as the potential impacts arising from both an orderly transition to a low-emission economy and scenarios characterized by delayed or insufficient climate action;
- **Regulatory developments:** The European Union's sustainability regulatory framework is considered, evaluating various developments regarding policies to reduce greenhouse gas emissions and promote sustainable finance. Key references include the EU Taxonomy, the Sustainability Disclosure Regulation (SFDR), and ESG reporting requirements;

The analysis considered multiple time horizons to cover both short-term and long-term impacts (in line with the time horizons over which C&E risks were identified). As regards the scenarios used in the simulations, the Group has adopted those defined by the **Network for Greening the Financial System (NGFS)**, in line with the main scientific projects for assessing climate change (including scenarios characterized by high physical risk). The NGFS scenarios, recognized at international level, outline seven potential trajectories for the energy transition and the related impacts:

- **Net Zero 2050:** Ambitious and aimed at limiting global warming to 1.5 °C, this scenario includes stringent climate policies and technological innovations, reaching net zero emissions by 2050. It carries low physical risks but high transition risks;
- **Low Demand:** It relies on significant changes in behavior, decreases in energy demand and reaching climate neutrality by 2050, with lower transition risks than Net Zero 2050;
- **Below 2 °C:** It foresees a progressive tightening of climate policies to limit warming to 2 °C. Net CO₂ emissions reach zero after 2070, with limited physical and transition risks;
- **Delayed Transition:** Emissions do not decrease until 2030, requiring more aggressive action to limit warming to 2 °C. It carries higher physical and transition risks than other scenarios;
- **Nationally Determined Contributions (NDCs):** Based on policies announced but not yet fully implemented, it entails a temperature increase of up to 2.6 °C, with moderate or severe physical risks and low transition risks;
- **Current Policies:** Reflects policies currently in place, with an estimated warming of around 3 °C by 2080, leading to severe physical risks, including irreversible sea level rise;
- **Fragmented World:** Characterized by diverging climate policies across countries, it combines high physical and transition risks due to an uncoordinated and ineffective approach.

The Group's methodology for the resilience analysis aims to assess the impacts, estimated in a forward-looking manner using climate and environmental scenarios, on the main economic/financial indicators of the Group. This approach included, where deemed relevant, the physical and transition risk profiles for primary risks (credit, operational and liquidity risk), based on specific risk factors and also considering different time horizons.

The analysis of the operating context, the identification and assessment of C&E risks and the stress test activity are integrated into the internal risk management processes (Risk Appetite Framework – RAS and RAF, capital and liquidity adequacy assessment process – ICAAP and ILAAP), and direct the core business corporate processes,

including strategic planning (including the definition of credit policies and commercial objectives).

Also note that the scenarios used for the identification of risks and the stress analyses are consistent with the scenarios used in the credit risk management process, in particular in the integration of climate and environmental factors within the system for determining expected losses of financial assets pursuant to the accounting principle IFRS 9. Details on the methods and scope of integration of climate and environmental risk factors in the credit risk measurement models are provided in this Report on Operations (chapter “10. Risks and uncertainties”) and in the notes to the consolidated financial statements (“Part A – Accounting policies”, “Part E – Risks and risk management policies”).

Physical risks

The physical risk modeling framework developed by the Group is based on a structured and cross-cutting methodological framework, aimed at estimating the probability of occurrence of adverse physical events and at showing the impact of such events on the different types of risk, such as credit, operational and liquidity risk. This approach is based on the model proposed in the literature that breaks down risk into three main analytical components: Hazard (H), Vulnerability (V) and Exposure (E). The combination of these three drivers allows the definition of total risk.

The Hazard parameter represents the probability of occurrence of an adverse event and is the common element across all types of risk. To quantify the Hazard component, the Group uses granular data in line with the Climate & Environmental Materiality Assessment process, which integrates internal information (e.g. physical risk scores associated with properties and collateral) and external data. In particular, over extended time horizons, the Group adopts a prudential approach and provides for continuous monitoring of the reliability of the models. Furthermore, the framework is subject to a periodic review to integrate any progress in scientific research, thus ensuring constant methodological evolution.

Credit risk

The methodology adopted by the Group focuses on the analysis of loans to businesses and secured by collateral. In the context of credit risk, the methodology considers the types of acute physical events that are material for the Group: floods, landslides and fires.

The methodological approach to estimate the impact of these events is based on the quantification of the potential loss of revenue due to a physical risk event or a value adjustment of the property pledged as collateral. The methodology allows for an integrated assessment of the probability of occurrence of an acute physical event and the vulnerability of the property or the business.

Operational risk

The methodological approach adopted for operational risk, in line with the Group's overall framework and with the methodologies used for other types of risk, quantifies the economic impacts deriving from losses due to extreme weather events. This quantification is based on the analysis of two distinct risk transmission channels:

- direct operating losses: these include the loss of value of owned properties or the costs of restoring damage caused by extreme weather events. The occurrence of these risks leads to a decrease in the Group's asset value and the need to incur costs for the reconstruction of damaged properties;
- business losses: lost earnings due to operations interruption due to damage caused by extreme weather events.

For the transmission channel of direct losses, the analysis focused on the properties owned by the Group, while in the case of business losses (lost earnings) the analysis focused on both on properties, owned and leased, used in operations, i.e. the central and operational headquarters, and the properties used for branches.

The physical risk drivers were selected to consistently assess risks related to credit and liquidity. This choice was guided both by the materiality analysis and by the general dangerous conditions of the Italian territory.

The methodology for quantifying the effects of physical risk is based on an integrated assessment of three main elements such as probability of the event (Hazard), exposed value (Exposure) and susceptibility to damage (Vulnerability). The overall economic impact is calculated including both the loss of value of the property and the lost revenues due to the interruption of operations.

Liquidity risk

With regard to liquidity risk, the Group plans to define heatmaps to quantify exposures to C&E risks relevant for liquidity purposes and to prepare scenario analyses to assess their impact on the main liquidity indicators.

The methodological approach adopted for the definition of the heatmaps includes the estimate of expected liquidity outflows that occur in the event of climatic events to quantify the impact on deposits and credit lines granted to customers.

The estimate of stressed liquidity metrics is based on the methodological framework defined for modelling acute physical risks, with the estimate of the three main drivers: Hazard (H), Vulnerability (V) and Exposure (E), applied to liquidity risk. The probability of the event is estimated both in "point in time" and forward-looking terms.

The risk drivers have been identified in line with the results of the materiality analysis and with academic studies in the sector. The events considered to be more significant are landslides and floods.

Sovereign risk

The integration of C&E factors within the climate stress test framework on the Sovereign risk profile in relation to transition and physical risk uses a methodological approach based on three components: the yield of the sovereign bond, the associated rating and the score assigned to the issuing country. On the basis of these components, a change in the climate-related probability of insolvency associated with the State is determined.

Transition risks*Credit risk*

In the analysis of climate transition risk for credit risk purposes, the Group has defined methodologies that impact risk parameters for specific portfolio segments. This includes the definition of haircuts to be applied to the value of the property pledged as collateral for mortgages, based on the opportunity cost of the energy transition and the value of the property. Modeling logic has also been developed to incorporate transition risk into the creditworthiness assessments of corporate counterparties, to estimate the financial impact of economic transitions toward a more sustainable economy on corporate balance sheets.

Operational risk

The transition risk component is quantified by determining losses resulting from the offer of products classified as "green" that may generate complaints, as well as from non-compliance with C&E regulations, with the risk of incurring sanctions, convictions or audits by the competent authorities. The model is based on the definition and analysis of a specific scenario that analyses both components, considering fines, litigations and management impacts as direct or indirect manifestations of the risk.

The quantification of the impact associated with the transition risk, resulting in the exposure to operational risk, was carried out considering two main transmission channels: Greenwashing and non-compliance with Climate & Environmental (C&E) regulations. These transmission channels were integrated into the C&E risk assessment framework, considering the results of the latest materiality analysis and the perception of these risks at systemic level. The quantification methodology uses qualitative-quantitative analysis tools, such as data collection through interviews with specialist company functions and expert-based approaches for medium and long-term projections.

Liquidity risk

The assessment of C&E risk on the liquidity profile is performed within the Group's overall framework, using the same methodology as for other types of risk. The Group's approach to quantifying transition risk focuses on managing the run-off of deposits and the drawdown of corporate credit lines due to the ecological transition. The model includes the stressing of the balance sheet items of corporate counterparties in the portfolio, taking into account the impacts of the climate transition.

Similarly to physical risk, to quantify the effects of transition risk on the Group's liquidity profile, the main measures of the liquidity framework are stressed and assessed, based on the run-off of customer deposits and the drawdown of credit lines granted to corporate customers.

ESRS E1-2 – POLICIES

The Group has adopted a number of policies on sustainability, with particular focus on environmental aspects and climate change, both relating to own operations and the financed portfolio. In line with the sustainable development objectives, the Group is committed to integrating sustainability into its day-to-day strategies and operations, adopting responsible practices that comply with regulations in force and promote a positive impact on local territory and communities. This section illustrates the policies and guidelines adopted to reduce environmental impact, optimize the use of resources and contribute to the transition to a low-carbon economy.

Charter of Commitments

The Group's "**Charter of Commitments of the Environment and Combating Climate Change**" is part of a strategic vision focusing on sustainability, particularly environmental sustainability, as a driver for shared-value creation of. The Group is aware of the interdependence between economic activities, ecosystems, resources and people, and directs its action towards a model that promotes responsible and sustainable growth, in line with the principles of cooperation and mutualism at the core of its identity. Environmental protection and attention to climate change are closely linked to the values of solidarity and common good expressed in the Group's standard Articles of association, which guides the mutual banks in favor of long-term sustainable economic development.⁹⁴

In this context, the Charter represents a concrete commitment to promoting sustainability through the integration of environmental and social policies in its daily activities, responding to the growing need to reduce environmental impact and adopt solutions for the ecological transition. Through the Charter, the Group confirms its desire to support a culture of sustainability, involving its stakeholders - from collaborators to customers, from suppliers to companies issuing financial instruments - and promoting virtuous practices for the reduction of greenhouse gas emissions.

The principle of "connection with the territory", which underpins the operations of mutual banks, implies a strong commitment to the protection of local communities and their environment. The Group is in fact convinced that the economic well-being of the mutual banks is inseparable from the social, environmental and economic well-being of the territories in which they operate. The Group's Charter of Commitments is, therefore, a strategic tool to embody a approach based on Integral Ecology, combining care for the environment with the promotion of the common good, supporting an economy that restores value to the environment, the territory and people.

The Charter of Commitments, examined by the ESG Committee and approved by the Board of Directors of the Parent Company and by the individual Boards of Directors of the Group Companies, is available for the stakeholders through publication on the company intranet and the website of each Group Company.

Sustainability Policy

The Group's "Sustainability Policy" was updated in 2025 to adapt ESG roles and responsibilities to the new organizational and operational model resulting from the implementation of the legislation relating to sustainability reporting (CSRD).

The Policy is based on the concept of sustainable development, understood as a growth model capable of meeting the needs of present generations without compromising the ability of future generations to meet their own needs. This approach implies specific attention to ESG (Environmental, Social and Governance) factors, to ensure that all corporate activities are managed responsibly and sustainably. The Group, in fact, favors companies that show responsible use of natural resources and careful management of impacts on ecosystems, promote safety, health, justice, equality and inclusion, and generate income and employment in compliance with ethical principles and best governance practices.

The primary reference for identifying sustainable activities is the "EU Taxonomy," as in force from time to time based on the evolution of the European regulatory framework. The identification of sustainable activities based on objective and mature indicators is essential for measuring a company's positioning on ESG factors. The EU taxonomy is the official classification of economic activities considered environmentally sustainable at the European Union level and aims to strengthen transparency for investors, customers, and stakeholders—protecting

⁹⁴ The principles inspiring the Charter include: the 2030 Agenda for Sustainable Development (and the related 17 "Sustainable Development Goals", or "SDGs"); the United Nations Environment Programme; the United Nations Principles for Responsible Finance; the Blueprint for Sustainable Finance promoted by the European Commission; the recommendations issued by the Task Force on Climate-related Financial Disclosures (TCFD); the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD).

them, among other things, from greenwashing risk. It also supports companies in planning the transition to more sustainable models, channeling financial resources toward sustainability investments, and contributing to a more cohesive market.

The policy outlines the overall framework underlying the Group's sustainability model, which is structured into:

- an operating model, comprising into cyclical and event-based activities aimed at ensuring the analysis, planning, implementation, and monitoring for a prompt, adequate, and consistent management of the various initiatives, both project-based and otherwise, relating to the Group's ESG issues.
- The Parent Company's Sustainability Steering unit, as part of its mission, oversees the Group-wide processes for defining and monitoring sustainability strategies, integrating ESG factors into business processes, and the related internal and external reporting activities, within its scope of responsibility. The unit also coordinates with other corporate functions that contribute, each within their own areas of expertise, to the ESG operating model.
- Specifically, the first-level corporate functions contribute, each within their own scope (commercial processes, credit processes, investment services, and the sustainability reporting process), to the pursuit of sustainability objectives, by ensuring the integration of ESG principles into corporate operations and decisions, and ensuring an overall framework consistent with the strategic directions outlined by the Group, also through collaboration with other corporate structures—through the ESG Ambassador—and with the Sustainability Steering unit. In addition to the activities related to ordinary sustainability management and, therefore, integrated into the functions' mission, a whole series of additional activities are deemed essential to the proper functioning of the model. These activities trigger a continuous and interconnected flow of actions that ensure an integrated and consistent approach to addressing sustainability challenges, such as: analysis of the operating context; environmental and climate risk assessment (CEMA); and double materiality analysis, to identify the ESG issues material in the reporting year. These activities are the foundation for subsequent activities of the operating model, serving as an essential element for defining and implementing the actions envisaged in the overall process. Specifically: (i) defining ESG strategies within the Sustainability Plan, an integral part of the Group's Strategic Plan, which defines sustainability objectives and targets, which are instrumental in ensuring development trends in the three key areas (environmental, social, and governance) in line with the strategic guidance provided by the corporate bodies and/or the Supervisory Authority; (ii) preparing the mandatory sustainability statement (CSR), an integral part of the Group's Consolidated Report on Operations, containing disclosures on the material impacts, risks, and opportunities for environmental, social, and governance sustainability topics, in accordance with the sustainability reporting principles and standards;
- a control model, understood as the set of activities designed to ensure, within the scope of the respective responsibilities of second-level control functions, the verification of compliance and effectiveness of corporate sustainability controls, the identification, assessment, and measurement of ESG risks, also contributing to the strengthening of the internal governance and control system as well as the integration of these principles into the Group's operating processes. The second- and third-level control functions oversee sustainability-related areas based on the specific responsibilities as established within the internal control system and in line with the corporate mission assigned to them;
- a reporting model designed to account for and communicate the sustainability management process adopted by the Group, in compliance with the sustainability reporting principles and standards in force from time to time.

The Sustainability Policy is approved by the Parent Company's Board of Directors, subject to the favorable opinion of the ESG Committee or (upon completion of the approval process by the corporate Control Functions), and is adopted by the individual Group Companies, subject to the approval of their respective Boards of Directors. It is made available to stakeholders through publication on the company intranet and on the website of each Group Company.

Car and Travel Policy

The Group is committed to promoting sustainable corporate mobility and optimizing efficiency in energy resource management starting from specific internal policies which define a structured approach to reducing the climate impact of transport activities and mobility.

The Car Policy, implemented by the Parent Company and the companies in the direct scope, establishes the general principles relating to the Fleet Management, i.e. the assignment, use and management of the Group's car

fleet. This policy includes both cars assigned to employees for mixed use and cars shared in "pool" mode for the service needs of company structures.

The monitoring and management of the car fleet are entrusted to specific internal bodies:

- the Remuneration Committee: evaluates proposals relating to the remuneration and assignment of company cars for the staff of the Parent Company and the direct scope companies. It also presents the proposals to the Board of Directors for approval;
- BCC Sinergia: manages the assignment and revocation of company cars for the Parent Company and the companies involved, verifies their correct use and takes care of updating the car database, in addition to managing the overall fleet.

In line with the commitments of the Group's Sustainability Plan, in 2025 the Car Policy was also updated to better meet the objectives of reducing emissions related to corporate mobility, through the updating of the criteria for assigning cars and the introduction of increased ceilings for choosing electric and hybrid vehicles with a lower environmental impact.

Specifically, the Policy requires that vehicles be assigned based on the role/duty performed and/or frequent travel within the region and to managerial staff. In the first case, the policy requires that the assignment be associated with a specific "green" Car List composed exclusively of hybrid and electric models; for managerial staff, while there is no specific Car List, increased limits for the use of "green" engines have been introduced in 2025, aimed at guiding assignees' choices, to increase their sustainability and compliance with current regulatory requirements.

The constant updating of the company's Car Lists is part of the Group's Sustainability Plan and provides for a gradual replacement of traditional vehicles with hybrid and electric ones, contributing to the reduction of CO₂ emissions and the improvement of overall energy efficiency.

The **Travel Policy** governs travel for the staff of the Parent Company and direct scope companies, placing particular emphasis on cost containment and compliance with ESG criteria. This document, revised in 2025, confirms the provisions for managing business travel, aiming for maximum efficiency and reducing CO₂ emissions.

In particular, the review has strengthened travel monitoring and reporting, including through coordination with the travel agency, encouraging the adoption of behaviors and solutions with a lower environmental impact. The employee guidelines promote, among others principles, the preference for low-emission modes of transportation, the priority of trains over private vehicles and air travel, the use of remote collaboration and meeting tools, and raising staff awareness of travel planning based on efficiency and environmental responsibility.

The Group's mutual banks are also gradually adopting their own Car Policy, with a growing focus on the efficiency and sustainability of company car use. These policies share common elements and provide a comprehensive overview of the criteria for using company vehicles, establishing rights, duties, and guidelines to ensure optimal management of the cars. This initiative is consistent with cost containment objectives, in compliance with ESG principles and current regulations.

Similarly, mutual banks are also adopting their own Travel Policy, in line with sustainability and environmental impact reduction objectives. Affiliated banks are implementing guidelines to promote the use of low-emission transportation, such as trains and electric vehicles, limiting air travel, and encouraging virtual meetings. This policy, consistent with the Group's guidelines, is aimed at reducing the overall carbon footprint of business travel, while optimizing costs and improving the quality of work life for mutual bank employees.

Lending policies

The Group's climate change policies extend across the entire value chain, with particular attention to financed activities. In this context, the Group recognizes its role in promoting the sustainable transition of its customers and mitigating the climate and environmental risks associated with its loan portfolio.

Attention to customer needs, support to households and businesses (mainly micro, small and medium-sized enterprises) are the cornerstones of the Group vision for the construction of a sustainable development model, as well as a strategic principle for operating well in the present for the benefit of the future. The Iccrea Cooperative Banking Group has always had the mission of promoting the economic development of the areas in which it is present, providing financial support to households and the initiatives of economic operators: each request for financing has in itself the objective of economic development and the pursuit of the mission, specific to the mutual banks, of cooperative, mutualistic and local enterprises. This is in full compliance with the Charter of Values of mutual banking and with the provisions of Art. 2 of the Articles of association which establishes a close link between

the action of the mutual banks and the sustainable development of the local areas in which they operate.

In this sense, “sustainability” is intimately embedded in the “genetic” heritage of the Group and has always found its realization in the attention that the Group pays to households and small and medium-sized businesses, with the aim of building the common good. Attention that has always been of a social nature, understood as the pursuit of improving the moral, cultural and economic conditions of the shareholders, promotion of cooperation and financial and social security education, social cohesion and increasingly - also due to the evolution of the regulatory framework and the renewed attention of the market - attention to the environment.

Also due to impact of the EU Taxonomy, the provision of loans is increasingly oriented towards green purposes; in this sense and with a view to combining social and environmental impacts, the role of the Iccrea Cooperative Banking Group concentrates even more on favoring economic operators who, in respect of environmental, social and corporate governance factors, are attentive to responsible use of natural resources and the effects on ecosystems, maintain adequate conditions of safety, health, justice, equality and inclusion or generate income and work in compliance with ethical principles and best governance practices.

Lending strategies integrate ESG factors

As part of its integrated lending strategies and policies, the Group considers the climate and environmental materiality of various economic sectors, also in accordance with double materiality analyses and the transition strategies defined at the Group level. In this context, the Group pays particular attention to sectors characterized by high environmental and climate materiality, including, but not limited to, agriculture, biodiversity, energy services, mining, and oil&gas. For these sectors, the lending process is supported by enhanced ESG assessments, consistent with the Group's sustainable transition strategies, which take into account, among other things, the alignment of the financed initiatives with decarbonization targets, the management of environmental impacts, and the counterparty's ability to adapt to climate and transition risks. Through this approach, the Group progressively orients its credit portfolio towards more sustainable development models, contributing to the mitigation of climate and environmental risks along the financed value chain.

Loan granting policy and procedures

The Group defines criteria and limitations on lending aimed at orienting the portfolio toward activities consistent with the principles of environmental, social, and ethical sustainability, ensuring consistency between credit strategies, sustainability policies, and risk-taking processes. Specifically, the loan granting Policy, which will be updated in 2025, provides specific sector-specific exclusions and limitations, including those relating to the armaments sector, in line with the principles of social responsibility and the Group's sustainable finance guidelines. The Iccrea Group's Code of Ethics prohibits the provision of financial support to:

- the export of weapons to countries outside the European Union or NATO;
- the export, including to EU or NATO countries, of controversial weapons, such as nuclear, biological, and chemical weapons, cluster munitions, weapons containing depleted uranium, and mines.

In accordance with current legislation, there is also a complete ban on financing any company involved in the production, use, sale, distribution, import, export, or transfer of anti-personnel mines and cluster munitions. The ban includes all forms of financial support, including credit, guarantees, equity investments, and investments in financial instruments, including through subsidiaries.

To enforce the ban, Group companies identify counterparties using an official blacklist, updated monthly and used during the initial granting, renewal, and review of credit facilities. The list is distributed to all stakeholders in the granting process and is constantly updated.

The Group has established specific information flows aimed at ensuring that corporate bodies have full knowledge and control of the measures adopted, as well as timely reporting of any violations. A consolidated report is prepared annually, providing evidence of the presence of blacklisted products in the portfolios, their impact, the results of monitoring activities, changes compared to previous years, as well as any critical issues that have emerged and related remedial actions. The report is sent to the Parent Company's Board of Directors and, subsequently, to the direct scope companies and Affiliated banks.

Financing counterparties primarily engaged in the construction, distribution, and marketing of weapons, as well as suppliers of specialized components for these activities, is also prohibited, unless the financing is intended for the counterparty's other activities. In general-purpose financing, operations are considered to be related to the

armaments sector when the share of military revenue exceeds 30%.

These limitations are periodically updated as part of Policy reviews, including to reflect evolving best practices and regulatory expectations.

Further restrictions apply to sectors and activities with high environmental, social, or reputational risk profiles, for which access to credit is subject to enhanced assessments or may be excluded depending on the characteristics of the initiative and the counterparty and its potential impacts.

Through these safeguards, the Group integrates ESG factors into lending criteria in a structured manner, ensuring consistent and progressive management of climate, environmental, social, and governance risks throughout the credit lifecycle.

The competent Functions of the Parent Company Credit Area periodically review the contents of the Policy in line with the internal Group needs as well as with external regulatory developments.

ESG assessment in the loan granting process

The Group has developed a systematic approach to integrating environmental, social, and governance factors into credit assessment processes. This approach is an integral part of the Group's credit assessment process and is based on an ESG Qualitative Questionnaire, administered according to materiality and proportionality criteria, which allows for the collection of structured information on the counterparty's main risk factors and ESG impact. The information collected through the questionnaire feeds into the Enhanced Credit Assessment Model (ICR) and contributes to the overall assessment of the counterparty's sustainability, integrating with traditional economic and financial analysis and forward-looking assessments of repayment capacity. This approach allows the Group to systematically monitor the climate and environmental risks associated with the financed activities, strengthening the consistency between credit policies, risk management and sustainability objectives. With specific regard to the integration of ESG factors and risks, the aforementioned Policy contemplates, in the context of the creditworthiness assessment process, an assessment phase of the ESG factors attributable to the counterparty and any collateral provided to mitigate the credit risk. This approach allows the Group to systematically monitor the climate and environmental risks associated with the financed activities, strengthening the consistency between credit policies, risk management and sustainability objectives. In the investigation phase, specific information is collected from the customer through a Qualitative Questionnaire consisting of questions relating to the following areas: transition risk, physical risk, social risk, governance risk. In particular, with reference to transition risks, the Questionnaire includes questions differentiated on the basis of the production segments and sectors of the counterparty. The Questionnaire also provides for the collection of information useful for refining the precise estimate of greenhouse gas emissions (so-called GHG) of the counterparty, also differentiated by sector. The information collected by completing the Qualitative Questionnaire show the client's positioning in terms of typical climate-related and environmental risks of the sector; if the answers to the questionnaire indicate a mitigation path for one or more risks that has not yet been completed or started, the outcome of the questionnaire identifies the potential points of impact on specific balance sheet items. In such cases, it is necessary to carry out an in-depth examination of the client's business plan to verify that the assumptions take into account the financial impacts deriving from the ESG transition path. The guidelines for this analysis emerge from the questionnaire where each answer is associated with a potential impact on the company's forward-looking accounts, differentiated by the client's sector, driver and risk and a sensitivity analysis on the counterparty's prospective performance and financial main items to integrate additional expected and previously unconsidered ESG impacts into the business plan. This approach allows the Group to systematically monitor the climate and environmental risks associated with the financed activities, strengthening the consistency between credit policies, risk management and sustainability objectives.

The Group Policy on the acquisition and management of guarantees has integrated ESG factors into the process of evaluating collateral in consideration of the rental and market value of components connected to the green characteristics of buildings, as well as to the performance (energy, hydrogeological resilience, seismic resilience, etc.) related to the life cycle of the property.

These factors are fundamental in the qualification of a building, especially in terms of maintaining the value of the asset in the long term; although the impact of ESG aspects is not yet "standardized" and codified, the following aspects are taken into account during the evaluation of properties in consideration of their growing importance: the ability of the property to maintain a constant cash flow over time, risks connected to ESG factors that could impact the property in relation to its market segment and evaluation of the energy efficiency of the buildings provided by the Energy Performance Certificate (EPC) which the appointed evaluator considers to assess the impact of this characteristic on market prices. In this regard, the Group's information systems have been integrated to manage certain information relating to the specific APE of the property used as collateral.

Furthermore, the Group has entered into a partnership aimed at acquiring synthetic indicators of physical risk, capable of qualifying the ESG impacts of the properties used as collateral and therefore allowing the assessment of the potential exposure to climate and environmental risks during the analysis of the transaction.

ESRS E1-3, E1-5, E1-6 - ACTIONS AND METRICS

The Iccrea Cooperative Banking Group considers the protection and attention to the environment as one of the founding principles of cooperation and mutualism and is constantly committed to promoting the responsible protection of the local area in which it operates and to adopting a preventive and proactive approach to environmental challenges.

The “responsible and sustainable growth of the territory in which it operates” and the propensity to characterize itself “for its social orientation and for the choice to build the common good” – pursuant to art. 2 of the Articles of Association – is an essential part of the Group’s mission and a guide for the mutual banks that refer to it. In compliance with the “Principle of connection with the territory” for which it is necessary to promote responsible and sustainable growth, the Group embraces the paradigm of Integral Ecology, a notion inseparable from the concept of common good and mutual banking.

The Group is also aware of the impacts that derive from corporate activities and the role it can play in the dissemination of virtuous behaviors as well as the interdependence between economic activities, ecosystems, resources and people and, for this reason, directs the creation of value to the advantage of all stakeholders such as customers, shareholders, supplier companies, communities and future generations, contributing to sustainable economic development in the medium-long term.

Actions and metrics for the Sustainability of Own Operations

The Iccrea Cooperative Banking Group has adopted a series of strategic initiatives to reduce the environmental impact of its daily operations, in line with the sustainability and ecological transition objectives established in the 2023-2025 Sustainability Plan. These initiatives are divided into various areas, with an integrated approach that aims to mitigate CO₂ emissions, optimize energy consumption, promote sustainable mobility and raise the awareness of staff on the importance of corporate practices that limit environmental impact.

Thanks to these initiatives, the Group has already undertaken the reduction of emissions from its own operations, with a decrease of about 60% in the overall emission impact of Group in the 2019-2024 period.⁹⁵ In compliance with current regulations, the Iccrea Cooperative Banking Group has defined clear objectives for the management of its direct and indirect emissions with a time horizon of 2030, taking FY 2023 as the reference year (see the following paragraph “Targets”).

The most significant initiatives are reported below.

Vademecum Ambiente

Leading initiatives include the publication and distribution of the Vademecum Ambiente, an operational environmental handbook designed to support the Affiliated banks in defining and implementing environmental sustainability objectives. This tool, created after the approval of the Sustainability Plan, is a practical guide to assess and reduce environmental impacts, based on the local peculiarities of individual mutual banks. The Vademecum was presented during a dedicated online workshop, and represents a tangible example of the Group’s commitment to providing concrete tools to facilitate the achievement of the Group’s climate targets in relation to its own operations.

Participation in the ABILab Protocol “Action Plan for CO₂ Offset”

In 2025, the Parent Company continued its participation in the AbiLab project, aiming to identify industry best practices for offsetting CO₂ emissions. Participation in working groups with involved leading banking sector operators and specialized bodies, allowed the Group to analyze potential carbon offset strategies as tools to support the mitigation of direct emissions and to acquire tools for evaluating the projects underlying the credits and their

⁹⁵ The sum of Scope 1, Scope 2 (market-based) and Scope 3 (category 6 business trips) emissions from 2019 to 2023.

proponents.

In this context, as a best practice at the Group level, BCC Terra d'Otranto joined the "Olivami" project, a shared responsibility initiative aimed at the environmental and productive recovery of the Salento area affected by the Xylella bacterium. The initiative included the establishment of a company olive garden consisting of 1,000 trees, destined to 10 local farmers. Moreover, during 2025 the mutual bank independently purchased 200 tons of carbon credits.⁹⁶

Renewable Energy Communities (CER)

In 2025, the Group confirmed its commitment to promoting the spread of renewable energy communities (CERs) as a driver of sustainable development for the areas served by the mutual banks. Efforts focused on promoting greater awareness of the topic through participation in public discussions, educational initiatives, and informational training, to support citizens, businesses, and local authorities in understanding the opportunities associated with collective self-consumption models. A number of mutual banks launched dedicated initiatives, providing local communities with social platforms to match supply and demand, encouraging the aggregation of potential CER members and supporting them with photovoltaic financing solutions for individuals and businesses. These initiatives strengthen the role of mutual banks as local players capable of supporting the energy transition with simple, accessible tools tailored to the needs of local communities, including through the support of the Group's ESCo, BIT SpA. Thanks in part to the support of the Development Fund, the Parent Company has developed a series of standardized tools and materials to support the establishment and development of CERs for the Group banks. A dedicated section on the Group's corporate website is also available to the public, to disseminate information and collect interest in joining as a producer or consumer. A dedicated observatory has also been established to periodically monitor the progress of the initiatives and promote the sharing of the most successful experiences.

Rational use of energy

The sustainability of operations also involves raising awareness. Continuing activities started in 2024 with the Guidelines for the rational use of energy and containment of waste to reduce waste of resources (water, paper and plastic), the Group has published two news items on Spazio BCC, its internal communications platform. The first news item, aimed at employees, provides useful advice on minimizing environmental impact, encouraging virtuous behavior. The second, dedicated to banks, proposes initiatives to make their offices more sustainable and contribute to the ecological transition. Both news items address topics related to the promotion of sustainable behaviors or initiatives, with particular reference to:

- reduction of offices' energy consumption;
- optimization of the use of IT devices and reduction of digital pollution;
- separate waste collection and reduction of physical waste;
- sustainable mobility.

These actions aim to educate employees on daily practices that contribute to the containment of environmental impacts, in line with the Group's three-year ESG strategies.

Moreover, the Group has adopted, through its member banks, several initiatives to promote rational use of energy and contain emissions. Among the most significant are:

- use of electricity consumption monitoring tools with the installation of meters to track data and identify optimization opportunities;
- centralized management of switching on and off heating, cooling and lighting systems, to avoid waste;
- management of heating and cooling systems with predefined time slots and with maximum and minimum temperature settings;
- automatic deactivation of systems during inactivity to limit unnecessary consumption;

⁹⁶ Emissions offsetting is certified by RINA, according to the main Climate Standard and ISO 14064 criteria.

- shorter light-times for branch illuminated signs using timers and twilight switches for optimal lighting management;
- dissemination of "training pills" to employees, with concrete indications on good energy practices in the office (e.g. turning off lights and non-essential equipment before leaving, keeping devices turned off in unfrequented areas);
- participation in awareness campaigns such as "M'illumino di meno" to promote virtuous behavior;
- automatic timers on air conditioners to reduce energy waste.

Plan to reduce consumptions associated with the car fleet

To reduce consumption associated with the company car fleet, the Group has defined an action plan on two main levels: structural, linked to company decisions, and tactical, aimed at influencing the daily behavior of users.

At a structural level, an important focus is placed on reducing emissions related to corporate mobility, through the progressive electrification of the car fleet. This process was further strengthened in light of the provisions introduced by the 2025 Budget Law regarding the taxation of fringe benefits, which favor the assignment of low- or zero-CO₂ emission vehicles over internal combustion engines (petrol/diesel/other non-electric fuels). In line with the new regulatory framework, the Group has therefore updated its policies and the company Car List, orienting new assignments and contract renewals toward electric and plug-in hybrid models, with the aim of reducing both the environmental impact and the overall cost of the benefit for the company and its employees.

This process will continue with the goal of achieving the complete replacement of the company fleet's vehicles, following a progression that takes into account the natural expiration of existing contracts and the new tax thresholds for vehicles licensed for mixed use. To support this transition, electric charging stations have been installed at some of the Group's locations, and their use is also encouraged through reimbursement mechanisms and internal regulations aligned with the new provisions on fringe benefits.

The commitment to promoting environmental sustainability through the transition of the company fleet to a more eco-friendly configuration has been extended thanks to the adoption of a common "green" Car List through participation in a specific mandate. Thanks to this initiative, over 50% of the banks have signed up to the mandate and implemented the Group Car List.

In 2025, the Parent Company launched a project to ensure more timely management of the vehicle fleet of the direct scope Companies, and to monitor their emissions impact. The Fleet Management system, currently implemented through internal procedures, will be migrated to a market application in 2026, enabling more efficient management, including through connection to personnel systems and devices used by employees assigned company cars.

In this context, the overall review of company car fleet management policies also includes reviewing the criteria for assigning company cars to ensure a close connection to the role performed and introducing employee incentive mechanisms to choose cars with a lower environmental impact, such as increasing the maximum allowances for electric and plug-in cars granted to employees assigned company cars for benefits.

At a tactical level, the Parent Company aims to raise employee awareness of the impact of their actions and to promote responsible behavior in the use of company cars. Key initiatives include:

- optimization of mileage and vehicle sharing: promote the shared use of company cars for employees who travel similar routes and encourage the use of alternative means of transport (e.g. trains or buses) for long distances;
- reduction of the private use of company cars: raise awareness of the importance of minimizing the mixed use of cars, favoring alternative means for personal needs, to reduce reported emissions.

Even mutual banks with company-owned vehicles and impacting fuel consumption have launched a plan to gradually replace internal combustion engines with full-hybrid and electric vehicles. This initiative represents a structured effort aimed at reducing CO₂ emissions from corporate mobility and promoting responsible environmental behavior among employees.

Sustainable Mobility and Green Mobility

Measures to protect the environment continued by the Group in 2025 include the activities of promoting and supporting sustainable mobility. The Parent Company and the direct scope companies have in fact confirmed several initiatives, including:

- agreements for discounted subscriptions to public transport managed by the main carriers operating in the country;
- promotion of the integrated Mobility Portal, and the Mobility Company App, with sharing services and agreements available throughout the country and with a real-time mobility service that allows the use of mobility services made available by the best providers active in the area in real time;
- supply of electric and pedal-assisted bicycles, available on loan for use by employees of the Rome and Milan Esterle headquarters. an extension is also planned for the Milan Revere office;
- company carpooling services in collaboration with Jojob Real Time Carpooling, with the aim of optimizing travel by offering colleagues the possibility of sharing the home-work journey;
- company shuttle service for the Rome and Peschiera Borromeo headquarters, providing connection with the main railway and underground stations.

These actions reduce the environmental impact, and encourage “green” transportation choices among employees.

The Parent Company has also reviewed its Travel Policy in 2025 to promote more sustainable travel solutions, cutting costs and exceptions in order to reduce the environmental impact associated with employee travel. Key actions include:

- promotion of low environmental impact means of transport as well as the use of alternative remote communication tools to discourage short trips;
- reduction in the use of company cars for business trips;
- better planning of business trips to optimize travel and reduce the number of transfers;
- favor, when possible, the use of low environmental impact means of transport for short distances or those served by high-speed connections.

This review has led to a reduction in costs and consumption related to travel, also thanks to:

- greater control of the manager over the requirements and methods of carrying out the trip;
- higher traceability, also to monitor the travel methods of the employees for reporting purposes.

Initiatives aimed at reducing the emissions of corporate mobility and encouraging virtuous behavior among employees and customers are carried out also at a local level in Affiliated banks and include the introduction of carpooling with incentives, such as cashback for employees who choose to share trips. This project promotes the reduction of the number of vehicles used and, consequently, of CO2 emissions.

In addition, several mutual banks have adopted their own Travel Policy, promoting the use of low environmental impact means of transport, such as high-speed trains for travel between cities served by the railway network, and the reduction of unnecessary travel through the use of virtual tools for meetings. Furthermore, in line with the practice contained in the Parent Company Policy, business trips are planned in such a way as to comply with ESG criteria, trying to contain costs and environmental impact.

To further encourage the adoption of sustainable transport methods, some mutual banks have provided for the reimbursement of public transport fees for employees, and assessments are underway to implement solutions such as the purchase of e-bikes and the signing of agreements with local transport companies.

As part of the 2024-2026 Sustainability Plan, the Group also promotes the adoption of remote working to reduce daily home-work travel, as well as transferring some employees to facilities closer to their home to limit car travel. This initiative is supported by continuous monitoring and the adoption of digital tools to reduce the need for physical travel, encouraging participation in meetings and training courses in virtual mode.

Finally, the Home-Work Travel Plan, required by law, and initiatives such as the "Welfare ebike" are also aimed at promoting green mobility habits among employees, encouraging the use of ecological means of transport and activating analyses for the introduction of further sustainability objectives by 2025.

Energy efficiency interventions

As a testimony of the Group's commitment to reducing environmental impacts and, in general, combating climate change, initiatives aimed at energy efficiency and decarbonization have been implemented, in pursuit of the Group's strategic objectives, with positive impacts in terms of reducing tCO₂eq emissions. These initiatives include the electrification of the Rome headquarters in via Lucrezia Romana - one of the Group's most energy-intensive facilities- with the completion in 2023 of an intervention to improve the efficiency of the air conditioning system, leading to the complete elimination of fossil gas through the replacement of methane gas-fired boilers with high-efficiency heat pumps and the consequent elimination in 2024 of CO₂eq emissions relating to energy consumption from fossil fuels for heating the building and electricity consumption through the purchase of electricity certified with Guarantee of Origin (GO).

The project not only generates environmental benefits but also has a positive impact on the company employees. The photovoltaic shelters will offer employees safer and more comfortable parking, protecting their vehicles from the weather and summer heat. Furthermore, the initiative will be accompanied by internal communication and awareness-raising activities aimed at promoting a culture of sustainability and strengthening a sense of belonging. This project represents a concrete example of how the company integrates social responsibility with the energy transition, creating shared value for people and the environment.

In 2025, the Group's mutual banks confirmed their strong commitment to energy efficiency by implementing structural energy efficiency measures, with a particular focus on self-generation from renewable sources, through the installation of photovoltaic systems at office premises, operational headquarters, and headquarters, with installed capacity ranging from 11 kW to 50–70 kW overall. These initiatives cover approximately 30% of the Group's scope and are integrated with efficiency measures for heating, cooling and lighting systems, contributing measurably to reducing energy consumption, containing operating costs and advancing the Group's decarbonization path.

In order to further reduce emissions associated with energy consumption, the main owned facilities, managed by Bcc Sinergia, (in Rome in via Lucrezia Romana and Milan in via Esterle and via Revere) are constantly monitored through energy management systems: in-depth and periodic analyses of the energy system are carried out, in order to identify new projects with respect to the state of the art.

The affiliated mutual banks are also implementing initiatives for energy efficiency, with interventions aimed at improving insulation and introducing innovative technologies with low environmental impact. Another central aspect of the program concerns internal awareness. The Banks have promoted training courses to promote virtuous behavior among employees, especially in relation to the adoption of energy saving practices and the fight against climate change.

These initiatives, in line with what is detailed in the Parent Company's Vademecum Ambiente, show the Group's concrete commitment to responsible and sustainable management of resources, with benefits that extend to the environment and the community.

The Group's actual commitment to reducing its environmental impact is also supported by the BCC Energia Consortium, which includes 107 mutual banks (95% of the total), as well as Iccrea Banca and other direct scope companies.

The Consortium supports the affiliated banks in the integrated management of energy procurement and guarantees the purchase of electricity exclusively from renewable sources, certified through a Guarantee of Origin (GO). Furthermore, the Consortium provides specialized support for identifying and implementing energy efficiency measures, including projects for self-generation from renewable sources, assisting the affiliated banks in analyzing available technological solutions and related incentive mechanisms. This support enables coordinated management of energy consumption, contributing to the reduction of environmental impact and the optimization of energy costs.

The CO₂ emissions associated with the consumption of natural gas purchased by the affiliated banks and Group companies participating in the BCC Energia Consortium are offset. Specifically, the proportion of Scope 1 emissions related to buildings (86% of Group-wide natural gas emissions) and Scope 3 emissions associated with the upstream fuel (45% of the Group's Scope 3 emissions) are offset under the contract with the natural gas supplier A2A. This agreement provides for the purchase of carbon credits with a 2025 vintage, which will be withdrawn directly by the Parent Company from the official credit register starting in 2026. The acquired carbon credits refer to a wind energy production project in India and certified according to the Verified Carbon Standard (VCS).⁹⁷

⁹⁷ The Verified Carbon Standard, developed and managed by Verra, is one of the main international standards used in the voluntary carbon market

Green energy purchase

Thanks to the support of the BCC Energia Consortium, which includes 107 mutual banks (95% of the affiliated banks) as well as Iccrea Banca and direct scope companies, the Group has adopted a proactive approach to reduce its indirect emissions. The electricity purchased is exclusively certified as coming from renewable sources, with a Guarantee of Origin (GO). Furthermore, the Consortium also allows to seize the potential for energy efficiency and the opportunity for self-production of energy from renewable sources, with a specialist contribution aimed at defining technological solutions and incentives: a complete control for energy management, thus reducing the impact on the environment and energy expenditure.

Certifications and performance monitoring

In 2021, the Group's Via Lucrezia Romana headquarters in Rome obtained the GOLD level of the LEED (Leadership in Energy and Environmental Design) Operations and Maintenance v. 4.1 (an important international recognition that rewards the sustainable management of buildings). In fact, this certification system measures monthly consumption of energy and water resources, the performance related to the sustainable management of the building and the subsequent comparison with comparable buildings to assign a score which allows comparisons with the local and international average. Periodic monitoring allows the starting performance level to be established and improvement interventions to be planned.

In April 2024, the LEED Recertification process of the Via Lucrezia Romana headquarters was completed, confirming the LEED GOLD goal increasing the score. Throughout 2025, the building's performance continued to be monitored according to the certification parameters, confirming the LEED GOLD level. More specifically, in December 2025, the third year of monitoring began leading up to the second three-year recertification, scheduled for March 2027. The Milan Esterle office, which obtained LEED GOLD certification in 2024, also continued to monitor the building's performance according to the certification parameters throughout 2025, confirming the standards.

BCC Sinergia, in line with the commitments made by the Group, continues the improvement of its environmental performance in line with the requirements of the ISO 14001 Certification through the containment of energy consumption, the reduction of emissions into the atmosphere, separate waste collection and the reduction of waste produced - such as, for this last case, the elimination of the use of plastic (bottles, plates and glasses) in the company restaurant of the Lucrezia Romana office and the elimination of plastic bottles in the vending machines of the managed offices - and more generally the minimization of environmental impacts. The Certification was renewed in 2025 for a further three years for the via Lucrezia Romana offices in Rome, and the via Esterle and via Revere offices in Milan.

In order to extend this process to the Group level, a framework agreement is in place to support mutual banks in obtaining ISO 14001 certification, strengthening their skills and know-how in environmental management. As a result, several mutual banks of the Group have begun the ISO 14001 certification process, a key recognition to ensure an effective environmental management system. In this respect, BCC Centromarca was the first Group bank to obtain the ISO 50001 certification in 2025, defining its own energy management system compliant with reference practices.

A number of mutual banks have obtained further certifications, such as UNI EN ISO 26000:2020, which demonstrates their commitment to corporate social responsibility, and have applied the UNI EN ISO 14067 standard to calculate the climate footprint during key events such as the Shareholders' Meeting. These certifications allow for greater transparency and constant monitoring of the environmental impact, promoting a more responsible use of resources.

Consumption metrics

ENERGY CONSUMPTION AND MIX FROM FOSSIL SOURCES (MWh)	2025	2024
Total energy consumption from fossil sources	53,917	54,688
Share of fossil sources in total energy consumption (%)	32.91%	34.67%
Fuel consumption for renewable sources including biomass, also comprising industrial and municipal waste of biologic origin, biofuels, biogas, hydrogen from renewable source, etc.)	36	27
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	107,007	100,564
Consumption of self-generated non-fuel renewable energy	2,869	2,461
Total energy consumption from renewable sources	109,912	103,052
Share of renewable sources in total energy consumption (%)	67.09%	65.33%
Total energy consumption	163,829	157,740

Energy consumption data at the end of the reporting year was collected by each Group company included in the consolidation scope. Energy consumption is mainly related to the use of heating and air conditioning systems, office lighting systems and the company car fleet used by the Group's employees. The data reported refer to energy consumption in MWh in respect of own operations and have been reclassified for this financial year on the basis of the new ESRS reference standards. It should be noted that the Group's energy consumption does not come from nuclear sources.

Compared to 2024, the Group confirms its commitment to reducing energy consumption from fossil fuels and progressively increasing the share of energy from renewable sources in its overall energy supply, while promoting the increase in the production and use of energy from fully renewable sources, including through self-generation solutions.

A Group Company operates in the sector L – Real estate activities, i.e. one of the sectors with a high climate impact among those listed in sections A to H and in section L of NACE (and as defined in the Commission Delegated Regulation (EU) 2022/1288). The breakdown of the Group's total consumption from fossil fuels is reported below.

ENERGY CONSUMPTION AND MIX FROM FOSSIL SOURCES (MWh)	2025	2024
Fuel consumption from coal and coal products	-	-
Fuel consumption from crude oil and petroleum products	14,642	14,752
Fuel consumption from natural gas	33,820	30,782
Fuel consumption from other fossil sources	-	-
Consumption of purchased or acquired electricity, heats, steam or cooling from fossil fuels	5,455	9,154
Total energy consumption from fossil fuels	53,917	54,688

Compared with 2024, an increasing number of Group companies independently produce electricity, mainly for self-consumption, through the installation of photovoltaic systems.

SELF GENERATED ENERGY BY SOURCE (MWh)	2025	2024
Non-renewable energy production	21	12
Renewable energy production	3,774	3,345
Total self-generated energy	3,795	3,357

Emission metrics

GROSS SCOPE 1 AND 2 AND TOTAL GHG EMISSIONS (tCO ₂ eq)	2025	2024
Emission type and scope		
Gross Scope 1 GHG emissions	11,149	10,502
Gross market-based Scope 2 GHG emissions	1,667	3,361
Gross location based Scope 2 GHG emissions	28,874	33,478

In 2025, the Group's GHG emissions relating to the Scopes included in the 2030 Target recorded an overall reduction of 26% compared to the 2023 baseline, mainly driven by the actions undertaken to convert the energy supply

towards 100% renewable electricity.

With regard to Scope 1 emissions, the Group has launched several initiatives aimed at improving and transforming its energy sources, including energy efficiency measures and a gradual conversion of the company fleet to lower-carbon mobility solutions. As expected, these measures have not yet fully demonstrated their impact on current emissions, but they are expected to generate progressive benefits over the next few reporting years.

Scope 2 GHG emissions, however, significantly decreased over the two-year period, reflecting the decisions made by the Group's legal entities regarding the procurement of electricity exclusively from certified renewable sources. This also allowed the Scope 2 target, set for 2030, to be achieved this year.

TOTAL GHG EMISSIONS DISAGGREGATED BY SCOPES 1 AND 2 AND SIGNIFICANT SCOPE 3 (tCO₂eq)	2025	2024
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions	11,149	10,502
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0
Scope 2 GHG emissions		
Gross location based Scope 2 GHG emissions	28,874	33,478
Gross market-based Scope 2 GHG emissions	1,667	3,361
Significant Scope 3 emissions		
Total Gross indirect (Scope 3) GHG emissions	17,732,608	17,241,213
Purchased goods and services	198,683	201,901
Capital goods	31,435	34,144
Fuel and energy-related activities	2,285	2,177
Business travels	3,350	2,672
Upstream leased assets	336	919
Downstream leased assets	3,041	2,604
Financial investments	17,493,478	16,996,796
Total GHG emissions		
Total location-based GHG emissions	17,772,631	17,285,193
Total market-based GHG emissions	17,745,424	17,255,076
GHG INTENSITY BASED ON NET REVENUE (tCO₂eq/million)	2025	2024
Location-based GHG intensity (total GHG emissions per net revenue)	3,175.83	2,921.02
Market-based GHG intensity (total GHG emissions per net revenue)	3,170.97	2,915.93

The Group's GHG intensity based on net revenue was calculated using as the denominator the consolidated gross income (equal to €5,596 million), referred to at item 120 of the consolidated income statement prepared pursuant to Circular 262/2005 of the Bank of Italy.

Scope 1 emissions (direct emissions) represent, as defined by the GHG Protocol, the result of emissions deriving from the Group's activities, with particular reference to the direct consumption of electricity and the use of natural gas for heating offices and branches and of the company car fleet. The ABI-Lab guidelines were used to determine the coefficients and the calculation methodology of the equivalent tons of CO₂.⁹⁸

Scope 2 emissions (indirect emissions from energy consumption) are emissions resulting from the consumption of electricity and other energy carriers purchased from third parties. The GHG Protocol provides for the reporting of Scope 2 emissions using two methodologies: "location-based" and "market-based". In general, the "location-based method reflects the average GHG emissions intensity of the electricity networks in which the energy is consumed, primarily using data on the average emission factor in relation to the electricity network", while the "market-based method reflects emissions resulting from electricity generation that an organization has deliberately chosen (or due to lack of choice)". The ABI-Lab guidelines⁹⁹ were used to determine the coefficients and the methodology for calculating the equivalent tons of CO₂, based on the conversion factors published on the website of the Higher Institute for Environmental Protection and Research (ISPRA).¹⁰⁰

As defined by the GHG Protocol, Scope 3 emissions are the result of an undertaking activities coming from sources

⁹⁸ ABILab - Linee Guida sull'applicazione nell'ambito dell'operatività bancaria degli European Sustainability Reporting Standard (ESRS) in materia ambientale – Focus su obblighi di informativa E1-5, E1-6 (version December 17, 2024).

⁹⁹ ABILab - Linee Guida sull'applicazione nell'ambito dell'operatività bancaria degli European Sustainability Reporting Standard (ESRS) in materia ambientale – Focus su obblighi di informativa E1-5, E1-6 (version December 17, 2024).

¹⁰⁰ The National Inventory Report and the Common Reporting Format data refer to 2022. As regards thermal energy, the 2022 ISPRA conversion factor relating to "heat production" is used.

not owned or controlled by the undertaking itself. In continuity with previous years, in this macro-class the Group reports emissions connected to business trips made by its employees, the measurement of financed emissions, i.e. Scope 3 emissions relating to its loan and investment portfolio (more details below). In addition to the previous reporting, in 2024 the Group also added emissions associated with: purchase of goods and services, capital goods, fossil fuel-related activities, upstream and downstream leased assets. The Group reports categories 1, 2, 3, 6, 8, 13, 15 as defined in the GHG protocol. Below is the methodological detail used for reporting the various categories:

- category 1 “Purchased goods and services” and 2 “Capital goods”: application of the Spend-based method, based on the estimation of emissions from goods and services starting from the economic value of the purchased goods;
- category 3 “Fossil fuels-related activities”: calculation based on consumption, applying the emission factors for the different energy vectors;¹⁰¹
- category 6 “Business travels”: in continuity with the previous year, based on data on mileage of travels by train, plane and car, applying the related emission factors;¹⁰²
- categories 8 and 13 “Upstream leased assets” and “Downstream leased assets”: use of proxies, due to the lack of data on leased assets to non-registered energy users;
- category 15 “Investment activities” financed emissions: application of a differentiated approach for exposures to non-financial companies and for mortgages backed by real estate collateral (whether residential or commercial). The methodology applied is that of the PCAF (Partnership for Carbon Accounting Financials) according to the indications of the latest report “The Global GHG Accounting and Reporting Standard”. The Standard on financed emissions provides detailed methodological guidance for measuring and disclosing GHG emissions in line with the Corporate Value Chain (Scope 3) Accounting and Reporting Standard for investment activities, described with reference to Category 15 of the GHG Protocol. Among the seven asset classes envisaged by the PCAF, the Group has taken into account in the calculation of portfolio emissions the loans guaranteed by real estate assets (“Mortgages” and “Commercial Real Estate”) and the exposures to non-financial companies (“Loans and Advances”, “Debt Securities”, “Equities”) of the Group at December 31, 2024.
 - non-financial companies: applying the PCAF methodology, we calculate average of sector emissions weighted by company size (i.e. GHG Intensity), to obtain a typical “carbon footprint” of companies operating in that sector in a differentiated manner for the different types of emissions (i.e. scope 1, 2 and 3). The sector average is then applied to each counterparty in the portfolio, with corrective factors that take into account characteristics that may influence emissions level. To calculate total emissions at counterparty level, the GHG Intensity obtained is then multiplied by a company driver. This estimated value is replaced by the one actually declared by the counterparty in the disclosure report, if available. The percentage of GHG emissions financed by the Group is calculated through the application of the attribution factor (i.e. the proportion factor of a client company's emissions that is attributed to the financial institution).
 - Mortgages and Commercial Real Estate: the calculation of emissions related to buildings is carried out following a cascade logic that uses, if available, the emission levels of the building reported in the energy certification and, in the absence of the actual data, the estimate of emissions following the logic suggested by the PCAF. The PCAF methodology calculates emissions by combining information relating to buildings such as the intended use, following the classification according to Art. 3 of Presidential Decree 412/93 (General Classification of Buildings by Category), the year of construction, the energy performance, represented by the Energy Performance Certificate (EPC), the climate zone in which the property is located and the surface of the property. If the information contained in the EPC is not available, an estimate of the EPC energy class and related emissions is carried out, with a model based on a statistical proxy that associates an average class to the building based on the type of property and its geographical location, year of construction and construction characteristics. The calculation of the share of financed GHG emissions is then carried out using the Loan to Value (LTV) approach, i.e. by applying to the total emissions of the property the ratio of the residual amount of the loan granted for the purchase and the value of the property (as resulting from the latest available appraisal). Categories 4, 5, 7, 9, 10, 11, 12, 14 are not considered as they are not relevant to the Group's operations.

¹⁰¹ Source: DEFRA (Department for Business, Energy & Industrial Strategy), UK Government GHG Conversion Factors for Company Reporting (2024).

¹⁰² Source: DEFRA (Department for Business, Energy & Industrial Strategy), UK Government GHG Conversion Factors for Company Reporting (2024).

Actions and metrics for the Sustainability of the financed portfolio

The Iccrea Cooperative Banking Group is aware of the interdependence between economic activities, ecosystems, resources and people and for this reason it steers value creation to the benefit of all stakeholders such as customers, shareholders, suppliers, communities and future generations, contributing to economic and sustainable development in the medium to long term.

As previously stated, the Group - also in response to the regulatory framework, which is still evolving, and expectations of the Supervisory Authority and the market - has undertaken targeted projects to integrate climate and environmental factors into its strategies and, in particular, into lending strategies.

In addition to the interventions, carried out and in progress, for the identification, assessment and management of climate and environmental risks and the integration of these metrics in the processes of lending and assessment of guarantees, notable steps include the strategies of decarbonization of the credit portfolio, the introduction of new financing products, the consequent activation of a commercial offers increasingly oriented towards environmental purposes, the provision of advisory and support services to customers aimed at facilitating access to public resources made available at European, national and regional level.

For this reason, the Group, based on the results of the Analysis of the Operating Context and the pillars identified in the Transition Plan, has taken steps to launch a series of commercial initiatives to promote the sustainable economic development of its portfolio and customers.

Agreements and advisory services

During 2025, the Group's activity focused on the creation of an ESG ecosystem, i.e. a structured system of agreements aimed at offering advisory and operational services in several areas.

The Group considers sustainability an opportunity to reaffirm the principles and values of mutual banking and has continued to support micro, small and medium-sized enterprises (i.e. mSMEs) in their sustainable evolution.

Knowing how to evaluate ESG positioning and priority actions to improve it is a key competitive factor for mSMEs, which helps them to direct investments and manage financial needs, all the more so since new regulations are introducing ESG aspects in the assessment of creditworthiness. For this reason, numerous projects are aimed at ensuring assistance, proximity and support to the mSME clients - recipients, directly and indirectly, in facing the new regulatory framework on ESG matters - in order to create awareness of the impacts of the transition on their business and their strategic positioning, proposing actions and financial support.

The Framework Agreement with BIT SpA, the Energy Services Company (ESCO) of the Group, certified UNI CEI 11352 offers technical-specialist consultancy services to the Parent Company, the affiliated mutual banks and customers for investment projects in the renewable energy sector, energy efficiency, agriculture and agri-food. The Agreement aims, on the one hand, to be a specialized expertise hub recognized by the market and subject to control, coordination and management by the Parent Company and, on the other, to offer specialized services and tools to increase the ESG performance of Affiliated banks and client companies, so that the processes of integrating ESG factors into action and reporting strategies can be seen an opportunity rather than a requirement to qualify the entrepreneurial profile and the attention and care towards the territories. BIT SpA is a leading company in the evaluation of energy efficiency projects in terms of financeability, sustainability, technical and authorization appropriateness, economic and environmental compliance and therefore represents an element of value acting as a propulsive push towards energy transition. The specialized services and tools offered allow companies to build a personalized path: from energy efficiency to the construction of renewable generation plants.

In addition, the BCC Energia Consortium manages value-added services in the energy sector. The Consortium provides support in the transition towards sustainable mobility, both with the mobility management service, aimed at optimizing the personnel home-work travel plan, and by providing support in the installation of charging infrastructure for electric vehicles. The Consortium aims to support not only the mutual banks, but also client companies, offering a specialist presence on energy and energy transition-related matters, to intercept opportunities and mitigate risks. Member companies and customers of the Consortium members have access to the same conditions and tools that the mutual bank has adopted for itself, which is an important competitive enabling lever for the companies, typically SMEs, which do not have dedicated facilities.

An agreement was also signed at the end of 2023 with CRIF, leading operator in credit and credit information solutions, with particular reference to sustainability, aimed at raising customer awareness of ESG issues. Through the "OBIETTIVO ESG" portal, two different types of self-assessment questionnaires will be made available to client companies to obtain an initial assessment of ESG standards. Interested customers will receive a set of suitable tools, such as summary reports of the results generated by the self-assessment of their ESG positioning, to support the process towards sustainable transition. This initiative aims to provide a stimulus, preparatory to the decisions to improve the company profile.

Technical-specialist support

During 2024, the Group also implemented initiatives aimed at providing support to customers in the assessment process regarding the taxonomy alignment of loans, requested by customers and provided by affiliated banks. To this end, an agreement was signed with TERMO SpA, a company at the forefront of the energy transition, whose mission is to support the reduction of CO2 emissions and consumption in residential, office and industrial buildings. This agreement allowed the Affiliated banks and their customers to optimizing access a service for verifying the correctness and completeness of the technical documentation required to support the eligibility for the "Taxonomy Aligned" qualification of the loans issued and for delivering the authorization relating to the technical and documentary checks carried out. Thanks to this collaboration, the Group provides further support to the customers of mutual banks with new products (i.e. Green Loans) intended for individuals and businesses. These products support environmentally conscious customers by allowing households to purchase or renovate energy-efficient apartments or to travel using green cars, and businesses to implement the necessary interventions to generate a positive impact in terms of environmental sustainability. To facilitate customer access to financing aligned with the European Taxonomy, an agreement was also signed with HARLEY & DIKKINSON Srl, a leading consultancy firm in the sustainable redevelopment of buildings, with the aim of providing operational support to banks and customers in the case of financing for renovation and energy efficiency interventions and an integrated intervention in terms of preliminary diagnostic activities aimed at assessing the sustainability in terms of costs / benefits of any interventions and, subsequently, the related control and evaluation activities.

In light of the high costs that the environmental transition process entails for individual entrepreneurs, the Iccrea Cooperative Banking Group has finalized a framework agreement with Finservice, the first Italian company specialized in subsidized finance. The aim is to support Italian companies in finding their way in the maze of EU, national and regional regulations and to help them obtain the financial incentives provided by various public bodies. Affiliated banks will be able to report, through a dedicated portal, client companies deemed potentially interested in the various subsidized finance measures. For the same purpose, a Framework Agreement was also signed with KPMG with the specific aim of facilitating the access of business customers to the "Transition 5.0" measure, aimed at supporting the energy transformation process of companies in the two-year period 2024/2025.

Agreement with Cassa Depositi e Prestiti (CDP)

In 2022 the Group entered into an agreement with Cassa Depositi e Prestiti (CDP) to support access to credit for smaller Italian companies, increase sustainable investments and generate a positive impact on the environment. More specifically, the initiative envisaged the provision of a loan of €250 million aimed at guaranteeing new finance, over a time horizon of up to 18 years, to SMEs and Mid-Caps engaged in investing in sectors such as renewable energy generation, energy efficiency, the circular economy, sustainable mobility and the modernization of water networks. The operation is part of the broader collaboration between the Group and CDP for the promotion of joint initiatives to support Italian small and medium-sized enterprises and follows a previous agreement, signed in July 2020, aimed to support companies in the agricultural and agro-industrial sectors and a second, signed in November of the same year, dedicated to companies operating in the tourism sector, with two €250 million credit lines, for a total of €500 million. For more information about these facilities in 2025, see the Report on Operations.¹⁰³

From its activation until the end of 2024, the original €250 million credit line dedicated to the environment has been drawn for a total amount of €235 million, (€195 million outstanding at December 31, 2025); disbursements in the year amount to €90 million. The original credit line of €250 million dedicated to Tourism was used for a total amount of €173 million (€116 million outstanding at December 31, 2025), the program was closed during 2024.

¹⁰³ INSTITUTIONAL BUSINESS AREA – ICCREA BANCA- Lending to firms.

Supply chain and district contracts

During 2025, the Group and Cassa Depositi e Prestiti financed several new projects under the 5th Call of Supply Chain Contracts managed by the Ministry of Agricultural Policies, Food Sovereignty and Forests (MASAF). These are agri-food policy tools that support integrated investments along the supply chains to promote collaboration between farmers, processing companies, distributors and other operators in the sector. Through these contracts, the State supports development programs aimed at improving the production, processing, logistics, and marketing of agricultural products, while promoting the competitiveness and sustainability of supply chains.

Among the most significant projects of 2025 was the contract "Sustainability and Development of the Integrated Fruit and Vegetable Supply Chain in Veneto, Emilia Romagna, and Basilicata," worth a total of €49.5 million. This contract funded a fruit and vegetable project for the Orogel Group, Italy's leading producer of fresh frozen vegetables. The project involved several entities in the Orogel supply chain, including the Arpor cooperatives in Policoro and Apora in Rovigo, as well as Vitroplant in Cesena. It also included a Research & Development program aimed at improving the supply chain's environmental sustainability. The entire operation, financed by the Group for €15.4 million and supported by subsidized loans of the same amount from Cassa Depositi e Prestiti - in addition to the grant of approximately €20 million, recognized by the MASAF from the funds of the National Complementary Plan - is aimed at supporting the development of the production, packaging and conservation plants of the Orogel supply chain, contributing to the strengthening of environmental and operational performance.

Another major project, worth a total of €31.2 million, involved the Conserve Italia Group, one of Europe's leading agri-industrial groups. The operation aims to expand production facilities and increase investment in Research & Development, also involving six cooperatives and companies in the agri-food supply chain. This Supply Chain Contract benefits from a €10.5 million grant from the National Complementary Plan funds, while the remaining €20.7 million is supported by joint financing from the Group and Cassa Depositi e Prestiti (€8.7 million each), as well as from the companies' own resources (€3.2 million). The main objectives of the operation include increasing Conserve Italia's production capacity, improving energy efficiency, reducing methane consumption, and developing renewable energy with a consequent reduction in CO₂ emissions.

A third contract, totaling €43 million and also under the 5th Call for Supply Chain and District Contracts managed by the MASAF, financed the Trentingrana consortium, which brings together 14 Trentino dairies. The consortium was established with the aim of promoting and marketing local dairy products. The contract's funds, including a total of €16 million financed by the Group together with CDP, plus €19 million in grants from the MASAF and €8 million financed by associated companies with their own funds, will be allocated to a supply chain that includes—in addition to the lead consortium—24 other beneficiaries. The aim is to invest in the purchase of new equipment and the improvement of the facilities where Trentingrana is produced, with a particular focus on energy saving and decarbonization.

Sustainable Finance

The Group is also aiming at expanding sustainable operations in the corporate finance sector. During 2025, project financing programs were launched and are still being implemented in the sector of energy generation from renewable sources, both independently as Parent Company and in projects launched by different affiliated banks as part of the support to the development of local communities. The program ranges from the development of photovoltaic systems to the financing of wind farms, advanced biomethane production and support for the hydroelectric sector. Thanks to both to a favorable market scenario and the progressive corporate synergy between Iccrea's central structures and the Group banks, the recent years have been characterized by a strong operational acceleration in the Renewable Energy Project sector. Compared with a historical average of €50-60 million in annual lending, Project Finance agreements over the last three years totaled almost €270 million across 40 transactions. The mission of offering small businesses (average financing of approximately €6.5 million, compared to an industry average of €30-50 million) more structured and "riskier" forms of corporate finance (including completely non-recourse financing) often precluded to SMEs, continued in 2025. More specifically, the year closed with nearly €120 million in new lending (€170 million, when including the portions of the financing pools subscribed by the Group's mutual banks). New areas of operation included the renewable energy segments eligible for the NRRP resources of Mission 2 - Green Revolution and Ecological Transition (biomethane, including from biogas conversion, and advanced agrivoltaics). Specifically, the biomethane produced from poultry and agri-food by-products is obtained from the purification of natural biogas, purified from carbon dioxide and treated for injection into the grid. The Group thus confirms its position as a leader in supporting bioenergy as a tool for the country's energy transition and the development of the circular economy. Going beyond environmental considerations, recent geopolitical crises like the Russian invasion of Ukraine, the Venezuelan crisis, the Greenland

crisis have highlighted a key aspect of renewable energy: it is the only sustainable energy source (completely autonomous and controllable in the long term) for a country without fossil fuels like Italy.

The mutual banks have also promoted initiatives at the regional and national levels, supporting calls for proposals and projects related to sustainable solutions such as agriculture, solar energy, and agrivoltaics, thus contributing to the energy transition and sustainability. These examples highlight the Group's commitment to expanding its operations in the corporate finance sector, with a strong focus on projects related to renewable energy and environmental sustainability.

In 2025, the Group's mutual banks continued to support businesses in their ecological transition, offering specific lending for the adoption of renewable energy, the promotion of green mobility, and the efficiency of the water network. Specifically, the mutual banks encouraged investments in sustainable technologies, helping to reduce the environmental impact of corporate activities. These initiatives are part of an overall strategy aimed at encouraging businesses' transformation toward greener and more sustainable models, including through access to subsidized financing and favorable terms.

The affiliated banks have also launched specific initiatives to support the development of renewable energy in private homes, offering photovoltaic systems at advantageous conditions, including grants.

Transition 5.0

Promoting the digital and green transformation of customers is a priority for the Group, also in light of the favorable opportunities provided at national and community level by the Transition 5.0 Plan launched in March 2024. The Group has set itself the goal of incentivizing, through the recognition of tax credits provided for by the "Transition 5.0" plan of the Ministry of Business and Made in Italy, investments in tangible and intangible assets, using both financing and leases, connected to the company's production or supply system, leading to a reduction in energy consumption of the production structure covered by the innovation project of no less than 3% or, alternatively, of the processes affected by the investment of no less than 5%. With the support of BCC Leasing, the mutual banks organized 40 events in their local areas, involving entrepreneurs and tax consultants with the aim of illustrating to them the possibilities of the Transition 5.0 Plan.

Environmental impact products

The initiatives of particular relevance for the Group include actions relating to Sustainable Finance and, specifically, the increase in operations using financing products dedicated to sustainable transformation (Taxonomy Aligned products). These products, introduced into the Group's catalogue in 2023, have expanded the set of new financing products dedicated to the energy transition, having characteristics of alignment with the European Taxonomy and aimed at both the corporate and private sectors. The types of financing are aimed at supporting interventions of: renovation and redevelopment of existing buildings, with the aim of bringing benefits in terms of energy efficiency and environmental sustainability; production of electricity, using photovoltaic or concentrated solar technology; electricity generation, as provided for by the 2024 Bando Agrisolare, with specific attention to the agricultural business sector; purchase of existing buildings with high energy performance; construction of residential and non-residential buildings, with the aim of minimizing energy use and carbon emissions; purchase of electric, hybrid and plug-in hybrid cars or light vehicles. The financing measures can be provided both in the form of a mortgage and in the form of an unsecured loan with the possibility of defining repayment plans according to different timeframes based on the type of products. Loans offer both fixed and variable rates and sometimes are disbursed on a progress-payment basis. The need to ensure the alignment of new products with the European taxonomy has led to the integration of the preparatory and granting process with some steps such as: the integration of the documentary checklist with new specific documentation associated with each Taxonomy Aligned product; the adoption, during the investigation phase, of the "Qualitative risk and vulnerability questionnaire" with the aim of incorporating the innovations required by the Delegated Regulation (EU) 2012/2139 for products/counterparties that present a high physical risk; the provision of specific checks during the registration of an overdraft facility and the disbursement of a loan with the aim of verifying all the activities that guarantee the qualification of the financing as Taxonomy aligned.

The inclusion of Taxonomy aligned products in their product portfolio by the Affiliated banks is now under way. In particular, a strong focus was observed on both the private and business sides with regard to loan products aimed at energy efficiency and requalification (Finanziamento Mobilità ESG - Privati, Mutuo Innova ESG - Privati e Mutuo Efficienza ESG - Impresa, Mutuo Rigenera ESG - Impresa respectively).

For stock and flow data related to these loans for the year, please refer to the specific GAR tables.

Moreover, a project to further enhance sustainable lending having a positive impact on the Group's decarbonization strategy was launched in the second half of 2025. The areas of intervention and the resulting financial products, however, do not fully align with the rationale underlying taxonomic certifications. Thanks to a working group involving six pilot mutual banks (specifically Banca Tema, BCC Basilicata, BCC Credito Padano, BCC di Roma, BCC Veneta, and BCC Ravennate Forlivese e Imolese), priority areas of intervention were identified within the corporate and retail sectors. These were: construction or purchase of systems for self-production and self-consumption of energy from renewable sources, with a particular focus on photovoltaic technology, and a range of products aimed at the transition of agricultural businesses (corporate sector), and mortgages for the purchase of properties in energy classes A or B, for the renovation of residential properties with an improvement of at least two energy classes, and, finally, a loan for the purchase of renewable energy systems (retail sector). The main types of interventions will be finalized during 2026.

The following table summarizes the Group's disbursements of financing products with a positive impact on the environment, for a total of over 2,800 loans in 2025, for a total amount of over €600 million.

FINANCING FOR ENVIRONMENTAL PURPOSES ¹⁰⁴	2025		2024	
Type of financing	Amount (€)	No of loans	Amount (€)	No of loans
Photovoltaic financing - Business	244,518,715	625	257,911,006	1,553
Photovoltaic financing - Individual	5,533,393	239	4,334,469	192
Wind financing - Business	3,711,938	7	25,576,000	11
Hydro - Business	3,192,500	2	5,174,150	4
Biogas/biomethane - Business	93,514,279	46	24,959,335	20
Energy efficiency financing - Business	66,054,045	175	16,248,071	49
Energy efficiency funding - Public entities	4,102,000	12	861,000	1
Smart mobility financing Business	2,746,953	43	3,022,866	34
Home redevelopment financing	147,001,239	1,561	156,228,263	1,205
Contributions Interests L. Sabatini Green	33,325,708	189	15,997,322	83
Total Financing for environmental purposes	603,700,771	2,899	510,312,483	3,152

Green Bonds

In January 2025, the Parent Company of the Iccrea Cooperative Banking Group successfully completed the placement of its first “green” Senior Preferred bond for institutional investors. The issue has a five-year maturity and a total nominal amount of €500 million. The bond was issued in accordance with the Group's Green, Social and Sustainability Bond Framework 2024, following the Green Bond Principles 2021, the Social Bond Principles and the ICMA Sustainability Bond Guidelines.

For the issuance of the first Green Bond, a portfolio of mortgages was identified based on energy efficiency criteria, applied to both existing and new buildings. Specifically, it included properties built before December 31, 2020, belonging to the top 15% of the regional building stock, and buildings constructed after that date with NZEB classification and energy performance at least 10% better than the NZEB threshold. The residential mortgages financed by the bond are primarily located in Lazio, Lombardy, and Veneto, which represent over 70% of the total portfolio.

The total portfolio has an estimated positive carbon impact of over 24,000 tonnes, significantly higher than the 7,815 tonnes of CO₂ expected from the liquidity raised through the €500 million Green Bond issue.

Sustainable Investments

The Group is committed to make investment choices giving priority to companies that adopt virtuous practices focused on environmentally friendly production methods, inclusive and human rights-friendly working conditions and best corporate governance standards.

In this regard, the adoption of internationally recognized criteria and parameters is intended to ensure the exclusion from the investable universe of issuers that operate in sectors that are particularly sensitive to sustainability issues, including alcohol, gambling, tobacco, nuclear energy, weapons. The presence of disputes of various kinds related to the environment (toxic or polluting emissions, land exploitation, water exploitation), human rights, violation of labor rights, fraudulent management of companies and invasive/aggressive practices towards

¹⁰⁴ As defined above.

customers also constitutes a reason for exclusion from the investable universe.

The Group's asset manager, BCC Risparmio & Previdenza SGR, integrates environmental, social and governance criteria into the investment processes relating to the portfolios it manages. To this end, it has defined criteria, tools and activities to identify, evaluate and monitor the investments most exposed to sustainability risks.

The asset manager has built portfolio solutions offering customers a range of products (including Asset Management lines, Open Pension Funds and Mutual Investment Funds) and investment services that promote environmental or social characteristics and good governance practices (art. 8 SFDR). Furthermore, the asset manager provides Affiliated banks that offer portfolio management services with information relating to the classification of management lines in terms of sustainability, to ensure their correct distribution and compatibility with the needs expressed by customers.

As shown in the following table, the Group's sustainable investments, including direct management, placement and distribution activities, amounted to over €16 billion, with a level of invested assets in 2025 of approximately €4.6 billion.

SUSTAINABLE INVESTMENTS	2025		2024	
	AUM(€)	Invested assets in the year(€)	AUM(€)	Invested assets in the year(€)
Managed funds invested in Art. 8 and Art. 9 products (€)	4,412,903,125	647,624,010	3,089,920,263	412,338,871
Managed funds invested in Green bonds	873,666,143	873,666,143	-	-
Total managed funds	18,367,145,994	4,955,304,443	15,058,810,403	4,152,587,476
Investments in consulting, administration and execution Art. 8 and Art. 9 products (€)	10,752,843,776	3,032,541,549	9,158,251,794	2,344,927,395
Investments in consulting, administration and execution Green bonds	-	-	-	-
Total investments in consulting, administration and execution	17,593,013,780	5,456,249,750	15,303,613,534	4,676,589,707
Sustainable investments (%)	AUM(€)	Invested assets in the year(€)	AUM(€)	Invested assets in the year(€)
Sustainable investments managed	28.78%	30.70%	20.52%	9.93%
Sustainable investments in consulting, administration and execution	61.12%	55.58%	59.84%	50.14%

ESRS E1-4 – TARGETS ESRS E1-2 – POLICIES

The CSRD introduces the obligation to disclose detailed information on several topics, including the definition of long-term environmental objectives, with particular attention to greenhouse gas (GHG) emissions.

The Iccrea Cooperative Banking Group's emissions reduction targets are set for 2030 and are consolidated goals at Group level. Although there are no formal intermediate targets before 2030, constant and gradual progress is considered essential and will be monitored through the annual reporting of sustainability metrics.

In compliance with regulatory requirements, for each defined target, information is provided regarding the target level, the baseline value (i.e. the value of the metric in the base year, used as a reference to measure progress), the reference period of the target and the significant methodologies and assumptions adopted for the definition of the target.

Own operations

In compliance with regulatory requirements, the Iccrea Cooperative Banking Group has defined targets for the reduction of its direct and indirect emissions (own emissions) to be achieved by 2030, using FY 2023 as the base year. These targets include:

- a 20% Scope 1 emission reduction target by 2030;
- a 75% Scope 2 (market based) indirect emission reduction target by 2030.

With reference to the **20% reduction of direct emissions (Scope 1)** by 2030, the Group has established a clear and measurable target for the reduction of direct emissions (Scope 1). The reference value for calculating the reduction is Scope 1 emissions in the base year, set at 2023. Scope 1 emissions of 2023, equal to approximately 10.4k tCO₂, are considered as a baseline for measuring progress towards the target.

The target is applicable to the 2024-2030 period, and is subject to gradual interventions and constant monitoring

of performances of the Legal entity.

To achieve this target, the Group has launched several initiatives to improve and transform its energy sources, including energy efficiency improvements to its buildings and a gradual conversion of the company fleet to lower-carbon mobility solutions.

In particular, the Group has launched several measures to improve and transform its energy sources, including:

- energy efficiency of real estate assets;
- optimization of the use of the company fleet and a progressive conversion to mobility solutions with lower environmental impact;
- awareness and training on energy efficiency issues;
- compliance with EU regulations on energy efficiency.

These measures have not yet fully demonstrated their impact on current emissions, with a trend that recorded a slight increase compared to the baseline in the reporting year, but they are expected to generate benefits over the next few reporting years.

With reference to the **75% reduction of indirect emissions (Scope 2) by 2030**, calculated with the market-based approach, this target mainly consists of reducing emissions related to electricity consumption, which represent approximately 90% of the Group's Scope 2 emissions, with a marginal role for emissions from thermal energy consumption.

Scope 2 emissions in the base year 2023, equal to approximately 6.9k tCO₂, provide the baseline for calculating the expected reduction. This value includes emissions from electricity and thermal energy used by the Group. The target applies over the 2024-2030 period, with progress being monitored on an annual basis.

Scope 2 GHG emissions significantly decreased in the two-year period, partly due to the timely transition to renewable sources implemented by the Group's legal entities, allowing the achievement of the 2030 target already this year (-76% compared to 2023), confirming the effectiveness of our action. The strategy for achieving the target includes a combination of approaches aimed at reducing emissions from the electricity component, in light of the limited weight of thermal energy, including:

- the purchase of electricity generated from renewable sources, through membership in the BCC Energia Consortium or requesting certification from suppliers;
- the direct production of renewable energy, through the installation of photovoltaic systems to exploit solar energy as a primary source, contributing to the reduction of emissions associated with the grid;
- building efficiency (linked to Scope 1 interventions).

In methodological terms, the targets relating to own emissions (both Scope 1 and 2) were defined considering: (i) the positioning on FY 2023 both at Group level and at individual entities level, analyzing their intrinsic specificities; (ii) the historical trend on the main indicators, in order to evaluate the progress and the commitment made, as well as the potential still unexpressed with respect to buildings and the car fleet; (iii) the benchmark analysis on the main players in the sector, to ensure consistency and competitiveness of the identified targets. These have thus allowed us to identify in the subsequent five-year horizon (2030) a target value for the achievement of which all the entities of the Group are proportionally responsible, in line with their decision-making autonomy, and which is achievable both on the basis of past experience with the interventions already carried out by the Parent Company and the most proactive mutual banks, and in terms of the size of the investment required.

SCOPE 1 GHG EMISSION REDUCTION TARGETS (Co2/eq)

Scope 1 emissions	tCo ₂ /eq	Year
Gross Scope 1 GHG emissions (base year)	10.385	2023
Absolute value of GHG Scope 1 emission reduction target	8.308	2030
GHG Scope 1 emission reduction target in % of base year emissions	-20%	2030

SCOPE 2 GHG EMISSION REDUCTION TARGETS (Co2/eq)

Scope 2 emissions	tCo ₂ /eq	Year
Gross Scope 2 GHG emissions (base year)	6.909	2023
Absolute value of GHG Scope 2 emission reduction target	1.727	2030
GHG Scope 2 emission reduction target in % of base year emissions	-75%	2030

Financed portfolio

In line with the provisions of the Transition Plan, the Group has started an in-depth analysis to identify the priority sectors for the definition of specific targets for the reduction of financed emissions. Sectors such as agri-food and residential mortgages have been identified as key areas in which to intervene, with the aim of aligning their activities with global sustainability and decarbonization objectives. The adoption of these targets reflects a strategic commitment to promoting long-term sustainability, integrating innovative practices and advanced technologies to achieve a positive impact on the climate and communities. The aforementioned sectors (i.e. agri-food and residential real estate) have been identified by combining indicators relating to the materiality of the portfolio (in terms of overall exposure) and contribution in terms of emission metrics.

The methodologies chosen for the definition of baselines, metrics and targets have been developed taking into account international guidelines, with a methodology for estimating emissions relevant for the definition of targets that complies with the methodologies proposed by the PCAF (Partnership for Carbon Accounting Financials).

In relation to the targets defined for the agricultural sector, in line with the approach established at industry level, we excluded the SMEs, since the measurement, engagement and monitoring of their greenhouse gas emissions and decarbonization path are particularly complex due to their heterogeneity, small size and limited availability of structured data, as specified in the narrative relating to the Transition Plan.

Each target has been defined, in the form of an interval, as a reduction in the carbon footprint by 2030, compared to the FY2024 baseline. The carbon footprint is defined as the ratio between the tons of CO₂ equivalent and the gross carrying amount. The tons of CO₂ equivalent include Scope 1, 2 and 3 emissions. No intermediate objectives have been defined.

The following tables summaries the targets adopted by the Group for the agricultural and residential real estate sectors, respectively.

Agri-food		
	Reference date	Carbon footprint (TCO ₂ /GCA €million)
Baseline	31/12/2024	845
Actual	31/12/2025	826
Target	31/12/2030	765-805

Residential Real Estate		
	Reference date	Carbon footprint (TCO ₂ /GCA €million)
Baseline	31/12/2024	28
Actual	31/12/2025	26
Target	31/12/2030	21-22

The greenhouse gas emission reduction targets are specified for Scope 1, 2 and 3 and consist of gross targets, meaning that the commitment does not include greenhouse gas removals, carbon credits or avoided emissions as a means of achieving the reduction targets.

ESRS E1 GOV-3 - INCENTIVE SCHEMES

In defining the incentive system for top management, the objective is to further strengthen the correlation between variable remuneration and sustainability-related strategic actions, consistent with a sound and prudent management of climate-related environmental and social risks. Several ESG initiatives - strategic and/or aimed at aligning with the new regulatory framework - constitute salient elements of remuneration and incentive process and, where applicable, are integrated into the incentive schemes of the top management and, in cascade, of middle management and the remaining workforce. In this regard, at least part of the variable component for top management is connected to ESG objectives aligned with the strategic and sustainability plan and the risk appetite framework (RAS). For the 2025 financial year, ESG targets have been confirmed at an average weight of 15% of the variable component.

As part of the progressive and constant alignment of remuneration and incentive policies with the Group's targets related to environmental risks, measures have been defined to achieve a greater or deeper quantitative integration of ESG objectives into commercial and lending policies, in order to promote the adoption of corporate practices aimed at decarbonization and energy efficiency with an impact on the objectives to be assigned to senior

management, top management and the remaining workforce. By way of example, reference is made to quantitative objectives connected to the achievement of the targets defined in the context of commercial planning to support the Group's decarbonization strategy, including: mortgages granted on properties with a high energy class; financing to companies granted in the context of Transition 5.0; financing granted for sustainability interventions (energy, water, mobility, photovoltaic, etc.).

With reference to social objectives and in particular to the commitment towards employees and the community in general, the remuneration systems:

- are determined based on the role held, areas of responsibility, merit and performance and the overall quality of the contribution made to the company's performance with respect to the Group's values;
- ensure neutrality of remuneration (in fixed and variable amounts) with respect to gender and any other element of diversity;
- guarantee fairness and equal opportunities in terms of career advancement and salary increases and promote, where possible, innovative work-life balance mechanisms;
- provide for ex-post adjustment mechanisms for the award of variable remuneration, precluding payment or requesting the return of amounts already recognized in case of - among other things - behaviors that do not comply with the provisions of the Code of Ethics.

These measures reflect a concrete commitment to making sustainability a central pillar of corporate strategies, strengthening the correlation between individual and collective performance and the pursuit of long-term ESG objectives, with a positive impact on competitiveness and value creation for all stakeholders.

ESRS E2 – POLLUTION

Although not a material issue in the context of the dual materiality analysis, the Group is very attentive to pollution-related issues, both in its own activities and along the value chain.

As stated in the Code of Ethics, the Group firmly condemns any form of environmental damage and/or deterioration, as well as any violation of current regulations on the environment, construction, urban planning, pollution and waste disposal and adopts proactive measures to reduce the environmental impact of its operations and promotes awareness of environmental issues among its stakeholders.

In its Charter of Commitments, the Group reiterated the importance of preventing, managing and, where possible, reducing direct and indirect environmental impacts, in accordance with regulatory requirements and with the aim of contributing to the achievement of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda.

The Group has implemented a series of concrete initiatives aimed at combating pollution and promoting sustainable development, including:

- sustainable mobility: Promotion of low environmental impact mobility solutions, with positive effects on the reduction of greenhouse gas emissions and air pollution.
- sustainable supply chain: commitment to responsible sourcing, favoring suppliers that adopt sustainable practices in terms of waste reduction, pollution minimization and efficient use of natural resources.
- dematerialization of processes and documents: digitalization of expense reports and receipts, with the aim of reducing the use of paper and the resources associated with its production and disposal.
- Vademecum Ambiente: publication and dissemination of an environmental handbook containing sustainability strategies and actions aimed at minimizing the environmental impacts of company activities.
- Environmental Management System: implementation, through BCC Sinergia, of an environmental management system aimed at continuous monitoring of environmental aspects, reduction of energy consumption, separate waste collection and minimization of emissions into the atmosphere.
- Plastic Free project: elimination of single-use plastic from company premises, supported by the installation of water dispensers in the Rome and Milan premises to reduce the consumption of plastic bottles.

The Group is committed to continue to monitor pollution-related issues, constantly analyzing the potential associated impacts, risks and opportunities. In this context, the Group carries out an environmental risk assessment relating to the Non-Financial Corporate portfolio, with particular attention to the analysis driver linked to pollution. This assessment highlighted a medium impact resulting mainly from the Group's exposure to sectors such as manufacturing and steel.

Through these activities, the Group aims to progressively strengthen its strategic commitment to reducing pollution and promoting a sustainable growth model.

ESRS E3 – WATER AND MARINE RESOURCES

Responsible management of water resources and, more generally, natural resource consumption, is a fundamental aspect for promoting a sustainable development model. Although this issue did not emerge as relevant in the double materiality analysis, the Group recognizes the importance of a conscious and sustainable use of natural resources in its operations and along the value chain.

A concrete example of the Group's commitment in this area is represented by the LEED (Leadership in Energy and Environmental Design) GOLD level certification obtained by the Lucrezia Romana premises, the Group's headquarters. This certification reflects the adoption of practices aimed at monitoring and optimizing monthly consumption of energy and water resources, ensuring sustainable management of the building. The certification system provides for the comparison of performance with similar buildings, both locally and internationally, to evaluate the level of efficiency achieved and identify opportunities for continuous improvement.

In addition to this initiative, both the Parent Company and many affiliated banks have implemented ISO 14001 certified environmental management systems, which include specific objectives for efficiency and reduction of resource consumption, including water.

With reference to the Non-Financial Corporate portfolio (which includes exposures to small and medium-sized enterprises), the Group has carried out an environmental risk assessment, also considering the analysis driver relating to water stress. This tool allows us to identify the geographical areas and economic sectors most exposed to risks related to water scarcity, helping to define mitigation and support strategies.

A further tangible sign of the Group's commitment is represented by the agreement with Cassa Depositi e Prestiti (CDP), which provides funds up to €250 million earmarked for the financing of sustainable projects, including specific interventions for the renovation and optimization of water systems, contributing to the reduction of losses and the improvement of water resource management.

ESRS E4 – BIODIVERSITY AND ECOSYSTEMS

The protection of biodiversity, although not identified as a material issue for the Iccrea Cooperative Banking Group following the double materiality analysis, is a crucial element in the context of environmental sustainability and social responsibility. The Group is aware of the impacts of its business activities and the role it can play in promoting virtuous behavior and recognizes the interdependence between economic activities, ecosystems and natural resources. For this reason, it considers environmental protection as an expression of the founding principles of mutual banking.

The Group promotes responsible principles for the protection of the local area in which it operates, adopting a preventive and proactive approach to environmental challenges. The sustainability strategy is based on respect and enhancement of the environment, with the aim of promoting balanced and sustainable development, integrating these principles in its Code of Ethics and the Charter of Commitments on the Environment.

The Group constantly monitors biodiversity issues, analyzing impacts, risks, and potential opportunities. To this end, it carries out an environmental risk assessment on the Non-Financial Corporate portfolio (which includes exposures to small and medium-sized enterprises), also taking into account biodiversity analysis drivers, both in relation to transition risk and physical environmental risk.

ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY

The Group attaches strategic importance to issues related to circularity, recognizing that the efficient management of resources and waste is a fundamental element for the achievement of long-term sustainability. In a global context increasingly oriented towards sustainable economic models, circularity is a key principle in the Group's strategy, with the aim of reducing environmental impact, optimizing the use of natural resources and contributing to the creation of a low-carbon economy. The Group promotes an economic model that favors waste reduction, recycling and reuse of resources, with the aim of extending the life cycle of materials and reducing the use of primary resources, through the creation of a virtuous cycle in which materials constantly return to circulation.

Company policies in this area are aimed at optimizing waste management, minimizing waste and promoting innovative solutions to reduce the overall ecological impact of operations. The commitment to circularity extends to all phases of the life cycle of products and services offered by the Group, integrating sustainable criteria since the design stage and encouraging the adoption of advanced technologies, recycling and reuse. Waste management is not seen as a separate process, but as an integral part of the overall sustainability strategy, through which the Group aims to reduce the production of non-recoverable waste and promote responsible resource use.

The Group is committed to implementing circular economy practices throughout the value chain, actively involving its employees, customers and suppliers in a shared path of environmental responsibility. Awareness-raising and training are key tools to encourage cultural change towards more sustainable behaviors, both within the organization and among external partners. The Group also promotes the adoption of responsible procurement policies, favoring suppliers who adopt circular practices and thus contributing to extending the positive impact also in its supply chain.

Circularity is not only an environmental objective, but also an important opportunity for innovation and value creation. Initiatives in this area are designed to promote innovative solutions that can reduce resource use and at the same time generate economic value, contributing to long-term competitiveness. The Group's objective is to consolidate its leadership in sustainability, making waste management and circularity a distinctive element of its identity and a strategic lever for future development.

ESRS E5-1 - POLICIES

The Group has adopted policies in relation to the circular economy and waste management. In line with its sustainability objectives, the Group promotes an economic model that favors waste reduction, recycling and reuse of resources, contributing to the creation of a virtuous cycle in which materials are kept in use for as long as possible. Company policies in this area are aimed at optimizing waste management, minimizing waste and promoting innovative solutions that reduce environmental impact, supporting a transition to a low impact economy. In this context, the Group is committed to implementing circular economy practices, integrating sustainable waste management in all its operations, involving its employees, customers and suppliers in a common path of environmental responsibility.

Charter of Commitments

The Group's Charter of Commitments on the Environment and Combating Climate Change plays a central role in the implementation of policies oriented towards the circular economy and responsible waste management. In particular, the Group is committed to reducing the environmental impact throughout the life cycle of its purchases, favoring, where possible, "green" products and services. This includes the purchase of equipment and work tools with a low environmental impact, such as ecological or recycled paper treated with eco-friendly processes, and reusable toner cartridges. The Group also promotes the purchase of compostable or biodegradable disposable products, with a progressive plan to eliminate single-use plastic, and favors the purchase of local products and services, in order to reduce the environmental impact resulting from transportation.

In parallel, the Charter provides for responsible waste management, adopting solutions that enhance the fundamental principles of circular economy: Reduce, Recycle and Reuse. The Group is committed to minimizing waste production, implementing document dematerialization practices and maximizing the share of waste sent to recycling and reuse. These actions extend to all operational levels and actively involve collaborators, suppliers and customers, creating a shared network of environmental responsibility. By implementing these policies, the Group contributes to reducing direct environmental impact, and promotes a long-term sustainable approach, in line with the principles of the circular economy.

Other policies

In the context of the environmental and sustainability policies of the Group and the mutual banks, a central aspect concerns waste management, with the aim of reducing the ecological impact of business activities. The Group has adopted practices aimed at optimizing resource use, promoting recycling and reducing waste, aligning itself with the growing needs for environmental responsibility and ESG standards.

The waste management policy adopted by some of the Group's affiliated banks focuses on reducing waste and the correct disposal of resources. Among the main initiatives encouraged through these policies are the repair of electronic and mobile equipment rather than their replacement, the promotion of the reuse of office materials, such as remanufactured cartridges, and the redistribution of devices no longer in use within the various company divisions. Furthermore, to reduce the environmental impact, a separate collection program for obsolete electronic equipment is active, with the involvement of suppliers certified for responsible recycling. These policies also promote the reduction of the use of disposable materials, the adoption of digital documents and the optimization of business processes to avoid wasting resources.

ESRS IRO-1, E5-2, E5-3, E5-5 – ACTIONS AND METRICS

The Iccrea Cooperative Banking Group has undertaken a series of initiatives aimed at improving waste management and promoting a more responsible use of resources, in line with the principles of the ESRS E5 Standard. These initiatives are part of the Group's sustainability strategy, which aims to reduce environmental impacts, increase operational efficiency and strengthen the commitment to ecological transition. The main actions are described below.

Plastic Free Project

A structured program to reduce the use of single-use plastic in office premises, promoting more sustainable solutions and spreading greater awareness among employees. The main activities include:

- elimination of single-use plastic in the refreshment points of the Lucrezia Romana headquarters, both in the canteen and in the company coffee bar;
- replacement of plastic bottles and glasses in vending machines with alternative solutions with low environmental impact;
- distribution of reusable water bottles branded "Gruppo Bancario Cooperativo Iccrea" to all employees, encouraging the use of personal containers instead of disposable plastic;
- installation of water dispensers in the main office premises, including Rome, Milan and the Innovation Campus in Peschiera Borromeo, to guarantee employees free access to safe and clean water.

These initiatives have also had a positive effect on the well-being of staff, improving the quality of working life and contributing to strengthening the Group's reputation as an employer sensitive to environmental issues.

In addition to significantly reducing the use of plastic, this project materially contributes to raising employee awareness on sustainability, for example by using reusable water bottles as a tangible symbol of the Group's commitment.

The "Plastic Free" project has been adopted by several Affiliated banks, which have undertaken actions such as distributing branded water bottles to all staff, installing drinking water dispensers, directly connected to the water supply, allowing employees to fill their water bottles without resorting to single-use plastic, and replacing plastic cups with compostable or recyclable alternatives, such as paper cups, to minimize waste generation.

Eliminating plastic in company events and meeting rooms was a further step towards promoting eco-sustainable practices. In these contexts, eco-friendly kits have been introduced, such as gadgets made from recycled materials, and vending machines have been converted to eliminate bottles and other plastic objects.

Dematerialization of expense report documentation

A further key intervention involved the dematerialization of expense report documentation, which led to the elimination of paper in favor of digital solutions. This initiative has produced numerous benefits, including:

- lower paper consumption, thus contributing to the reduction of paper waste generated by company activities;

- improved operational efficiency, as digitalization has made processes leaner, reducing approval times and improving the management of expense reports by the various company functions;
- positive environmental impact, thanks to a lower use of natural resources and a more sustainable management of document flows.

This evolution not only meets environmental sustainability objectives, but also guarantees advantages in terms of cost optimization and modernization of internal procedures.

The affiliated mutual banks actively carry out several actions aimed at digitalization and dematerialization, with a strong focus on reducing paper consumption and innovative technological tools.

The digitalization of expense reports is one of the main measures also for the mutual banks, and is part of a broader project for the dematerialization of internal processes and document management. The process is completely digital, and covers all steps from the creation of the expense report up to its presentation to the Executive Committee or Board of Directors, allowing a drastic decrease in the use of paper and promoting sustainable and transparent management.

Actions implemented include the large-scale adoption of the Advanced Electronic Signature (FEA) and the signature for signing contracts and front-office operations. This has allowed a significant reduction in printing, also supported by awareness campaigns aimed at both employees and customers. In particular, we encouraged the use of Relax Banking, the Group's home banking platform, to promote the abandonment of paper documentation in favor of electronic files. Explanatory emails and informative pop-ups were sent to customers who have the Relax service to encourage them to receive communications in digital format, highlighting the environmental benefits resulting from this choice. The review of company processes was also promoted to reduce the use of paper and the physical exchange of documents. For example, the creation of a print monitoring system allowed us to identify inefficiencies and waste, while the use of eco-friendly printers/photocopiers helped improve the company's overall sustainability. Furthermore, the number of local printers was reduced in favor of centralized system printers, thus optimizing consumption. Initiatives aimed at digitalization also include the dematerialization of the credit archive and the credit investigation processes, as well as the electronic management of loan applications, with the reduction of paperwork associated with these procedures.

The above-described actions show the concrete commitment to responsible waste management and a reduction in environmental impacts. In addition to the environmental benefits, these initiatives generate:

- economic savings, linked to a more efficient resource use and waste reduction;
- improvement of the company's reputation, through the adoption of practices that contribute to the ecological transition;
- greater environmental awareness among employees, who are encouraged to actively participate in the Group's sustainability path.

Waste separation

The initiatives promoted by the Group's mutual banks also aim to improve waste management and reduce environmental impact through concrete actions of separate waste collection and recycling. The main actions implemented concern:

- a) separate waste collection: implementation of separate waste collection in the branches sorting paper, plastic, glass, metals, wet and dry waste and at the same time eliminating the outdoor litter bins. The aim is to improve waste separation and reduce undifferentiated waste, contributing to more sustainable management;
- b) waste electrical and electronic equipment collection: activities to collect and recycle obsolete electronic devices;
- c) disposal of toners and cartridges: used toners and cartridges are disposed of correctly through certified companies, and recycled toners are used to reduce the environmental impact;
- d) education and monitoring initiatives: instructions are provided to employees for the correct disposal of waste. The aim is to raise awareness on separate waste collection and improve daily practices.

TOTAL WASTE GENERATED AND NOT RECYCLED (TONS)	2025	2024
Total waste generated	2,780	2,343
Total waste generated not recycled	452	514
Percentage of non-recycled waste (%)	16.26%	21.93%

To ensure the proper management of hazardous waste at the Group's premises, BCC Sinergia has implemented a system compliant with Legislative Decrees 152/2006, Legislative Decree 81/08, and internal regulations. Activities include site mapping and waste analysis, identifying CER codes and verifying registration requirements; defining storage methods pending delivery to authorized operators; adopting dedicated operating procedures for traceability, delivery, and administrative management through RENTRI and MUD declarations; ensuring the validation of registers, the collection and verification of FIR, the payment of RENTRI fees, and periodic checks on document flows. These actions ensure traceability, safety, and full compliance with regulations.

Total waste generated is determined based on two main components: the amount of waste delivered to the public municipal waste collection and management service and the portion of waste managed outside the public service and entrusted to entities authorized for transport and treatment. While reporting for the second type of waste is based on specific surveys (e.g., loading and unloading registers and waste identification forms), a proxy estimate is used for waste delivered to the municipal waste management service, since it is not accompanied by documentation that allows for quantitative traceability.¹⁰⁵

The percentage of non-recycled waste is calculated as the ratio between non-recycled waste and total waste generated. The share of waste sent for recycling in 2025 increased compared with 2024, to approximately 84% of total waste generated, demonstrating the effectiveness of awareness-raising initiatives aimed at promoting virtuous behavior regarding reduction, reuse, and proper disposal of materials. This trend also indicates a more efficient waste collection and treatment system, significantly contributing to reducing the overall environmental impact and pursuing the company's sustainability objectives.

Certifications and Guidelines

As already detailed in the paragraph "ESRS E1 - Actions and metrics for the Sustainability of Own Operations", the ISO 14001:2015 certification is a fundamental pillar of the control and compliance with environmental regulations. This certification has led to a significant reduction in the environmental impacts of operations, such as waste production and use of natural resources, while improving environmental performance and containing the associated operating costs.

The adoption of the LEED certification in 2021 further strengthen the bank's commitment to the sustainable management of properties. In addition to improving the market value of buildings, this certification promotes the reduction of energy consumption and the efficient management of resources, indirectly contributing to the reduction of waste production.

¹⁰⁵ In 2025, the proxy was updated to take into account the number of employees (headcount) at the respective locations. This estimate is based on the identification of a waste production coefficient based on the quantities of waste detected at one of the Group's main site, compliant with LEED certification standards, and normalized with respect to the headcount of the site.

Furthermore, by promoting guidelines for the rational use of energy and the containment of waste, the Parent Company is committed to raising employee awareness on the importance of correct resource management. The initiatives include training events and information sharing on SpazioBCC, aimed at all staff, with the aim of reducing paper consumption and waste production. These actions, already underway, are planned for the short term and aim to promote a sustainability-friendly corporate culture.

The Group has not set measurable objectives in relation to the circular economy and resource efficiency, although the Bank is committed to monitoring and optimizing its waste and resource flows and, with reference to the value chain, to measuring and monitoring the risks to which it is exposed in respect, in particular, of financed customers. However, the Group continues to work to improve its environmental management and to adopt sustainable practices, gradually aligning with industry standards and current regulations.

SOCIAL INFORMATION

ESRS S1 – OWN WORKFORCE

The Group's workforce is a strategic pillar for achieving corporate objectives, including those related to sustainability. Workforce management ¹⁰⁶ is based on an integrated approach that values people as fundamental assets, promoting an inclusive and fair work focused on people well-being. This approach is based on policies that guarantee respect for human and labor rights, aligning with the main international standards and guiding principles, such as the conventions of the International Labour Organization (ILO), the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles on Business and Human Rights) and the goals of the 2030 Agenda for Sustainable Development (SDGs).

The Group adopts practices that promote diversity, equity and inclusion (DEI), for the achievement of SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities). The main initiatives include, most notably, the commitment to offering continuous training and professional development opportunities, which are essential to guarantee the competitiveness of human capital in a rapidly evolving economic context.

The Group places particular importance on promoting safe and healthy working conditions, developing skills and creating paths for personal and professional growth. This approach not only contributes to the achievement of long-term corporate objectives, but also generates shared value for employees and the community. By protecting and respecting workers' rights, the Group consolidates its reputation as a responsible employer and actively contributes to building a more equitable and sustainable society.

In the double materiality analysis process, the Group examined all categories of workers within its workforce, for whom significant impacts, risks, and opportunities may arise.

In this context, the Group assessed the impacts associated with its workforce, with reference to its own operations and considering the main dimensions of working conditions.

The analysis highlighted significant positive impacts associated with the policies and initiatives adopted by the Group to protect and enhance its workforce. Specifically, these impacts derive from the adoption and promotion of occupational health and safety management systems, as well as policies aimed at ensuring safe working conditions, job stability, and the psychological and physical well-being of individuals. Further positive impacts are associated with initiatives aimed at promoting equal treatment and equal opportunities, respect for workers' rights, the prevention of discriminatory behavior, and the promotion of an inclusive work environment, including through measures to combat violence and harassment in the workplace, as well as initiatives to support work-life balance.

For financial materiality purposes, the materiality of risks and opportunities related to the Group's workforce was assessed by considering their potential effects on the Group's operations.

As regards opportunities, the adoption of policies aimed at protecting employment, improving working conditions, and promoting organizational well-being can help strengthen the Group's ability to attract and retain qualified personnel, improve workforce performance, reduce turnover, and consolidate the Group's position in the labor market.

As regards risks, the negative impacts arising from both operational and reputational risks were considered. These risks could arise from inadequate management of working conditions, health and safety, or employment relationships, such as, in particular: fines, compensation claims, or interruptions of operations related to workplace stress, workplace accidents, or failure to comply with the protections provided by legislation and collective bargaining agreements.

Furthermore, the workforce management strategy is fully integrated with the Group's sustainable transition plan, recognizing that employee engagement and empowerment are essential to achieving the company's mission and addressing global sustainability challenges. Conversely, the transition plan, in its aspects related to climate change, does not produce negative material impacts on the Group's workforce.

¹⁰⁶ The following discussion refers to the workforce of all Group companies included in the reporting scope.

ESRS S1-1 - POLICIES

The following section describes the social policies adopted by the Group, with particular attention to aspects relating to employee well-being. In the context of growing attention to social issues, the Group is committed to promoting an inclusive work environment, respectful of human rights and oriented towards collective well-being. The social policies outlined in this section reflect the Group's responsibility towards its workforce, ensuring the creation of shared value and support for the sustainable growth of people and the territories in which the Group operates.

The Group "**Charter of Commitments on Human Rights**" plays a crucial role in guiding company policies towards protecting the rights of its workforce, establishing key principles and guidelines to ensure that all people employed, both directly and indirectly, enjoy equal opportunities, respect and dignity, in accordance with international human rights standards.¹⁰⁷ The Group is committed to promoting an inclusive work environment, preventing any form of discrimination, exploitation or violation of the fundamental rights of its employees. The concrete actions envisaged by the Charter include promoting health and safety at work, protecting the psychological and physical well-being of employees, and ensuring fair and non-discriminatory treatment at all stages of the work life cycle. Furthermore, the Group is committed to promoting dialogue and active participation of the workforce, encouraging mutual respect and collaboration to achieve common goals. Through the Charter, the Group affirms its commitment to human rights, integrating these principles into its operating model and creating a responsible and respectful work environment.

In order to protect human rights, the Group is committed to respecting the following fundamental principles:

- non-discrimination: the Group is committed to combating all forms of discrimination based on gender, age, ethnicity, religion, political and trade union affiliation, sexual orientation, gender identity, language or disability, ensuring equal opportunities in the recruitment, management, development and professional growth of staff;
- health and safety in the workplace: the Group considers the safety and well-being of its employees, partners and customers as essential elements and is inspired by the highest health and safety standards, with the aim of preventing and managing risks that could compromise the physical and mental health of its collaborators;
- good working conditions: the Group guarantees fair remuneration, in compliance with the minimum wage requirements set out in national collective bargaining agreements. It promotes equal opportunities and supports people with disabilities, encouraging a life-work balance. The Group is firmly opposed to any form of harassment or violence in the workplace, as well as working conditions that may cause discomfort or stress;
- freedom of association and collective bargaining: the Group respects the right to freedom of association and collective bargaining, combating any form of discrimination against workers' representatives;
- abolition of child and forced labor: the Group is committed to not resorting to child or forced labor, adopting clear policies to combat this practice in all its forms;
- protection of personal data: the Group is committed to protecting the personal data of employees, shareholders and customers, strictly respecting the current legislation on privacy and ensuring the protection of sensitive information.

These commitments, defined in the "Charter of Commitments on Human Rights", are an integral part of the Group's sustainability strategy and are implemented in all its operations to promote a fair, inclusive work environment respecting the fundamental rights of all people involved.

The Charter of Commitments, examined by the ESG Committee and approved by the Board of Directors of the Parent Company and by the individual Boards of Directors of the Group Companies, is made available to stakeholders through publication on company intranet and on the website of each Group Company.

The Group's **Code of Ethics** plays a fundamental role in promoting and ensuring a fair, inclusive work environment respecting the rights of all employees. The Group pays particular attention to the selection of personnel, ensuring that the processes are in line with the principles of equal opportunities, equality and personal growth, in full

¹⁰⁷ The principles inspiring the Charter include: the United Nations Universal Declaration of Human Rights, the Universal Declaration of Human Rights and subsequent international conventions on Civil and Political Rights and the one on Economic, Social and Cultural Rights; the 2030 Agenda for Sustainable Development (and the related 17 "Sustainable Development Goals", or "SDGs"); the fundamental conventions of the International Labour Organization and the declaration on Fundamental Principles and Rights at Work; the 10 principles of the UN Global Compact.

compliance with current regulations, the Italian workers' statute and the applicable national collective bargaining agreements. Employment relationships are characterized by mutual respect, fairness and meritocracy, with the aim of preventing any form of favoritism, nepotism or discrimination. The Code of Ethics also underlines the importance of a continuous training system for employees, which guarantees not only knowledge and application of the relevant legislation, but also constant updating on the products and services offered by the Group. Each Group Company guarantees equal opportunities in all phases of the work cycle, from selection to hiring, from training to management, from development to remuneration, and combats any form of discrimination, harassment or mobbing. The Group promotes an environment that values diversity and inclusion, respecting the balance between private and professional life of its employees. Furthermore, the Group's remuneration policies are structured in a transparent and fair way, aiming to attract, motivate and enhance people, with the aim of rewarding and recognizing their professional development through clear and meritocratic processes.

The Code of Ethics, examined by the ESG Committee and approved by the Board of Directors of the Parent Company and by the individual Boards of Directors of the Group Companies, is made available to stakeholders through publication on company intranet and on the website of each Group Company.

Health and safety

Health and safety are considered fundamental priorities, and the Group adopts preventive practices and measures to reduce risks and protect the physical and mental well-being of its employees. In line with the highest standards, these policies aim to create a workplace that promotes respect for rights and working life quality, thus contributing to social sustainability and corporate responsibility.

Priorities must consider and anticipate changes related to the green, digital, and demographic transitions, developing tools and guidelines for assessing emerging risks. It is essential to improve the prevention of occupational accidents and diseases and strengthen the analytical basis, digital tools, and guidelines for managing risks associated with new jobs and processes, particularly those related to sustainability and digitalization. Particular attention must be paid to psychosocial and ergonomic risks, including mental health protection.

The Iccrea Cooperative Banking Group has adopted a single Occupational Health and Safety management system (SGSL) for direct scope companies, in compliance with Legislative Decree 81/08 and the UNI-INAIL guidelines, with certification by a third-party body. This system guarantees safe and healthy work environments, preventing accidents and occupational diseases through a continuous improvement approach. Annual audits are carried out at the premises to verify the application of procedures and assess risks in the workplace, with a focus on workers. The management model involves key figures and roles, such as the Head of the Occupational Health and Safety management system (RSGSL), appointed by the Board of Directors of each Company, and the Intragroup Committee, which coordinates and standardizes activities. Furthermore, the Group has delegated specific operational functions to BCC Sinergia, which deals with regulatory compliance, risk management, updating the Risk Assessment Document (DVR), health surveillance and process optimization. The Safety management system policy is approved by the Board of Directors of the Parent Company, subject to the favorable opinion of the Intragroup Committee for Occupational Health and Safety and the Risk Committee for the aspects in its remit and is adopted by the individual companies subject to approval by their own Board of Directors.

The Safety management system covers all of the employees of Iccrea Banca and the companies in the direct scope as well all non-employee workers present in the Group's premises. In carrying out the risk assessment, in drafting the DVR and in adopting the organizational measures necessary to reduce risks associated with: exposure to physical, chemical and biological agents, electrical risk and measures to protect against electrical risks, the conformity of the workplaces of electrical systems; particular attention is given to the risks typical of office tasks, such as:

- ergonomic problems,
- work-related stress and
- the use of video terminals.

Specific training activities are planned for workers and their representatives, together with periodic risk assessments to improve overall employee well-being. This integrated approach ensures regulatory compliance and promotes a culture of workplace safety in all member companies.

All Affiliated banks fully comply with the provisions of Legislative Decree 81/2008, ensuring the protection of health and safety in the workplace. The main requirements include the drafting of the Risk Assessment Document (DVR), the appointment of the Prevention and Protection Security Manager (RSPP), worker training and information,

health surveillance and emergency management. Furthermore, a number of mutual banks have implemented a Safety management system (SGSL).

Also the Parent Company carries out checks within the scope of the organizational controls of the plant and operation to verify compliance with the requirements set out in the relevant legislation.

The "Group Policy on the Governance of Physical Access Security" defines the principles and guidelines to ensure adequate and uniform control of physical access to the corporate areas of the Iccrea Cooperative Banking Group, with the aim of protecting corporate resources, meeting regulatory requirements and reducing operational and security risks. The policy assigns specific roles and responsibilities: the Parent Company ensures approval and coordinates implementation, BCC Sinergia supports the definition and monitoring of security measures, while the Physical Access Management Function operationally manages access and ensures compliance with requirements. Authorizations are subject to six-monthly reviews to verify their validity, while periodic monitoring is aimed at evaluating the effectiveness of the measures adopted and proposing any improvements. In the event of anomalies or incidents, these are promptly reported to the Incident Manager. The policy is approved by the Board of Directors of the Parent Company, after consulting the Risk Committee, and is adopted by each Group company after approval by their own Board of Directors.

The "Guidelines on measures against violence and harassment in the workplace" promote a safe, inclusive and respectful work environment, prohibiting any form of violence, harassment or inappropriate behavior. These guidelines provide a thorough description of the procedures for reporting incidents, the methods of internal investigation and possible disciplinary sanctions. Awareness is also promoted through mandatory training, with the aim of preventing such behavior and ensuring a healthy working environment. Finally, the guidelines ensure adequate support for victims, offering resources and assistance to deal with situations of violence or harassment.

The mutual banks also have policies and guidelines to combat harassment in the workplace, promoting a safe, inclusive and respectful environment. The policies establish clear guidelines that prohibit any form of violence, harassment or inappropriate behavior, and enhance inclusive communication, encouraging the use of expressions free from discrimination related to gender, age, ethnicity, sexual orientation, nationality, religion, socioeconomic status.

Secure employment and work-life balance

The Group recognizes the importance of creating working conditions that promote not only health and safety in the workplace, but also a sustainable work-life balance. These policies are essential to promote the well-being of employees, improve their productivity and contribute to their personal development, in line with the principles of social responsibility and sustainability. The Group is committed to ensuring equal opportunities for all and a working environment that respects individual needs, protecting the rights and quality of life of each employee.

The main issues related to employment and work-life balance are governed by the Federcasse National Collective Agreement and the Group Supplementary Agreement in force, as well as by specific framework agreements, such as the one on smart working signed in December 2022 and most recently on November 19, 2025. The mutual banks have the possibility of issuing internal policies to operationally implement the principles established by first and second level bargaining and trade union agreements, as necessary in their own reality. The Parent Company has also adopted policies and regulations that give actual implementation to these contracts and agreements, and apply to all companies included in the direct scope of the Group.

The "Group Provisions on Agile Work" establishes the rules for the adoption of flexible work for employees of the Parent Company and direct scope companies, specifying the requirements for applying, the necessary tools, the time slots of availability and the safety measures. The aim is to ensure that remote work is carried out in a safe and productive manner, monitoring performance through targets agreed between the parties. The policy promotes work-life balance, allowing employees to better manage their time, without compromising the quality of work and safety. To ensure effective monitoring, the Human Resources Function, with the support of the other functions, verifies that the places indicated in the agile work applications meet the necessary requirements for the normal execution of work, ensuring adequate health and safety conditions for workers, confidentiality of company information and a secure connection. The Occupational Health and Safety Management function is responsible for providing mandatory training on workplace safety, in compliance with Legislative Decree 81/08, while the IT Security function guarantees the security and accessibility of the systems necessary for carrying out work in agile mode. This Group Provision is approved by the General Manager of the Parent Company, and is adopted by the individual companies following approval by their Board of Directors.

The "Employee Regulation" is a document that governs a series of fundamental issues relating to the management

of Parent Company employees, such as working hours, attendance and absences, holidays, permits, illnesses, injuries, as well as parental allowances. The regulation also addresses aspects relating to student workers, participation in courses and conferences, and business trips, establishing the applicable regulations and procedures for each of these instances. The aim of the regulation is to ensure uniform and transparent management of human resources, promoting employee well-being and productivity in compliance with current regulations. The regulation was approved by the Board of Directors of the Parent Company.

Diversity, equity and inclusion

The Group has adopted several policies aimed at promoting and monitoring issues of diversity, equity and inclusion within the organization. The "Diversity, Equity and Inclusion Policy" defines the Group's strategic commitments to guarantee equal opportunities, prevent discrimination and promote a respectful and inclusive work environment. Among other initiatives, the Group has implemented specific policies on gender equality, inclusive communication, reporting of violations and incentive systems, with the aim of promoting diversity and ensuring that all employees can develop and grow in a fair and valorizing context.

The "Group Policy on Diversity, Equity and Inclusion" defines the directions and commitments relating to the issues of diversity, equity and inclusion.¹⁰⁸ The Group promotes an inclusive and respectful culture, taking into account various aspects, such as gender, sexual orientation, age, ability, ethnicity and other individual characteristics, with the aim of removing barriers, enhancing the uniqueness of people and improving motivation and performance. The policy is committed to ensuring equal opportunities, preventing discrimination and supporting organizational well-being and personnel development, while contributing to the objectives of the Group's sustainability plan. The Parent Company updates the policy based on regulatory developments and the Group's strategy; it also defines specific indicators for the purpose of monitoring its implementation. These indicators allow to monitor the implementation of the principles expressed in the policy, investigate the underlying dynamics, in support of cultural change in terms of diversity, equity and inclusion. The Human Resources Function of each Affiliated bank conducts the process of measuring the indicators at an individual level, and on an annual basis, and, based on the results, defines the appropriate mitigation actions aimed at improving trends in compliance with the principles set out in the policy. Appropriate information on the monitoring activity and any mitigation actions is provided to the Board of Directors of the Affiliated bank. The Human Resources function of the Parent Company carries out this monitoring for the Parent Company and the direct scope, providing summary reports to the Board of Directors. The responsibility for the approval and implementation of the Policy belongs to the Board of Directors of the Parent Company, subject to approval by the ESG Committee, and to the individual Companies, subject to favorable opinion by their respective Boards of Directors.

The Parent Company and nine companies in the direct scope have achieved the Gender Equality Certification. In compliance with current legislation and reference practice, the Parent Company has adopted a "Management system for gender equality", also valid for the Companies in the direct scope involved in the Certification process. The Management System, closely related to the Group Policy on Diversity, Equity and Inclusion, defines the system documentation, the organizational roles and responsibilities related to the certification process, the adoption of a strategic plan, the process of analysis, management and resolution of any non-conformities, in order to guarantee maintenance over time of the requirements defined by UNI/PdR 125:2022.

The "Group Provisions on Inclusive Communication" define the guidelines for the adoption of communication practices that respect the principles of gender equality, accessibility, non-discrimination and inclusion. These principles are applied in the internal and institutional communication of the Iccrea Cooperative Banking Group, ensuring that communication is consistent with the Group's general strategies on social responsibility and inclusiveness. The policy aims to create a communication environment that promotes respect and equality among all people, making access to information and opportunities more equitable. The Group Provisions are approved by the General Manager of the Parent Company and adopted by the individual Companies, subject to approval by their Board of Directors.

The "Group Policy on Whistleblowing" establishes the general principles, roles and responsibilities for the Internal Whistleblowing System, in accordance with the external regulations in force. The policy describes the internal reporting procedure adopted by the Group, clarifying the methods through which reports can be made, and the safeguards adopted to guarantee the confidentiality of both the personal data of the whistleblower and of the person allegedly responsible for the violation. Furthermore, the Policy takes into account the ongoing external

¹⁰⁸ Inspired, among others, by the Constitution, the Declaration on Fundamental Principles and Rights at Work and the Goals of the United Nations 2030 Agenda for Sustainable Development, national and European regulations on remuneration and incentives and the eligibility of corporate representatives for banking intermediaries.

regulatory developments, providing for periodic updates and additions in order to guarantee continuous compliance. The Policy, whose owner is the Whistleblowing Committee, is approved by the Board of Directors of the Parent Company, subject to the favorable opinion of the Risk Committee and the Supervisory Body 231/01, and is adopted by the individual Companies subject to the approval of their own Board of Directors.

The "Remuneration and Incentive Policy" aims to ensure optimal alignment between the interests of management and other stakeholders, also linking corporate results to sustainability. The policy provides for the inclusion of ESG criteria in the incentive system for top management, strengthening the correlation between variable remuneration and strategic actions related to sustainability. This includes prudent management of ESG risks, the promotion of an inclusive and "gender neutral" corporate culture, and sustainable finance objectives such as the development of green lending lines. In addition, training programs are planned for personnel in relevant roles within the Group, with the aim of strengthening the integration of sustainability into corporate policies. Monitoring of this policy is ensured by the Board of Directors of the Parent Company, which supervises the remuneration and incentive systems, ensuring that they are consistent with the long-term strategy, the risks assumed and internal governance. The Board annually reviews the remuneration policy, approves the "key management personnel", determines the remuneration for directors and auditors, and verifies the application of malus and claw-back clauses. Furthermore, it monitors gender neutrality in remuneration policies and the gender pay gap. The Remuneration Policies themselves promote the definition of formalized short-term incentive systems which, among other things, aim to:

- reward performance, supporting the culture of results through the valorization of assigned objectives, both collective and individual;
- apply transparency criteria through the link between assigned objectives, quantitatively or qualitatively measurable, and the results of the variable bonus recognized, through predefined or predefinable mechanisms;
- reward organizational behaviors/exercise of the Group's distinctive capabilities, rewarding those that support the development of the values of the Cooperative Credit;
- steer towards the principle of accrual accounting, adopting the principle of coverage and self-financing of the bonus pool.

The Boards of Directors of the Group companies are responsible for implementing guidelines in line with the directives established by the Parent Company.

The "Group Policy on short-term variable incentive systems of the Management by Objectives (MBO) type" aims to define principles and guidelines relating to the process and operating mechanisms of the Management by Objectives (MBO) system. The main purposes of the MBO system are: to reward performance with a view to promoting and encouraging a meritocratic culture, to provide objective criteria for evaluating performance, to avoid the assignment of distorted incentives that may lead to violations of regulations or excessive risk-taking for the individual company and for the Group as a whole, to maintain a competitive position on the remuneration market. The main beneficiaries of this incentive system are the employees who fall within the scope of the key management personnel at Group level and any additional employees based on the role held.

Training and skill development

In line with the Group's sustainability strategy, the education and professional growth of employees are fundamental elements for improving the quality of work, promoting a responsible corporate culture, achieving social objectives and strengthening commitment to stakeholders. The Group is committed to ensuring training opportunities that meet the needs of the economic and social context, promoting the integration of ESG principles and the valorization of human capital.

The Personnel Training Policy provides the guidelines for the professional training of employees of the Parent Company and the direct scope companies, with particular attention to mandatory regulatory training. The Parent Company is responsible, for all companies in the Management and Coordination scope, for identifying mandatory training needs (consistent with external and internal regulations) that the individual companies must include in their training programs. The policy provides for collaboration between the Anti-Money Laundering and Risk Management functions, the functions responsible for training and the Compliance Function of the Parent Company, which annually identify mandatory training initiatives, establishing content, recipients and scope of the programs. In addition, non-mandatory training initiatives are also proposed, in line with personnel needs and strategic objectives. Monitoring participation in training activities is entrusted to the Human Resources function of each Company, which verifies that the designated personnel benefit from the mandatory training. In the event of

non-participation, the Human Resources function urges employees to complete training, highlighting the risks associated with non-compliance, including possible disciplinary measures. Periodically, the Human Resources function provides detailed reports to the Board of Directors, monitoring the completion of mandatory training. In addition, scope companies are required to provide, upon request, data relating to the training activities carried out, contributing to the overall monitoring of the training plan. The Personnel Training Policy is approved by the Board of Directors of the Parent Company and adopted by the individual companies subject to approval by their own Board of Directors.

The **Group Policy on the Training of officials of the Group's Supervised Companies**, most recently updated in May 2025 within a general work on simplifying internal procedures, is a strategic tool aimed at ensuring the acquisition, maintenance and updating of the skills of directors, auditors and general managers, ensuring compliance with regulatory requirements and the effectiveness of corporate governance. The corporate Representatives to whom the policy applies include all those who hold administrative, management and control roles, specifically directors, members of the boards of statutory auditors and general managers of the supervised companies. The policy defines two main training paths: starter level, aimed at new officials to acquire basic and specific mandatory knowledge within 12 months from the appointment; and a refresher level, aimed at continuously improving skills through periodic events, including mandatory training organized annually by control functions, focused on relevant regulatory developments. The representatives assigned to the refresher program must complete a certain number of training hours defined by the Policy, with annual and three-year objectives for each category. The Parent Company plays a central role in the development and approval of the annual training program, in coordinating activities and monitoring results, providing support to the supervised companies to collect training needs and encourage the active participation of representatives. The Policy is approved by the Board of Directors of the Parent Company, after consulting the Appointments Committee, and adopted by the Supervised Companies through approval of their respective Boards of Directors.

The Iccrea Cooperative Banking Group and the affiliated mutual banks have adopted the Group Policy on the management and training of personnel involved in investment services and the Group Policy on the management and training of personnel involved in the distribution of insurance products. Both policies are approved by the Board of Directors of the Parent Company and adopted by the individual Companies after approval of their own Board of Directors. Each change to the policies follows the same approval process.

The first document defines the principles and guidelines for the management, training and professional development of personnel involved in investment services, in full compliance with current regulations. The training courses end with a test, which certifies the accumulation of the required training hours. In the event of a negative outcome, recovery activities are promoted to fill the gaps, making the fulfillment of annual training obligations conditional on passing the test. The reference owner of this policy is the CBO area.

The second document establishes the general principles that the Companies of the Iccrea Cooperative Banking Group adopt for the management and training of personnel involved in the distribution of insurance products, following industry regulations. In particular, BCC Servizi Assicurativi and the Consulting Services and Mifid function, with the support of the Human Resources and Compliance functions of the Parent Company, identify the minimum contents for professional updating, in line with matters required by the legislation, to ensure a high level of competence in relation to the complexity of the activity and products offered by the Group companies. The reference owner is the CBO area and BCC Servizi Assicurativi.

The topic of personnel training is also addressed within the "Provisions on professional development" which defines the opportunities for growth and continuous training for employees of the Parent Company and companies in the direct scope, with the aim of enhancing their skills and promoting their career advancement. The provision includes structured training programs, mentorship activities, individual development plans and periodic performance assessments, promoting an environment of continuous learning. Employees are encouraged to participate in courses, seminars or internal projects that contribute to improving their professional skills. Particular attention is paid to the onboarding of new hires, with training courses aimed at integrating new resources into the Group's values and activities. Management development plans are also defined to enhance leadership and change management, promoting an inclusive and sustainability-oriented culture. Resource management includes evaluation systems to measure performance, skills and potential, as well as targeted assessments to verify the coverage of roles of responsibility. The policies are oriented towards meritocracy, diversity and inclusion, preventing bias and discrimination. To ensure adequate monitoring, the Costs and Investments Committee contributes to the definition of the annual budget allocated to the personnel development activities of the Parent Company and the companies in the direct scope. The Committee evaluates and approves spending requests for specific development initiatives. The Human Resources function of the Parent Company is responsible for the implementation of resource management processes, including evaluation systems and planning of professional development activities.

Other rights of the workforce (privacy)

The Group considers the protection of personal data a fundamental right to be guaranteed and protected on an ongoing basis, with the definition of Group policies and operating rules, the establishment and maintenance of adequate information systems, the constant assessment of potential risks and negative impacts related to compliance with such controls. This is not only for mitigating potential operational and reputational risks arising from failure to comply with the controls put in place to protect personal data (of employees, customers and suppliers), but also for increasing the trust of stakeholders in the Group integrity.

More information on the applicable regulatory framework, see section “ESRS S4 – Consumers and end-users”, “Policies”.

ESRS S1-2 - PROCESSES FOR ENGAGING WITH OWN WORKFORCE

The active engagement of the workforce and its representatives is an essential element to ensure sustainable and responsible corporate management. The Group promotes dialogue, consultation and active participation of employees, ensuring transparent communication and adequate management of issues related to well-being, safety and working conditions.

Social dialogue

Managing relations with the workforce and trade unions within the Group takes place in full compliance with current regulations and the procedures provided for by collective bargaining. In compliance with art. 11-bis of the collective bargaining agreement for mutual banking the Parent Company coordinates trade union relations for the affiliated mutual banks through the Industrial Relations, Compensation and Staff Planning unit. This structure, which includes a specific unit dedicated to labor regulations, guarantees constant and transparent dialogue with the social partners, supporting the Parent Company, the companies in the direct scope and the mutual banks in the management of organizational processes, in compliance with the information and consultation procedures provided for.¹⁰⁹

Between 2024 and 2025, the Group and the trade unions signed a series of strategic agreements aimed at standardizing contractual provisions and introducing innovative measures for worker well-being and protection.

In 2024, the first step was taken in April with the Group Supplementary Contract, which unified the previous 13 regional and 6 company-level contracts, creating a common framework. The agreement regulated aspects such as meal vouchers, welfare, and territorial mobility, and established a permanent commission dedicated to equal opportunities, inclusion, and ESG issues, addressing the need to overcome the regulatory fragmentation that emerged after the reform of the mutual banking system. The renewal of the Federcasse National Collective Bargaining Agreement (CCNL Federcasse) followed in July, introducing financial and regulatory improvements, with particular attention to remuneration, workplace safety, supplemental healthcare, and work-life balance measures. Finally, in the second half of the year, an agreement was reached on the Solidarity Fund, aimed at generational turnover: the planned exits will take place in five six-monthly timeframes starting from July 1, 2025, while the mutual banks have signed 15 similar agreements for access to the same measures.

In 2025, three additional social and organizational agreements were signed: on February 27, the Agreement on Inclusion and Parenting introduced concrete measures to promote work-life balance, such as additional leave and parenting support tools, in line with the proposals of the Group Commission on Equal Opportunities and ESG; on March 18, the Agreement on Solidarity Benefits from VPA Excesses provided support for employees experiencing difficulties, including reimbursement for protection and psychological support for victims of violence and contributions for those undergoing cancer treatment away from home, including travel and accommodation expenses outside the region; finally, on November 19, the new Draft Agreement on Smart Working expanded access to remote working for employees of the Parent Company and its subsidiaries, strengthening organizational flexibility.

The management of trade union relations is also developed through periodic meetings and ad hoc meetings with the trade union representatives at company level, focusing on issues such as work-life balance (part-time and agile

¹⁰⁹ The information exchanged and discussed, according to the the collective bargaining agreements, includes: the composition of the workforce in relation to gender and contractual levels, wages paid, training, health and safety, the reduction of barriers to communication and information for people with disabilities.

working), welfare and fringe benefits policies, and the reorganization of resources in the branches. In this context, a constructive and continuous dialogue is ensured, in support of a shared management of organizational and regulatory changes.

Engagement and consultation of workers and their safety representatives

The engagement of workers and the consultation of their safety representatives is a fundamental element in the management of health and safety at work. This process takes place within the Health and Safety Management System (SGSL) adopted by the Parent Company and the companies in the direct scope. The SGSL provides for the active participation of employees with suggestions, observations and reports relating to safety, and the integration of health and safety issues in company meetings. The Intragroup Committee ensures the effectiveness of these forms of participation, while the Workers' Safety Representative (RLS) plays a central role in ensuring effective communication between workers and the employer. The RLS, elected or designated by workers or trade union representatives, receive specific initial training and annual updates. The RLS are actively involved in the risk assessment and prevention phases and have rights including access to the workplace and the possibility of participating in mandatory consultations. The Periodic Meeting of the Prevention and Protection Service (SPP) is an annual regulatory requirement, provided for by Legislative Decree 81/2008. This process is common to all Group companies. The meetings are attended by the employer, the Head of the Prevention and Protection Service, the company doctor and the workers' representative. The process consists of analyzing the risks, evaluating the effectiveness of the safety measures adopted and proposing any corrective actions. The results are documented in a report that contributes to the review and continuous improvement of the management system, ensuring compliance with regulations and the strengthening of company safety policies.

Open dialogue programs with employees

The mutual banks promote internal communication through periodic information and participation initiatives aimed at all workers. These programs, generally coordinated by the Company management, aim to encourage the active engagement of employees and collect useful feedback to improve the company climate. The main form of interaction is represented by plenary meetings, organized at least once a year, during which the Management illustrates the financial and business results and addresses, also through Q&A sessions, the issues that impact the working conditions of the staff. Some entities promote further opportunities for discussion, such as periodic meetings between employees and management and engagement workshops with office coordinators or managers, focused on issues such as sustainability and corporate social responsibility. Among the most significant initiatives was the launch of the VOCI project promoted by the Parent Company: an aggregative experience that directly involved employees of Iccrea Banca and direct scope companies in the co-design of the 2026-2027 People Strategy initiatives, through the design thinking methodology and with the help of expert facilitators.

The employee engagement initiatives promoted by the mutual banks include most notably the Youth Council, established in September 2025 to foster direct dialogue between young employees, General Management, and HR departments. This consultative body was created with the aim of enhancing the contribution of those under 35, bringing ideas, language, and sensibilities representative of the new generations to the company. Through a dedicated channel, young people can share proposals and observations, actively participating in the organization's evolutionary processes. The Council also prepares a semi-annual report that transparently documents results, critical issues, and proposals, offering the company community a tool for monitoring project progress and supporting ongoing discussion.

The Di@logo project, on the other hand, consists of an internal communication system that provides employees with a dedicated web platform, accessible from the company intranet, through which they can post requests for clarification, innovative proposals, and report critical issues. The relevant departments process each contribution, ensuring timely, traceable, and appropriate responses to the needs expressed. Di@logo does more than facilitate the exchange of information: it promotes an environment based on transparency and listening, encouraging continuous improvement of internal relations and organizational practices.

Interviews with the Human Resources Business Partner

Within the Group, the HR Business Partner (HRBP) plays a strategic role in promoting dialogue between the company and employees, contributing to the management and development of human resources. This role, formalized in the organizational chart of the most complex and structured companies in the Group, is responsible

for managing employees throughout their professional careers, optimizing both corporate and individual needs. In less complex corporate environments, these responsibilities are implicitly included in the duties of the HR functions or departments, while still ensuring a personalized approach focused on the well-being of staff.

Among the main activities of the HRBP, annual management interviews represent a central tool for gathering feedback, identifying specific needs and defining paths for professional growth and development. During these interviews, conducted in an active listening environment, performance is analyzed, job rotation and internal mobility opportunities are explored and career aspirations are addressed. Particular attention is paid to employees who stand out for excellent performance or who need specific support to deal with significant changes in their career path.

The HRBP also actively contributes to the implementation of change management processes, accompanying employees and company teams during organizational transitions or strategic changes. This support also extends to the management of interpersonal relationships, the improvement of the organizational climate and the identification of targeted actions to enhance the potential of each employee. Management interviews, conducted directly by the HRBP in more structured organizations or by the heads of HR functions in less complex ones, are carried out annually or on the occasion of organizational changes of great impact. During 2025, the 9 HR Business Partners of the Parent Company and the companies in the direct scope conducted approximately 400 interviews, confirming the Group's commitment to promoting an inclusive and dynamic work environment, based on listening and valuing the workforce.

Other mechanisms for engaging with the workforce of the affiliated banks

Meetings with corporate committees are one of the main participation tools in mutual banks. These thematic committees, dedicated to areas such as finance or sustainability, meet periodically to share analyses, address business issues, and engage staff in the rationale behind management decisions, with a particular focus on human resources management. Complementing this model, annual or biennial conventions and training sessions foster direct dialogue between employees and top management, including the presentation of results and strategic objectives and team-building activities in external contexts.

Another important area is the participatory welfare programs adopted by some mutual banks. These tools enable the conversion of corporate productivity value into personalized services, supported by company bonuses. Also, some mutual banks collaborate with local authorities—such as local health authorities and regional networks—on projects dedicated to personal well-being and other welfare initiatives, further enhanced by agreements with platforms that offer employee benefits.

Finally, with a growing focus on sustainability, a Group bank has launched ESG workshops that involve internal coordinators and representatives in defining projects aimed at internal and external stakeholders. These workshops contribute to the development of sustainability strategies and the dissemination of a corporate culture focused on environmental, social, and governance issues.

ESRS S1-3 - PROCESSES TO IDENTIFY AND REMEDIATE NEGATIVE IMPACTS

The Group adopts a series of processes and measures to address and remedy the negative impacts that may arise from its activities on workers, both directly and indirectly. The approach adopted is based on the principles of transparency, accountability and constructive dialogue, with the aim of ensuring that any concerns raised by employees are adequately addressed. To this end, accessible and secure communication channels have been established that allow the workforce to report issues and risk situations, promoting a working environment in which employee concerns are heard and resolved promptly. The following paragraphs describe in detail the processes in place to manage these issues, as well as the ways in which workers can raise concerns and receive appropriate responses.

Communication channel, surveys and focus groups

In mutual banking, various channels are adopted to collect feedback and identify the needs of employees and stakeholders. The main methods used include interviews, surveys and polls, which are fundamental tools for identifying specific needs and implementing targeted corrective plans. In particularly important organizational choices, groups of employees are involved to guide the final decisions in a participatory and conscious way. Other widespread surveys concern fundamental issues such as health and safety, mobility and home-work travel, as well

as welfare measures, thus contributing to a constant process of listening and improving the work environment.

Two-way communication spaces have been promoted within the intranet, creating opportunities to give employees a voice and encourage open dialogue. Internal communities building also started, with the aim of stimulating collaboration, communication and networking between people, such as communities dedicated to sporting events and cultural meetings, such as the BCC Book Club.

Corporate climate surveys

The corporate climate survey is a fundamental tool for the Group companies, used to anonymously collect employee needs and feedback, with the aim of defining increasingly effective internal strategies. In 2025, a generational survey was administered with the aim of mapping the values, expectations, and ways of relating between the different generations present in the company. The results obtained allowed us to identify critical areas and plan corrective actions for continuous improvement.

With the support of an external provider, the Parent Company promoted in 2025 the "Climate Survey" initiative for its affiliated banks, designed to put people and their voices at the center. The goal is to deeply analyze various aspects of the relationship between staff and management, fostering constructive and transparent dialogue. The survey is conducted using structured formats that ensure anonymity, allowing for the measurement of internal climate and its aggregate comparison with the Group's benchmarks and those of other companies. This approach not only collects significant data but also promotes listening and discussion, essential elements for making people feel recognized and valued. Some mutual banks have also conducted an internal survey dedicated to harassment and abuse in the workplace, with the aim of raising staff awareness and gathering useful information to guide potential prevention interventions.

Reporting mechanisms for managing incidents of discrimination

The Group is committed to ensuring an inclusive work environment, free from discrimination and promotes preventive actions to combat any form of violence, whether physical, verbal, digital or psychological. Through the Group's whistleblowing system, employees can confidentially and securely report incidents of discrimination or violence. Adequate information has been provided to staff on how to use the platform to report abuses, strengthening the corporate culture of protection and mutual respect. These actions are essential to maintaining a healthy and safe work environment for all employees, preventing and promptly addressing any harmful behavior.

A central element of the process is the involvement of the Gender Equality Steering Committee, which acts as an evaluator of reports of incidents of gender-based violence or discriminatory behavior. The Committee receives timely information from the Violation Reporting Committee, and is responsible for verifying the validity of the reports and for taking the necessary measures. In the event that the Steering Committee is not established, these responsibilities are assumed by the Supervisory Body 231/01, which becomes the body responsible for the evaluation.

To ensure effective management of reports, the process is structured to fully comply with confidentiality obligations, protecting the identity of whistleblowers and ensuring impartial treatment of each case. In addition, the Group has launched an internal awareness campaign to adequately inform employees on the use of the whistleblowing platform, with the aim of encouraging informed and responsible participation.

ESRS S1-4, S1-6, S1-8, S1-9, S1-10, S1-11, S1-12, S1-13, S1-14, S1-16, S1-17 - ACTIONS AND METRICS

The Group recognizes the central role of employees, collaborators and all internal stakeholders in achieving its strategic objectives and in building a sustainable growth model. In line with the principles of the ESRS S1 Standard, the Group has developed and implemented a series of initiatives aimed at ensuring the protection of fundamental rights, well-being, safety and development of its people.

This approach reflects the Group's commitment to promoting an inclusive, fair and safe working environment, supported by policies that aim to:

- strengthen the physical and psychological well-being of employees;
- guarantee opportunities for professional growth and continuous training;
- promote diversity, inclusion and respect for human rights throughout the value chain;

- strengthen mechanisms for dialogue and active participation of people within corporate strategies.

The chapter illustrates the main initiatives and results achieved by the Group, highlighting how these actions are integrated into the company processes and oriented towards the continuous improvement of social performance, in line with the requirements of the ESRS S1 Standard. The objective is to guarantee responsible and sustainable management of human resources, contributing significantly to collective well-being and strengthening the company's reputation.

Health and safety– Actions

As regards the topic of Health and Safety at Work and, limited to the companies in the direct scope, the Group has chosen to organize itself according to a well-defined model - a single management system for Health and Safety in the Workplace, pursuant to Legislative Decree 81/08 - aimed at ensuring the achievement of the Group's objectives for the health and safety of male and female workers, seeking, through the structuring and definition of the Management System, to maximize the benefits with a view to continuous improvement. In this area, a series of initiatives have been implemented, detailed in this paragraph.

UNI-INAIL Single Certification and adoption of a Management System for Safety at Work (SGSL)

The initiative involves obtaining the UNI-INAIL Single Certification in the field of Health and Safety at Work by the Parent Company and the companies in the direct scope, with the aim of guaranteeing safe, healthy and protected workplaces for all employees. The certification process is part of a broader work safety management program, with the aim of preventing accidents, injuries and occupational diseases related to work activities.

The UNI-INAIL certification represents an official recognition of company practices in terms of health and safety, demonstrating the commitment to adopting and implementing high safety standards in all phases of the work cycle. This process also includes the adoption of a Workplace Safety Management System (SGSL), a set of procedures and policies that aim to continuously improve the safety and health of workers through preventive actions, training and constant monitoring.

The main objective of this initiative is to prevent physical damage and illnesses resulting from work activities, proactively improving safety performance. The adoption of a management system allows to optimize resources, ensure a safer working environment and create a culture of safety among employees, supporting continuous improvement in all work safety management practices.

The certification of compliance with the UNI INAIL guidelines was confirmed in 2025 for the Parent Company and all direct scope companies, demonstrating the commitment to protecting workers and reducing risks.

Mandatory training course on work safety

In light of the provisions of the current legislation on the matter (art. 37 Legislative Decree 81/08) - which requires the employer to provide sufficient and adequate training on health and safety for all employees - the Group has also provided specific training. In this context, the mandatory training course for workers breaks down into two distinct phases:

- General Training: lasting at least four hours, it is dedicated to the presentation of general concepts on prevention and safety at work. General Training must be followed by specific training;
- Specific Training: aimed at the specific risks related to the tasks (screen work) and the possible damages and the consequent prevention and protection measures and procedures characteristic of office activities and comparable activities in reference to risks to safety and health.

Specific training is also provided to the Workers' Representative for Safety (basic course and annual updates) and for the Safety Manager.

The aim of training is to ensure greater awareness of professional risks and provide all employees with the skills needed to operate safely, thus improving health protection in the workplace.

Group Security

As anticipated, the Group has established a new Security structure composed of 112 security managers, the largest

in Italy for the control of physical access and the management of Physical Security. The aim is to strengthen the culture of physical security within the Group and its subsidiaries, improving the protection of sensitive areas and the management of risks related to unauthorized access and other environmental factors, as well as protecting both tangible and intangible corporate assets.

The availability of an employee escort service, upon request, to the Via Esterle office has been confirmed for 2026. This security measure is part of a broader collaboration plan with the Milan Police Headquarters, aimed at strengthening public safety in the Milanese neighborhood.

During 2025, the Group Security Manager actively strengthened dialogue with law enforcement agencies and institutions, both nationally and locally, through the Milan Police Headquarters to improve security at its headquarters in the Via Esterle area of Milan.

An important initiative involving the Security Unit was the conference "Security and innovation for local banks. Cash management, the future of cash," organized by OSSIF, the ABI Research Center on Anti-Crime Security, in collaboration with the industry magazine Securindex, held on June 25, 2025, at the Rome headquarters on Via Lucrezia Romana.

The event, organized thanks to BCC Sinergia, represented an important opportunity to discuss the risks and challenges associated with cash management, at a time when the banking system is increasingly required to combine technology with the protection of assets and people.

The event attracted over 100 attendees in person and 87 mutual banks connected remotely, including security managers from major Italian banking groups, representatives from security companies, trade associations, and institutional bodies, as well as Poste Italiane.

Another important initiative by the Security Unit during 2025 was the introduction of a Security Consulting service, designed to support affiliated banks in managing physical security and access, in compliance with Group Policy and applicable regulations.

The service aims to offer specialized support to the mutual banks' internal Physical Access Management function, thanks to the intervention of UNI 10459:2017-certified professionals.

The service's primary objectives include identifying physical security gaps through in-depth analyses and proposing concrete solutions. It also ensures compliance with EBA, Bank of Italy, banking regulations, and Group policies through classification of areas. Finally, it promotes greater operational efficiency and simplified risk management, thanks to the support of a dedicated Security Manager.

To present the initiative, a dedicated webinar was organized for all Affiliated Banks, during which the details and benefits of the service were explored in greater depth.

Over 117 representatives from Affiliated Banks participated in the webinar, and during the meeting, held on December 9, 2025, key topics such as risk assessment, business area classification, and the availability of a dedicated UNI 10459:2017-certified Security Manager were discussed. This approach will enable banks to outsource complex operations, ensuring protection and regulatory compliance.

DVR update and work-related stress assessment

All employees are subject to health periodic controls and all risks are assessed in the Risk Assessment Document (DVR) and intervention priorities are identified based on the type of risk. The DVR is a document that identifies the possible risks present in the workplace and is used to assess the probability of occurrence of a harmful event for workers, calculate the extent of the damage that may result and suggest concrete prevention and protection measures. The main types of dangers related to typical office work can be: physical-chemical (radon, electrical malfunctions, high noise, etc.); ergonomic (inadequate workstations, poor lighting, etc.); psychological (verbal abuse, mobbing, discrimination); related to work organization (excessive working hours, lack of breaks from work, etc.). Biological risks (e.g. Legionella) are also assessed. Given the work activities performed and the duties of the workers present in the specific environment of the Iccrea Cooperative Banking Group, the most significant are linked to the use of video terminals (VDT), which may cause visual and postural fatigue, to the microclimate and/or lighting.

Other activities: communication and initiatives

In 2025, the Group strengthened its commitment to workplace health and safety, promoting a culture of prevention

through training activities and digital tools. In an ever-changing environment, it was essential to maintain a high level of awareness of risks, even the most common ones, and to foster awareness among all employees.

Throughout the year, several training modules were published on the company intranet, focusing on key topics:

- preventing the risk of falling down stairs, one of the main causes of accidents in the workplace;
- good posture habits for computer use, to prevent muscle pain and promote ergonomics;
- roles and responsibilities in safety, including the sharing of the practical guide "Roles and responsibilities for corporate safety," which is useful for knowing who to contact in case of doubts, reports, or emergencies.

The training activities were completed by the conference "Prevention, experience, innovation" was held in Rome on November 26, 2025, organized by BCC Sinergia and aimed at the Group's Health and Safety Managers. The event, reserved for professionals from Iccrea Banca, direct scope companies, and the affiliated banks, was an important opportunity for updates and discussion on:

- regulatory developments, including the new agreement between the State and Regions;
- innovative approaches, such as the application of gamification technologies to HSE training;
- prevention and safety in non-traditional workplaces, with a focus on smart working and remote working;
- occupational safety training: between obligation and new opportunities.

The event included interactive workshops, sharing best practices, and in-depth discussions on practical aspects such as PPE management, biological risk, movement, and posture.

BCC Sinergia participated in the call for proposals from the Tuscany Region – Directorate of Health, Welfare, and Social Cohesion, Prevention, Health, and Safety Sector, presenting the project "VISORI IN SAFETY – Immersive training for workplace safety using the Munari design method." The initiative aims to promote best practices in safety, which will be gradually extended to all PPEs. The "VISORI IN SAFETY" best practice represents an innovative approach to workplace health and safety training, with a particular focus on information and raising worker awareness. Technological evolution has led to the introduction of new equipment and work processes that require ongoing and updated training. The use of virtual reality tools for safety training allows workers to experience risky situations in a controlled environment and acquire practical skills. The project introduces the use of immersive technologies—next-generation wireless virtual reality (VR) headsets—to enhance the effectiveness of training through realistic simulations of risky scenarios. This allows for greater understanding and retention of correct behaviors in critical situations, such as evacuations, fire emergencies, working at heights, and confined spaces.

Also thanks to these initiatives, the Group has consolidated the culture of safety, promoting safer, more inclusive and resilient working environments.

Other initiatives

The Group's affiliated banks, in compliance with Legislative Decree 81/08, have adopted numerous initiatives to ensure health and safety at work, improving working conditions and preventing risks. The main activities include updating equipment, with the replacement of obsolete furniture and tools in favor of ergonomic workstations compliant with safety regulations, such as ergonomic chairs, low-emission screens and footrests. Safety management is guaranteed through inspections, updates to the Risk Assessment Document (DVR) and periodic checks by external consultants. Furthermore, particular attention is paid to training, with courses for fire safety and first aid workers, and to promoting the culture of first aid. In the healthcare sector, employees are subjected to periodic visits by the company doctor, with the possibility of additional checks on a voluntary basis. Several companies are annually committed to the maintenance of the Health and Safety Management System. Measures adopted by the affiliated banks to promote the improvement of well-being and safety in the workplace include the installation of anti-sickness devices, the creation of ergonomic workstations and particular attention to the quality of working spaces, with targeted interventions on brightness and care and expansion of green spaces.

Health and safety – Metrics

PEOPLE IN OWN WORKFORCE COVERED BY THE HEALTH AND SAFETY MANAGEMENT SYSTEM	2025	2024
Percentage of people in own workforce who are covered by the health and safety management system based on legal requirements and/or recognized standards or guidelines	100%	100%

INJURIES/FATALITIES IN OWN WORKFORCE	2025	2024
Number of recordable work-related injuries for own workforce	109	139
Total number of hours worked by own workforce	32,409,081	33,302,906
Number of fatalities in own workforce as result of work-related injuries and work-related ill health	-	-
Rate of recordable work-related for own workforce	3.36	4.17
Number of cases of work-related ill health in own workforce	-	-
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	2,905	2,332

The rate of work-related injuries was calculated by dividing the total number of cases by the total number of hours worked by people in own workforce, and then multiplying by 1,000,000. Therefore, these rates represent the number of injury per million hours worked. The rate based on 1,000,000 hours worked indicates the number of work-related injuries per 500 full-time people in the workforce over a 1-year period. It should be noted that the data represented includes all types of work-related injuries, including commuting injuries, i.e. injuries that occur to the worker on the way to or from work to home.

During 2025, 167 additional lost days were recorded, not included in the datapoint because they related to injuries that occurred in 2024 but which also generated causes of absence in 2025.

Secure employment and work-life balance – Actions

The Iccrea Cooperative Banking Group places great importance on job stability and generational turnover, two key elements for long-term sustainability and competitiveness.

Job stability represents a significant added value, as secure employment offers economic security to employees, reducing stress related to uncertainty and contributing to their psychological well-being. Furthermore, secure employment reduces staff turnover, preserving company know-how and avoiding costs associated with the loss of skills. Employee loyalty fosters social cohesion and strengthens the spirit of collaboration, improving the quality and efficiency of company activities thanks to the experience accumulated in the medium-long term.

To support the objectives that the Group has undertaken, a series of initiatives have been implemented, including:

- recruitment processes dedicated to young people, such as collaborations with universities and start-ups;
- skills development programs, with a focus on technical, managerial and administrative skills (e.g. Young Talents Program);
- tutoring activities, aimed at transferring knowledge from senior employees to younger ones;
- work-life balance initiatives, such as smart working, to meet the needs of a young and dynamic workforce.

The following details the main initiatives adopted by the Group to promote and guarantee secure employment and a work-life balance for all employees.

National Collective Bargaining Agreement (CCNL)

All Group employees are covered by the Federcasse National Collective Bargaining Agreement (CCNL), which is one of the most important instruments in Italian labor law. The CCNL establishes the minimum working conditions to guarantee the employee, such as pay, working hours, holidays, leave, health and safety, training and professional development, and is valid throughout the national territory.

Employees of the Group are covered by social protection against loss of income due to illness, unemployment, injury, parental leave and retirement through a combination of public programs and benefits offered by the company. Italian law guarantees sickness benefits through INPS, NASpI for unemployment, INAIL coverage for accidents at work and access to a mandatory pension. The CCNL of mutual banking integrates these protections ensuring remuneration in the event of illness and injury, as well as improved conditions for parental leave and

supplementary pension provision. In terms of retirement, membership in the National Pension Fund of mutual banks is provided for, with additional company contributions to support post-work economic security. The Group Supplementary Contract introduces further welfare measures, including additional health care and pension assistance, strengthening worker protection.

Internal mobility in the event of company reorganizations

In order to ensure responsible management of personnel in the event of extraordinary operations, the Federcasse CCNL establishes that, in case of reorganization and/or decentralization processes - in the sense of significant restructuring that entails substantial changes in work performance or in the event of employment criticalities arising from corporate events, such as mergers, demergers, spinoffs, concentrations - the Parent Company activates dialogue with the trade unions and other applicable related procedures and evaluates the activation of support measures, even temporary, of employment levels. In line with the provisions of the industry CCNL, the Parent Company coordinates the possible launch of specific programs for retraining, consolidation and/or acquisition of new skills of the personnel involved. Starting from the evaluation of the skills and professionalism within the Group, the following actions aimed at protecting employment levels will be evaluated as a priority:

- requalification and up-skilling initiatives defined on the basis of new organizational needs;
- professional updating initiatives that – within the scope of existing contractual provisions – facilitate the reintegration into work for long-term absences, in the presence of organizational changes and/or new activities that have occurred in the meantime;
- internal mobility initiatives that guarantee the correspondence of professional profiles with the necessary skills.

Healthcare and retirement

In line with the provisions of the current applicable CCNL, the Group provides the payment of a portion of the salary, both by the company and by the employees, in favor of two institutions. The first is the National Pension Fund increasingly oriented towards sustainable investments (in September 2022 the Fund was in fact the subject of a transformation of the sectors with a conversion of the investments towards art. 8 SFDR products). The second is Cassa Mutua Nazionale, a Supplementary Health Fund with the aim of providing assistance to members through the reimbursement of health expenses in accordance with the Regulation defined by the Fund itself. The benefits are guaranteed to workers and dependent family members. There is also the possibility of including family members who are not dependent in exchange for an additional contribution paid by the worker.

Agile working

The agreement on agile working in the Group, signed on December 10, 2022 and integrated into the Group Supplementary Contract of April 19, 2024, was reached between the Group Trade Union Delegation and company representatives. It applies to workers in the professional and executive management areas of the Iccrea Cooperative Banking Group, involving approximately 22,000 people.

Participation is voluntary, through the signing of an individual agreement that allows work to be carried out outside company premises, while still guaranteeing the security and confidentiality of company data. Agile working can be performed for a maximum limit of 10 days per month, in line with the organizational needs of the company, and must respect the working hours established by the collective agreement. The right to disconnect is recognized, in order to protect employees' rest times.

Work carried out in smart working is considered equivalent, in all respects, to that provided at the usual workplaces and employees receive lunch vouchers, as established by the contract.

To ensure effective application, an Observatory including union and company representatives has been established, with the task of monitoring the implementation of the agreement, identifying any critical issues and proposing possible improvements.

In assessing applications, the mutual banks give priority to workers managing complex parental and family needs, in conditions of fragility or certified disability, and travelling particularly long distance between home and the workplace.

This agreement represents an important step towards the modernization of working methods in the Iccrea Group, promoting greater flexibility and a better balance between professional and personal life.

On November 19, 2025, the Group and the Group's trade union delegation finalized a new draft agreement, subsequently submitted to and approved by the workers' assembly, to expand access to smart working for employees of the Parent Company and its subsidiaries.

The agreement, which confirms the provisions agreed upon on December 10, 2022, introduces more extensive measures in light of organizational developments and priority needs:

- up to 5 days per week for employees with severe disabilities (Law 104/1992).
- up to 3 days for parents of children with severe disabilities, employees with certified disabilities (Law 68/1999), and workers with complex family needs.
- up to 2 days for caregivers, parents of children up to 12 years old, and employees residing more than 50 km from their workplace.
- 1 day for other employees.

Additional protections are also provided for pregnant workers and new parents, with the possibility of smart working beyond general provisions, with a view to supporting parenthood and promoting gender equality.

Other measures provided for by first and second level bargaining

In 2024, following the renewal of the National Collective Bargaining Agreement (CCNL) and the signing of the supplementary agreement of the Group, significant measures were introduced to improve employment, corporate welfare and the conciliation between professional and personal life. These measures are intended for all workers in the professional and management areas of mutual banks, direct scope companies and the Parent Company, with the aim of promoting a healthier work-life balance.

Family, Parenting and Work-Life Balance: one of the main innovations is the reduction of weekly working hours by 30 minutes, with the same wage. In addition, leave and protections for family and parents have been strengthened, with the introduction of additional paid leave for female workers who are victims of gender-based violence and new specific leave for parents. These changes reflect the Group's commitment to inclusion and families support. Another important initiative is the creation of the "Solidarity Time Bank", which allows employees to donate hours of paid leave, with the company's contribution, to help those who are facing personal or family difficulties. An economic support measure has also been introduced for the families of employees who die prematurely. Finally, paid leave has also been introduced for female workers who are victims of gender-based violence.

Permanent Equal opportunities Commission: another innovation concerns the establishment of this commission that deals with equal opportunities, inclusion and ESG (environmental, social and governance) issues. The Commission will be responsible for promoting active policies on various issues, including work-life balance, corporate welfare and corporate social responsibility.

Illnesses and accidents: the sick leave period has been extended for employees suffering from oncological diseases, serious chronic-degenerative diseases or undergoing life-saving therapies, thus ensuring greater protection in the event of illness.

Welfare and Supplementary Healthcare: with regard to welfare, an additional contribution is planned to support the National Pension Fund, with the commitment to develop a strategic discussion to further strengthen the supplementary healthcare system.

Employment and Income: minimum salary increases have been agreed, in addition to a significant one-off payment. The agreement also includes measures to combat banking desertification, delegating to the national bargaining council the task of developing organizational solutions to address the challenges related to new technologies, digitalization and artificial intelligence in the banking sector.

Employment Fund for mutual banking (FOCC): the FOCC will be used to support stable employment and promote generational turnover projects, with the aim of maintaining employment in the banking sector and encouraging generational turnover.

Social Rights and Non-Discrimination: in line with Law 193/2003, the so-called "oncological oblivion" has been introduced, which guarantees workers who have recovered from oncological diseases the right not to have to provide information on their previous health condition, avoiding discrimination or inquiries in this respect.

These initiatives are an important step forward in the promotion of a more inclusive, flexible and sensitive work environment for employees and their families.

Inclusion and support measures for parenting

On February 27, 2025, the Parent Company and the trade unions signed an agreement introducing new measures to promote inclusion and support parenthood, in line with the proposals of the Group Commission for Equal Opportunities, Inclusion, and ESG Issues. The aim is to facilitate work-life balance through concrete measures.

Among the most significant changes is a financial supplement to parental leave: starting February 1, 2025, employees taking this leave, including hourly ones, will receive a 20% increase in their allowance for a maximum of six months. Furthermore, an annual allowance has been introduced for workers with severe disabilities. These measures have also been extended to management, confirming the equal attention paid to welfare issues for all employees.

Another important new development concerns the Solidarity Time Bank, which expands the options for those who have exhausted their vacation and leave entitlements. Up to 30 days of leave will be available in particularly sensitive situations, such as cases of gender-based violence or international adoption, and up to 20 days for family needs such as the birth or placement of children in educational facilities, hospitalization, recurrent therapies, or illnesses of minors, as well as situations of temporary hardship such as single parenthood or issues related to child well-being.

Solidarity Benefits from VPA Surpluses

On March 18, 2025, the Parent Company and the trade unions signed an agreement to identify solidarity benefits from VPA surpluses. For 2025, this agreement provides for the introduction of concrete support for those facing difficult times, such as reimbursement of expenses related to protection and psychological support for victims of violence and assistance for employees undergoing cancer treatment away from home, including travel and accommodation expenses outside the region.

Protection of work flexibility and the right to disconnect

This initiative is part of the 2024 Gender Equality Strategic Plan, in line with the objective of promoting a balanced work environment that respects the personal and professional needs of all people, without discrimination.

To this end, specific Guidelines have been drawn up for the correct management and planning of meetings and work activities, in order to guarantee the right to disconnect. The Guidelines are designed to optimize the planning of daily activities, avoiding unnecessary workloads and promoting a healthy and productive use of technologies, minimizing the use of work outside of scheduled hours.

In particular, the Guidelines aim to:

- ensure the right to disconnect, limiting electronic communications outside of working hours and encouraging detachment from technology, to protect the mental and physical health of employees;
- encourage everyone's participation in work activities, ensuring that every team member, regardless of their personal situation, can actively participate, without having to sacrifice their well-being;
- improve productivity and performance, promoting work-life balance.

A DEI Toolkit dedicated to meetings is also available, useful for having immediate feedback on the indications expressed in the Guidelines. In addition, additional DEI Toolkits have been developed on specific topics: selection, onboarding, feedback as operational tools that, in line with the principles expressed in the Group Policy on Diversity, Equity and Inclusion, provide practical and concrete indications to be applied in all HR processes, in order to promote an inclusive culture, raise awareness of the use of inclusive language and the adoption of respectful behaviors towards all people.

Conversation before and after temporary or long-term leave

The action involves making space for moments of conversation dedicated both before and after leave, with the aim of mapping the motivations, expectations and propensity to change roles or duties of employees. These interviews

are an opportunity to monitor and better understand the needs and desires of employees in relation to their career, especially in moments of transition such as those related to leave and long absences.

These interviews aim to gather information on the employee's motivations regarding the management of leave and their future expectations, improving communication and alignment between the employee and the organization. Post-leave interviews allow us to assess the propensity to change roles or tasks, helping to create personalized and tailored career paths for employees, based on individual needs and desires. These moments of discussion also aims to facilitate the employee's return to the company after leave, reducing any distances, maintaining high motivation, facilitating the re-integration process.

Company Nursery and "Asilo diffuso" initiative

A company nursery is active, located near the Rome headquarters in via Lucrezia Romana. This service is reserved exclusively for the children of employees who work at the headquarters and can accommodate up to 30 children aged between 3 and 36 months. The company nursery provides an important support to working parents, allowing them to better reconcile professional and family commitments. The "Asilo Nido Diffuso" service was launched in 2025 and will be made available to employees in 2026 through the "Family Care" portal. The initiative is designed to support new working parents during their children's early years by offering access to a network of high-quality early childhood centers, selected through a rigorous process that verifies the educational model and services offered. The project not only facilitates the choice of a nursery, but also guarantees preferential and exclusive rates and priority enrollment over the general public, to avoid waiting lists and, where possible, secure a place. Furthermore, through the Family Care Portal, it is possible to recommend new centers to join the network, promoting an offering that is increasingly tailored to the needs of families.

Conversion of the Performance Bonus: welfare for employees

On July 11, 2025, Iccrea Banca and the Group's trade union delegation signed the Verification agreement for the provision of the Corporate productivity value bonus (VPA) to the staff of the professional areas and management of the Parent Company, direct scope companies and Group mutual banks.

In compliance with current tax legislation, employees have the possibility of voluntarily converting their performance bonus by allocating it to a platform dedicated to corporate welfare, Conto PerBene, benefiting not only from the expected tax advantages but also from an increase in welfare provided for by the supplementary contract in the event of partial or total voluntary conversion of their bonus.

Thanks to the welfare platform, employees can choose how to use the accumulated welfare credit to purchase goods and services directly on the platform or request reimbursement of specific expenses provided for by the legislation, such as:

- education and training;
- family assistance;
- transportation and mobility;
- leisure and recreation;
- healthcare;
- travel and holidays.

People Strategy – Voci Contest

The Group's 2026-2027 People Strategy takes shape thanks to the energy and creativity of its people. With the VOCI project, the Group sought to empower everyone's ideas, actively involving the workforce of the Parent Company and its subsidiaries in defining upcoming initiatives in key areas: Welfare and Wellbeing (BCC Care), development and performance, DEI (Diversity, Equity, and Inclusion), and communication and engagement. At the heart of the project was design thinking, applied through facilitator-led workshops and multidisciplinary teamwork. This collaborative experience saw 96 colleagues, regardless of role, function, seniority, or geographic location, become the "core team," the true protagonists of the co-design process. All other employees were able to participate as supporters, choosing a team to support and contributing during dedicated moments. After weeks of discussion

and creativity, the project reached its final stage: 16 proposals developed by the teams were put to a vote, involving the entire company workforce and garnering nearly 2,000 votes and over 1,200 supporters, confirming a very high level of participation. VOI wasn't just a project, but a moment of listening and sharing, which allowed ideas to be transformed into concrete solutions for the future of People Strategy. Participation in the project was voluntary, and the commitment required over the months of the project was considered a training initiative, as it allowed for the development of new skills, methodologies, and abilities.

Family Care Portal for parents and caregivers

In 2025, the Family Care Portal dedicated to the employees of the Parent Company and direct scope companies has provided a new complete package of services for parents with children aged 0 to 18 and caregivers to support them in their daily family care and assistance needs. The goal is to ensure a greater balance between professional and personal life, answering to the support needs that employees face on a daily basis.

The portal offers access to a network of affiliated partners throughout the country and telephone and online assistance from the Family Manager, a consultant who supports parents in choosing the best solutions for daughters and sons aged 0 to 18 and the Care Manager, a specialized figure who provides initial guidance on social and assistance services, present throughout the country, dedicated to the needs of elderly, frail or non-self-sufficient family members. The Parent Company has also signed a Framework Agreement with the supplier to expand the service also to mutual banks interested in activating the service.

Self-coaching courses for parents and caregivers

Self-coaching courses for parents and/or caregivers consisting of 5-minute micro-learning sessions that offer a multimedia-rich, individual development experience. This allows caregivers and parents to learn at their own pace, scheduling sessions at any time of the day. The aim is to promote the concept of "care" as an element of both personal and professional growth, in the awareness that the skills acquired and developed in particular moments of life can also be used within the working environment, thus creating greater cohesion and synergy between private life and working life. Thanks to this course, the Parent Company has been awarded the title of Caring Company, intended for companies that invest in the valorization of people and their life experiences and that recognize diversity and care as fundamental values for expressing the potential of each individual person. The Parent Company has also signed a Framework Agreement with the supplier to make the service also available to mutual banks interested in activating the project.

BCC Care in Tour

The BCC Care In Tour project, a series of in-person meetings designed to provide a first-hand look at all the BCC Care program's welfare services and initiatives, presented directly by colleagues from the Executive Management, Welfare, and HR Innovation unit, began in 2025. The Bagno a Ripoli (Florence) office hosted the inaugural event, offering participants the opportunity to discover solutions dedicated to personal well-being: Family and Caring, Wellbeing and Health, Mobility and the Environment, and Welfare and Work-Life Balance. Subsequent meetings were held at the Treviglio, Campodarsego office, and further events are planned for next year.

Psychological Support: Active Listening Space

The "Active Listening Space" initiative is a psychological support service intended for all employees of the Parent Company and the companies in the direct scope. This service offers the opportunity to speak with a professional psychologist, to address difficulties related to family issues, professional issues or complex life periods. The Active Listening Space is a safe place where every employee can freely talk about their difficulties, both personal and professional. Problems can range from work challenges to family difficulties. A particular focus is dedicated to parenting support, offering psychological help to all parents who find themselves facing difficulties in their role. This service is designed to help parents calmly manage the daily challenges that arise from raising their children, supporting them in improving their relationship with them and managing the most complex moments of their children's growth.

The Active Listening Space service also offers guidance and support for a potential adoption process. The service includes up to five free meetings. Meetings after the fifth can be held at a discounted rate. It is accessible to colleagues from all Group offices via Skype, offering the opportunity to use the service remotely. The Active

Listening Space is managed by the non-profit organization CIAI - Italian Center for Childhood Aid, which directly manages bookings to ensure complete privacy.

Workshops/short videos to raise awareness on paternity and parental leave regulations

A series of workshops and short videos have been developed to raise awareness and inform employees about paternity and parental leave regulations and associated benefits. These training measures are designed to spread the culture of balancing care loads and to raise awareness at all levels of the organization about the importance of equal involvement in family management by both parents, with particular attention to the role of paternity. These meetings, held by experts and specialists, are aimed at educating employees on the importance of active paternity and the balance between work life and family responsibilities. Topics such as the role of the father in caring for children, the importance of sharing household responsibilities and the implications related to mental health and parental well-being are addressed. The aim is to reduce stereotypes related to gender roles and promote more equal participation in family care activities. The videos are short multimedia contents that address, in a practical and accessible way, the rights and opportunities related to parental leave, illustrating the current regulations, the methods of use and the procedures for accessing leave and benefits. These videos are designed to be easily accessible by employees at any time, contributing to their continuous training and facilitating access to the information needed to make informed choices on the subject of fatherhood. The main objective of these initiatives is to change the collective perception on the subject of fatherhood and promote a greater balance of care loads between parents, encouraging active participation of fathers in family management. This will help create a more inclusive work environment, in which all employees, regardless of their gender, feel supported in reconciling career and family responsibilities.

Other initiatives

The Group mutual banks provide various initiatives aimed at promoting secure and quality employment, with a focus on attracting young talent and generational turnover. Among these actions, active participation in Career Days organized in collaboration with the Parent Company at universities and participation in orientation events stands out. These events serve not only to acquire CVs, but also to strengthen the Group's positioning as an attractive and innovative employer, rooted in the territory and attentive to the needs of young people.

Over time, mutual banks have developed a broad and comprehensive welfare system, designed to concretely improve people's well-being and support a work-life balance. The guiding principle behind these initiatives is personalization: through dedicated platforms, employees can choose the services best suited to them and their families, accessing a diverse range of opportunities, from healthcare to training, from leisure time to family support.

A particularly important area concerns the promotion of physical and mental well-being. The BCC Wellbeing Program fits into this framework, offering sports activities, prevention initiatives, and opportunities to promote healthy lifestyles. Alongside these more structured measures, many banks have introduced small daily initiatives that contribute to creating healthier work environments, such as distributing seasonal fruit at their offices. This is complemented by the establishment of counseling centers, managed by professionals, which offer employees a safe space to discuss personal or professional difficulties. To further strengthen health protection, several mutual banks have introduced periodic health check-ups in collaboration with affiliated institutions and have established local mutual funds that provide medical reimbursements, prevention campaigns, and personal support services.

Attention to well-being also involves more flexible work organization. The adoption of smart working agreements allows for greater autonomy in scheduling daily activities, while measures such as shorter lunch breaks or greater flexibility in working hours and part-time job rankings facilitate work-life balance. To support professional growth, the Smart learning project offers employees e-learning training courses, limiting the need for travel and making continuous skills development more sustainable.

The mutual banks also recognize the value each person brings to the organization. For this reason, many of them offer loyalty bonuses for reaching significant seniority thresholds and one-time contributions for family events such as weddings or births. Some banks are also resorting to extraordinary office closures, designed as opportunities for mental and physical recovery, allowing employees to approach work with renewed energy.

Alongside more traditional services, mutual banks also promote cultural engagement as a lever for well-being and participation. Among the initiatives implemented are guided tours of major events, such as participation in the Single Shot section of the Lodi Ethical Photography Festival, which offered employees an exclusive experience in an international context. Another significant initiative is "A book for the summer," thanks to which each employee was able to choose one or more books to read during their summer break; the volumes, once returned, contributed

to enriching the company library, creating a shared cultural heritage. Adding to this framework is the particularly innovative #RiParto project launched by an affiliated bank, aimed at encouraging mothers to return to work, supporting childbirth, and promoting work-life balance. Launched with public funding, the program involves employees with young children and offers personalized support services—from psychological and educational counseling to care management, from nutrition to infant massage—as well as training programs, agreements with daycare centers, and cultural and family support initiatives. This integrated intervention represents one of the most advanced and effective experiences in the system, combining individual well-being, family needs, and professional continuity.

Secure employment and work-life balance – Metrics

NUMBER OF EMPLOYEES (HEADCOUNT)	2025	2024
Gender		
Men	12,478	12,607
Women	9,992	9,817
Other	-	-
Undisclosed	-	-
Total	22,470	22,424

Numbers are reported as total number of employees in head count equivalent at the end of the reporting period (i.e. December 31). The only reference country is Italy.

EMPLOYEES BY TYPE OF EMPLOYMENT (FULL-TIME AND PART-TIME)					2025
Type of employment (no.)	Men	Women	Other	Undisclosed	Total
Full-time employees	12,321	8,323	-	-	20,644
Part-time employees	157	1,669	-	-	1,826
Total	12,478	9,992	-	-	22,470

EMPLOYEES BY TYPE OF CONTRACT (TEMPORARY AND PERMANENT)					2025
Type of contract (n.)	Men	Women	Other	Undisclosed	Total
Temporary employees	266	209	-	-	475
Permanent employees	12,212	9,783	-	-	21,995
Total	12,478	9,992	-	-	22,470

EMPLOYEES BY TYPE OF EMPLOYMENT (FULL-TIME AND PART-TIME)					2024
Type of employment (no.)	Men	Women	Other	Undisclosed	Total
Full-time employees	12,451	8,128	-	-	20,579
Part-time employees	156	1,689	-	-	1,845
Total	12,607	9,817	-	-	22,424

EMPLOYEES BY TYPE OF CONTRACT (TEMPORARY AND PERMANENT)					2024
Type of contract (n.)	Men	Women	Other	Undisclosed	Total
Temporary employees	221	238	-	-	459
Permanent employees	12,386	9,579	-	-	21,965
Total	12,607	9,817	-	-	22,424

The share of permanent contracts increased to 98.0%, as in 2024, as evidence of the Group's commitment to promoting secure employment. The use of part-time arrangements for 2025 is higher for the female gender, substantially stable compared to 2024.

TURNOVER					2025
Turnover by age group (no.)	Men	Women	Other	Undisclosed	Total
Under 30	75	71	-	-	146
Between 30 and 50 anni	173	109	-	-	282
Over 50	512	201	-	-	713
Total	760	381	-	-	1,141

TURNOVER					2024
Turnover by age group (no.)	Men	Women	Other	Undisclosed	Total
Under 30	83	74	-	-	157
Between 30 and 50 anni	156	104	-	-	260
Over 50	383	143	-	-	526
Total	622	321	-	-	943

The turnover rate, calculated as the ratio of total terminations to total employees at the end of the year. Compared to last year, is 5.1%, an increase of about 0.9 percentage points over 2024, with departures concentrated primarily in the over-50 age group, mainly attributable to the implementation of a generational turnover plan, implemented through early retirement agreements that provide for the voluntary exit of employees through participation in the Solidarity Fund. The agreement was signed for employees of Iccrea Banca and its direct scope. At the same time, additional early retirement agreements were also signed by individual mutual banks.

The total number of terminations, including intragroup movements, is 1,420 (turnover rate 6.3%). New hires in 2025 came to 1,502, of which 1,223 from outside the Group.

Diversity, equity and inclusion – Actions

The Group is strongly committed to ensuring a safe, inclusive and respectful work environment, in which every employee is protected from any form of discrimination or gender-based violence. Companies that adopt inclusive policies not only promote the well-being of their people, but also increase their competitiveness and performance, thanks to the ability to attract and develop highly qualified talent.

Gender equality is a fundamental value for the Group, guiding corporate policies and the path towards greater inclusion. The Group's commitment aligns with Goal 5 of the United Nations 2030 Agenda, aimed at ensuring gender equality and promoting the empowerment of women. This translates into the creation of a work environment that offers equal career opportunities to all employees, with actions aimed at reducing or eliminating gender pay gaps and facilitating women's access to leadership and decision-making roles.

DEI (Diversity, Equity and Inclusion) Manifesto

The DEI (Diversity, Equity and Inclusion) Manifesto is a strategic initiative aimed at promoting a corporate culture free from any form of discrimination, ensuring equal opportunities and equity in all corporate processes, from governance to every single operational aspect. This Manifesto was published on the Group's corporate intranet "Spazio BCC", and encourages the adoption of inclusive behaviors both at an individual and Group level, creating a work environment in which each individual can feel valued, respected and fully integrated, regardless of gender, ethnicity, sexual orientation, age, disability or other personal characteristics.

The objectives of the Manifesto are:

- promote a corporate culture free from any form of discrimination, through the integration of the principles of diversity, equity and inclusion in all corporate processes;
- ensure equal opportunities and guarantee fairness in every area, from governance to the selection, development and valorization of human resources;
- encourage the adoption of inclusive behaviors both at individual and Group level, so that every member of the organization feels part of a respectful and welcoming context.

In this way, the DEI Manifesto becomes a central tool for building an inclusive and fair working environment, in which each person can fully contribute to the success and growth of the Group, regardless of their individual characteristics.

Gender Equality Certification UNI PDR 125:2022 and implementation of the Strategic Plan for Gender Equality

The achievement of the Gender Equality Certification pursuant to the UNI PDR 125:2022 standard in 2023 represents an important recognition of the Group's commitment to gender equality and the promotion of an inclusive work environment. The certification process was successful for Iccrea Banca and for 9 direct scope companies, which obtained the certificate from the RINA certification body in September and December 2023 respectively.

The process of obtaining the certification followed a series of fundamental steps, including:

- establishment of a Steering Committee on gender equality, to ensure dedicated organizational oversight and the correct implementation of actions;
- definition of a Strategic Plan, aimed at outlining concrete actions in the areas of intervention provided for by the legislation on gender equality, with assignment of responsibilities and precise timeframes for each activity;
- formalization of a Management System, integrated with the Group Policy on Diversity, Equity and Inclusion, in order to consolidate the commitment to gender equality at an organizational level, and preparation of supporting documentation;
- constant monitoring of the quantitative and qualitative KPIs defined by the UNI PDR 125:2022 standard, to ensure continuous improvement and effectiveness of the actions undertaken.

To complete this path, the annual certification maintenance process was successfully concluded also in 2025, the last year of the three-year Certification process, confirming the Group's commitment to creating a work environment that promotes gender equality and inclusiveness.

The Parent Company's "Gender Equality Management System" aims to promote and protect diversity and equal opportunities in the workplace, measuring the progress and results through the preparation of specific KPIs, defined within the Group Policy on Diversity and Inclusion and reported in official documents. As envisaged by the management system, organizational controls have been strengthened by formalizing the corporate role of Diversity, Equity & Inclusion Manager (DEI Manager) and the Manager of the "Gender Equality Management System" for the Parent Company and the Group Companies involved, from time to time, in the gender equality certification process pursuant to UNI PDR 125:2022 and its maintenance.

Membership in the Association of Women in Cooperative Credit and active participation in ValoreD training courses

The Parent Company's membership in iDEE (Association of Women in Cooperative Credit) and ValoreD provides an added value for its contribution to the awareness on issues related to inclusion and gender equality.

Thanks to these memberships, it was possible to extend the promotion of these issues to all employees, through talks and initiatives that encouraged dialogue and awareness on gender equality, support for women in the workplace and inclusion, thus strengthening the corporate culture of equity and respect.

Participation in the 'D&I in Finance' project promoted by ABI

Again in 2025, the Parent Company played a fundamental role as a supporting bank in the "D&I in Finance" project, promoted by ABI, with the aim of consolidating the role of the banking, financial and other business sectors in favor of inclusion, equity and the valorization of diversity. The initiative provides in-depth analysis for banks, insurance companies, institutions and other companies on the link between the culture of diversity, accessibility and strategic business levers.

Adoption to the Charter "Women in Banking: Enhance Gender Diversity"

The Parent Company has adopted the Charter "Women in Banking: Enhance Gender Diversity" promoted by ABI

in 2019, a formal commitment that underlines the importance of equal opportunities and gender diversity in the banking sector. This strategic tool was designed to support companies in promoting inclusion and equality between men and women, thus aligning with current legislation. The objective pursued by ABI is to further strengthen the value of gender diversity, recognizing it as a key resource for development, sustainable growth and the creation of value in all companies.

Adequate wages

All Group employees receive an adequate salary, in line with the applicable reference parameters, thanks to the application of the industry national collective bargaining agreement (CCNL) and the Group Supplementary Agreement. The CCNL establishes guaranteed minimum wage levels, defined through national bargaining between the industrial partners, ensuring economic treatment in line with the standards of the banking and financial sector. Furthermore, the most recent contract renewal has provided for a significant salary increase, improving the economic conditions of employees. The Group Supplementary Agreement further improves remuneration through corporate welfare tools and the integration of benefits, such as lunch vouchers and contributions to supplementary pension schemes. Therefore, the employees of the Iccrea Cooperative Banking Group enjoy an adequate salary that complies with the reference parameters set out in the current regulatory and contractual framework.

Pay and gender gap

The Diversity, Equity and Inclusion Policy provides for the collection of a number of indicators relating to the various phases of the employment relationship (recruiting, training, pay, etc.) in order to monitor the implementation of its principles. The Human Resources function of each Company is responsible for measuring these indicators, on an annual basis, informing the Board of Directors and, based on the results, defining the appropriate mitigation actions to improve trends in compliance with the principles set out in the Policy.

With particular reference to remuneration, in accordance with the current regulatory provisions (Bank of Italy Circular No. 285/2013), the Board of Directors of each Group Company also carries out an analysis of the "neutrality of remuneration policies with respect to gender" (using the calculation methods identified by the circular), identifying the main causes of the gender pay gap and the appropriate corrective actions. In this regard, there are many initiatives that each Company can adopt in this area; by way of example and not limited to:

- recruiting activities and subsequent hiring: valorization of diversity (also through the practice of "blank CVs") in compliance with objective elements, offering remuneration in line with the market and reflecting the role held, skills, abilities and professional experience;
- development paths: initiatives aimed at making the most of female talent and supporting the development of female colleagues in a meritocratic and equal opportunity logic (e.g. Empowerment programs), also through the career management in periods of discontinuity or long absence, including a change of role or return from maternity leave;
- salary review: in order to gradually reduce the pay gap, initiatives aimed at favoring the less represented gender in compliance with the overall performance of each recipient;¹¹⁰
- staff incentive schemes: initiatives aimed at adopting a formalized short-term incentive system for the population belonging to the professional areas and management also connected to the Professional Evaluation replacing discretionary one-off incentives. This system allows for a more objective and gender-neutral measurement, as it bases remuneration decisions on results and behaviors defined ex ante, promoting a fair and transparent culture of merit.¹¹¹

Pay Transparency Directive

EU Directive 2023/970, known as the Pay Transparency Directive, aims to promote equal pay between men and women for work of equal value through greater pay transparency. It entered into force on June 6, 2023, and must be implemented by all Member States, including Italy, by June 7, 2026. The Group has launched a project to analyze

¹¹⁰ With particular reference to direct scope companies, in 2025 the coordination activities of the salary review process continued to pay particular attention to the less represented gender with reference to promotions and the definition of incremental amounts on fixed remuneration.

¹¹¹ With particular reference to direct-scope companies, the activation of an incentive system pursuant to Article 50 is confirmed, based on clear and formalized criteria for evaluating individual performance, applicable to all personnel not receiving MBO-type incentive systems.

the regulatory requirements and application implications related to the implementation of the Pay Transparency Directive to ensure consistent and compliant implementation at the direct scope and affiliated banks level.

"Human Rights and Gender Equality" course in e-learning mode

In 2025, the "Human Rights and Gender Equality" course was delivered in e-learning mode, for the benefit of all the staff of the direct scope companies. The course, structured in training modules, covered crucial topics such as gender violence, diversity and discrimination in the workplace, as well as the concept of decent and sustainable work. The aim of the course was to raise awareness and train employees on issues relating to human rights and gender equality, with a focus on the implications of these issues in the workplace.

This course is part of the mandatory training program for the employees of the direct scope companies, and has also been adopted by several mutual banks that acquired the training product for their employees. The initiative has met with strong interest, helping to promote a corporate culture that respects human rights and gender equality. In 2025, the course on human rights and gender equality was expanded with new training modules, designed to provide concrete tools and foster inclusive behavior in the workplace. The first module addresses the topic of inclusive language, explaining how to adopt a vocabulary that respects gender differences. The program guides participants through the basics of inclusive writing, the use of periphrases, neutral words, and professional feminine words, to learn how to communicate with awareness. The second module focuses on the prevention of harassment in the workplace, in line with ILO Convention no. 190 (Law 4/2021). The course helps participants recognize the different forms of harassment—physical, verbal, nonverbal, and psychological—and offers practical tools to prevent and manage it, promoting a safe and respectful environment. These contents represent an important step towards building a corporate culture based on equity, respect, and inclusion, providing useful skills to transform principles into daily actions.

Guide to writing and communicating with inclusive language

The Group has developed a Guide to writing and communicating with inclusive language, with the aim of promoting language that respects diversity and equal opportunities, avoiding the use of terms, expressions or approaches that may be discriminatory or exclusionary. The guide is aimed at all employees, providing practical guidance on how to write and communicate in a fair and respectful way, both in company documents and in everyday interactions.

The initiative aims to raise awareness and educate staff on how to use language that does not perpetuate gender, ethnicity, age or other stereotypes, emphasizing the importance of using a language that includes all subjects, regardless of their identities.

The main objective of this guide is to eliminate stereotypes and cognitive biases that could affect the perception and treatment of employees, promoting a more equitable and inclusive corporate culture. Through this initiative, the aim is to reduce the presence of hidden biases in communication and ensure that every individual, in any business context, feels valued and respected.

Update of an intranet section dedicated to Diversity, Equity and Inclusion

The Group has developed a new section on the corporate intranet, entirely dedicated to the topic of Diversity, Equity and Inclusion (DEI). This initiative aims to centralize all relevant information relating to the DEI policy, the progress made and the initiatives promoted, creating an easily accessible space for all employees.

The new section includes:

- Group policy and certifications: an area that clearly and transparently sets out the Group Policy on DEI, the certifications obtained by the Group and the awards received for its commitment;
- DEI partnerships: an overview of DEI partnerships with external organizations and other entities that work with the Group to promote and develop diversity and inclusion policies;
- combating gender violence: specific sections dedicated to combating gender violence, with information, resources and actions undertaken by the Group to raise awareness and support the creation of a safe and respectful work environment for all;

- projects and initiatives: a showcase dedicated to ongoing projects and initiatives, with a focus on the concrete actions undertaken by the Group to promote an inclusive and diverse culture.

Update of the Younicity Platform and EveryDEI Podcast

In 2025, the Younicity platform (Valore D) was made available to all employees. This digital space is designed to promote the values of diversity, equity, and inclusion (DEI).

Younicity offers in-depth content, news, and interviews, as well as innovative training programs: e-learning, video clips, and live streaming on a wide range of topics. Among the most popular content:

- “Words that Include”, four 10-minute clips to learn how to use inclusive language;
- “Civic D: Where inclusion becomes action”, an interactive experience that, through play, helps reflect on stereotypes, language, and inclusive behaviors, providing concrete tools to move from theory to practice.

Furthermore, as a continuation of the EveryDEI project, an initiative that starts from an immersive gaming experience – the journey on “Includivium” – aimed at measuring one's level of inclusiveness, the Parent Company has made available a series of podcasts related to the gaming experience: gender equality, visible and invisible disabilities, coexistence between generations, from thinking about inclusion to doing inclusion, with a focus on psychological safety.

Intranet Accessibility

The Group's intranet has a "human-centered design", which means that it is continuously improved based on the needs expressed by the personnel. In this context, a new setting has been introduced that promotes digital accessibility, to ensure the inclusion of people with disabilities, making the platform even more usable and inclusive for everyone. The new Accessibility section on SpazioBCC offers guidelines, training, tools and resources to ensure the accessibility of digital content. It also includes insights into the regulations, the reference bodies and the concept of disability, with the aim of promoting an inclusive and accessible environment for all the people in the Group.

The Group is actively committed to developing accessible digital channels, ensuring an intuitive and inclusive browsing experience for all users and in line with the Charter of Human Rights and the Charter of Values of the Group.

Chat Bot

In December 2025, AriAnna, the new AI-based chatbot developed by the Group to simplify consultation of corporate policies and regulations, was activated on the intranet. The goal of the initiative is to provide an innovative tool that allows users to obtain quick, clear answers, always based on official sources, simply by asking questions in natural language.

In this initial phase, AriAnna focuses on primary regulations (Policy and DDG) and is available in preview for the Parent Company and the BCC SI. Starting in January 2026, the service will be extended to all Group companies and, over the course of the year, will also include secondary process regulations, further expanding its usefulness.

This initiative represents an important step towards the digitalization and efficiency of internal processes, offering organizations a modern and reliable tool for simple and immediate access to information.

Generational Survey

To better understand the needs and relationships between the different generations within the Group, Iccrea has launched a generational survey, a strategic initiative that is also part of the process of achieving gender equality certification.

The survey, aimed at employees of the Parent Company and the companies within its direct scope, has a dual objective: first, to map the values, expectations, and ways in which generations interact, regardless of organizational role; second, to provide concrete insights for designing targeted initiatives capable of responding to the drivers expressed by each generation.

In a broad and complex organizational context, the generational survey enables the progressive creation of a more inclusive work environment, where generational differences become a resource for innovating and growing together.

Initiatives for the application of DEI principles in recruiting

Throughout 2025, the Group strengthened its commitment to attracting talent through 16 employer branding and recruiting events, focusing on ESG, empowering women, and the inclusion of protected categories. Of these, 11 events focused on ESG & female talent, and 5 events were dedicated to protected categories. Among the opportunities to facilitate the employment of people belonging to protected categories (Law 68/99), the following stand out:

- Inclusion Job Day: an online and in-person event dedicated to inclusion, featuring talks and virtual stands with over 500 candidates. The in-person event involved 50 people, including undergraduates and graduates, offering information on career opportunities and a space for discussion on inclusion issues;
- Breakfast with Randstad: an event organized by the employment agency with the aim of facilitating the matching of job supply and demand and creating an informal and quick meeting point for candidates belonging to protected categories. Eight interviews were held;
- Banking & Inclusion Talent Day: A day entirely dedicated to recruiting candidates from protected categories, with targeted interviews and orientation sessions to generate concrete placement opportunities. Twelve interviews were held;

These events confirm the Group's commitment to promoting diversity and equal opportunities, transforming values into concrete actions for an inclusive workplace.

Other significant projects include BCC BankHER. This program, aligned with the Group's Sustainability Plan, aims to increase female hiring and achieve gender equality by 2030. BankHER is a true incubator of initiatives to inspire and develop female talent in the banking sector, strengthening the Group's positioning as an inclusive and innovative workplace. The BCC BankHER project was created with the aim of enhancing female talent and creating a concrete bridge between young professionals and the labor market, promoting more inclusive access to professional opportunities in the banking sector.

In the 4th quarter, four online Talent Talks were held in collaboration with Joinrs, featuring female STEM professionals from the Group who shared their career paths and roles, supported by HR representatives. The webinars addressed key topics such as Finance & IT, AI & Risk, onboarding, and wellbeing.

Also within the BankHER framework, the Group launched partnerships with university women's associations, joining the "Women in Finance" program at the Catholic University of Milan. The initiative supports female leadership through:

- A scholarship for a student in the master's degree program in economics.
- participation in the program presentation ceremony for the 2025/2026 academic year to represent, together with other companies, our Group's inclusive approach to promoting female talent.

Finally, the Talent Acquisition unit promoted initiatives to attract female talent in the tech sector, participating in Women & Tech (October 22-23), an event open to candidates from various professional fields (from human resources, to marketing and communications, to engineering and economics). Participation resulted in a webinar introducing the Group and ten online interviews.

A collaboration with LUMSA University is also underway for a project assignment within the Master's in Human Resources program on enhancing the attraction of STEM talent.

With these initiatives, the Group confirms its strategy focused on diversity, equity, and inclusion, transforming values into concrete opportunities for people and for the future of the banking sector.

In all these initiatives, the Parent Company plays an active role, participating in thematic talks and speeches that explore the importance of DEI principles in recruiting practices. During the events, stands are organized to collect CVs, conduct interviews and offer information on access to the labor market, with a particular focus on inclusion and eliminating inequalities in the selection process. The constant commitment is to ensure that every person has equal opportunities for success in the labor market.

Measures against violence and harassment in the workplace

The Iccrea Cooperative Banking Group has developed a system of measures to combat gender-based violence and harassment in the workplace, in accordance with the provisions of Legislative Decree 81/08 and the practices outlined by the UNI PdR 125/2022 standard. The Group's Policy on the Whistleblowing System is aimed to combat unlawful behavior, including incidents of violence and discrimination of any kind, such as physical, verbal, digital and psychological. The system allows employees to report such violations in a secure manner, ensuring confidentiality and no retaliation for those who report. In addition, the internal Health and Safety Policies and Procedures are periodically updated to align with current regulations and ensure a safe and respectful work environment for all.

Risk Assessment Document (DVR) was updated to include a map of harassment and aggression risk, including physical, sexual, verbal harassment and threats. The first step in the risk assessment exercise is to analyze working conditions, places of activity, break areas and routes for travel or training activities, people involved, both internal (employees) or external (customers, external personnel), and other factors such as age, ethnicity and gender. In addition, the types of activities are evaluated (for example, work in contact with the public, night work or in high-risk environments). Preventive actions currently being defined include physical security measures (night lighting, alarms), work organization measures (visitor credential control, avoiding isolation of staff) and awareness-raising measures (training on mobbing and discrimination).

The Group has also implemented several awareness-raising initiatives to combat gender-based violence. These include, most notably, the Zero Tolerance Manifesto, promoting an inclusive and discrimination-free work environment. Furthermore, we joined the "You are not alone" initiative, promoted by ABI, the Department of Equal Opportunities, and FeDUF, organizing an awareness-raising campaign on the occasion of the International Day for the Elimination of Violence against Women and World Human Rights Day, with the aim of supporting victims and disseminating the anti-violence toll-free number 1522. The Group also released the "Guide against economic gender-based violence," presented at the ABI "D&I in Finance" 2024 event.

Creation and dissemination of the Zero Tolerance Manifesto

The initiative involves the creation and dissemination of a "Zero Tolerance Manifesto", with the aim of combating all forms of abuse and discrimination within the organization. The Manifesto, also defined in collaboration with IDEE (the association of women in mutual banking), renews the company's commitment to promoting a safe, inclusive and respectful working environment, where any type of abuse, discrimination or inappropriate behavior is prevented and combated. The Manifesto was distributed to all staff through the DEI section of the company intranet, accompanied by a presentation event that involved the mutual banks, in order to raise awareness and involve all the Group's employees. The invitation to sign the Manifesto as a common commitment towards greater awareness of the issues related to gender violence and discrimination and the use of concrete tools available to combat these phenomena was distributed to all mutual banks. The presentation event at the mutual banks also saw the participation of the Carabinieri, to underline the social value of the initiative.

At December 31, 2025, 63 mutual banks have subscribed the Manifesto, the list of signatories is published in the Group intranet and is regularly updated.

Joining the ABI "One Woman, One Job, One Account" project

The Group continues the journey begun with the "Zero Tolerance Manifesto," strengthening its commitment to combating all forms of discrimination, particularly financial discrimination. The "BCC for Women's Economic Independence" initiative, implemented in collaboration with IDEE and several mutual banks (BCC Roma, BCC Oglio e Serio, BCC Mediocredit), is aligned with the Group's policy on diversity, equity, and inclusion, and fully consistent with the founding values of mutual banking. The project is part of the "One Woman, One Job, One Account" initiative, promoted by ABI, Federcasse, and Il Corriere della Sera, and represents a concrete action that also contributes to the KPIs for gender equality certification. The project, which also saw the active participation of the Group Finance unit and the CBO Area led to the creation of an economic guide and a package of dedicated products, designed to meet the basic needs of vulnerable women: from opening a deposit account to applying for a loan or credit line at favorable terms. The economic guide was presented at an event on November 27, 2025, organized by the Welfare Unit for all mutual banks. The event included an introductory speech by the President of IDEE and presentations on the topic by the Vice President of The Global Thinking Foundation and the President of the "Sportello Rosa APS" Association.

The mutual banks participating in the project will receive materials useful for dissemination and awareness, such

as the economic guide, a poster to be distributed in branches, a dedicated podcast, and a product sheet. The list of participating mutual banks will be available on "Spazio BCC," the Group's intranet. These tools reaffirm the Group's commitment to providing concrete support to women in vulnerable situations, supporting their journey towards autonomy and economic independence. During the meeting, the Group Leader also signed the memorandum of association for the "Red Boxes" project, which stems from the desire to combat all forms of violence, particularly gender-based violence. The project, proposed by the Sportello Rosa Association and promoted by several participating mutual banks, represents a tool for dialogue and listening, with local attention to all those who use the "red box" to ask for help, enabling the activation of concrete support.

A section of the company intranet, dedicated to "Initiatives to Combat Gender-Based Violence," includes a recording of the event but also the brochure "The Banking World for Women's Financial and Economic Independence," produced by Federcasse and ABI, which emphasizes the value of having a personal current account as a tool for independence, and the "Guide to Combating Economic Violence," a document resulting from the commitment of ABI, Feduf, and the Department for Equal Opportunities of the Italian Government as part of the Memorandum of Understanding to combat gender-based violence.

Manuals and operational formats for staff selection and evaluation

The Group has developed manuals and operational formats to improve the fairness of the selection, evaluation, and feedback processes, focusing on four main areas:

- Job postings and selection interviews: guidelines for drafting job postings and conducting interviews in an inclusive manner, eliminating gender discrimination and basing selection on skills and professional potential;
- Candidate profile reports: reports prepared by recruiters that are neutral with respect to personal characteristics (such as gender) and describe candidates' skills and experience, ensuring an objective and bias-free approach;
- Feedback on candidate profiles from department heads: managers are required to provide feedback that is neutral with respect to personal characteristics (such as gender), focusing exclusively on candidates' professional skills and aptitudes;
- Personnel feedback and evaluations: a standardized format for collecting impartial feedback and evaluations based on performance and skills, without gender bias or stereotypes.

Initiatives of mutual banks

Mutual banks are implementing several initiatives to promote Diversity, Equity and Inclusion, with the aim of creating a more accessible, fair and respectful work environment. Obtaining the certification for gender equality represents a fundamental step to empower female resources and reduce the gender gap. The adoption of the "Zero Tolerance Manifesto", promoted by the Parent Company of the Iccrea Cooperative Banking Group in collaboration with the IDEE Association, underlines the commitment against all forms of violence and discrimination in the workplace, promoting a corporate culture based on respect and safety. To improve the inclusion of people with disabilities, some mutual banks have signed an agreement for the Disability Management Service, which provides specialized advice and support in certifying disability to facilitate job placement. Furthermore, in collaboration with several local municipalities, projects have been launched to remove architectural barriers, through the creation of dedicated parking lots, facilitated access and inclusive infrastructures in branches, improving the accessibility of work environments. The adoption of special furnishings and equipment further contributes to ensuring accessibility for all employees.

The path towards gender equality is increasingly shared within the Group. Several mutual banks have already obtained the UNI/PdR 125:2022 Gender Equality Certification, while many others have begun preliminary activities to achieve it.

In light of growing interest, the Parent Company has developed a dedicated support service, for mutual banks interested in both obtaining and maintaining certification.

The service includes various activities, including regulatory interpretation of the UNI/PdR 125:2022 Reference Practice; pre-assessment of as-is internal processes and policies, including compilation of quantitative and qualitative KPI requirements; planning of internal and third-party audits; and preparation of any necessary information notices.

To date, the following affiliated banks have already been certified:

- BCC Ravennate, Forlivese e Imolese Società Cooperativa;
- Credito Cooperativo Romagnolo BCC di Cesena e Gatteo S.C.;
- Banca d'Alba Credito Cooperativo SC;
- Banca delle Terre Venete Credito Cooperativo – Società Cooperativa;
- Banca di Credito Cooperativo di Roma Soc. Coop.;
- Emil Banca Credito Cooperativo;
- BCC di Roma;
- Banca del Piceno Credito Coop. – Soc. C.;
- Banca di Credito Cooperativo della Provincia Romana Soc. Coop.;
- Banca di Credito Cooperativo dell'Oglio e del Serio;
- Banca di Credito Cooperativo di Nettuno Soc. Coop.;
- Banca di Credito Cooperativo di Venezia, Padova e Rovigo – Banca Annia Società Cooperativa;
- BCC del Garda – Banca di Credito Cooperativo Colli Morenici del Garda – Società Cooperativa;
- Credito Cooperativo Mediocrati – Società Cooperativa;
- BCC Metauro.

Diversity, equity and inclusion – Metrics

EMPLOYEES BY CATEGORY AND AGE GROUP					2025
	Men	Women	Other	Not disclosed	Total
Managers	338	42	-	-	380
Under 30	-	-	-	-	-
Between 30 and 50	43	6	-	-	49
Over 50	295	36	-	-	331
Middle managers	5,004	2,077	-	-	7,081
Under 30	7	-	-	-	7
Between 30 and 50	1,778	849	-	-	2,627
Over 50	3,219	1,228	-	-	4,447
Office staff	7,136	7,873	-	-	15,009
Under 30	801	869	-	-	1,670
Between 30 and 50	3,813	4,586	-	-	8,399
Over 50	2,522	2,418	-	-	4,940
TOTAL	12,478	9,992	-	-	22,470

EMPLOYEES BY CATEGORY AND AGE GROUP					2024
	Men	Women	Other	Not disclosed	Total
Managers	354	40	-	-	394
Under 30	-	-	-	-	-
Between 30 and 50	39	5	-	-	44
Over 50	315	35	-	-	350
Middle managers	5,044	2,002	-	-	7,046
Under 30	5	-	-	-	5
Between 30 and 50	1,816	831	-	-	2,647
Over 50	3,223	1,171	-	-	4,394
Office staff	7,209	7,775	-	-	14,984
Under 30	680	763	-	-	1,443
Between 30 and 50	3,987	4,737	-	-	8,724
Over 50	2,542	2,275	-	-	4,817
TOTAL	12,607	9,817	-	-	22,424

The overall incidence of women has increased from 43.8% to 44.5%. The same positive trend is confirmed for employees under 30, where women account for 7.5%, an increase of 1 percentage point over 2024 confirming the effectiveness of the Diversity and Inclusion strategies implemented by the Group. The percentage of female managers is also increasing, from 10.2% in 2024 to 11.1% in 2025.

GENDER DISTRIBUTION IN TOP MANAGEMENT	2025	2024
Men	10	10
Women	-	-
Other	-	-
Not disclosed	-	-
TOTAL	10	10

"Top Management" means the members of the top management as defined in the Group Remuneration Policies (and in line with the provisions of Circular 285/2013 of the Bank of Italy), and corresponding to the General Manager, the Deputy General Managers, the Heads of Corporate Control Functions, the Chief Financial Officer, the Head of the Credit and Associated Activities Area, the Chief Information Officer, the Chief Business Officer, and the Chief Operating Officer of Iccrea Banca.

Top managers are 100% men.

The gender pay gap is calculated in respect of:

- Base remuneration: sum of the annualized cash amounts paid in the period relating to the gross monthly remuneration cluster;
- Total remuneration: the sum of base remuneration (i.e. the annualized gross monthly remuneration), lunch vouchers, overtime, fringe benefits, daily allowances, other remuneration linked to the fixed remuneration (such as function allowances, performance bonus, MBO, annual executive bonus, early retirement incentives, incentive bonuses, settlement agreements, entry bonuses, stability agreements and non-competition agreements).

The pay gap is calculated as the average of the base remuneration and total remuneration of male and female employees, divided by the average of the base and total remuneration of male employees.

The Group's gender pay gap, calculated on total remuneration, is 16.7%, an improvement of 1 percentage point on 2024. The median pay gap, calculated based on total compensation, is 13.2%.

GENDER PAY GAP (%)	2025	2024
Total employees	16.72%	17.70%

The gender pay gap for the Group by category, calculated both with respect to the base and total remuneration, is improving compared with the previous year for the category "office staff" and "middle managers".

GENDER PAY GAP (%) BY EMPLOYEE CATEGORY [BASE REMUNERATION]	2025	2024
Managers	22.74%	19.85%
Middle managers	6.66%	6.93%
Office staff	1.60%	2.20%

GENDER PAY GAP (%) BY EMPLOYEE CATEGORY [TOTAL REMUNERATION]	2025	2024
Managers	23.68%	20.32%
Middle managers	7.49%	7.84%
Office staff	2.53%	3.29%

The pay gap is calculated as the average of the base remuneration and total remuneration of male and female employees, divided by the average of the base and total remuneration of male employees.

ANNUAL TOTAL REMUNERATION RATIO	2025	2024
Annual total remuneration ratio	24.58	21.33

The total annual remuneration of each individual is the sum of base remuneration (i.e. the annualized gross monthly remuneration), lunch vouchers, overtime, fringe benefits, daily allowances, other remuneration linked to the fixed remuneration (such as function allowances, performance bonus, MBO, annual executive bonus, early retirement incentives, incentive bonuses, settlement agreements, entry bonuses, stability agreements and non-competition agreements). These elements are also governed by the Remuneration Policies of each company.

PERCENTAGE OF OWN EMPLOYEES WITH DISABILITIES					2025
	Men	Women	Other	Not disclosed	Total
Percentage of employees with disabilities ¹¹²	5.45%	5.82%	-	-	5.62%

PERCENTAGE OF OWN EMPLOYEES WITH DISABILITIES					2024
	Men	Women	Other	Not disclosed	Total
Percentage of employees with disabilities ¹¹³	5.46%	6.11%	-	-	5.74%

INCIDENTS, COMPLAINTS, SEVERE HUMAN RIGHTS IMPACTS	2025	2024
Number of incidents of discrimination	-	-
Number of complaints filed through channels for people in the undertaking's own workforce to raise concerns	4	-
Total amount of fines, penalties and compensation for damages as a result of the incidents of discrimination, including harassment (€)	-	-
Number of severe incidents and human rights impacts within its own workforce	-	-
Total amount of fines, penalties and compensation for severe incidents and human rights impacts within its own workforce (€)	-	-

During 2025, four reports regarding alleged incidents of gender discrimination were filed. The channels mainly used, alongside the Group's whistleblowing tool, for submitting reports were:

- communications addressed to HR;
- dedicated mailboxes, specifically set up to collect reports of abuse and discrimination.

For each report, a formal assessment process was initiated, including case analysis, collection of supporting documentation, and the internal investigation required by company procedures and the Uni/PdR 125:2022 standard for certified mutual banks.

After acquiring all necessary information, the competent committee - identified, where applicable, as the Steering Committee for Gender Equality - assessed the reports.

In one of the cases identified, the report was deemed to be well-founded, and corrective actions were consequently taken as per the mutual bank internal procedures, resulting in the adoption of disciplinary action against the reported individual.

¹¹² The figure includes employees in protected categories pursuant to law 68 of March 12, 1999

¹¹³ The figure includes employees in protected categories pursuant to law 68 of March 12, 1999

Training and skills development – Actions

The Iccrea Cooperative Banking Group considers training and skills development as strategic levers to support the professional growth of its personnel and successfully address the challenges of a constantly evolving market. Through structured, innovative training programs geared to the specific needs of different business environments, the Group promotes the acquisition of new knowledge, the enhancement of individual skills and the alignment of skills with technological progress and sustainability objectives. This vision aims not only to make the most of the talent and potential of its resources, but also to foster a corporate culture based on continuous learning, involvement and shared growth.

The main initiatives implemented by the Group to ensure skills development and the consolidation of a trained, motivated workforce aware of its role in achieving company objectives are illustrated below.

The Buddy project

The *Buddy* is a role was introduced with the aim of facilitating the orientation and integration of new hires within the organization. It is assigned to a volunteer employee who feels the desire to pass on his or her experience, has the task of supporting new resources in the first few months of work, helping them familiarize with the company culture and integrate into the work environment.

The Group also provides a structured training program for new hires, aimed at facilitating their effective integration into the company and ensuring that they acquire the skills needed to work within the mutual banking system. This training program comprises a total of roughly 70 hours of training delivered in a blended format (both in-person sessions and e-learning) and is divided into nine modules. The in-person sessions take place over three days: two days are dedicated to getting to know the mutual banking system, with a focus on its distinctive traits, values, and service model; the third day is focused on developing and strengthening interpersonal skills. The e-learning modules, which focus on the main areas of banking, are designed to give participants a foundation of cross-functional knowledge and an overall view of operations, so as to promote their informed and ongoing integration into the Group's activities. The training program concludes with a session focused on key HR topics, as well as mandatory training for all staff, in accordance with current regulations and the Group's internal policies.

Some affiliated banks also support and implement the Buddy project in their own companies with the aim of effectively and useably transmitting the company values and promoting synergies between generations.

Corporate Mentoring Initiative 2025

The third edition of the Corporate Mentoring program was held in 2025, confirming the value and positive impact of this initiative on the development of Group employees. The program involved 44 mentees, supported by a group of mentors, in a growth experience based on the sharing of skills, values, and professional relationships. Mentoring is a structured path that promotes a learning partnership between two people with different levels of experience, an opportunity for the *mentor* to share his or her experience, and for the *mentee* to receive professional guidance and support.

The main objectives of the program are to value individual diversity by fostering the exchange of diverse experiences and perspectives and to develop leadership skills through the learning of new styles and approaches. More specifically, the initiative provides mentees with a dedicated space in which to develop their skills and provides mentors with tools and techniques to hone their interpersonal and leadership skills, which can also be applied to management. It facilitates a deeper understanding of the corporate environment and its formal and informal dynamics, and it tangibly fosters a corporate culture of cooperation.

The cross-functional programs are designed to encourage dialogue among colleagues from different areas of the organization so as to foster a broader, more systemic view and cross-fertilization between the Bank's various functions.

The program included dedicated training for both colleagues trained for the role of *mentor* and for *mentees* so that they could best take advantage of this path. Throughout the six-month program, dedicated follow-up and support sessions are also held to monitor participants' experiences and enhance the program's effectiveness. Through the initiative, the Group continues to invest in employee development and in promoting inclusive, innovative leadership styles, with a focus on the value created through relationships.

Mutual Bank Youth Development Contest

In July 2025, a call for entries was published for the *Young Employee Development Initiatives contest*, designed to collect, promote, and reward best practices focused on the development of young employees of mutual banks.

The mutual banks were invited to share information about the projects they had already implemented, highlighting the results achieved, the approaches taken, and the benefits for the young people involved. All the initiatives presented will contribute to the design of future development programs aimed at the younger generations within the Group.

The contest provided a unique opportunity to share best practices throughout Group, gain recognition for the work done to support young people, and access exclusive HR training programs. The initiatives were evaluated based on clear criteria set out in the call for entries, including project objectives, innovation and originality, comprehensiveness of the program, and the results achieved.

All participating banks will have the opportunity to win an HR development program supported by the Parent Company, while the winning mutual bank will have access to a course on Artificial Intelligence applied to Human Resources.

NextGen IT Academy

In response to the need to bring on board new talent in certain organizational units of BCC Sistemi Informativi, the Group has launched a dedicated training program called the *NextGen IT Academy*, aimed at new hires selected for three specific job profiles. The program was designed based on an analysis of the technical skills associated with the profiles included in the job map and aims to promote both the development of specialized skills and the involvement and engagement of new hires, while supporting their effective, motivated integration into the organization. The training program, which began in October 2025, focuses specifically on the areas of Data, Project Management, and Cloud, and is divided into eight modules delivered primarily in a synchronous, remote format, with a few in-person sessions. Throughout the program, participants are engaged in developing a project aligned with the objectives of their day-to-day work, which they will present and discuss during the final session. This experiential approach helps to enhance learning, collaboration, and a sense of belonging to the Group.

Getting to know Human Resources: an opportunity to get to know each other better and build our future together

As part of the onboarding process, the Group has organized two sessions of a training event aimed at employees who joined the company within the previous six months, with the goal of helping them get to know the Human Resources functions and key contact people directly. The initiative is designed to enable new hires to understand the role of HR, its various structures, and the ways in which HR functions interact throughout an employee's career at the company, while supporting professional development, employee well-being, and a sense of belonging to the Group.

The program included a guided journey designed to provide essential information on the main HR areas, with a particular focus on the thematic areas in which the HR Business Partner plays a cross-functional role. In this context, the following areas were explored in depth: compliance; BCC Care; internal communications; training and development; and performance management. During the first session, held on May 13, each department contact person actively engaged the participants through questions and discussion in order to identify concerns, information gaps, and areas of uncertainty. Based on the topics that emerged, the content of greatest interest to the employees was then presented and explored in greater depth. The second edition, held on October 28, was preceded by a survey that made it possible to pinpoint the topics that participants wished to explore most thoroughly, and this content was covered during the event's morning session. In the afternoon, the initiative was rounded out by a follow-up session on behavioral issues, in line with the training activities carried out during the first days of onboarding. The aim of this phase was to encourage participants to reflect on the practical application of the knowledge they had acquired, as well as to stimulate discussion about their experiences and provide new insights and tools to help them continue their growth and development within the Group.

Mutual Bank Intercompany Women's Leadership Program

In May 2025, the first edition of the program focused on Women's Leadership at the Group's mutual banks came to a close, providing 63 female employees from 20 banks with an experience of personal and professional growth.

Divided into multiple stages, the program guided participants through the discovery of their personal and professional strengths with personalized development plans, experiential workshops, and group coaching. The goal was to strengthen awareness of the participants' skills, to develop leadership capabilities, and to foster dialogue and collaboration among diverse units.

The closing meeting, held on May 7, was attended by the participants, senior management, and the HR staff of the banks involved. It was an opportunity to discuss the results and reflect on the value of the program. In fact, 97% of the participants applied the skills they had acquired to their professional lives, which boosted their courage, their decision-making autonomy, and their ability to drive change.

In December 2025, the kick-off meeting for the new edition was held, with the participation of 107 employees from 48 of the Group's mutual banks. In line with the first session, the project aims to enhance the potential of female employees of mutual banks and support the development of their leadership skills, based on a meritocratic approach and on the principle of equal opportunity. Through personalized development plans, experiential workshops, and group coaching, the goal is: to enable participants to become more self-aware and expand their skill sets, working on the Group Leadership model; to foster cooperation, cross-pollination, and the sharing of valuable experiences and practices; and to initiate a virtuous cycle focused on leading change in order to contribute to the evolution of a shared culture throughout the Group. A new feature introduced with the second edition of the project is the funding provided by the Development Fund, which enables us to offer all Group mutual banks the opportunity to enroll one employee from their bank free of charge.

Managerial development program: "The role of the manager: communication, motivation, empowerment"

In 2025, we implemented a training plan closely linked to the new leadership model, a cornerstone of the Group's professional appraisal system. The plan was broken down into targeted programs for managers and professionals in order to respond in a tailored manner to the specific needs of each target group.

For managers, the activities kicked off in June with an inspirational online event focused on the five core competencies (Planning, Results Orientation, Cooperation, Customer Orientation, and Openness to Innovation). Through the contributions of two external speakers — an explorer and a tightrope walker — the value of soft skills was emphasized, highlighting their crucial role in promoting desired behaviors. This phase was followed by an in-class program on the four specific managerial skills, which was completed by over 230 managers and aimed at consolidating inclusive leadership, strengthening strategic thinking, and optimizing decision-making processes through greater accountability. Particular emphasis was placed on people management, with a focus on enhancing delegation, fostering a culture of feedback, and promoting flexibility in managerial style.

For the professional workforce, the development of core skills was delivered through interactive virtual classroom sessions, which were attended by roughly 1,700 people. The use of gamification and collaborative tools ensured immersive learning, focusing each participant's attention on the skill most relevant to their professional category.

Regarding the set of specific skills for professionals, a plan structured into e-learning modules was launched. The effectiveness of the courses was enhanced by the inclusion of a virtual assistant capable of providing feedback on open-ended questions and repeatable simulations, thereby reinforcing learning and ensuring that the skills acquired could be applied in the workplace. Courses were assigned based on the skills relevant to the corresponding professional category.

Training and Accessibility

The Group is committed to ensuring full accessibility of training. In particular, in the production of e-learning courses, it refers to suppliers that work in compliance with the international Web Content Accessibility Guidelines (WCAG), developed by the World Wide Web Consortium (W3C) through the Web Accessibility Initiative (WAI). These guidelines provide guidance on how to make web content accessible to all people, including people with disabilities. The WCAG refers to various areas, such as content perception, use, navigation and interaction. They represent the leading technical standard for ensuring digital accessibility in online training courses.

Professional evaluation

Professional Evaluation is a crucial moment for the development of employees, as it allows them to become aware of their strengths and areas for improvement, with the aim of promoting continuous growth. The performance management process of the Parent Company and direct scope companies is divided into various phases:

- objectives definition: at the beginning of the year, each resource is assigned clear qualitative and quantitative objectives, in line with the strategic priorities of the Parent Company. These objectives are defined in line with the company's policies for remuneration and incentives for personnel, as well as with the Regulations on Incentive schemes in force;
- evaluation of previous year performance, with reference to the objectives and organizational skills/behaviors implemented;
- feedback interview in which the contents of the evaluation and the training and development needs are shared.

In the 2025 evaluation cycle, the link between performance appraisal and the awarding of incentives for employees in the Professional Areas and for Middle Managers was once again confirmed, in accordance with the provisions of the short-term incentive plan regulations. A significant new development is the integration of the Group's competency model into the performance management process, which now includes the assessment of a set of competencies common to all job profiles and all levels of professional seniority, as well as a set of competencies specific to each professional family. This strengthens the link between systems, processes and people, making skills the cornerstone of the development model promoted by the organization.

To support the correct implementation of the performance management process, workshops were organized for the evaluators to accompany them in the effective formulation of the objectives and in their evaluation.

The presence of an annual professional evaluation process is a fundamental tool for increasing and improving individual skills, through performance management that promotes continuous growth and improvement of resources. Through constructive feedback, the aim is to support skills development, aligning skills and performance with the strategic objectives of the Group, to have an increasingly competent workforce ready to face future challenges.

Many affiliated banks have also adopted a structured performance evaluation system that represents a key element to promote the professional development of employees and the achievement of corporate objectives.

Job Map and Leadership Model

For the first time, the Group has introduced a single, shared Leadership Model designed for all direct-scope companies and for the affiliated banks. This is an ambitious project, developed in collaboration with a number of mutual banks and inspired by the Charter of Values of Cooperative Credit, which lies at the heart of our identity.

The model is fully integrated with the Group's Professional System, which was developed through the Job Map project and has enabled roles and skills to be mapped in a clear and consistent manner. This approach strengthens the link between leadership, professional skills, and people development, while creating a common foundation for growing together.

Through this mapping process, 15 professional families and 147 roles were identified, each associated with technical skills and behavioral competencies defined using a shared language. Each profile includes nine competencies:

- five core competencies, common to all roles and seniority levels (Openness to Innovation; Results Orientation and Commitment to Excellent Performance; Planning, Control, and Timeliness; Cooperation; Customer and Relationship Orientation)
- four specific competencies, linked to the corresponding professional family.

The benefits are tangible: more targeted professional evaluations; role-specific training plans focused on specific areas for improvement; cross-functional development paths; and upskilling and reskilling initiatives to meet professional development needs.

The model also features a dedicated training program. For managers, there is an inspirational event and a four-module program to develop the distinctive skills of leadership. For professionals, there is a course focused on the most relevant core skill, as well as e-learning modules led by a digital avatar.

Through this initiative, the Group is taking an important step toward shared leadership that empowers people and

fosters growth in a collaborative, innovative environment.

As part of the initiatives aimed at putting the leadership model into practice, we would like to highlight the individual coaching programs launched in September–October 2025, which are intended for two target groups: department managers, who are participating in programs designed to enhance their managerial skills, effectively address the complexities associated with their role, and strengthen a leadership style consistent with the Group's model; and female employees facing specific personal challenges, who are participating in programs aimed at leveraging the skills developed in their personal lives in order to facilitate their application in the workplace.

BCC People

In 2024, we launched BCCPeople, a platform designed to simplify and make more effective the management of human resources within the Group. Already available for the parent company, the direct-scope companies and the mutual banks, this tool consolidates all the main HR activities into a single digital environment: from training and professional development to the management of performance appraisal processes and other HR management processes.

Thanks to BCCPeople, each employee can easily access training courses, customize their learning path, view their training history, and receive automated notifications. Managers, on the other hand, can transparently manage professional appraisals, set objectives, and monitor skills, in line with the Group's Professional System.

The platform is intuitive, accessible from any device – even outside the company network – and offers tangible benefits, such as: a digital archive that is always available; automatically generated certificates; and an up-to-date calendar of all training initiatives. In short, BCCPeople represents a step forward toward a more modern, integrated, and development-oriented management approach, confirming the Group's commitment to innovation and to enhancing human capital.

Initiatives of mutual banks

The training activity in the Affiliated Banks has focused on two main areas: mandatory training, in line with regulatory developments, and training aimed at commercial roles. With regard to the training of commercial roles, the Parent Company structured a training program in 2025 based on three strategic pillars: consistency with the service model and business development projects, the development of skills and role capabilities and the recognizability of the Group in interactions with shareholders and customers.

In 2025, in collaboration with BCC Servizi Assicurativi, the Parent Company designed and implemented the “Bancassurance Ambassador Training Program” for mutual banks. This innovative, strategic project was created to support the evolution of the mutual banking system in the area of insurance protection and to strengthen the mutual banks' ability to increasingly meet the needs of their local communities. Evidence from scenario analyses has shown that communities and customers are demanding increasingly comprehensive protection solutions, linked not only to traditional needs (such as health, retirement, and family and asset protection), but also to emerging issues such as climate change, digitalization, and increasing exposure to cybersecurity risks.

Consisting of six in-person sessions held across the country, the program was designed not only as a training initiative but also as an initiative of organizational culture aimed at creating a widespread network of bancassurance ambassadors capable of supporting the growth of the sector and further strengthening the mutual banking model. The program was attended by 116 ambassadors from 96 mutual banks and received a high level of satisfaction. The establishment of a community helps to ensure that the added value of the network created among the participants is maintained over time.

During the year, the Parent Company successfully completed the second edition of the “Together Toward the Future” master's program and launched the third edition, confirming our commitment to strengthening the Group's strategic capabilities. The master's program, which involved a commitment of approximately 40 days and 20 participants per edition, continued pursuing the goals of creating a pool of professionals prepared for future senior roles at mutual banks, enhancing managerial, technical, and corporate-identity skills – from the ability to interpret the competitive landscape to the definition of a strategic vision – and promoting sustainable and profitable business models, in line with the mutual banking mission. In addition, the program aimed to strengthen interpersonal, innovation, and leadership skills and to develop a close-knit, collaborative community of practice by encouraging the sharing of common experiences and approaches for the benefit of the Group. Once again, the Master's program gave rise to a genuine community of professionals, designed to update and take advantage of knowledge and foster mutual exchange among participants. Throughout the program, it was repeatedly

emphasized that one of the main added values was the ability to compare different experiences and practices, build strong relationships, and share new or tried-and-tested experiences, tools, and approaches. This network is a valuable asset that can foster collaboration and innovation over time.

Finally, among the training activities focused on business development, the “Customer Service Assistant” training program received excellent feedback. This program involved 104 participants and provided 22.5 hours of active learning through simulations, role-playing, and real-world case studies. The initiative helped develop a proactive, problem-solving approach, while improving the ability to listen to customers and identify their needs. It also strengthened sales skills, supplementing them with the specialized knowledge essential for the role, with the aim of supporting the growth and business development of the mutual banks.

Mandatory Training

In accordance with the Mandatory Training Policy, each year, training needs are collected and analyzed for the relevant departments and control functions (i.e. Risk, Compliance, AML). These consolidated needs are then communicated to the Affiliated Banks through a *Management and Coordination Communication*, thereby ensuring consistent alignment with current regulations and changes in legislation. Below is an overview of some of the mandatory training courses of 2025:

Anti-corruption training course

In 2025, mandatory training continued for new hires and for those who did not take the course in 2024 (which was taken by all Group employees and corporate representatives), with the aim of providing in-depth knowledge of anti-corruption legislation. The 2-hour e-learning course aims to provide an in-depth understanding of applicable anti-corruption regulations, best practices and legal implications, as well as the steps taken by the Group to prevent corruption.

The overall training program addresses crucial issues such as national and international anti-corruption laws, internal behaviors and policies that foresee the risk of corruption, as well as the tools and procedures to ensure transparency and integrity in corporate activities.

The course aims to delve into the discipline of Anti-Corruption, ensuring that all participants acquire a solid understanding of the applicable policies and regulations, thus contributing to strengthening the culture of legality and transparency within the Group.

Cybersecurity training course

The mandatory employee training plan includes a course on digital security and fraud prevention – a program aimed at enhancing each employee’s awareness and prevention capabilities, thereby helping to build an effective defense against cyber threats and other fraudulent activities. The one-hour course is available entirely via e-learning. The course first addresses the value of information and the importance of protecting it, explaining what cybersecurity means, what the main threats are, and how company policies and systems help to protect information. The course then delves into how to defend against the most common threats, from phishing to social engineering, covering topics such as the secure management of credentials, the proper use of company tools, vigilance regarding communications via email and social media, and the protection of data, including in paper format.

A specific section is dedicated to fraud in payment systems, outlining the main types of scam and the Group’s model of governance, from internal policies to the bodies involved (such as the PSD2 committees and the operational oversight team), through to the rules of conduct to be followed and the process for handling disputes, including assessments, the bank’s actions, and any recourse to financial arbitration. Finally, the course provides an update on how to report fraud to the Bank of Italy.

Training course on Corporate Behavior and Model 231

The mandatory training plan for all employees includes the course “Prevention and Governance of the Risk of Crime (Italian Legislative Decree 231/2001)”. This training initiative, intended for all staff and delivered via e-learning, is designed to provide a comprehensive, informed understanding of the principles and objectives of Italian Legislative Decree No. 231/2001, with a particular focus on the operational implications for the banking sector. The

course covers the key elements of Model 231 — including the nature of liability, those to whom it applies, the Organizational Model, the Supervisory Board, and the system of penalties — and explains how the organization can prevent risks and demonstrate exemption from liability. This course also includes training on the Code of Ethics, which is addressed as a fundamental component of the control system and as an essential tool in preventing non-compliant behavior. By covering the Code of Ethics in this module, participants can better understand its role, purpose, and practical application within the framework of Model 231. In addition, for direct-scope banks and companies, specific training is provided on the Model 231/01 adopted by these entities, intended for their corporate representatives and employees.

Anti-money laundering training course

Mandatory training also includes courses on preventing and combatting money laundering, which is essential to ensure compliance with Italian Legislative Decree No. 231/07, the provisions of the Bank of Italy, and the EBA Guidelines. The anti-money laundering course, which is intended for new hires and is available via e-learning with a duration of 3.5 hours (those who have at least three years of AML experience at another financial institution are exempt), is designed to provide a clear, informed understanding of the fundamental principles of this issue. The course systematically covers the concepts underlying anti-money laundering (AML) and countering the financing of terrorism (CFT), including the relevant regulatory framework, the authorities involved, and the obligations imposed on the organizations addressed.

A central part of the course covers customer due diligence obligations, the risk-based approach, simplified and enhanced forms of due diligence, and the procedures for storing and making available documents, data, and other information. The program also provides an in-depth look at the reporting of suspicious transactions, the anomaly indicators issued by the Italy's Financial Intelligence Unit (UIF), and the main behavioral patterns associated with potential illicit activities.

The course concludes with content on the limits on the use of cash and bearer securities, the rules relating to checks and money orders, and the system of penalties, with a focus on breaches of customer due diligence obligations and the specific provisions for banks and other financial intermediaries. In this way, the course provides new hires with a comprehensive overview of the AML and CFT regulations and safeguards required to operate in compliance in their day-to-day banking activities.

In addition to these courses, there is the course *“Foreign Operations: Money Laundering Risk in Cross-Border Activities – Wire Transfers”*, which is also an integral part of the mandatory training for specific roles within the network, such as branch managers, tellers, and other personnel identified by procedural regulations. The course delves into the AML risks associated with cross-border transactions and includes modules dedicated to CFT, providing operational guidance, information on how to identify suspicious transactions, and criteria for assessing the risks associated with cross-border transactions.

Finally, there is the course *“Anti-Money Laundering Controls in Credit Analysis – From Due Diligence to Suspicious Transaction Reporting”*, which is also intended for specific roles identified by procedural regulations. The course delves into the role of AML safeguards within the credit assessment process. The course examines the offense of self-laundering and its links to tax fraud and other tax-related and corporate offenses, which are considered predicate offenses for money laundering. The course explains how to conduct customer due diligence with a view to identifying and properly managing suspicious transactions, and provides assessment criteria and indicators that are useful for reporting. The course concludes with a focus on tax-related offenses and on the anomalous behavioral patterns identified by the UIF, which are relevant for the timely recognition of potential suspicious transactions in the context of banking.

Training to prevent usury and promote transparency

The mandatory training courses in these areas provide an in-depth look at the regulatory and operational safeguards designed to protect customers and prevent risks in the banking and financial sectors. The course analyzes the framework for combating usury, focusing on the crime itself, the average annual percentage rate (APR), and prevention and solidarity funds, and provides operational guidance on compliance with thresholds and the correct calculation of the cost of credit.

The program examines the Bank of Italy's supervisory provisions on transparency and fairness in customer relations, outlining information disclosure obligations, contractual clarity, and the rules of conduct to protect consumers. The program also covers product governance in the banking, financial, and insurance sectors, with a focus on principles, the obligations of manufacturers and distributors, compliance controls, and the Group's

product management model. The course covers Product Oversight Governance (POG), ESMA guidelines, supervisory expectations, the integration of sustainability factors, and POG in the insurance sector.

Whistleblowing training course: a framework for reporting violations

This mandatory course is designed to provide all employees with an overview of the Iccrea Cooperative Banking Group's whistleblowing system, explaining how to report potential violations and the associated management process.

The training introduces the Group's whistleblowing policy, explaining who can make a report, what situations can be reported, and what protections are provided for the whistleblower and the reported party, with a focus on confidentiality and protection against potential retaliation.

The course also describes the role of the assessors and the process for handling and assessing reports within the Parent Company, the direct-scope companies, and the mutual banks, in compliance with data protection regulations.

Finally, the course explains how the Group Whistleblowing System (GBIWB) works and outlines the operational workflow for submitting, managing, and assessing reports.

Sustainability training course

The Group addresses ESG issues in a structured manner through a mandatory training plan intended for both the entire company generally and for corporate representatives specifically, with the goal of systematically integrating environmental, social, and governance factors into operational and decision-making processes.

The course "*Integrating ESG Factors into Business Processes*" is offered to all employees, with the aim of fostering a shared culture of sustainability. The course provides an overview of sustainable finance and the European Taxonomy, exploring in depth the integration of ESG factors into investment assessment and credit processes, with a focus on risk management and the long-term creation of value.

Specific specialized courses have been developed for corporate representatives. The course "*ESG Strategy: The Social and Environmental Dimensions*" explores in depth the main sustainability guidelines in the area of Operations, analyzing social policies (e.g. welfare, people development, employment protection, diversity, and inclusion) and the management of environmental impacts, with a focus on Scope 1, Scope 2, and Scope 3 emissions. The course was provided in a virtual classroom (Webex) and lasted two hours.

The course "*The New ESG Framework*" was also offered, focusing on legislative and regulatory developments and their impact on business processes. The course explored the new CSRD reporting requirements and the associated control and assurance measures, the Green Asset Ratio, and regulatory KPIs, as well as the integration of ESG factors into creditworthiness assessments, with a focus on the ESG score and its application within the context of mutual banks. This course was also delivered in a virtual classroom (Webex) and lasted three hours.

In addition, the course "*Integrating Climate and Environmental Risks into the Risk Management Framework*" provided context for the gradual integration of ESG factors into the Bank's overall Risk Management framework, covering the relevant regulatory framework, the specific requirements of the Supervisory Authority, and the Group's planning and organization on these issues, as well as the initiatives undertaken to integrate climate and environmental risks into the risk management and risk governance framework. The course was provided in a blended format (both virtual and in-person) and lasted three hours.

Overview of ESG courses

Recipients	Course name	Main content	Format	Duration
All employees	Integrating ESG factors into business processes	Sustainable finance and the EU Taxonomy; integrating ESG into investments; integrating ESG into lending	E-learning	40 min
Corporate representatives / Senior management	ESG Strategy: The Social and Environmental Dimensions	Social and people-care policies; development and inclusion; Scope 1, 2, and 3 emissions and management of environmental impacts	Virtual classroom (Webex)	2 hours
Mutual bank directors	The New ESG Framework	CSRD and disclosure; Green Asset Ratio and regulatory KPIs; integration of ESG factors into creditworthiness assessments	Virtual classroom (Webex)	3 hours
Corporate representatives / Senior management	Integrating Climate and Environmental Risks into the Risk Management Framework	ECB expectations; Thematic Review; Climate Stress Testing; ESG program; Climate & Environmental Materiality Assessment	Virtual/in-person	3 hours

Training and skills development – Metrics

EMPLOYEES THAT PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (%)					
2025					
	Men	Women	Other	Not disclosed	Total
Managers	55.62%	66.67%	-	-	56.84%
Middle managers	51.60%	52.62%	-	-	51.90%
Office staff	41.87%	43.30%	-	-	42.62%
Total	46.15%	45.34%	-	-	45.79%

EMPLOYEES THAT PARTICIPATED IN REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS (%)					
2024					
	Men	Women	Other	Not disclosed	Total
Managers	22.88%	22.50%	-	-	22.84%
Middle managers	49.54%	51.65%	-	-	50.14%
Office staff	42.54%	42.06%	-	-	42.29%
Total	44.79%	43.93%	-	-	44.42%

45.79% of Group employees participated in regular performance and career development reviews. A number of Group entities established a correlation between performance evaluation and the provision of incentives, as part of a short-term incentive system.

AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE LEVEL					
2025					
	Men	Women	Other	Not disclosed	Total
Managers	25	34	-	-	26
Middle managers	59	53	-	-	57
Office staff	61	61	-	-	61
Total	59	59	-	-	59

AVERAGE NUMBER OF TRAINING HOURS PER EMPLOYEE LEVEL	2024				
	Men	Women	Other	Not disclosed	Total
Managers	26	40	-	-	28
Middle managers	54	50	-	-	53
Office staff	57	56	-	-	57
Total	55	55	-	-	55

The number of training hours increased in 2025, to total of 1,324,054, both at the Parent Company and at the affiliated banks, particularly for office staff and middle-managers.

This increase also reflects a gradual consolidation of the use of the Group's HCM Suite, which has facilitated the delivery and tracking of training content, in part thanks to a well-developed training catalog containing up-to-date programs that can be accessed in a consistent manner. This catalog has helped strengthen the Parent Company's offering to the mutual banks by simplifying the entire delivery and reporting process, which is now managed end-to-end on the same platform.

This result is also attributable to the growing awareness among all Group companies of the importance of training as a lever for development, in line with the provisions of Article 63 of the Federcasse national collective bargaining agreement, which recognizes training as an essential tool for the growth and development of professional and technical skills. Training also plays a strategic role in achieving the objectives that are characteristic of mutual banking and promotes the intergenerational transfer of skills. Group companies are committed to providing a training package of approximately 60 hours per year, which also includes technical and identity-related training.

Mandatory training remains the main component of the training offer, accounting for approximately 65% of the total. This training is updated annually in line with changes in internal and external regulations. In 2025, new mandatory modules were introduced, including a course on the fundamentals of artificial intelligence (AI), which covers how AI works, the main types of AI, and its potential applications, with a focus on generative AI and prompt engineering. Developed in collaboration with Politecnico di Milano, the module also explores the role of AI in sustainable development, in the context of corporate strategy, and in terms of its ethical, social, and regulatory implications.

At the same time, the range of technical and specialist training was expanded, with professional development programs linked to the role held and the corresponding professional family, and a new leadership model was introduced, with the development of training programs for both management and the office staff mapped within the Group. During the year, specific programs were also offered for evaluators involved in the performance management process, particularly for the great many mutual banks that have adopted the Group's model.

Finally, also for mutual banks, role-specific training programs were developed for network staff, targeting positions such as customer service representatives, branch managers, and bank assurance officers. These programs are designed to enhance interpersonal and sales skills, with the aim of improving the quality of customer interactions and supporting the more effective management of financial needs.

Other rights of the workforce (privacy)

Employees have access to a dedicated section of the company intranet, publishing information sheets on current issues related to security and data processing, as further support in carrying out their activities, in addition to internal regulations.

For more information on actions implemented in the period, see section "ESRS S4 – Consumers and end-users", "Actions".

With regard to operating expenses (OPEX) and (or) capital expenditure (CAPEX) necessary for the management of material impacts and, in general, planned for the implementation of the ESG strategy for the own workforce, these do not represent a significant value with respect to the strategic plan as a whole and to the Group's capital and financial structure.

ESRS S1-5 - TARGETS

The CSRD introduces the obligation to disclose detailed information on several topics, including the definition of long-term social objectives, with particular attention to own workforce.

The Iccrea Cooperative Banking Group's objectives relating to own workforce are set for 2030 and represent consolidated goals at Group level.

The Iccrea Cooperative Banking Group has identified four priority and essential areas to promote an inclusive, fair and sustainability-oriented corporate culture. Targets for 2030 have therefore been defined for these areas:

- Gender equality target #1: reach at least 50% of women in new hires by 2030, in order to promote gender equality within the workforce;
- Gender equality target #2: increase by 25% the percentage of women in managerial positions by 2023 (compared to a 1H-2024 baseline of 9.7%), thus promoting greater female representation among management figures;
- Contract stability target: maintain permanent contracts equal to at least 95% of total contracts (until 2030), to ensure fairness and job stability, consolidating employment quality through secure and inclusive contracts;
- Generational turnover target: keep the ratio between under-30 employees and total employees at 5% (until 2030), to protect generational turnover;
- Training target: train 100% of employees on ESG issues, by 2030, supporting the growth of employees' skills with particular attention to ESG issues.
- Gender equality target #1: reach a ratio of at least 50% of women in new hires, until 2030.

The Group constantly monitors female representation within its workforce and confirms its goal of achieving at least 50% women in new hires by 2030, with the aim of promoting gender equality within the workforce.

Women in the workforce of mutual banks reached 44.5% in 2025 (see ESRS S1-6 - "Characteristics of the company's employees"), proving our ongoing commitment to achieving gender equality, including through fair and inclusive recruiting processes.

On a consolidated basis, the ratio of women in new hires is 46.4%: a positive result that can be improved, and which is in line with the international benchmark in the World Economic Forum's 2025 Global Gender Gap Report. The report indicates a 44.0% participation of women in the workforce of the financial services sector, a result the Group performance compares positively with, highlighting a strong ability to attract female talent within a path toward narrowing the gender gap, with a 5 percentage point improvement in the ratio in new hires over the last five years (from 41.4% to 46.4%).

This target reflects the specific characteristics of certain businesses in which some of the Group's direct scope companies operate, including, for example, investment management, technical-IT, and back-office services. These are areas that, at the national level, require technical and specialized skills where the female presence has historically been less balanced, impacting the ability to identify sufficient female candidates in the market. This context also reflects the recent organizational developments that have affected the Group's companies operating in this sector, impacting the performance over the past year. The reorganization process has, in fact, generated a concentrated need for highly specialized technical candidates, with technological and engineering skills (more generally, STEM). In Italy, the men with STEM degrees out of the overall male graduate population (33%) is approximately double that of women (17%).

In this context, the Group confirms its commitment to implementing initiatives aimed at promoting concrete gender equality and supporting a progressive rebalancing of the workforce composition at the consolidated level, in line with the target set for 2030.

Gender equality target #2: a 25% increase in the ratio of women managers by 2030.

The Group has set the target of increasing the percentage of women managers by 25% by 2030, compared to a baseline of 9.7% in the first half of 2024. This target reflects the need to progressively rebalance the gender distribution across the various organizational levels, where female representation is most concentrated at the bottom of the structure.

In 2025 the percentage of women managers increased from 10.2% in 2024 to 11.1% (+14.4% compared to the baseline), reflecting the implementation of structured female leadership development programs and initiatives to enhance internal talent, aimed at promoting equal access to senior roles.

Contract stability target: at least 95% permanent contract of total contracts at 2030

In line with its commitment to ensuring stable and high-quality working conditions, the Group has set the target of keeping a permanent employment contract ratio of at least 95% of total employment relationships until 2030. This target reflects the Group's desire to promote employment continuity, foster employee loyalty, and support an organizational model geared toward employment stability.

In 2025, the share of employees with permanent contracts in the Group's overall scope stood at approximately 98%, consistent with the target and confirming the adoption of an employment model geared toward job continuity.

Generational turnover target: at least 5% of total employees under 30 employees at 2030

As part of its generational turnover strategy, the Group has set the target of ensuring that at least 5% of the total workforce is under 30 until 2030. This target is designed to ensure continuous skill development, enhance young talent, and foster intergenerational balance within the organization.

In 2025, the percentage of employees under 30 stood at 7.5% (cf. ESRS S1-9), an increase over the previous year and above the target. This result reflects the effectiveness of the Group's attraction and retention initiatives, which include the hiring of new resources, dedicated development programs, and the strengthening of recruiting processes aimed at young people, also with collaborations with universities and participation in career days. These initiatives are complemented by tutoring and skills transfer activities, aimed at promoting the continuity of expertise and the integration of new generations.

The under-30 ratio with the mutual banks compares even more positively with that of the Group, significantly contributing to generating professional opportunities in local communities and encouraging the permanence of younger people in the area.

Training target: Train 100% of employees on ESG issues, by 2030

The Group has decided to commit to provide ESG training to 100% of its employees by 2030, with particular reference to participation in dedicated courses on sustainability, social responsibility and governance issues. The scope of this target includes the entire Group workforce, with the intention of involving every employee, regardless of their level or function, in the dissemination of ESG culture. This approach aims to ensure that every employee is aware of ESG issues and understands their relevance.

The ESG training target will be applied starting from 2025 and will extend until 2030, with monitoring planned on an annual basis.

In methodological terms, the objectives relating to own workforce have been defined considering: (i) the positioning at 2023 both at Group and individual entities level; (ii) the historical trend of turnover and hiring, in order to assess the progress and commitment made, as well as the potential still unexpressed with respect to gender equality issues; (iii) the benchmark analysis of the main industry players, to ensure consistency and competitiveness of the identified objectives. These have thus allowed us to identify a target in the five-year horizon (2030), the achievement of which proportionally falls on all Group entities, in line with their decision-making autonomy. In defining the target, future replacements due to retirement, existing constraints on the labor market for certain profiles and the prospective distribution of profiles by employment level were also considered in order to determine values that were achievable both on the basis of the experience gained by the Group and investment and operational continuity.

Although workforce representatives or own workforce were not directly involved in setting targets and monitoring performance against corporate objectives, they were involved in defining the material topics and impacts that were most significant for the Banking Group. In this context, workers helped identify and prioritize the areas of greatest relevance potentially impacting the sustainability and operations of the company.

The Parent Company has launched a structured and ongoing process of monitoring social targets within the scope of the Group, aimed at ensuring ongoing monitoring of the targets for sustainability and social responsibility. This initiative is part of a broader process of strengthening governance systems and alignment with the Group's strategic guidelines, with the aim of ensuring consistency, transparency, and measurability of results over time.

The process involves systematic data collection and periodic analysis of deviations from pre-established targets for the purposes of providing semi-annual reporting to the Board of Directors, while also promoting the dissemination of a culture of continuous improvement.

To support this process, the mutual banks have a dedicated operating manual, designed as a practical tool to support local structures in achieving the assigned targets. The manual provides methodological guidance, interpretative clarifications, and best practices, promoting a uniform and coordinated approach across the country with the aim of strengthening the ability of individual entities to contribute effectively and consciously to the achievement of the Group's social objectives.

The Group's commitment to disseminating sustainability skills is proved by various training initiatives. In 2025, 67% of employees participated in at least one ESG training course, contributing to the strengthening of the corporate culture on sustainability issues. Furthermore, starting in 2022, the Group introduced a mandatory ESG course for all employees, which to date has been completed by 89% of the company's workforce.

ESRS S2 – WORKERS IN THE VALUE CHAIN

The Iccrea Cooperative Banking Group recognizes the central value of people in its value chain, considering the well-being of all employees, including workers not in the Group's own workforce, as a key factor for sustainable growth and long-term value creation. The Group has a direct and significant positive and negative impact on its own workforce, collaborators and all the people who operate in its value chain. Positive impacts derive from policies aimed at ensuring a safe, inclusive and human rights-respectful working environment, as well as from training and professional development programs that enhance human capital. Possible negative impacts may derive from risks related to unsafe working conditions, inequalities in human resources management or discriminatory practices.

The Group's suppliers, located mostly in Italy, are subject to national regulations on the protection of workers' rights and privacy protection. The material impacts concern all workers in the supply chain, regardless of their role or professional classification.

To effectively identify and manage material, actual and potential impacts on workers, the Group adopts an integrated approach that includes a continuous assessment of social risks and working conditions along the entire value chain, in line with international social responsibility standards and ESG principles. This process includes the promotion of diversity and inclusion policies, the protection of fundamental workers' rights and the adoption of concrete measures to prevent harassment or abuse. The Group actively promotes collaboration with its suppliers and partners to ensure that the same principles of ethics and responsibility are respected externally.

Impacts on workers, as well as the company's dependencies on its collaborators, can give rise to material risks for the Group, such as damage to its reputation, loss of stakeholder trust and potential legal disputes. However, a proactive approach in managing these issues can also generate opportunities, such as attracting talent, improving productivity and motivation, and strengthening customer and investor trust. The Group, therefore, considers the management of relations with workers in the value chain a crucial element for the creation of shared value and for strengthening long-term sustainability.

ESRS S2-1 - POLICIES

As already reported in section S1, the Group's **"Charter of Commitments on Human Rights"** represents a fundamental reference to ensure respect for human rights throughout the value chain. The Group recognizes that the protection of workers' rights is crucial for social and economic well-being and, therefore, adopts measures to prevent and address any human rights violation along the value chain, including suppliers, partners and other relevant actors. With specific reference to suppliers, the Group requires them to provide behavioral guarantees, including:

- workers' protection: suppliers must operate in compliance with applicable laws and regulations and industry standards relating to workers' safety and rights;
- non-discrimination: the Group promotes equal treatment based on gender, age, ethnicity, religion, sexual orientation, gender identity, language or different ability;
- health and safety: the Group is committed to avoiding business relationships with suppliers who violate health and safety regulations at work;
- fight against child and forced labor: any business relationship with suppliers involved in child or forced labor practices is excluded;
- traceability, transparency and impartiality: suppliers are selected through clear, transparent and non-discriminatory processes, ensuring that choices are always based on criteria of fairness and responsibility.

Furthermore, as part of the suppliers' qualification process, counterparties are required to take note of the following documentation which declares the Group's commitment to establishing relationships with Third Party Suppliers based on principles of ethics, professionalism, transparency and the requirements of reliability and commercial correctness:

- Group Code of Ethics;
- Anti-Corruption Code of Conduct;
- Organizational Model 231/01;
- Whistleblowing Model.

These actions are part of a continuous improvement effort, aimed at ensuring that the entire value chain operates in full respect of human rights, promoting a culture of sustainability, ethics and transparency.

The Iccrea Cooperative Banking Group, in line with the principles established in its "**Charter of Commitments on Human Rights**", has developed a continuous monitoring system to ensure the effectiveness of the planned actions and compliance with the commitments made along the entire value chain.

The Iccrea Cooperative Banking Group's "**Code of Ethics**" plays a central role in defining the interaction with suppliers, consultants, outsourcers and all contractual third parties. Company representatives and employees are required to act with the utmost correctness, transparency and in compliance with the laws and regulations in force, as well as the provisions contained in the Code and in the Organization, Management and Control Model pursuant to Legislative Decree 231/01, where applicable.

Selection of suppliers and third parties is carried out through an accurate and transparent evaluation process, considering various factors, including reliability, technical and professional suitability, quality of services and economic convenience. It is essential that new commercial relationships, as well as those already in place, are preceded by a verification of the identity and activity of suppliers, to avoid any risk associated with possible illicit activities, such as money laundering, terrorist financing, or organized crime.

Furthermore, all commercial relationships are regulated by specific contracts, which ensure clarity and transparency in the management of the relationship. The compensation due to suppliers is determined exclusively on the basis of the quality and quantity of the goods or services provided, without ever compromising the ethical principles of correctness and reliability provided for by the Code. In this way, the Group ensures that its activities are always aligned with standards of ethics and responsibility, promoting sustainable practices along the entire supply chain. This is potentially applicable to all employees of the companies with which the Group has commercial relations. Also note that most of the Group's suppliers and partners are located on the Italian territory, and are therefore subject to the protection of national legislation (including the protection of workers and their privacy).

The recently updated **Cost Management Policy** defines the principles and guidelines of the "Cost Management Model" relating to the procurement of goods and services for direct scope companies and Affiliated banks. The Model aims to ensure that all spending needs are adequately authorized and efficiently managed. Among the main aspects, the roles involved in the process are outlined, the segregation between the requesting structures and the purchasing function, and the streamlining of sourcing and procurement activities.

The key elements of the Model include ensuring that each expense follows the established authorization path, a centralized negotiations with suppliers, and standardization of activities, such as the chart of accounts and supplier records. The importance of following the principles of the Code of Ethics, the Anti-Corruption Code and Model 231/01 is also emphasized.

Furthermore, specific indications are provided for the selection and evaluation of suppliers, applicable only to the Parent Company and the direct scope companies, while for the other companies of the Group the principles of conduct provided for by the corporate codes and by the Model 231/01 remain valid.

The Cost Management Model provides for the establishment of a Supplier Register, made up of suppliers accredited through an evaluation of qualitative and quantitative information updated periodically.

The evaluation of supplier performance is centralized for companies with purchases in BCC Sinergia, while for the others it is optional; the aim is to verify quality and service levels and, in the event of negative or illicit feedback, take corrective action, including the suspension of the supplier's qualification. The methods are regulated by the Group Purchasing Regulations.

Monitoring of contracts stipulated with third parties must consider four aspects: i) subjective profile (e.g. criminal record and reputation), ii) behavior (e.g. delays in submitting documents), iii) economic profile (e.g. unusual payment methods or transactions without economic justification), iv) territorial location (e.g. offices in countries with privileged tax regimes or banking secrecy). The Policy is approved by the Board of Directors of the Parent Company and adopted by the individual Companies subject to approval by their Board of Directors.

The Purchasing Regulations regulate the activities of the Group Purchasing Centre (BCC Sinergia) within the Cost Management Model, regulating the procurement of goods and services for the Group companies that adopt the model, in line with the Group Policy on the purchase of goods and services. The Regulations are approved by the Board of Directors of the Parent Company and are adopted by the individual Companies following approval by their own Board of Directors. The monitoring of activities is carried out through quarterly reports validated by the Head of the Purchasing Centre, which provide a detailed overview of the supplies and contracts activated in the quarter, highlighting aspects such as the total amount of orders for each supplier, direct assignments, supplies negotiated in the event of urgent operational needs, suppliers qualified ex officio, and suppliers with family or

business ties with Group employees. The reports also notify the corporate bodies of any critical issues, such as a worsening of the Vendor Rating, and are made available to the Risk Management and Internal Audit functions of the Parent Company, as well as to the Supervisory Bodies (OdV) concerned. The objective of monitoring is to ensure transparency and compliance with purchasing policies, preventing conflicts of interest and ensuring the effectiveness of supplier evaluation and selection procedures.

The ethical principles and commitments to human rights that inspire the Group's policies relating to the value chain are designed in full compliance with international guiding principles, promoting transparency, accountability and protection of rights.

The Group complies with the United Nations Guiding Principles on Business and Human Rights and the objectives of the 2030 Agenda for Sustainable Development, with particular attention to the protection of consumer rights, sustainability and the promotion of a fair and inclusive economy.

ESRS S2-2 - PROCESSES TO IDENTIFY AND REMEDIATE NEGATIVE IMPACTS

Sourcing and supplier qualification activities

The supplier qualification process is one of the activities envisaged by the Group Purchasing Centre (BCC Sinergia) and involves an in-depth assessment, breaking down into two levels: a "standard qualification" questionnaire and a so-called "enhanced qualification" questionnaire, accompanied by a request for self-certification by the supplier. The "standard qualification" questionnaire records general information about the company, such as years of activity, operating area, type of business, type of sector and size. It is also required to provide details on commercial references, with information on the type of service provided, annual volume of orders and their expiry. A crucial aspect concerns the mandatory documentation, including the updated Chamber of Commerce certificate and the certification of the suppliers compliance with social security and welfare payments (DURC). To complete this first level of qualification, the supplier must fill out a Declaration, which certifies the truthfulness of the information provided.

The "enhanced qualification" questionnaire focuses on a more in-depth assessment, with questions relating to the supplier's reputation, its participation in legal proceedings in recent years and its regulatory compliance. In this context, the supplier is required to declare the adoption of an internal Code of Ethics and provide evidence of any professional certifications, quality of supply and measures adopted for the protection of personal data. Furthermore, the supplier is required to confirm the existence of Disaster Recovery (DR) and Business Continuity (BC) plans, attaching a summary of the related documents.

Prospective suppliers are also required to declare their compliance with all relevant laws and regulations, including anti-corruption laws, regularity of contributions and the absence of pending legal proceedings. This qualification process guarantees that the supplier complies with the requirements of ethics, transparency and sustainability, while ensuring its operational and legal reliability. With this methodology, the Group is committed to establishing solid commercial relationships in line with its ethical and regulatory principles. Finally, suppliers are asked to complete a survey to verify compliance with the provisions of the GDPR, divided into various sections. The questions concern the presence of internal procedures for data protection, whether there is a Data Protection Officer, training of personnel authorized to process data, adoption of security measures and risk management. Furthermore, the survey includes aspects relating to data transfers outside the EU, the use of sub-processors and the management of requests from data subjects. The aim is to ensure that suppliers adopt adequate data protection measures.

ESG rating of Group suppliers

In line with the European Corporate Sustainability Due Diligence Directive (CS3D) currently being transposed in national law and with the obligations introduced by the CSRD and the Group Sustainability Plan, the Parent Company has adopted a tool for rating the degree of ESG compliance of its supply chain.

The ESG rating framework for suppliers is consistent with the rationale of the current standard and enhanced qualification model of the supply chain; using qualitative and quantitative drivers (e.g. ATECO Code), it has allowed the identification of a scope on which to focus our commitment to the ESG topics.

In 2025 the Parent Company has improved the supplier evaluation model adopted in 2024, based on the acquisition of an "ESG rating," a synthetic score prepared by an external information provider that measures the counterparty's level of compliance with the ESG pillars. The new Group model allows for a better qualification of the ESG profile of the supply chain through the collection of detailed information and specific indicators,

proportionally following the parameters and logic (risk and size) already outlined.

In 2025, the ESG assessment framework identified a pool of approximately 1,650 supply chain counterparties with ESG scores, representing 18% of the total scope of counterparties, from 8% in 2024. These counterparties accounted for a total Group spending of approximately €747 million, corresponding to 89% of the total order value within the scope.

Furthermore, the implementation of the new ESG management model allowed a more in-depth "ESG relevant" supplier assessment, supplementing the summary indicator with a structured questionnaire that allows for the acquisition of more detailed and accurate information regarding the ESG measures implemented by suppliers. In 2025, the questionnaire was conducted on approximately 140 suppliers (1.5%), representing a Group expenditure of approximately €404 million, or 48% of the total order value within the scope. In 2025, the Parent Company, following the issuance of the "Vademecum Procurement ESG" for affiliated banks, also activated a service to provide them support for the effective integration of the ESG score in the management of their supply chain; over 80 mutual banks have already joined the service.

The definition of the model for the ESG rating of suppliers is aimed at creating a flexible and structured system that allows greater knowledge of the suppliers' positioning in environmental and social terms and allows for systematic and transparent reporting of ESG performance, also in preparation for the CS3D due diligence requests. This will ensure that both the Parent Company and the Affiliated banks can adopt adequate tools to promptly respond to upcoming regulatory commitments and will promote an iterative and collaborative approach with suppliers to promote sustainability along the entire value chain.

"Green" Purchasing

In 2025, the Group also issued a specific Vademecum with the aim of identifying and implementing the actions necessary to promote "green" purchasing practices, contributing concretely to the achievement of the Group's environmental sustainability targets, facilitating the alignment of procurement activities with the principles of environmental responsibility and supporting the dissemination of consistent and sustainable behaviors within the entire Group scope.

Audit Plans

The Group carries out periodic audits and direct checks, in order to ascertain compliance with the defined sustainability and human rights standards. Traceability and reporting systems are also used to collect information on suppliers' business practices, ensuring the transparency and correctness of operations.

ESRS S2-3 - CHANNELS FOR VALUE CHAIN WORKERS TO RAISE CONCERNS

At present, the Group has not established specific channels for value chain workers to raise concerns. However, the Group recognizes the importance of such tools to promote responsible working conditions throughout the value chain, and will evaluate the possibility of defining and implementing a structured process for collecting the opinions of value chain workers, including the creation of accessible and secure reporting channels.

ESRS S2-4, S2-5 - ACTIONS

As commented in the previous section, the Parent Company has implemented a Sustainable Procurement Framework aimed at ensuring suppliers' compliance with ESG principles. This framework provides for a verification process, which includes the assessment of suppliers with regard to environmental, social and governance criteria and based on specific performance, quality and compliance criteria. The objective is to ensure that suppliers comply with the ethical and sustainable standards defined by the Group, thus promoting responsible procurement practices aligned with ESG commitments, with a particular focus on respect for workers' rights, environmental management and transparency in corporate governance. This approach is being implemented by steps and will allow the Group to include ESG criteria in the supplier assessment process, and align with the provisions of the Corporate Sustainability Due Diligence Directive (CSDDD).

To date, the Group does not have a structured methodology to measure the effectiveness of its actions or initiatives in providing concrete results in value chain management. Although several activities and projects aimed at improving sustainability along the value chain have been launched, an organic monitoring and evaluation system systematically measuring the impact of these interventions has not been implemented yet.

In conclusion, although the Group is engaged in a rigorous supplier qualification process, which includes in-depth assessments of legal and regulatory compliance, as of this date there are no specific processes to identify the actions necessary to respond to negative impacts on workers in the value chain. This represents an opportunity for improvement to integrate measures aimed at protecting workers' rights and promptly managing risks related to their well-being.

The results of the application of the new ESG qualification process of suppliers in terms of their ESG score are currently being evaluated. Starting from this evidence, the Group will implement further actions consistent with a strategic path oriented towards improving ESG performance also with respect to its own supply chain.

While the Group has not set specific measurable objectives in relation to issues related to consumer protection, it does monitor the effectiveness of actions planned and undertaken, both through the examination of the progress of planned projects and structured processes established in each Group company, such as complaint management, which allow for the detection and evaluation of conducts that do not comply with the values, principles of conduct and ethical, as well as regulatory, standards guiding the relationship between the Group companies and their customers.

With regard to operating expenses (OPEX) and (or) capital expenditure (CAPEX) necessary for managing material impacts and, in general, for the implementation of the ESG strategy in the value chain workers' area, these do not represent a significant value with respect to the strategic plan as a whole and the Group's capital and financial structure.

ESRS S3 – AFFECTED COMMUNITIES

For more than a century mutual banking has been contributing to national common good by operating according to the principles of mutuality, responsibility and solidarity and catering the needs of people, businesses and communities as a whole. Support to the sustainable development of local areas and communities is an intrinsically core element of the Iccrea Cooperative Banking Group's way of doing banking. The connection with local communities is carried out by providing a widespread presence of mutual banks at a national level and their proximity to local communities, expression of the principle of localism. This allows the Group to establish direct, ongoing, and participatory relationships with local communities, distinguishing itself in the provision of financial services and more effectively intercepting their economic and social needs, promoting balanced and lasting economic development, without however neglecting ongoing challenges, grasping market developments and the expectations of new generations.

Listening, dialogue, and the active involvement of stakeholders are the foundation of the mutual banking model, which translates into a concrete commitment to community growth, both socially and environmentally. In this respect, sustainability takes on the meaning of creating shared value, geared toward people's well-being and protecting the local area. Sustainable value creation at a local level is a distinctive feature of the Group's history, as it is expressed in art. 2 of the articles of association which calls for the "promotion of responsible and sustainable growth of the territory". This concept also represents an "integrated" development approach which, set in motion by the prevailing mutuality model, can generate well-being for people and the planet, while respecting the peculiarity and uniqueness of communities and territories.

Through the network of its mutual banks, the Group is the banking engine of change and sustainable development of local communities, affirming its role as a generator of added value within the economic and social fabric, through the choice of long-term sustainable and socially inclusive solutions in response to the need for an environmental, social and digital transition that leaves no one behind.

Sustainability is therefore inherent in the history of the Group, which has set itself the central present and future principles and values of mutual banking as well as the attention to the territory, people and local economy that have always distinguished its actions.

ESRS S3-1 - POLICIES

In light of mutual banking mission, the Group has defined a system of rules and guidelines, essential for promoting and protecting social sustainability.

The Code of Ethics is an integral part of the Internal Control System, represents a fundamental governance tool designed to guide strategic and operational choices. Every decision and action is inspired by the principles set out within it, which are also applicable to all external parties that collaborate with the Group.

The document highlights the Group's commitment to promoting a corporate culture free from any form of discrimination, affirming essential values, including respect for human rights, and combating discriminatory behavior based on ethnicity, religion, sexual orientation, gender identity, etc.

The Code also complies with the "**Charter of Values of Cooperative Credit**", which establishes the strategies, practices and system of values that underpin the operations of mutual banks. The Group's Code of Ethics is disseminated via the company intranet and the website, and is part of the internal disciplinary regulations. All recipients of the Code, which include members of corporate bodies, employees, external collaborators and customers, are obliged to comply with it. In line with its Code of Ethics and international regulations, the Group has a **Charter of Commitments on Human Rights**, with guidelines to promote and guarantee the protection of human rights along the value chain. The document illustrates the commitment that the Group has undertaken through the preparation of a series of concrete actions aimed at preventing and managing any unfavorable social and economic impacts arising, directly or indirectly, from its operations.

This commitment is also intrinsically linked to the fundamental values of mutual banking, in particular cooperation and mutualism, pillars of the entire business model of mutual banks.

Cooperation and mutualism are, in fact, fundamental tools for promoting human rights in a concrete way. Mutual banking, which is based on mutual solidarity between shareholders, customers, employees, suppliers and local communities, is not only an economic model, but also a tool for social inclusion and the promotion of fundamental rights. The Group actively supports the values contained in the **Charter of Values of Cooperative Credit**, "inspiring its activity with attention to and promotion of the person", placing particular emphasis on the value of each

individual and the importance of investing "in human capital - made up of shareholders, customers and collaborators - to enhance it permanently".

Through these instruments, in addition to ensuring full and substantial compliance with regulatory provisions on human rights, the Iccrea Cooperative Banking Group is inspired by the principles issued by national and international organizations, including: the International Charter of Human Rights of the United Nations (UN), the Universal Declaration of Human Rights and subsequent international conventions on Civil and Political Rights and that on Economic, Social and Cultural Rights, the United Nations conventions on women's rights, on the elimination of all forms of racial discrimination, on children's rights, on the rights of persons with disabilities, the fundamental conventions of the International Labor Organization (ILO) and the declaration on Fundamental Principles and Rights at Work.

ESRS S3-2, S3-3 - PROCESSES FOR ENGAGING WITH AFFECTED COMMUNITIES

Acting through the mutual banks operating throughout the national territory, the Group operates in close collaboration with local communities, listening to their needs and promoting services, products and initiatives that help enhance their development prospects. This multi-stakeholder approach is implemented primarily through committees established by the affiliated banks over the years with the aim of accurately assessing the community requirements and identifying and implementing the most appropriate initiatives in line with the expressed demand. The committees play a significant role in the area thanks to their function as representatives of the social base of the affiliated banks, and serve as a liaison between the demands and needs of shareholders, customers and all other stakeholders and the products and services offered by the banks. For this reason, local committees, together with the shareholders, represent a "hotline" between banks and the areas in which they operate.

TOTAL NUMBER OF COMMITTEES				
	2025	%	2024	%
Typo of committees (no.)				
Young shareholders	53	31.93%	42	26.58%
Shareholders	43	25.90%	54	34.18%
Local area	68	40.96%	59	37.34%
Other*	2	1.20%	3	1.90%
Total	166	100%	158	100%

The most common types of committees are young shareholders committees (32%) and local area committees (41%).

	2025					2024				
	Young shareholder committees	Shareholder committees	Local area committees	Other committees	Total	Young shareholder committees	Shareholder committees	Local area committees	Other committees	Total
North-east	6	2	8	-	16	5	2	6	-	13
North-west	8	2	11	-	21	9	10	6	-	25
Center	25	36	36	2	99	20	40	38	2	100
South	13	3	13	-	29	8	2	9	1	20
Islands	1	-	-	-	1	-	-	-	-	-
Total	53	43	68	2	166	42	54	59	3	158

As regards geographical distribution, Committees are present throughout the national territory, with a prevalence in Central Italy.

As indicated in the following table, the number of shareholders participating in committees exceeded 3,500 during the reporting period. Young shareholder men and women committees had the largest membership.

COMPOSITION OF COMMITTEES BY GENDER	2025	2024
Type of committees (no.)		
Young shareholders	2,493	1,208
Men	1,440	682
Women	1,053	526
Shareholders	554	689
Men	409	500
Women	145	189
Local area	456	322
Men	350	259
Women	106	63
Other	9	382
Men	5	233
Women	4	149
Total	3,512	2,601

No actual or potential negative impacts have been identified for the Group on communities, nor have any processes been identified to mitigate them.

ESRS S3-4, S3-5 - ACTIONS

The guiding principle of the Group's activity includes a strong commitment to local areas and communities. With its widespread presence throughout the country, the Group establishes a direct and constant relation with local communities which is accompanied by an attention for responsible development, aimed at ensuring not only the economic well-being but also social sustainability of the territories in which the mutual banks operate. Listening and dialogue with stakeholders are the basis of this process of cooperation, which takes the form of active support for the social growth of communities, as the key to understanding local "sustainability".

The commitment to local communities is confirmed by many activities carried out by the Group in 2025 with a positive social impact.

The figures below summarize some of the priority initiatives with a positive social impact implemented by the Group:

Social Impact financing (€)	Number of social impact loans	Charitable contributions(€)	Sponsorships(€)	Number of initiatives promoted by the Committees
1,566,796,471	12,240	52,209,081	17,804,717	5,043

Social impact loans

By offering financial support to households and economic initiatives, the Group pays increasing attention to the social and economic development of the territories in which it operates, with the aim of creating long-term shared value.

Social impact loans disbursed during 2024 came to a total €1.6 billion.

SOCIAL IMPACT LOANS	2025		2024	
	Amount	No. of loans	Amount	No. of loans
Student loan - other subsidized student loan products	1,061,619	170	871,850	133
Social microcredit (max amount €10k)	503,913	120	619,500	128
Consap secured loans (primary residence loans)	824,391,555	6,622	831,977,375	7,059
Loans to the third sector	193,324,905	1,568	247,274,606	2,732
Social safety net programs	71,808	11	114,244	89
Natural disaster lending	124,121,376	858	76,486,702	675
Financing for female entrepreneurs	64,111,789	847	128,793,180	1,256
Business microcredit	12,702,365	333	9,595,375	278
ISMEA	342,403,190	1,594	246,007,246	1,267
Resto al Sud	4,103,951	117	5,000,000	144
Total	1,566,796,471	12,240	1,546,740,078	13,761

Resto al Sud (Invitalia)

Resto al Sud is a program that supports the start-up and development of new business and freelance activities in Abruzzo, Basilicata, Calabria, Campania, Molise, Puglia, Sardinia, Sicily, in the municipalities of the earthquake-prone area of Central Italy (Lazio, Marche, Umbria) and in the smaller marine, lagoon and lake islands of Central-Northern regions. The incentives are intended for people aged between 18 and 55. The available funds, managed by Invitalia, amount to €1.250 billion. Eligible businesses include those operating in trade, industry, artisanal fields, the processing of agricultural products, fishing and aquaculture, the provision of services to businesses and people, tourism, professional activities (in both individual and corporate forms). Agricultural activities are excluded.

Resto al Sud covers up to 100% of costs, with a maximum loan of €50,000 for each applicant, and up to €200,000 for companies made up of four shareholders. Sole proprietorships can receive up to €60,000.

The grant covers 100% of eligible costs and is made up as follows:

- 50% di non-refundable grants,
- 50% bank loan backed by the SME Guarantee Fund.

Interest is entirely borne by Invitalia.

At December 31, 2025, 38 mutual banks of the Group had completed at least one transaction, for a total of 1,650 transactions (of which 117 in 2025) for a total amount of €63 million (of which more than €4 million approved in 2025).

Entrepreneurial microcredit

A total of 35 mutual banks were involved in entrepreneurial microcredit operations in 2025, for a total 1,641 transactions– with guarantees from the specific section of the SME Guarantee Fund – and a value of €26.8 million. Furthermore, during the year, 17 mutual banks completed a total of 333 new transactions for €12.7 million.

In order to ensure that people in conditions of poverty and marginalization have access to financial services, the Parent Company has established two main programs that the mutual banks can use to implement their financial inclusion initiatives through microcredit:

- an agreement with the National Microcredit Agency (signed in 2020), which allows mutual banks that intend to directly provide microcredit to make use of microcredit tutors for the provision of mandatory auxiliary services;
- agreements with specialized microcredit operators such as Permico (2021), Fidipersona (2022) and Cassa del Microcredito (2023), aimed at supplementing the direct offer of the affiliated banks, offering the

possibility of signing bilateral agreements for reporting their customers.

Also, in order to strengthen the commitment to preventing and combating usury, and supporting its victims, whether businesses or individuals, the following agreements were signed:

- an agreement with the Giovanni Paolo National Anti-Usury Council, for the promotion of financial inclusion, a mission historically included in the social purpose of mutual banking. The framework agreement makes it possible to coordinate the activities of the mutual banks, which already have contractual relationships with anti-usury foundations operating at a local level, for their own and institutional initiatives, promoted and requested by the territorially competent prefectures;
- a framework agreement with Assoconfidi, the main representative body of credit guarantee consortia and cooperatives;
- finally, the Parent Company - in agreement with Federcasse – supports the participation of mutual banks in the “Microcredito di libertà” initiative promoted by the Ministry for Equal Opportunities and the Family, ABI, Federcasse, the National Microcredit Agency (ENM) and Caritas Italiana to encourage social and entrepreneurial microlending to women who have experienced domestic violence. The objective of the agreement is use microcredit as one of the tools to promote the emancipation of women who have experienced male violence from economic dependence, which can also arise or deteriorate when women report the violence and move away from the economic support based on family or social relationships in which the violence occurred.

Social bond issues

Consistent with its attention to initiatives with a social impact, the Group established a specific issuance program in 2021 aimed at supporting investments in initiatives with a social connotation, such as female entrepreneurship and micro- and small businesses operating in disadvantaged areas. The three issues carried out by the Group under this program between 2021 and now total €1.5 billion and are described below:

- First social bond issue: In November 2021, Iccrea Banca SpA formalized the Green, Social and Sustainability Bond Framework and then placed, within the €3 billion EMTN Program, its first €500 million Social Bond for the institutional market, which was subscribed by around 90 investors. The transaction was meant to raise funding for lending to SMEs and households suffering from the COVID-19 emergency, businesses with fewer than 50 employees operating in areas with a per capita income below the national average and young and female entrepreneurs. Some 80% of the proceeds were used to refinance loans, while the remaining 20% was allocated to new lending. Following the issue and in line with the applicable deadlines, Iccrea Banca produced a specific impact analysis to highlight the main impacts generated.
- Second social bond: Acting under the above EMTN Program and Green, Social and Sustainability Bond Framework, Iccrea Banca successfully completed the issue of a second Social Bond on January 12, 2023, which was subscribed by 125 leading domestic and international investors, in the amount of €500 million. The transaction was mainly aimed at supporting the real economy and SMEs with up to 20 employees operating in economically disadvantaged areas. For this issue, 70% of the proceeds were used to refinance loans, while the remaining 30% was allocated to new lending. The transaction confirms the Group's attention to supporting local economies and the communities that live and work there.
- Third social bond: Acting under the €5-billion EMTN program and the Green, Social and Sustainability Bond Framework, on January 30, 2024 Iccrea Banca successfully placed with institutional investors a third senior preferred Social Bond in the amount of €500 million with a 6-year maturity. The issue received orders for €3.5 billion - about 7 times over-subscribed - from approximately 300 institutional investors globally. Confirming the attention of the Group for the territory in which it operates and the communities it serves, the proceeds will be used to finance SMEs operating in economically disadvantaged areas, and young and women entrepreneurs.

In line with the principles of the International Capital Market Association (ICMA), a reporting document was prepared in the second half of 2025, presenting the results of the impact analyses and allocation of funds raised through the aforementioned bond issuances. The report was published in December 2025 in a dedicated section of the Group's website.¹¹⁴

In January 2026, the Parent Company successfully completed the placement of its fourth senior preferred social

¹¹⁴ <https://www.gruppobcciccrea.it/Documents/Green%20Social%20and%20Sustainability%20Bond%20Report%202024.pdf>.

bond for institutional investors. The issue has a five-year maturity and a total nominal amount of €500 million. The proceeds will be used to finance or refinance, in whole or in part, eligible social activities, as defined in the Group's Green, Social & Sustainability Bond Framework, with a particular focus on financing SMEs with fewer than 50 employees operating in economically disadvantaged areas, with the aim of fostering their growth and promoting employment.

Committees' initiatives

Committees promoted a vast range of activities in 2025, contributing to the growth and well-being of their communities. These initiatives were centered on the various thematic areas outlined in the table below, and highlight a strong commitment towards the promotion and development of activities for improving people's quality of life. In general, the action implemented at the local level underscores the desire to pursue common objectives, working closely with local communities to guarantee a better future.

	2025					2024				
	Young shareholder committees	Shareholder committees	Local area committees	Other committees*	Total	Young shareholder committees	Shareholder committees	Local area committees	Other committees*	Total
Environment	10	23	134	-	167	14	28	17	-	59
Church and other religious institutions	-	116	530	-	646	3	155	366	-	524
Art and culture	65	238	1,140	-	1,443	32	196	1,048	3	1,279
Education	46	91	152	1	290	46	97	42	1	186
Economic development	31	165	96	-	292	19	206	68	-	293
Health	9	54	174	-	237	6	58	42	-	106
Welfare	15	56	529	-	600	27	235	199	-	461
Sport	13	238	1,028	-	1,279	15	263	634	-	912
Civil and humanitarian emergencies	1	18	70	-	89	3	15	226	-	244
Total	190	999	3,853	1	5,043	165	1,253	2,642	4	4,064

Donations: charity and sponsorships

The Group's mutual banks have always stood out for their commitment to local communities and the promotion of solidarity initiatives. Through a series of charitable activities and sponsorships, they not only support projects aimed at improving the social and economic conditions of the territories in which they operate, actively contributing to collective well-being, in perfect harmony with the principles of mutuality, solidarity and cooperation that are the basis of their mission.

The activities and initiatives promoted by the Group aim to protect and enhance the historical heritage, the education of young people, scientific and university research, as well as social and health care, and the artistic, cultural, sporting and recreational fields.

Every donation and sponsorship is part of a path that aims to improve the quality of life of people and the territory by strengthening the bond between the bank and the community.

Through these activities, the Iccrea Cooperative Banking Group proves its constant commitment to social cohesion, in line with its cooperative roots and with the mission of being a resource for communities, supporting the growth and sustainable development of the areas in which it operates.

In the reporting year, the Group's charitable donations amounted to over €70 million for a total of over 25,000 initiatives. Specifically, donations for charity amounted to over €52 million while those for sponsorship activities amounted to over €18 million.

In 2025, in line with the methods established by the relevant legislation, the Affiliated banks paid 3% of profit generated in 2023 to the mutual fund for the promotion and development of cooperation (FondoSviluppo), i.e. an amount equal to more than €57 million.

Charitable and sponsorship contributions made by the Group are reported in the following tables by area of intervention.

CHARITABLE CONTRIBUTIONS: NUMBER AND AMOUNTS		2025		2024	
area		(no.)	(€ amount)	(no.)	(€ amount)
Environment		336	753,167	265	494,852
Church and other religious institutions		2,713	4,748,930	2,542	4,722,727
Art and culture		4,354	9,155,400	3,832	6,878,756
Education		1,237	4,619,550	1,206	3,553,363
Economic development		1,754	4,031,836	2,070	3,873,178
Health		1,101	7,378,893	850	5,171,714
Welfare		2,428	16,218,664	2,172	7,120,043
Sport		2,703	4,104,594	2,481	3,081,661
Civil and humanitarian emergencies		376	1,198,046	507	1,504,189
Total		17,002	52,209,081	15,925	36,400,483

With regards to charity, contributions made by the Group were mainly in support of art and culture, welfare, and health.

SPONSORSHIPS: NUMBER OF INITIATIVES AND AMOUNTS		2025		2024	
area		(no.)	(€ amount)	(no.)	(€ amount)
Environment		125	247,505	117	166,607
Church and other religious institutions		276	254,963	287	317,908
Art and culture		2,361	4,055,709	2,288	3,921,880
Education		233	514,328	278	523,187
Economic development		1,126	3,028,940	1,372	3,221,633
Health		143	349,027	120	309,079
Welfare		320	608,170	459	740,336
Sport		3,576	8,640,630	3,446	7,772,894
Civil and humanitarian emergencies		69	105,447	77	96,925
Total		8,229	17,804,717	8,444	17,070,450

With regards to sponsorship, contributions made by the Group were mainly in support of sport, art and culture and economic development, both in terms of number of initiatives and amounts.

In 2025, mutual banks confirmed their role as drivers of local development. The charitable and sponsorship initiatives represent a concrete strategy to strengthen the social and economic fabric of the communities in which the bank operate. The deep connection with the territory and attention to people's needs have guided the choices of charitable giving in the various areas. The initiatives have had a direct impact on people's life quality, ensuring essential services, supporting the weakest sections of the population and improving collective wealth. Through these actions, the mutual banks have reaffirmed their mission and commitment to promoting sustainable and inclusive development.

By way of example, some examples of charitable initiatives promoted by the mutual banks in 2025 and implemented also with the help of local committees are reported below:

- **Health and healthcare:** banks continued to provide significant support to the health system and to local communities' prevention and care services, through contributions to upgrade hospital facilities, purchase diagnostic equipment and financing of research projects. The most significant interventions include most noticeably that promoted by Cantù BCC, which has allocated €449,999.40 to the purchase of a new CAT scanner for the S. Antonio Abate Hospital in Cantù and €78,000 to the construction of the "LILT House," a center dedicated to cancer prevention, while the Carate Brianza BCC supported the implementation of teleradiology and the renewal of the health technology equipment with €50,000. The BCC delle Terre Venete contributed €47,251 to the purchase of a portable ultrasound machine for the ULSS7 Pedemontana – Bassano del Grappa. BCC of Paliano financed an ultrasound machine for the ASL of Paliano with €21,000. As regards cancer prevention, BCC of Pesaro supported the ANT Foundation with €20,000 to fund free controls, while mutual banks of the Province of Rome financed the Komen Italia "Prevention Caravan" project with €54,000, to support breast cancer prevention. Several initiatives in favor of emergency aid: BCC of Milan

contributed €8,000 to the purchase of a new ambulance for Croce Verde Lissone; BCC of Carate Brianza supported the purchase of an electric stretcher with €33,000; BCC of Oglio and Serio allocated €12,500 to a scholarship for research into cell reprogramming and gene therapy; and finally, Emil Banca donated €30,000 to the "Casa dei Risvegli – Gli Amici di Luca," a state-of-the-art neurorehabilitation center dedicated to the care, research and rehabilitation of children and adults with Acquired Severe Brain Injuries (ASBI).

- **Social inclusion and support to vulnerable people:** the mutual banks also supported initiatives to help people in vulnerable situations, through support to dedicated transport services, local assistance and support for families. For example, BCC Veronese donated a van equipped for the transport of disabled people to the San Martino Onlus Association in Legnago for a total of €75,700, BCC di Staranzano e Villesse gave a contribution of €10,000 to the Auser Association for the purchase of a transport vehicle, while BCC di Mozzanica e di Pergola e Corinaldo allocated €61,900 and €62,841, respectively, for the purchase of transport vehicles to support the social and educational activities of local communities. In addition, BCC of Carate Brianza supported the "Casa della Gioia," a holiday home for people with disabilities, with €30,000, while BCC Veneta set up the "BCC Veneta for the community" fund, with a contribution of €200,000, to support assistance activities for the elderly and for people who are not self-sufficient, and also allocated €30,000 to the Opera delle Cucine Economiche Popolari (CEP), which provides meals and other basic services to people living in poverty and social marginality. Finally, BCC Bergamasca e Orobica has allocated over €69,900 to a fund for local associations involved in the collection and distribution of food, while Emil Banca has contributed €3,000 to the organization of an awareness-raising event on the International Autism Awareness Day, promoted by the Aut-Aut association, aimed at promoting the social inclusion of autistic children, supporting their families and strengthening the local social-welfare network.
- **Education and human capital:** the Group's social commitment has also been focused on supporting the right to education and recognizing merit. Specifically, BCC di Cantù has allocated over €145,000 to the "Giovanni Zampese" Study Awards; BCC di Mozzanica has supported the "Aula 6" project with approximately €40,000, while BCC di Alba, Langhe, Roero and Canavese has donated €15,000 to the University of Gastronomic Sciences. Furthermore, Banca della Marca has promoted the "Praise to Profit 2025" initiative, allocating approximately €99,000 to scholarships for student shareholders or the children and spouses of shareholders, with the aim of recognizing academic and university commitment and promoting merit among the younger generations. Finally, BCC di Castellana Grotte has allocated €3,500 for the initiative "Ecobaratto - Scambiando si impara", promoted by the bank's Young Members Committee as part of the "Il Bosco dei Valori" event, a project dedicated to financial, social and solidarity education for young people and the promotion of sharing and reuse practices.
- **Local development and culture:** other initiatives focused on enhancing local development and promoting culture. BCC Pontassieve allocated over €760,000 to support the artistic and cultural activities of the city's Teatro Cinema Italia, a multipurpose center for theater, music, and film performances, and over €75,000 the Pontassieve restoration of the Church of San Sisto. BCC Terra d'Otranto contributed €18,300 to the "Olivami" initiative, a project dedicated to planting new olive trees in Salento following the invasion of the Xylella bacterium. Meanwhile, Banca Tema allocated €60,000 for the 2025 edition of FestAmbiente, actively participating in meetings and debates dedicated to raising awareness on ecological transition, the circular economy and environmental sustainability, contributing to the dialogue between institutions, businesses, and local communities.

Mutual aid societies

The banks of the Iccrea Cooperative Banking Group have always been committed to supporting local communities and promote mutualistic initiatives for their shareholders through the establishment of mutual aid societies. Currently, 49 mutual banks that have established a mutual aid society, confirming their strong commitment to improving people's well-being and offering concrete support to their shareholders. These societies are created on the initiative and financial support of the individual bank, with the aim of implementing the principles of voluntary mutuality and mutual assistance provided for in their articles of association. Among these, there is the improvement of the health, social, cultural and recreational conditions of the shareholders and their families or other members, seeking to improve solidarity between them.

Mutual aid societies operate in the health, social, educational and recreational sectors. In particular, thanks to their activity, members can benefit from:

- reimbursements or discounts for health expenses: coverage for specialist visits, diagnostic tests, surgical interventions and other medical services not fully covered by the National Health Service;

- social assistance to the family: support for social-assistance needs, such as home care or services for the elderly;
- cultural and educational activities: organization of cultural events, training courses and educational initiatives to promote the professional and personal growth of members;
- recreational activities: promotion of recreational and sporting activities to foster well-being and cohesion among members.

At the national level, the mutual aid societies are organized in a system that allows them to operate efficiently and transparently, guaranteeing members the possibility of accessing a vast network of affiliated healthcare facilities and taking advantage of discounted services. This model allows for the expansion of assistance and support opportunities for members and their families, strengthening the bonds of solidarity within the communities.

Thanks to this mutualistic network, the mutual banks of the Iccrea Cooperative Banking Group confirm their commitment to improving people's well-being, offering concrete support and promoting the values of cooperation, inclusion and mutual assistance.

Crowdfunding

The crowdfunding activity represents an increasingly widespread tool among the mutual banks of the Iccrea Cooperative Banking Group, to promote and support projects of social and cultural interest. Thanks to this tool, the banks not only promote fundraising for initiatives aimed at the Third Sector, culture and support for the community and the territory, but also strengthen their role as promoters of local development, in line with their principles of mutuality and solidarity.

The Group banks implement this commitment through support and collaboration with the IdeaGinger.it platform, a point of reference for ethical and local crowdfunding at a national level. Thanks to this collaboration, the mutual banks mobilize economic and social resources, encouraging the active participation of people and encouraging the creation of new valuable projects. Support for initiatives translates into a virtuous circle of trust and shared responsibility, which strengthens the bond between the Group banks and the territory in which they operate.

During 2025, numerous fundraising campaigns were launched and completed, demonstrating the ability of this tool to generate concrete benefits for the community. Below are some of the main initiatives supported by the Banks and successfully concluded:

- Mobility for vulnerable groups: many initiatives aimed at improving the mobility of people with disabilities, the elderly, and other vulnerable groups, ensuring greater independence and access to essential services. One example is the "Vento in faccia – Muoversi insieme, liberi di pedalare" campaign, promoted by BCC di Milano. With the aim of funding four Special Bicycles to complete the fleet and allow people with disabilities, the elderly, families, educators, and associations to experience cycling together, the campaign far exceeded its target, raising €51,580 against an initial goal of €37,000. Another notable initiative is the "Una Dacia per amica" campaign, promoted by BCC del Garda, which far exceeded expectations, raising 314% of the initial target for the purchase of a new ambulance and escort services for people with mobility difficulties. Emil Banca, on the other hand, supported the "4 Ruote su 4 Ruote" campaign, promoted by the Casa della Carità Beata Vergine della Ghiara in Reggio Emilia in collaboration with F.I.Do. – Fondazione Italia per il Dono. The campaign aimed to purchase a new van to serve the residents of the facility and to enable daily transportation for people with disabilities and wheelchair users. The campaign was highly successful, more than doubling its initial target. Another initiative was the purchase of a van for home meal delivery, promoted by the Borgo Gatto Committee in collaboration with Centromarca Banca. This initiative supports a home meal delivery service for the elderly, adults and people with disabilities living in the Municipality of Preganzio, ensuring balanced, high-quality meals designed to meet the specific needs of vulnerable individuals. Among the successful initiatives, "Aiutaci a dire 'NO'" promoted by BCC Brianza e Laghi, reached 140% of its collection target. The project aimed to purchase vehicles for the Auser ODV Arcore volunteer association, which primarily provides free services to vulnerable people in the area.
- Disability: several initiatives have focused on inclusion projects and independent living for people with disabilities, contributing to their self-determination and integration into everyday social life. One successful example is the "Un Bistrot per l'inclusione sociale" campaign, promoted by Abad Cooperativa Sociale, with the support of BCC Busto Garolfo e Buguggiate. The goal was to raise funds for the creation of an inclusive bistro where people with disabilities could work, acquire new skills, and build their independence and dignity through catering, table service, sewing, and customer service. The campaign exceeded expectations, raising

€28,070 compared to the initial goal of €16,500. Another notable initiative is "Casa anch'io! - Residenza Enrico Cavalli," promoted by the Carpenedolo ETS Foundation, in partnership with the Il Quadrifoglio Fiorito Social Cooperative, and with the support of BCC del Garda. The goal was to raise the funds needed to furnish two apartments for adults with disabilities in the municipalities of Carpenedolo, Montichiari, Calvisano, and surrounding areas, as part of an independent living program supported by professional educators. The campaign achieved significant results, raising €41,400 against an initial goal of €30,000. Additionally, BCC Brianza e Laghi promoted the initiative "Casa Lorenza, una casa nel paese," with the aim of offering young people and adults with disabilities the opportunity to live 20 weeks a year in a welcoming, eco-sustainable home located in the center of Alzate e Brianza, learning to take care of themselves and others, and feeling listened to, recognized, and encouraged. The campaign concluded with €15,900, more than double the initial goal of €6,000.

- Family support and charitable activities: a number of crowdfunding campaigns have focused on assisting families, particularly those facing financial hardship, and supporting social and charitable activities for people in vulnerable situations. The "In cucina col cuore" campaign, promoted by Domus Nostra in collaboration with BCC delle Terre Venete, was a resounding success, raising 177% of its initial target, allowing the initiative to expand its impact to include women and girls experiencing domestic violence, economic hardship, and housing insecurity. Another initiative is the "Gocce di Vita" campaign, promoted by AVIS San Donà di Piave with the support of BCC Pordenonese e Monsile, which aims to raise funds for the purchase of a birthing pool for the San Donà di Piave Hospital. The campaign attracted strong participation from the local community, reaching and exceeding the initial goal of €20,000, with a total of €32,300 raised. Emil Banca, meanwhile, supported the "Casa Emmaus – Una casa per i giovani" initiative, a project of social regeneration and support for young people experiencing vulnerability and hardship, in a context characterized by growing isolation, addiction, and relationship difficulties. The campaign exceeded expectations, raising 229% of the initial target. Furthermore, Banca Ravennate, Forlivese e Imolese supported parenting through the "Essere mamma in BCC - Training, Support, Innovation" project, which offers mothers with children aged 0 to 36 months discounts with local nurseries, personalized consultations with educators, psychologists, and nutritionists, and training sessions dedicated to care and parenting.
- Education: a number of initiatives have focused on supporting educational and training projects, contributing to the creation of learning spaces and opportunities for young people and families. One successful example is the "Cultura e formazione senza limiti" campaign, supported by BCC Brianza e Laghi, which aims to provide academic support to secondary school students in Italian, Latin, mathematics, English, and Spanish. The campaign raised 113% of its target funding. Also of particular note is the "La via dei Talenti: costruiamo opportunità" project, promoted by Banca Annia in collaboration with Ginger Crowdfunding. Through this partnership, Banca Annia offers non-profit organizations crowdfunding training and support from Ginger's campaign managers. BCC Ravennate, Forlivese e Imolese, in collaboration with Ginger, also offers a free annual crowdfunding training program open to non-profit organizations and organizations operating in their area. During 2025, 3 cycles of training activities were carried out, which led to the financing of projects for a total of €52,829.

Social Housing

Initiatives with a social impact implemented by the Group include most notably social housing initiatives, within a broader project that saw the establishment in 2014 of a Social Housing Real Estate Fund, called the Iccrea Banca Impresa Fund (the "IBI Fund").

The entire project plan of the initiative, worth €80 million, is being implemented by Investire SGR through the IBI Fund and is financed for €60 million by CDP Real Asset (through the Alternative investment fund Fondo Investimenti per l'Abitare) and for €20 million by Iccrea Banca together with Emil Banca.

The social housing project, at the basis of the Fund, is aimed at the construction of 500 residences in Emilia-Romagna, Veneto and Lazio, with the aim of increasing the supply of social housing for rent and for sale at agreed values, to support and integrate public policies to combat housing hardship. Social housing is intended as a long-term investment to support those who cannot find an adequate answer to their housing needs on the free market, despite being able to afford a controlled rent; in addition to the economic aspect, this type of initiative aims to stimulate the creation of social contexts of sharing, also thanks to activities that encourage group initiative and assistance in situations of hardship.

In this area, BCC Veneta's initiative, which supported the "Casa San Bernardino Social Housing" project, stands out. This project represents a concrete intervention to address housing challenges in the area. With a €30,000 grant,

the mutual bank contributed to the construction of four apartments, spread across the first and second floors of the Convent of Santa Lucia complex, for a total of 30 beds for social housing. The ground floor of the complex will also host social services offices, aimed at providing guidance and qualified support to those experiencing difficulties. The project is part of a vision of solidarity and social responsibility that promotes inclusion and dignified housing.

BCC Arte & Cultura

BCC Arte&Cultura is the Group's strategic project in line with its mutualistic and cooperative vocation to promote art and culture in local communities. Created in collaboration with Fondosviluppo as the funding body, the initiative was launched on December 10, 2024 with a press conference at the Braidense National Library and develops along three main lines—Art, Schools, and Reading—with the aim of enhancing the mutual banks as cultural and social outposts of local communities.

The Group's broad-based, structured initiative, with a multi-year program, strengthens the role of mutual banks as cultural intermediaries in their communities. The banks are called upon to enhance and connect the diverse cultural energies and realities of local communities, helping to generate social cohesion and open new development prospects and visions for the future of future generations.

With reference to the three development areas, we can report the following:

- **ART:** the cornerstone of this project is the catalog "L'Arte dei Territori" (ECRA), edited by Cesare Biasini Selvaggi, which was published in an expanded edition in 2025. The catalog groups gives access to the art collections of 80 mutual banks and the Parent Company—spanning from Magna Graecia to the present and falling into six categories: archaeology, architecture, historical archives, artistic craftsmanship, painting, and sculpture—for a total of 150 works, offered to the public as an expression of local art and genius loci. 1,000 free copies were distributed to the Group mutual banks and companies. The works are also available on the BCC Arte&Cultura portal, a digital showcase of local art and culture, in both 2D and 3D, in a dedicated Gallery that has transformed the artistic heritage into a shared immersive experience. In 2025, the mapping of emerging artists under 35 was also concluded, curated by Cesare Biasini Selvaggi and a scientific committee, made public at the press conference of December 1, 2025 and at the basis of the FUTURI EMERGENTI ITALIANI editorial and exhibition initiative.
- **SCHOOLS:** the Schools project brought regional art to middle schools through the digital textbook "Percorsi Didattici. Alla scoperta dell'Arte dei Territori nelle collezioni delle Banche di Credito Cooperativo," edited by Stefano Cravedi, and offered by 25 mutual banks to 37 schools. This innovative and inclusive tool supports teachers in teaching art history and, more generally, in the cultural education of young people in that age group.
- **READING:** In 2025, the BCC Book Club opened its doors to the local communities of the mutual banks, transforming an initiative originally designed for employees of the Parent Company and direct scope companies into an experience open to shareholders, customers, and local communities. The goal is to promote reading as a lever for cohesion and cultural growth, offering a tool to combat the phenomenon of functional and literary illiteracy. The first edition (2025) involved 21 mutual banks and 46 bookstores on the theme of traveling with the reading of three novels: Alma (Federica Manzoni), Piero fa la America (Paolo Malaguti), Tangerinn (Emanuela Anhoum), digital discount vouchers to be used in local bookstores and three Instagram live presentations. Also in 2025, the collection of registrations for the "Nascere" edition (2026) was concluded, which involved 50 bookstores and 36 mutual banks, with over 30 literary events planned for 2026.

To support the three areas, BCC Arte&Cultura activated a structured system of communication and outreach channels in 2025 to amplify the initiatives' impact in the local communities. The BCC Arte&Cultura portal, through its News and Events sections, continuously showcased the cultural activities promoted by the mutual banks, enhancing social dynamism of local communities. At the same time, the social media campaign on the Group's LinkedIn and Instagram channels, also relaunched by individual mutual banks, strengthened the project's visibility overall. A further boost to outreach came from the project's promotion on the "è cultura" portal of the Italian Banking Association, of which the Group is the main partner, fostering dialogue between local and national players and consolidating the mutual banks' cultural positioning within the Italian banking environment.

Social Impact Measurement

The Group has long pursued a path to promote sustainable, inclusive development geared toward the well-being of local communities. This is not simply a strategic objective, but a vocation rooted in the Group's identity and its role in promoting and developing mutual banking, exclusively owned by local communities. Through its mutual banks, the Group promotes a vision of growth that combines economic strength, social cohesion, and environmental responsibility, helping to generate a positive impact in the communities where it operates.

This vision translates into a concrete commitment consistent with the guiding principles of our Credit Charter of Values and Article 2 of the Articles of Association, which establishes the profound connection between the banks' operations and the sustainable development of local communities. A connection built on proximity, trust, and shared responsibility, which places individuals and communities at the center of banking activity.

In this sense, sustainability, and in particular social sustainability, is deeply rooted in the genetic makeup of the Group and has always been realized through its dedication to households and small and medium-sized businesses, with the goal of building the common good. This dedication has always been both economic and social in nature, understood as the pursuit of the moral, cultural, and economic well-being of its shareholders, the promotion of cooperation and education in savings and pensions, as well as contributing to building social cohesion.

In this context, a project to define an evaluation model for measuring the social impact generated in the communities was launched in 2025, reflecting the Group's identity and the distinctive role of the individual mutual banks. In particular, the project envisages the definition of a framework for identifying and measuring the specificities and social impacts generated by the Group in the areas in which it operates and the evaluation of the social impacts determined by the mutual banks in carrying out their core business in their respective areas of operation.

Financial education

The legislator, drawing on the definition of the Organization for Economic Co-operation and Development (OECD), describes (Art. 24-bis Law 15/2017) financial, insurance, and pension education as "the process through which people improve their understanding of financial instruments and products and develop the skills necessary to acquire a greater awareness of financial risks and opportunities."

Financial education is therefore recognized as having a fundamental role, both as a tool for consumer protection and as a means of promoting a more informed use of financial instruments and services offered by the market.

The Group, consistent with the values of mutual banking, considers financial education an essential activity for the development of its sustainability strategy.

This also includes the memorandum of understanding signed between Iccrea Banca and the Fondazione del Credito Cooperativo Tertio Millennio – a non profit organization aimed at promoting the dissemination of financial education, enhancing the principles of mutualistic cooperation and responsible credit.

Under the agreement, the parties expressed interest in developing a collaborative relationship implementing the "Epic Finance! – Cooperative and Mutual Financial Education" project, a Foundation initiative aimed at providing tools and knowledge on financial education to secondary school students.

This modular program covers topics such as the civil economy, savings, gambling, and more.

Numerous initiatives were undertaken throughout 2025 throughout the country, including through affiliated banks. With particular reference to "Epic Finance!", in the 2024/2025 school year, 36 affiliated banks implemented the project at over seventy schools in their local communities, involving several thousand students.

Among other things, this prestigious initiative included events scheduled for the Global Money Week (GMW), a global event organized by the OECD between March 17 and 23, 2025.

The project is ongoing also throughout the current school year (2025-2026); during the "Financial Education Month 2025" (#NovembreEdufin2025), around thirty initiatives were included in the official calendar of the event organized by the Committee for the Planning and Coordination of Financial Education Activities (Edufin Committee).

During 2025, content strategy and awareness-raising activities on financial education topics were further strengthened through a structured multi-channel presence.

In particular, the editorial activity of the Group's financial education portal benefited from a significant expansion, with the transition to weekly programming. This greater continuity has allowed the publication of over fifty new editorial pieces, divided into:

- news, dedicated to addressing specific current issues;
- factsheets, or "tools" for exploring technical topics;
- technical glossary entries, aimed at making financial language more accessible.

At the same time, the portal's events calendar was continuously updated, ensuring timely and widespread coverage of local initiatives.

The digital communication strategy identified Instagram as one of the main tools for raising awareness, recording a significant increase in both the quantity and quality of published content.

The peak of activity occurred during "Financial Education Month" (#novembreEdufin2025), when the platform was used to disseminate educational messages through dynamic and easily accessible formats.

This is the context for the collaboration with the Fondazione del Credito Cooperativo Tertio Millennio – ETS, which gave rise to the "Pillole di Finanza Epica!" (Epic Finance Pills!) format, a series of live streams dedicated to the Civil Economy, financial planning and saving.

INITIATIVES TO PROMOTE FINANCIAL EDUCATION

Initiatives (no.)	2025	2024
Initiatives targeted at young people	423	201
Initiatives targeted at office workers	14	2
Initiatives targeted at migrants	-	2
Low-income initiatives	-	6
Other*	123	63
Total initiatives	560	274

*The figure for 2024 include initiatives targeted at shareholders/customers

The nature of the Group and its principles, expressed as statutory and ethical principles, imply a constant commitment to supporting the territory and consequently providing continuous support for its socio-economic development. For this reason, the Group has not set measurable targets in relation to positive impacts and opportunities related to supporting the territory.

In addition to the Sustainability Steering Function, other functions within the Parent Company, in particular the CBO area, also have the responsibilities of seeking and promoting initiatives with a positive environmental and social impact. This ensures that opportunities to create strategic partnerships and pursue the creation of positive impacts on the territory can be seized.

The ESG Committee ensures the pursuit of sustainability objectives and their integration into the Group's business plan, as well as adequate management of impacts, risks and opportunities.

At a local level, the establishment of local area committees allows the interception of local needs and preferences as well as their integration into the process of allocating resources for charity, sponsorship, and support of commercial initiatives with charitable purposes.

ESRS S4 – CONSUMERS AND END-USERS

The Group adopts a structured and responsible approach to assess and manage material impacts on its customers, recognizing the importance of analyzing not only the direct and indirect effects of its activities, but also of investigating the opportunities that arise from the interaction with its customer base, composed of businesses, households, local government and third sector organizations.

The Group's impact on customers is closely linked to the nature of its financial and banking services, which can generate significant benefits, such as improved access to credit, financial inclusion and support for the sustainable development of communities. However, the organization is aware of potential risks, such as the difficulty of access to services by certain segments of the population or the risk of misunderstandings in the use of complex financial products.

Among the main positive impacts generated by the Group's commercial offering (and related to business opportunities in terms of strengthening and expanding the customer portfolio) is the increased access to products and services for all categories of consumers, thanks to the development of a wide range of products and services marketed through a multi-channel strategy providing the highest level of assistance, advisory and information services based on the preferences of potential and current customers, including people with disabilities, while ensuring maximum protection of the confidentiality of information (thanks to a solid ICT system and privacy monitoring processes) as well as their transparency and correctness (thanks to the controls on the supervision and governance of the products). The offer of products with environmental, social and governance sustainability features and/or aimed at specific categories of subjects, in support of the communities in which the Group operates (third sector and micro-enterprises; see section “ESRS E1 – Climate change”, “Actions and metrics”, and “ESRS S3 – Affected communities”, “Actions”), also contribute to further strengthening the solidity and proximity to customers and the territory, therefore to increasing market shares. Finally, several financial education initiatives contribute to increasing access to credit and protection of consumer and customer rights (more information in section “ESRS S3 – Affected communities”, “Actions”). These actions are balanced by policies and processes aimed at mitigating operational and reputational risks associated with potential breaches on consumers' and customers' personal data and transparency in the offer of products and the management of related commercial relationships, through constant monitoring of the adequacy and effectiveness of the controls ensuring the correct functioning of ICT systems and execution of product marketing activities. In addition, the evolution of regulations on digital processes is constantly monitored, as well as the trend of customer preferences, in order to reduce the risk of not promptly seizing the resulting market opportunities.

ESRS S4-1 - POLICIES

The Iccrea Cooperative Banking Group places great value on the relationship with its customers, committing to responding attentively and professionally to their needs and concerns. This attention is reflected not only in the offer of quality products and services, but also in the management of any problems or dissatisfaction. The following section provides an overview of the policies that guide the Group's approach to managing customer relations, including the management of complaints and litigation, with the aim of ensuring a relationship of trust and transparency.

The Iccrea Cooperative Banking Group's policies regarding relations with consumers and end users are designed in full compliance with international standards, promoting transparency, responsibility and protection of rights. The guiding principles and guidelines that the Group Companies must comply with in their relations with customers and shareholders are set out in the Group Charter of Commitments to Protect Human Rights and Code of Ethics (for more information, see previous section “ESRS S1 – Own Workforce”, “Policies”), published on the website of each Group Company. The Group complies with the United Nations Guiding Principles on Business and Human Rights and the goals of the 2030 Agenda for Sustainable Development, with particular attention to the protection of consumer rights, sustainability and the promotion of a fair and inclusive economy.

Policies for the protection of personal data comply with the provisions of, among others, Regulation (EU) 2016/679 (GDPR), Legislative Decree 196/2003 (Personal Data Protection Code), the Provision of the Personal Data Protection Authority of May 12, 2011, and Circular 285/2013 of the Bank of Italy.

In order to ensure that operations and commercial practices do not contribute to causing negative impacts on consumers, consumer rights protection policies, aligned with external legislation, are issued by the Parent

Company, at the conclusion of the decision-making process of the Corporate Control functions, and implemented by the Board of Directors of all Group companies. Their adequacy in respect with legislation is assessed from time to time by the competent functions, while the risks of ineffectiveness of the controls designed and implemented by the Group are periodically assessed to mitigate, in turn, the risks of violation of the legislation and failure to comply with the Group's policies and guidelines. The results of control activities and, with reference to the channels for expressing concerns, the annual report on complaints, are the subject of specific information flows to the relevant board committees and the Boards of Directors of the Companies. Furthermore, employees are subject to mandatory training programs defined by the Parent Company, in line with applicable legislation, including specialist training based on the function held, in order to ensure that all Group people possess necessary knowledge and skills.

Policies relating to the management of customer relations

The "Group Policy for Handling Complaints and Out-of-Court Disputes" regulates the management of complaints received from customers and out-of-court disputes, ensuring that they are handled with care, transparency and in compliance with current regulations. The Iccrea Cooperative Banking Group places the relationship with customers at the center of its operations and is committed to meeting their needs and strengthening trust through a fair examination of complaints and disputes and continuous improvement of products and services. If customer expectations are not fully met, the Group promotes a collaborative approach to resolve the issues that have emerged. In compliance with current legislation, the Policy establishes behavioral guidelines and defines internal responsibilities for managing complaints and out-of-court disputes. The Complaints function of each legal entity of the Group is responsible for managing complaints and out-of-court disputes complying with out all legal requirements, including the drafting of the annual report and the publication of the statement on the page of the website dedicated to complaints. Based on the reports of the Complaints function, the Compliance function periodically reports to the corporate bodies on the overall status of complaints, on the rulings of the Financial Banking Arbitrator and the judicial authority that have defined in a manner favorable to customers issues that were the subject of previous complaints, deemed unfounded, on the main critical issues that emerge from the complaints received and on the adequacy and effectiveness of the procedures and organizational solutions adopted.

The Policy is approved and reviewed at least annually by the Board of Directors of the Parent Company, which is also responsible for its correct implementation, as well as any changes to it. The Policy is adopted by the individual companies following approval by their own Board of Directors. Each change to the document follows the same approval process.

The Process Rules define the operating procedures for the management of complaints and out-of-court disputes to be adopted at the level of the individual entity, with the aim of promptly resolving the problems raised by customers, ensuring prompt and exhaustive responses. These procedures are structured to prevent the recurrence of situations that may cause dissatisfaction, promoting continuous improvement in the quality of the services offered. In detail, the process is divided into two main phases: the handling of complaints, which includes the procedures necessary for the effective management of complaints relating to banking, financial, investment and insurance intermediation services; and the handling of legal disputes, which establishes the methods for managing proceedings, including those before the Financial Banking Arbitrator, the Arbitrator for Financial Disputes, the Prefect or other authorized mediation bodies.

Policies relating to the management of customer relations

In consistently pursuing commercial offering models aimed at fostering relationships with its target market, particularly with retail customers, based on principles of transparency, fairness, and significant reduction of customer detriment risks, the Group has recently updated its internal regulatory framework for Banking Transparency, issuing the new Group "**Banking Transparency Policy**" and the related new "**Group guidelines on Banking Transparency**."

The aforementioned primary operational sources set out operational, behavioral and protection guidelines that the operators of the Group companies must constantly adopt in all phases of the promotion, marketing and post-sales management of banking products and services offered to customers.

The Policy responds to the Group's commitments in enhancing relationships with potential and loyal customers, continuously responding to their needs, with a view to increasing their level of satisfaction, and to the needs expressed from time to time.

A special emphasis is placed on the guidelines and directions for adopting commercial practices with Consumer customers, strengthening the customer service and financial inclusion operational methods typically adopted by Group companies—from the early stages of advertising and pre-contractual promotion—for their offering of Banking Products and Services falling within the regulatory scope of the Payment Accounts Directive (PAD), Consumer Credit Directive (CCD), and Mortgage Credit Directive (MCD).

The constant renewal of organizational structures, supported by an increasingly updated training catalog, reinforces the Group's commitment to proactive relationships and ongoing customer support. The goal is to direct end users toward appropriate products and services that meet their needs, and to provide the detailed information necessary to enable customers to make clear, informed, and independent decisions.

In addition to the aforementioned primary operational sources, the Parent Company has also drafted specific secondary operational regulatory sources (Process Regulations and Operating Standards), intended for the Group's affiliated banks.

The Parent Company makes the processes available through the Kadma system, allowing affiliated banks to adapt the validated operational description "model", download the process into the internal repository, make adjustments to the operational context and approve the adapted version of the process. Finally, Process Managers will have to evaluate any updates to the business impact analyses (BIA) in collaboration with the Business Continuity Plan Manager.

The **Product Management Group Policy** covers all products and services (banking, insurance, financial and others) and aims to define the general principles, guidelines, responsibilities and roles of the functions involved in the Product Management model, ensuring that all phases of the life cycle of products or services, from conception, to development, distribution, continuous monitoring, and disposal, are carried out in compliance with the external regulatory framework,¹¹⁵ ensuring consumer protection through transparency and regulatory adequacy of the products. The Product Management model is divided into two main areas:

- product approval: includes the activities and responsibilities for the conception, feasibility and approval of new products or services, modifications to existing ones, introduction into new markets and distribution channels, and discontinuation of. The scope of this Policy also includes products developed by companies external to the Group and distributed on the basis of distribution agreements. Exceptions include insurance investment products subject to execution services (e.g. "execution only") and other specific cases;
- product governance (POG): regulates the obligations and responsibilities of manufacturers and distributors in the conception, distribution and periodic review of products to ensure that they are appropriate for the target market and monitored during their life cycle and applies to banking, financial and insurance products subject to Product Governance obligations.

The policy defines the operational procedures, the responsibilities and actions necessary to ensure compliance with the applicable regulations, the preventive assessment of risks associated with the creation of new products and services, the modification of existing products and services, their marketing, and the continuous monitoring of both own and third-party products and services. Monitoring activities on banking, financial and insurance products originated or distributed by the Group are carried out at least annually, based on continuous collection of internal and market information (for example, problems encountered with customers during the initial marketing phase), and involve specific remediation procedures based on the riskiness of the product being analyzed, which also involve the Parent Company's board committees and Board of Directors (as well as the individual Group Companies, as far as they are competent). The Product Management model takes into account local peculiarities and territorial autonomy and generally provides that the activities are carried out at the Affiliated banks or direct scope companies in compliance with this Policy and the related methodological annexes defined by the Parent Company. The involvement of the Parent Company is also provided for in specific cases both in the assessment phase, through the intervention of the Parent Company functions, and in the approval phase, with the involvement of the Product Committee which issues a mandatory non-binding opinion in favor of the deliberative body of the Proposing Company. Finally, the defined model provides for the integration of the assessment of Environmental, Social and Governance factors (ESG factors) in the Product Approval processes, in order to promote the Group's sustainable development path.

The **Circular on digital accessibility** highlights the growing importance of digital accessibility, supported by stringent regulations and sanctions that can cost up to 5% of turnover in the event of non-compliance. Digital accessibility implies that IT systems are also usable by people with disabilities, in line with the values of inclusion

¹¹⁵ Including, Circular 285/2013 of the Bank of Italy, the Consolidated Banking Act, the Consolidated Law on Financial intermediation, the IDD Directive, the MIFID II Directive, and the EBA provisions and guidelines on internal governance and products.

and equality always central to mutual banks, the social factor and the related Group objectives. The regulatory framework includes a number of regulations such as the European Directive 2019/882 (European Accessibility Act), the Stanca Law, the Simplification Decree, the AgID guidelines, and other directives on transparency and banking governance. To support banks in adapting to the regulations on digital accessibility, the Parent Company has planned central interventions including:

- an analysis of websites to identify any gaps with respect to current legislation;
- the publication of accessibility statements for each website;
- the use of artificial intelligence to improve the usability of websites according to WCAG 2.1 standards;
- the creation of models compliant with ABI guidelines for transparency;
- manuals for creating accessible content and online and in-presence training days;
- improved customer support services with active chat for users with telephone difficulties;
- in the branches, adhesion to the European Charter for Disability and launch of the dedicated "Al tuo fianco" account.

Banks are required to send specific information (employees with disabilities, dedicated workstations, training organizers and participants) to a dedicated email address.

Customer privacy policies

The Iccrea Cooperative Banking Group has defined the Group **Policy for the protection of personal data** which regulates the general principles, the organizational model, the main roles and responsibilities aimed at protecting the right to the protection of personal data in accordance with the current regulatory requirements, in the context of the data processing carried out by the banks and companies of the Group or for which they assume responsibility. The prevention of risks related to possible breaches of the right to privacy (from incorrect functioning of the ICT system or management of activities not in line with policies and operating rules) also represents an opportunity to increase customer loyalty.

The Policy is periodically reviewed to ensure its adequacy and alignment with applicable legislation, examined by the Compliance function and approved by the Board of Directors of the Parent Company and of each Group company (following the approval process of the corporate control functions).

The Policy is integrated by the following annexes:

- "Methodology and Criteria for the assessment of risks and impact on the processing of personal data";
- "Guidelines on Incident Management with a particular focus on personal data breaches";
- "Guidelines on Video Surveillance and Video Recording";
- "Guidelines for the management of personal data rights";
- "Guidelines for determining the legal basis of data processing";
- "Guidelines for the management of Requests for information and Inspections by the Privacy Guarantor";
- "Guidelines for Data Retention";
- "Guidelines for the Credit Information Systems (SIC)".

The Group has also adopted a **Process Standard**, which sets out the main processes, roles and responsibilities in terms of privacy.

The main roles defined within the Group Policy for the protection of personal data are:

- Data Controller: assigns specific delegated powers to internal personnel or to personnel from other Group Companies, through a resolution of the Board of Directors or internal regulations. Delegated responsibilities include the appointment of external Data Processors, the designation of Internal DPO Representatives, Data Privacy Managers, System Administrators and the definition of directives on physical and IT security for the protection of personal data;
- Data Protection Officer (DPO): monitors compliance with the GDPR regulations, reports to the Data Controller and has management autonomy;

- Mutual banks DPO: supports the Affiliated banks by providing advice, verification and management of requests from interested parties, in coordination with the Supervisory Authority;
- Internal DPO Representative: acts as a link between the Group companies and the DPO of the Parent Company, with transversal skills on company processes;
- Data Privacy Manager: responsible for GDPR compliance for specific processing, promotes appropriate internal practices;
- Data Processor: external subjects in charge of data processing, designated with specific instructions to ensure security and compliance;
- Data Processor: natural person who carries out processing operations on personal data under the direct authority of the Data Controller or the Data Privacy Manager.

As required by current legislation on privacy and processing of personal data, as implemented in the Group's internal rules (including Regulation (EU) 2016/679 - GDPR, Legislative Decree 196/2003 - Personal Data Protection Code, the Provision of the Authority for the Protection of Personal Data of May 12, 2011, Circular 285/2013 of the Bank of Italy), the risk of violation of privacy and the impacts of personal data processing are continuously assessed and monitored, while at the same time evaluating the controls designed and implemented by the Group to mitigate such risks.

The Policy and the operating Process standard are published on the company intranet and are available to all employees, who also have access to a dedicated intranet section offering information sheets on current issues related to security and data processing.

During the second half of 2025, the DPO also launched a "Privacy Pills" project aimed at spreading a culture of personal data protection within the Group, through short messages posted on the company intranet and aimed at raising user awareness of high-privacy issues (e.g., management of consent and requests to exercise rights, data breaches, tracking of banking transactions). The project includes the publication of specific content (mini-factsheets and infographics) on a dedicated landing page accessible to Group employees on a monthly basis throughout 2026.

The Group **Policy on Information Security** includes the main guidelines for preserving information security and ensuring its protection also in terms of confidentiality, the violation of which is a violation of the Code of Ethics. The Policy, approved by the Board of Directors of the Parent Company and the Group companies, is subject to ongoing checks in relation to its adequacy with respect to external regulations (including, in particular, the Bank of Italy circular 285/2013, and the EBA guidelines on "ICT and security risk management").

The Group has also defined the Group Incident Management Policy and the Group Operational Continuity and Resilience Policy.

The first defines the Incident Management Model with the objective, among other things, of providing guidance on the management of incidents detected within individual Group companies, in order to minimize the impact on processes, including those resulting from losses of confidentiality, integrity, and availability of information, and support the restoration of normal operations.

The second defines the Group Operational Continuity and Resilience Management Model, with the objective, among other things, of ensuring effective management and monitoring of Operational Continuity and Resilience requirements; ensuring the adoption of Operational Continuity and Resilience Solutions; improving the effectiveness of the operating methods and operational continuity solutions in place; and ensuring the coordination and monitoring of response and management activities in emergency or crisis scenarios. The Policy also defines the requirements and main characteristics of the Operational Continuity and Resilience Plan, which also includes the Resilience and Response Plans related to the Disaster Recovery Plan.

Formal reporting to the Parent Company management and Board of Directors is carried out as part of the activities of a specific Security, Continuity, and Operational Resilience Committee (CSCO), which meets at least every six months or in the event of significant changes. The CSCO is an intra-group body responsible for assessing the effectiveness of the protection measures envisaged or required to ensure adequate levels of Security, Continuity, and Operational Resilience, as well as planning and monitoring their adaptation activities. Furthermore, the CSCO performs the Management Review function for the Information Security Management System (ISMS) and the Business Continuity Management System (BCMS).

ESRS S4-2 - PROCESSES FOR ENGAGING WITH CONSUMERS AND END-USERS

Considering the value attributed by the Group to the relationship with its customers, concrete actions have been taken showing its commitment to meeting, with attention and professionalism, their needs and concerns. Below are some initiatives implemented during 2024.

Customer Satisfaction

The main customer experience measurement activities performed in 2024 as an instrument for engagement with stakeholders were:

- customer satisfaction survey on the general managers of the Affiliated banks, with the aim of measuring the overall satisfaction of the banks both on specific items and in relation to the perceived quality of the Group companies product/business;
- customer satisfaction survey aimed at the business representatives of the Affiliated banks with the aim of measuring the level of satisfaction of the banks with the products/services offered by the direct scope companies and business units;
- customer satisfaction survey for selected mutual bank customers: the survey was structured in order to verify the alignment between customer's expectations with their perception of the quality of the service delivered; acquire a potential framework of actions necessary to define and implement improvements and create value in the relationship between the bank and the customer; implement a quality improvement plan according to the PDCA logic (plan, do, check, act) and monitor KPIs over time;
- customer satisfaction survey for participants in commercial events: the survey is carried out to understand the overall level of satisfaction related to key drivers in relation to single events and understand the related drivers in order to improve the CBO Area events.

Of particular importance is the customer satisfaction survey carried out by the affiliated banks, supported by Iccrea Banca. This was launched as an Iccrea Banca service for a select group of mutual banks, aimed at perfecting a customer experience model to measure and improve the quality of services offered to their customers. In 2025, an analysis was conducted with several select mutual banks, using different methodologies depending on the size of their portfolios, using both CATI (Computer Assisted Telephone Interview) and CAWI (Computer Assisted Web Interviewing) telephone surveys. This successful experience allowed the Parent Company to refine the content of the survey and finalize a qualitative and quantitative CS standard offering mutual banks a standardized service in terms of benchmarks, to be customized based on the needs of each individual bank. The survey used the Net Satisfaction Index (NSI), a satisfaction indicator that measures the quality of the service offered, based on the analysis of collected responses. This approach allows for the collection of in-depth feedback on the quality of the service, allowing the mutual banks to respond in a targeted manner to customer needs and implement continuous improvements. Thanks to these surveys, the mutual banks strengthen their commitment to management focused on customer satisfaction and improving the quality of the banking service.

Adoption initiatives

Adoption Acceleration Program is aimed at supporting the affiliated banks in their digital transition as well as the achievement of the Group's digitalization objectives and maximize the potential of direct channels.

The Adoption Program benefits:

- mutual banks end customers: communications to support customer digitalization growth in terms of subscriptions/usage (transactions and multichannel tools) and satisfaction levels.
- Specifically, two campaigns targeting Group customers without RelaxBanking and four engagement campaigns for existing Group customers have been completed. Furthermore, recurring customer activation and engagement campaigns have been designed and tested with four pilot mutual banks. Once extended to the entire Group, they will involve approximately 80,000 new customers per year.
- mutual banks staff: training for managers on internet banking features (8 pilot sessions with 5 mutual banks, with an 84% satisfaction rate), training on new features released during the year (9 sessions during 2025), access to a digital educational environment with training content (reaching 5.5 thousand unique visitors, who viewed 16.5 thousand pages), events (e.g., RelaxDay Imprese, dedicated to business customers of 2 mutual banks), and support materials to increase participation and use of the banks' catalog of digital solutions and tools.

Greater adoption of digital tools by mutual banks ensures greater commercial effectiveness, increased cross-selling opportunities, and the achievement of full digital potential, consistent with the digital strategy.

As part of the Adoption Acceleration Program, in collaboration with the Service Models and Full Potential Unit, the Digital Innovation & Multichannel Division supports mutual banks with Full Digital Potential projects. The project aims to:

- cluster the mutual banks customer base based on digitalization, distinguishing digital customers, digital “eligible” customers and non-digital customers;
- increase the share of so-called “full digital” customers (they have activated digital services, have at least one ATM for using ATM/CSA, have complete personal data and have provided privacy consent for commercial contact);
- optimize the operations of customer assistants, transferring part of the cash operations to digital channels in order to be able to manage customers even remotely;
- encourage self-service customer services on direct channels by reducing “low value-added” transactions for the branch (e.g., bank transfers from internet banking instead of at the counter);
- activate new “outbound” channels (e.g., telephone banking) to design new multichannel customer journeys.

A total of 48 mutual banks have implemented Full Digital Potential initiatives. Of these, 16 have completed the program by 2025, and six are currently undergoing assessment/campaign activities. The program is proving effective, with a growing proportion of omnichannel customers (approximately 30.1%) in the banks implementing the project compared to the Group average.

In addition, the affiliated bBanks, with the support of Iccrea Banca, are analyzing customer comments and opinions on the main digital channels, such as social media (LinkedIn, Facebook, Instagram) and the Group's website. The goal of collecting direct feedback on the quality of the products and services offered, allows the mutual banks to better understand customer needs and adapt their offerings over time. Comment analysis also facilitates the dissemination of the Bank's initiatives and projects, strengthening dialogue with the community and improving transparency. Furthermore, some mutual banks have also launched a project aimed at measuring and demonstrating the sustainability of SMEs, through conferences and communication activities on digital channels to promote responsible and informed resource management. This process of monitoring and interaction on social and digital channels allows mutual banks to actively listen and respond to their customers' expectations in real time.

BCC Innovation

«BCC Innovation» is a brand created to consolidate the role of mutual banks as accelerators of technological innovation and sustainable development. It represents a Group collector within which mutual banks can bring together all initiatives and actions in favor of economic growth and innovation in the territory, such as collaborations with business incubators and training institutions, provision of financing at favorable conditions, sponsorship of training courses.

The brand welcomes Group initiatives, promoted and organized with/by the mutual banks, such as BCC Innovation Festival. BCC Innovation Festival is promoted by the banks of the Iccrea Cooperative Banking Group with the aim of identifying entrepreneurial ideas in line with the targets of the UN 2030 agenda from innovative startups and SMEs and accompanying them towards growth and positioning on the market through incubation and acceleration paths provided by selected partners. 2025 saw the conclusion of the third initiative with 388 proposals, 30 Champions, over 20 partners and 7 winning ideas that had access to academies or incubation/acceleration paths. Together with a pitch with selected investors and international partners. The fourth edition was also launched in 2025, activating the network developed in previous editions (including the mutual banks, the Scientific Committee, the Sponsors, the Partners, and all the contacts developed during the initiative). The initiative attracted approximately 400 participants, 31 Champions, and 8 winning ideas that started growth paths delivered by rewarding partners to meet their customers' expectations in real time.

The project has the aim of allowing mutual banks to stimulate technological innovation in their area of expertise and to support the growth of innovative startups and SMEs, shareholders and customers. The objectives include channeling and retaining within our communities the resources that the National Recovery and Resilience Plan (NRRP) will allocate to digitalization, innovation, competitiveness and tourism, the green revolution (with the ecological transition) and sustainable mobility in the coming years. Through this initiative, the mutual banks have the opportunity to get in touch with potential new customers and shareholders and with institutional innovation

players, taking an active role in the development of innovation.

In this initial setup phase of the next event, mutual banks use surveys to know expectations for the new edition and receive feedback on the previous one. The process then includes a plenary session to present the initiative and a phase of promotion and collection of applications in which the mutual banks and the Group involve end users with local events, focus groups, open dialogue with shareholders and customers and with the transversal and integrated use of the different communication channels. The path as a whole includes phases of membership, evaluation, selection, training, mentoring and networking with active participation of all users involved. The evaluation of the effectiveness of the engagement channels is carried out with periodic monitoring meetings with key stakeholders/users. Furthermore, engagement KPIs of the Group's communication channels are monitored at specific moments of the initiative.

ESRS S4-3 - PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR CONSUMERS AND END-USERS TO RAISE CONCERNS

The Iccrea Cooperative Banking Group has defined processes to remedy or cooperate in remedying negative impacts on consumers, and has identified channels for consumers to raise concerns and receive assistance.

Complaints

The Group adopts a structured and technologically advanced approach to the management of complaints and out-of-court disputes, ensuring a timely, transparent response that complies with industry regulations. In particular, the Group has implemented procedures and tools that ensure effective and uniform management of all reports received, helping to resolve customer issues in a fair and effective manner. All complaints filed by customers are recorded, processed and responded to within the timeframes set by current legislation. This activity is managed by the Complaints unit of each company of the Group, subject to industry regulations, which ensures timely and compliant management of the issues raised. If customers are not satisfied with the response received, they may resort to alternative dispute resolution (ADR) tools, such as the Banking and Financial Arbitrator (ABF), the Arbitrator for Financial Disputes (ACF) or the Insurance Arbitrator (ASS). As an alternative, the customer has the possibility of submitting a request for mediation to an accredited mediation body, registered in the Register of conciliation bodies held by the Ministry of Justice. This system guarantees an additional channel of resolution for problems not resolved through complaint management, thus ensuring adequate protection of customers.

The main procedures adopted by the Group to handle complaints and disputes, as well as to support customers in resolving their problems, are described below.

Complaints Repository

Starting from June 2022, all companies of the Group subject to the regulations on handling of complaints and out-of-court disputes use the Group "Complaints Repository". This tool was developed to centrally record and manage complaints, and was implemented in compliance with the regulatory requirements and directives of the Supervisory Authority.

The application guarantees uniform management of complaints, ensuring accurate collection of documentation and complete traceability of reports. Furthermore, the "Complaints Repository" is integrated with other management systems, facilitating the interaction between different company platforms, and thus supporting efficient information handling in respect of complaints and out-of-court disputes by the various company functions involved, also through the processing of statistics and monitoring reports.

During 2025, 2,282 complaints were received at Group level (down by about 12% compared with 2,588 complaints in 2024), of which 492 were fully accepted (corresponding to 21.17% of the total complaints) and 192 were partially accepted (corresponding to 7.41% of the total complaints), which mainly concerned disputes relating to the following topics:

- transaction execution (e.g., errors or delays in transaction execution; mortgage portability/repayments/re negotiations; transactions performed without prior authorization, etc.);
- application of contractual terms;
- poor or unclear and untransparent communications and information to customers;

- organizational and behavioral aspects of personnel;
- reporting to the Central Risk Office;
- fraud and losses;
- application malfunctions.

"Fully accepted" complaints are those for which the bank adopts a solution entirely in favor of the customer. Conversely, for "partially accepted" complaints, the bank adopts a solution that is partially in favor of the customer.

Contact Center Telephone Banking service

The Contact Center and Telephone Banking Project is still active and improving in 2025, with the aim of innovating, evolving and improving the centralized assistance service for shareholders and customers. The continuous implementation of the contact center also allows its purpose to evolve, from an assistance tool to a channel for the development of commercial activity.

Privacy

The DPO does not use specific channels to involve data subjects about their methodological choices for the implementation of the Group privacy model. In compliance with the regulatory provisions, data subjects have specific contact addresses available to exercise their rights such as access to personal data, reporting of any data breaches. The same channels are used by the DPO in the event of communication to data subjects, which can be carried out, where they need to reach a multitude of subjects, also through publications on institutional company websites.

With specific reference to customer consent, the current Group Policy on the Protection of Personal Data governs the process of obtaining and managing consent from data subjects, as set forth in Section 7.4.

Consent is obtained in compliance with Article 6 of the GDPR and is represented in the customer information notices, in a clear and detailed description, indicating the purposes the Data Controller intends to pursue. In accordance with the regulatory provisions, consent is expressed by data subjects in a free, informed, and informed manner, before the processing is carried out.

Specifically, consent is requested with reference to:

- sending advertising materials, conducting market research and surveys, as well as direct sales and commercial communications relating to products or services;
- analyzing customer behavior and preferences.

This consent is limited to processing carried out by the Data Controller, other Group companies, and other third-party companies that have commercial agreements with the Data Controller.

It is also possible to modify previously expressed consent electronically (Home Banking service) or by contacting the Data Controller (email/request at the branch).

ESRS S4-4, S4-5 - ACTIONS

In 2025, the Iccrea Cooperative Banking Group implemented numerous customer support initiatives, confirming its commitment to respond with attention and professionalism to the needs of end consumers. The Group's digital strategy aims to increase the value-generating capacity of mutual banks through the introduction of technological solutions designed to improve production, distribution, and customer relations processes with both current and potential customers. This approach is addressed through the following strategic themes.

Digital transformation Plan

During 2025, the **Digital Transformation Plan** entered its full implementation phase. As of December 31, 2025, approximately 70% of the planned initiatives have been released or are underway, in line with the goal of making the new digital product families for Online Account, Wealth Management, Electronic Money, and Consumer Credit available by 2027.

The activities are being developed across six main areas of intervention, which form the backbone of the Bank's

plan:

- **Distance selling** – enabling the digital sale of banking products and post-sales services. Activities implemented in this area enabled the management of 30,531 contract renewals, including Relax contracts and changes to maximum limits and services. Furthermore, with regard to Consumer Credit activities, given the project's launch in 2024, a total of 44,495 contracts were signed through the signature room in 2025 (100% of contracts coming from the online channel). Furthermore, activities aimed at implementing the remote offering of funds and SICAVs for jointly held securities portfolios have been completed, with the activation of 112 mutual banks¹¹⁶ and 6,471 applications. Finally, distance selling projects for asset management have been launched. The initiatives completed and underway represent a commercial opportunity for the mutual banks and are also designed to improve sustainability efficiency at the Group level;
- **RelaxBanking** – expanding the functions of RelaxBanking, where approximately 80% of shareholders and customers' transactions are conducted, and improving the user experience. During 2025, the focus was primarily on achieving convergence towards a single app integrating digital services in the areas of payments, credit, assistance, cards, investments, and third-party service integration. The releases made in 2025 include enhanced card functionality, improved notifications, and the evolution of user profile management.
- **Digital Payments** – expanding the digital payment channels (i.e., Instant Payments). Throughout 2025, continuing with previous years, in line with market trends and in response to customer needs, development activities for alternative forms of digital payment continued. Specifically, compliance with the new regulations governing the Instant Payments service was achieved, unifying fees and channel for instant transfers to regular ones. Consistent monitoring of market developments and regulations regarding digital payments is a priority for the Group with a view to ensuring the evolution of the payment services available to customers.
- **Regulations** – continuous adaptation to new regulatory provisions and implementation of digital requirements. Throughout 2025, the analysis and monitoring of regulatory requirements with a high digital impact continued, also driven by the digital transformation strategy pursued by the European Commission and affecting both the vertical areas of banking and finance (Retail Payments, Digital Finance) and the horizontal areas (Data Economy, Security, and Accessibility). The analysis and monitoring activity was aimed at identifying opportunities and impacts within the Group's technological and business context. Throughout the year, the Group also ensured its involvement in various national and European working groups.
- **Contact Center** – improvement of support channels with digital tools. As part of its Digital strategy, Iccrea Banca has developed a plan of specific actions to enhance its Contact Center and Telephone Banking channels, to improve the usability and effectiveness of the services offered to our customers. Among the priority actions is the need to make customer-agent interaction more efficient and personalized, reducing the complexity and waiting times associated with navigating the IVR and improving the ability to route requests in a targeted manner. The "Selecting Support Topic from the App" use case fits into this context. This project aims to anticipate the choice of contact topic within the RelaxBanking app, allowing for guided and faster access to the desired service and fostering more informed interaction, geared toward the customer's expressed need for assistance. It also emerged that a study was needed to identify actions to improve the overall effectiveness of the Contact Center. The intervention involved monitoring the level of satisfaction expressed by customers through qualitative interviews and a comparison with market data, so as to orient future actions towards an increasingly effective, proactive assistance model focused on the real needs of customers.
- **Omnichannel Campaign** – data valorization and development of tools in a multi-channel logic (from campaigns to journeys). as part of the Omnichannel Bank activities, in line with planning, projects continued to enhance integration between CRM channels and increase customer knowledge, to encourage the evolution of digital channels to support omnichannel sales processes, obtain a single 360° view of the customer and make contact more effective and efficient as well as profiling, in compliance with current legislation.

The objective is to provide increasingly tailored and effective services in response to customer needs, track customer browsing behavior to maximize/direct commercial actions and have a single CMS tool for the integrated management of creativity on digital channels. The main solutions adopted to support this transition (Microsoft Dynamics for the integration of customer care data and processes and Adobe Analytics for tracking customer

¹¹⁶ That is, the currently operating mutual banks within the 113 affiliated banks

behavior on digital channels) were introduced with cloud services, generating considerable savings in terms of CO₂ emissions when compared with similar on-premise systems.

The progress of the Program confirms its solidity and represents a fundamental step in the transformation of the operating model and in the progressive digitalization of the services offered to customers.

Digital web channels

As part of the actions to evolve and develop the digital web channels for the Group, the activity of improving accessibility to services continued with the aim of making access to these channels increasingly accessible to any type of user, including those who, due to disabilities, require assistive technologies and/or particular configurations. The activity guaranteed all the accessibility criteria indicated by the WCAG, or guidelines for the accessibility of web content, which include a wide variety of recommendations to allow greater accessibility to web content, with particular attention to people with disabilities. Accessibility statement were also produced for all Group entities and additional projects were launched to support additional types of disabilities.

Fraud Management

Activities to strengthen prevention measures to protect customers continued in order to follow, monitor and, where possible, anticipate the evolution of attack patterns, intervening on all risk functions (Relax Banking, Customer Care applications, Transaction Risk Analysis tools, etc.). In-depth and constant information activities were carried out through digital channels (the institutional website contains a dedicated "Stop fraud" section, constantly updated in order to raise consumer awareness on issues related to the management and protection of personal information), in addition to participation in information campaigns of the banking system (new 2025 edition) and information-training meetings with mutual banks, customers and local communities, to increase awareness of the main fraud schemes and the countermeasures and behaviors to be adopted.

Innovation of the ATM (Automated Teller Machine) and CSA (Automatic Cash Register) fleet

The Operating unit continued in 2025 to ensure the management, monitoring and innovation activities of the ATM and CSA fleet to guarantee widespread local presence and the proper functioning and effectiveness of this channel. Projects are launched or about to be launched to introduce the SCA (Strong Customer Authentication) on current account transactions.

Furthermore, the first phase of a project aimed at increasing ATM accessibility has been completed, which will be further developed in a second phase scheduled for 2026.

Regarding the ATM/SCA hardware requirements set forth in ISO 301549, a (positive) assessment was conducted on the range of ATM and SCA models envisaged in the Cost Excellence agreement. At the same time, a tender was launched and completed for the selection of new machines compliant with the same requirements.

Furthermore, the affiliated banks were informed of the machine installation criteria to ensure compliance.

Development of initiatives aimed at combating all forms of discrimination

As part of the progressive adaptation of the websites of the Group's Companies and Banks, the activity of using artificial intelligence solutions to support users, in accordance with the WCAG 2.1 and 2.2 (Web Content Accessibility Guidelines) accessibility standards, the review and updating of the accessibility declarations on the respective websites and on the "Relax Banking" App, in line with regulatory requirements, as well as the organization of training sessions for mutual banks and, with the support of external specialists, for the IT resources involved in the development of the websites and internet banking, has been confirmed; participation in the training sessions made available by the Agid Italia has also been guaranteed.

Other initiatives of the Affiliated banks to improve access to financial services by disadvantaged people include most notably the "Tellis Service" by Emil Banca. The Bank, together with the Service & Work Social Cooperative of Ravenna, has implemented and made available, both on its website and in all its branches, an innovative digital interpreting service. The service allows deaf signers, oralists and hearing impaired people to communicate with the Bank through the mediation of LIS (Italian Sign Language) interpreters - professionals connected remotely - guaranteeing deaf people equal communication opportunities with hearing people, both for telephone calls and for reception at the office.

In the establishment of commercial relationships with customers, the Group is committed to respecting and protecting their interests through the implementation of policies and processes in the area of Product Oversight and Governance, i.e. by ensuring compliance, by all Group companies (affiliated banks and direct scope companies that offer banking, financial and insurance products), with specific approval procedures for new products and services (or substantial changes to existing products), new activities, and entry into new markets, preliminarily assessing the markets in which the products will be sold (so-called target markets) and their consistency and adequacy with respect to the regulatory framework and consumer needs. Compliance with these requirements is also guaranteed during the life cycle of products, through monitoring of evidence emerging, for example, from the distribution channels and any customer complaints. Each Group company implements monitoring activities, at least annually, based on the methodology established by the Group Policy, which provides for adequate information flows to the board committees and the Board of Directors, and the contribution of the corporate control functions (in particular, Risk Management and Compliance) where necessary for the assessment of the findings and the consequent remedial actions.

Protection of personal data

As required by the GDPR, in order to guarantee the effectiveness of the measures designed and implemented by the Group to protect personal information, the risk of breaches of privacy and the impacts of personal data processing are continuously assessed and monitored, according to the methodological manual attached to the Group Policy for the protection of personal data. In relation to the availability of personal information, periodic checks are also carried out on the work of System administrators (also in compliance with the Provision of the Authority for the Protection of Personal Data of November 27, 2008) through the analysis of access logs. The control activities carried out by the DPO, in collaboration with the other competent functions, are the subject of specific information flows to the board committees and the Board of Directors.

In respect of data retention, the Group:

- identified and formalized (as specific Guidelines for Group companies) the retention periods for the data processing operations actually performed (e.g., for banking services, marketing, HR, deletion of terminated customer data, etc.);
- defined operational strategies for data deletion at the end of the permitted retention periods, taking into account the related interdependencies, the nature of the data, and the individuals/entities involved. In this regard, the Parent Company, Iccrea Banca, is continuing to develop a Group IT procedure capable of ensuring the automatic deletion of its stakeholders' personal data upon expiration of the retention periods prescribed by law.

With respect to information security, in line with the relevant Policy and with the current legislation (including Circular 285/2013 of the Bank of Italy), in order to guarantee the effectiveness of the security measures adopted by the Group to protect the integrity and confidentiality of information, the Group continuously assesses the risks arising from external and internal threats and verifies the safeguards designed and implemented.

Information Security and Cybersecurity

Regarding cybersecurity, the Group protects corporate information and personal data through the establishment of an Information Security Management System (ISMS) consisting of policies, processes, and organizational and technological measures. The Parent Company submits this ISMS to annual audits conducted by an authorized body to have it certified in accordance with the ISO/IEC 27001:2022 standard.

The Parent Company's Information Security Management System aims to preserve the confidentiality, integrity, and availability of relevant information through the implementation of processes, controls, and security measures designed to ensure adequate management of security risks.

The implementation of the information security governance system takes into account the requirements established by the Parent Company and implemented by the Group companies in proportion to the complexity and risk profile of their respective business processes, as well as the evolution of the internal and external context and the needs of stakeholders. These requirements are also identified and updated based on the results of the ICT and security risk analysis, conducted at least annually and at least for critical ICT resources, as well as upon contextual, organizational, or technological changes.

The outcomes of the ICT and security risk assessment, to which processes, services, and support assets are exposed, support the definition of security activities and measures to be adopted to contain or reduce residual risk within

the risk appetite threshold established at the Group level. Within this framework, organizational, technological, and physical security measures are defined and implemented, according to a "in depth defense" approach, aimed at protecting information assets consistent with their classification. The measures adopted are adequately documented and updated based on implementation and monitoring activities.

Information security, cybersecurity, and operational resilience are part of the Group's audit program and are subject to recurring audits, selected according to a risk-based program that takes into account exposure to the main ICT risks and the priorities identified at the Group level. These audits are included in a three-year plan aimed at ensuring continuity and consistency in monitoring.

As regards the 2025 audit plan, the Group's Internal Audit function conducted two separate audits on the ability of BCC Sistemi Informatici, the Group IT hub, to protect critical services and corporate information from cyber threats. The first audit covered the overall cyber resilience system, while the second focused on the Information Security Management System, assessing its compliance with the ISO/IEC 27001:2022 standard and the effectiveness of IT risk management processes.

Employees and external suppliers are trained in organizational information security policies and procedures to ensure adequate awareness of risks and assigned responsibilities. Specifically, the Information Security and Cybersecurity Training and Awareness Plan includes initiatives aimed at the entire company workforce and specific specialists, also through innovative formats. Training activities are planned taking into account incidents, major cyber attacks, and emerging trends. Furthermore, in line with the provisions of Bank of Italy Circular 285/2013, bank staff receive specific cybersecurity training annually.

The Group ensures the continuity and operational resilience of business processes through a Business Continuity Management System (BCMS), consisting of policies, processes, and organizational and technological measures. These systems are subject to annual audits conducted by an accredited body for certification in accordance with the ISO/IEC 22301:2019 standard.

In accordance with the Bank of Italy's Prudential supervisory provisions applicable to banks (Circular No. 285), Cyber and ICT risk management activities are conducted and consolidated by the Non-Financial Risk Management Function in a periodic report, prepared with reference to the situation as of December 31 of each year and submitted to the competent bodies. In this context, the main results of the ICT & Security Risk Assessment (ITRA) are presented to the Parent Company's Board of Directors, with particular attention to the evolution of the cyber risk profile, levels of exposure to cyber threats, and the effectiveness of prevention, detection, and response measures. The risk profile analysis concerns the centrally managed ICT components and includes assets and services overseen by the heads of the main management areas (hardware and software infrastructure, personnel management, offices, environments, and workstations). The assessment includes evidence from the cyber and security enhancement measures envisaged in the risk management plan for the year, the results of security assurance and attack simulation activities, including threat-led initiatives and targeted penetration tests, as well as the analysis of risk scenarios related to possible high-impact cyberattacks, with potential effects on the confidentiality, integrity, and availability of information, including the possible unavailability of resilience measures.

Although it has not set specific measurable objectives in relation to consumer protection issues, the Group regularly monitors the effectiveness of actions planned and undertaken. This monitoring occurs both through the examination of the progress of the planned projects and through structured processes established in each Group company, such as complaint management, which allows for the detection and evaluation of any conduct that does not comply with the values, principles of conduct, ethical and regulatory standards that guide the relationship between the Group companies and their customers.

With regard to operating expenses (OPEX) and (or) capital expenditure (CAPEX) necessary for the management of material impacts and, in general, planned for the implementation of the ESG strategy in the consumer and end-user sector, these do not represent a significant value with respect to the strategic plan as a whole and the Group's capital and financial structure.

GOVERNANCE INFORMATION

ESRS G1 – BUSINESS CONDUCT

The dissemination of corporate culture and ethics to all stakeholders plays a key role in achieving the Group's mutualistic and strategic objectives, enabling a convergence of values and principles that translates into increasingly responsible, transparent, and virtuous actions and behaviors.

The responsible and sustainable growth of the local community, enshrined in the articles of association based on the founding principles of cooperation and mutualism, can only be fully achieved within a framework of correctness, integrity, and professional ethics defined by the Parent Company and applied across all activities undertaken by the Group. This framework ensures consistency and uniformity of behavior, including through integrated monitoring of impacts, risks, and opportunities related to corporate conduct.

In this context, the Group is committed to promoting conducts based on transparency and responsibility, both internally and in relations with external stakeholders, throughout all corporate processes, with the adoption of codes of conduct, policies, and internal regulations consistent with the values of mutual banking and the applicable regulatory framework.

Within the framework of its governance model and business conduct, top management plays a central role in the practical implementation of the strategic directions and policies approved by the Board of Directors on business conduct and the management of material IROs. It ensures the integration of the principles of correctness, integrity, and mutualism into corporate processes and operating models, guaranteeing that impact assessment, ESG risk management, and the identification of strategic opportunities are incorporated into the decision-making processes and risk management system, while ensuring methodological consistency and alignment with the regulatory framework and stakeholder expectations.

The Board of Directors exercises its supervisory function through the analysis and assessment of key impacts, material risks, and strategic opportunities associated with business conduct, and evaluates the adequacy and effectiveness of the internal control and risk management system.

To mitigate the risk of non-compliance with the principles of ethics and conduct and applicable regulations, and related repercussions in terms of operational and reputational risks, processes are in place to assess and monitor exposure to these risks and the effectiveness of designated controls. These processes, implemented by the Parent Company and each Group company, are supported by dedicated channels for reporting suspected violations, findings and evidence of which are also periodically reviewed by the competent bodies, committees, and the Board of Directors.

With regard to the overall value chain, the Group fosters strong and transparent relationships with customers and suppliers, favoring counterparties who share ethical principles and ESG standards consistent with the values of mutual banking. This approach allows us to mitigate risks along the value chain, reduce potential indirect negative impacts, and seize development strategic opportunities and a commercial offering aligned with stakeholder expectations.

This structure contributes to the management of operational, reputational, and non-compliance risks, the prevention and mitigation of potential negative impacts, and, at the same time, to capitalizing on opportunities arising from strengthening stakeholder trust and continuous process improvement.

ESRS 2 GOV-1 - THE ROLE OF ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

The Group has a sustainability governance system, understood as the integration of ESG (Environmental, Social and Governance) factors into strategies and operational and control processes, as provided for by the relevant Regulations. The system is based on specific centers of responsibility and a model encouraging the active involvement of corporate bodies and areas, taking into primary consideration the objective of creating and distributing value for all stakeholders.

All the committees that contribute to the ESG governance, also governed by specific Regulations, operate in synergy, ensuring qualified and effective support for the strategic direction and decision-making activities within the remit of the Board of Directors.

The Board of Directors sets out the Group's sustainability guidelines and strategies, with specific regard to the objectives of sustainable finance and the integration of environmental, social and governance factors into corporate decision-making processes about the business plan, the risk management and internal control system

and remuneration policies. The Board of Directors approves the Sustainability Plan, the Group's policies and guidelines relating to sustainability, and also evaluates and approves the list of material topics identified in the context of the materiality analysis for the definition of the strategic guidelines as well as to the identification of the indicators to be measured in the Sustainability Statement.

The governance structure¹¹⁷ defined by the Group with regard to ESG issues provides, both at the level of the Parent Company and of the individual bank/company within the management and coordination scope, for the appointment of an ESG Director or ESG Committee, who digital provide advice, analysis and recommendations on sustainability issues; there is also the requirement for at least one of the directors of the Boards of Directors of the Group banks to possess theoretical knowledge and/or practical experience in areas related to environmental, social and governance factors (ESG).

The **ESG Committee** is made up of members chosen from among the members of the Board of Directors possessing knowledge, competence, ability an experience on sustainability issues. The Committee's main functions includes the appraisal and formulation of opinions regarding:

- sustainability initiatives, objectives, and targets, also preparing proposals for integrating ESG factors in the Group Strategic Plan and monitoring their implementation;
- the Group's values and ethical approach;
- ESG reporting;
- activities related to bond issues under "Green, Social and Sustainability Bond Framework" and related reporting (Impact Reporting);
- ESG positioning of the Group, also in respect of participation in initiatives and indexes;
- models for the measurement of the social and environmental impact of the initiatives undertaken.

In particular, the ESG Committee operates jointly with the Remuneration Committee and the Risk Committee.

The **Risk Committee** expresses assessments and formulates opinions to the Board of Directors in defining the overall methodological framework for measuring risk, in defining the guidelines for risk control and management systems and in assessing the overall adequacy of such systems.

The **Remuneration Committee** has consultative and proactive functions in matters of remuneration and incentive policies, including ESG incentives. In particular, the Committee

- evaluates the proposal of the competent corporate functions regarding the Group's Remuneration and Incentive Policy and expresses an opinion to the Board of Directors;
- ensures that the Remuneration and Incentive Policy is adequately documented and accessible within the corporate structure, including through the Parent Company's intranet;
- presents proposals to the Board of Directors regarding remuneration to be paid to Directors and Auditors to be submitted to the Parent Company's Shareholders' Meeting and to the members of the corporate bodies of the companies within the direct scope to be approved by the competent bodies of such companies;
- presents proposals to the Board of Directors regarding the remuneration due to Directors invested with particular duties.

¹¹⁷ See "ESRS 2 GOV-1 Composition and role of the administrative, management and supervisory bodies".

ESRS G1-1 - CORPORATE CULTURE AND BUSINESS CONDUCT POLICIES

The Group is aware of the ethical and legal relevance of issues related to business conduct and has adopted a structured set of organizational policies and measures to prevent and mitigate negative impacts, manage risks, and seize opportunities (IRO) related to business conduct. This system focuses specifically on risks related to corruption, conflicts of interest, regulatory violations, unfair business practices, and the resulting legal, operational, and reputational impacts.

The Group's policies on business conduct—set out below—define: (i) the principles of integrity, fairness, transparency, and responsibility that must guide the actions of all individuals acting on behalf of the Group; (ii) the rules of conduct to be adopted in the most at-risk areas of the company; (iii) the organizational controls and mechanisms aimed at preventing wrongdoing and reducing exposure to risks related to business conduct.

These tools are not limited to preventing non-compliant behavior, but also promote a corporate culture geared toward responsible management of conduct risks, ongoing training, and the timely reporting of any violations of corporate conduct. Specifically, they aim to prevent and mitigate the negative impacts of corruption or unethical behavior; manage operational and reputational risks; and strengthen the transparency and reliability of business relationships, seizing opportunities associated with responsible management and compliance with ESG standards.

In order to ensure the implementation of the policies, the Group has adopted specific implementation and control tools, including:

- accessible and confidential reporting channels;
- impartial and independent investigation procedures;
- mandatory training programs on ethics and compliance issues;
- periodic audits of the areas most exposed to risk.

The policies are subject to periodic review, also in light of regulatory developments, as well as the results of risk assessment, monitoring, and control activities, thus ensuring continuous improvement of the IRO management system in terms of business conduct.

The Group's **Code of Ethics** is a fundamental pillar for the promotion and maintenance of business conduct based on integrity, transparency and compliance with regulations. The Code establishes clear ethical principles shared by all Group companies, steering the alignment of every business decision and interaction with behaviors respecting human dignity, social responsibility and the interests of all stakeholders. In particular, it defines the guidelines for preventing incidents of corruption, discrimination and conflict of interest, establishing a framework of values that guides daily actions and corporate strategies. Adoption and compliance with the Code of Ethics are essential to ensure that the Group's operations are conducted in compliance with the highest standards of legality and responsibility, thus helping to strengthen the company's reputation and long-term sustainability.

The Group's set of values and behavior described in the Code of Ethics are disseminated to stakeholders through publication on the official website of the Iccrea Cooperative Banking Group within the “Group Ethics and Whistleblowing” section, in the specific sub-section “Group Code of Ethics”, and are referred to on the official websites of each Company. They are applicable to the members of the corporate bodies (who exercise the powers of representation, administration, management and control), the staff (top and subordinate), shareholders and customers (where applicable), as well as to Third Party Recipients, such as collaborators in any capacity, subjects who operate for the company responsible for the legal audit of the accounts, consultants, suppliers of goods and services, including professional ones (of the Group and Third Parties), agents, commercial partners and anyone who carries out activities in the name and on behalf of the Company.

In 2025, the Code of Ethics was updated and, through a Directive of management and coordination of the Parent Company, was transmitted for adoption to all the companies of the Iccrea Cooperative Banking Group. In order to guarantee the adoption of homogeneous ethical and good conduct principles, this document was received and independently implemented by the individual Companies of the Group.

The **Organization, Management and Control Model** (MOG 231) adopted by each Group company and published on the Group website, provides for a specific disciplinary system aimed at sanctioning failure to comply with the rules and measures contained in the Model, in compliance with Articles 6 and 7 of Legislative Decree 231/2001. This disciplinary system is designed to ensure that violations of principles, rules and procedures are promptly and adequately addressed, in line with legal, statutory and contractual provisions, respecting workers' rights as provided for by the Workers' Statute and national collective bargaining. Furthermore, the system also provides for sanctions for those who carry out discriminatory or retaliatory acts against reporters (whistleblowers) or for those

who submit unfounded reports for intent or gross negligence, in compliance with the legislation on Whistleblowing (Legislative Decree 24/2023). Violations of the Model may involve both top management, such as managers and directors, and employees or other individuals subject to management, supervision or operating in the name and on behalf of the Company.

Each individual company adopts its own Organization, Management and Control Model (MOG 231) and its own disciplinary system through its Board of Directors, ensuring that the policies and procedures are adequate to the specific organizational and operational needs of each entity.

The **General Behavioral Protocols** are documents that illustrate the fundamental contents of Legislative Decree no. 231/2001, the articulation of the components of the Model, as well as the general principles of behavior to which all corporate representatives and collaborators operating in/for the collective entity are subject (both in a top and subordinate position). Each individual company adopts its own MOG 231 through its own Board of Directors.

The **Special Behavioral Protocols** are documents that define the special preventive arrangements and rules of conduct to which those operating in "sensitive" corporate areas are subject, as managers of processes considered potentially exposed to the risk of commission of an offence. These protocols are intended for those who manage such processes and who, therefore, could potentially be involved in the commission of offences listed in Legislative Decree 231/2001. Each individual LE adopts its own special protocols through its own Board of Directors, defining targeted preventive measures appropriate to the structure and specific needs of the individual entity.

The **Offence Risk Mapping Matrix** are summary documents of the potential for commission of the individual offences listed in the catalog referred to in Legislative Decree 231/01. These tools allow to identify and assess the risks of commission of offences within the different business operating areas, contributing to a more effective and targeted management of the risks related to the administrative liability of legal entities. Also in this case, each individual LE adopts its own risk mapping matrix through its own Board of Directors, customizing it according to specific needs.

In 2025, the Parent Company updated its 231 Model, as a result of events that required an adjustment. The main changes include:

- the expansion of the list of predicate offenses pursuant to Legislative Decree 231/2001 and the modification of some existing offenses;
- changes to the Group's procurement model;
- issuance and adoption of the Group's Anti-Corruption Code of Conduct;
- the appointment of the Financial Reporting Officer pursuant to Law 262/2005 and the resulting organizational changes;
- the revision of the Group's whistleblowing system;
- the adoption of the Tax Control Framework and the Company's access to the collaborative compliance regime;
- the entry into force of the "DORA" and Artificial Intelligence regulations.

The Group **Policy on the Management of Conflicts of Interest and Transactions with Connected subjects Parties** governs the principles and rules for identifying, assessing, managing, mitigating, or preventing situations involving the interests of certain individuals close to the decision-making centers of the Parent Company and Group companies. Establishing adequate safeguards for decision-making involving the interests of corporate officers or individuals close to corporate decision-making centers is a necessary prerequisite for ensuring management transparency and protecting the reputation of the Group and its member companies. The Parent Company is responsible for defining suitable tools, appropriate to the structure of the Group and its individual components, to oversee transactions that, by virtue of the interests of corporate officers or other individuals close to corporate decision-making centers, may cause harm to the Group or its member companies. In this context, in compliance with the Supervisory provisions, to ensure that corporate management is conducted in the interests of the Group consistently with the objectives of sound and prudent management, at least five independent directors are appointed to the Parent Company's Board of Directors, who are responsible for contributing to the governance of the Group with independent judgment. Furthermore, employees are ensured the right to report any violations of external and internal regulations regarding conflicts of interest, following the procedures set out in the Policy and Process Guidelines for Internal Violation Reporting Systems (so-called Whistleblowing).

The Group **Policy on the management of conflicts of interest and incentives in the provision of investment and ancillary services and in the distribution of insurance products** defines and implements organizational and

procedural measures for the adequate management of conflicts of interest, personal transactions carried out by relevant personnel and incentives in order to prevent them from having a negative impact on the interests of customers, including their sustainability preferences.

The Group's **Anti-Corruption Code of Conduct** presents in a detailed manner the Group's commitment to fighting corruption, promoting and disseminating a culture of risk and awareness of the internal control system in place, also through the definition of principles for the identification and prevention of potential behaviors that are generally not in line with the ethical principles promoted and adopted at Group level. In this context, bribery is understood as the offer or acceptance, directly or indirectly, of money or other benefits that are capable of influencing the recipient, in order to induce or reward the performance of a function/activity or the omission of the same. The Anti-Bribery Code of Conduct identifies the Group's key anti-bribery principles (Zero tolerance for corruption; Enhancement of the "G" Governance factor;¹¹⁸ Commitment against conflicts of interest), as well as the main "sensitive" areas in which corrupt behavior could potentially occur and the related control and behavior measures in place to mitigate potential risks. Furthermore, it encourages the reporting of illicit behavior through specific reporting channels (whistleblowing).

Each violation is investigated and sanctioned in accordance with applicable regulations. The Code is part of the Group's Internal Control System and applies together with the Organization, Management and Control Model (and is aligned with the relevant applicable legislation, i.e. Legislative Decree 231/2001), the Code of Ethics and the Charter of Values of Cooperative Credit, ensuring compliance with the regulations and ethical principles of the company.

The Code is submitted for approval to the Board of Directors of the Parent Company, upon proposal of the Compliance function (which also ensures its updating from time to time) and having heard the opinion of the ESG Committee and the Risk Committee, and is incorporated into the regulations of each Group Company by resolution of their Board of Directors.

The Anti-Corruption Code of Conduct is available to stakeholders through publication on the website of the Group, as well as on the official websites of each Group company, within the section "Group Ethics and Whistleblowing", in the specific sub-section "Group Anti-Corruption Code". The Anti-Corruption Code of Conduct is also available to all employees on the intranet of each Group company.

In 2025, the Group's Anti-Corruption Code of Conduct was updated to ensure full alignment with the changes made to the Code of Ethics and, through a Guidance and Coordination Directive, was sent to all companies of the Iccrea Cooperative Banking Group for adoption. This document was adopted and independently implemented by the individual Group companies.

An integral part of the Group's ethical commitments and responsibilities is the Tax Strategy, which defines the objectives and principles adopted in managing tax matters as well as the propensity for tax risk, i.e., the level of tax risk assumed in pursuit of strategic objectives (the "Tone at the Top" principle).

This document was adopted in compliance with the commitment made by Iccrea Banca/the Group following its participation in the Collaborative Compliance regime pursuant to Legislative Decree no. 128/2015: this introduced new methods of ongoing and preventive communication with the Tax Authorities, enabling a shared assessment of situations likely to generate tax risks, anticipating audits and preventing potential tax disputes.

Entering the Cooperative Compliance regime is possible through the implementation of an adequate and effective Tax Control Framework (TCF). This framework is intended as a structured system of governance, control, and oversight of tax processes, aimed at ensuring continuous monitoring of relevant tax activities and preventing non-compliant behavior with tax regulations through formalized procedures, defined responsibilities, and internal audit mechanisms.

By virtue of the obligations arising from participation in the regime, the Tax Strategy was subsequently updated with the Code of Conduct—which was incorporated as an annex—indicating and defining the mutual commitments undertaken by the Revenue Agency and taxpayers participating in the regime, including the obligation to act fairly and in good faith, understood as the duty to behave with loyalty, transparency, and honesty.

Responsibility for disseminating the culture and values of tax compliance is assigned to the Parent Company's Tax Organizational Unit, which contributes to updating the Tax Strategy together with the Parent Company's Board of Directors, which approves its contents (applicable to all Group companies) as well as defining the framework for monitoring and controlling the tax risk to which the Group is exposed.

¹¹⁸ Dissemination and promotion of the principles of good governance and, in general, sustainability, in line with the principles of the Global Compact promoted by the UN and the objectives for Sustainable Development set out in the 2030 Agenda.

The Board of Directors annually reviews a summary report outlining the results of the Tax Control Framework audits and the measures to address any deficiencies identified as a result of the monitoring; the report is then sent to the Revenue Agency in compliance with the obligations arising from the Collaborative Compliance regime.

The Group **Policy for the Governance and Management of Money Laundering and Terrorist Financing Risk** defines the organizational and operational framework adopted by the Group, designed to govern and manage money laundering and terrorist financing risk within the Group, in full compliance with external regulations. Specifically, with regard to the following aspects:

- customer due diligence obligations and assignment of a money laundering risk profile to customers;
- obligations to refrain from establishing ongoing relationships or carrying out occasional transactions and reporting suspicious transactions;
- obligation to retain data and periodically report it to the Bank of Italy's FIU;
- additional, more specific activities related to the relevant obligations (e.g., embargo management, self-assessment process, training, etc.)

The Group adopts a governance model centralizing responsibilities for Corporate Control Functions at the Parent Company, through the outsourcing, through specific contracts, of the Anti-Money Laundering Function of each affiliated bank and each direct scope company.

This model provides for the establishment of a central Anti-Money Laundering Function with the role of direction, coordination, monitoring, and control of the individual Group entities.

This Function is responsible for defining control strategies, policies, processes, and methodologies, as well as the tools, mechanisms, and standards for planning and reporting activities, as well as for the execution of second-level controls.

The Anti-Money Laundering Function is the Group-wide oversight body for second-level activities related to the prevention and countering of money laundering and terrorist financing transactions, continuously verifying that the control mechanisms and information systems are capable of ensuring compliance with the relevant laws and regulations.

The Parent Company ensures that the Function has the necessary organizational and operational means to carry out its activities. In accordance with applicable regulations, the Function reports directly or, where required by the AML Policy, through the AML representative, to the Board of Directors, which, as head of the Internal Control System, is also responsible for the overall oversight of the money laundering risk management system.

The autonomy and independence of the Function are ensured by placing it in a position that is independent of operational structures or those directly responsible for managing money laundering and terrorist financing risks, in accordance with the regulations.

The conduct and behaviors of the Anti-Money Laundering Function people are centered on the general principles of diligence, fairness, and integrity, and are bound by the confidentiality of the information, data, and documentation they come into possession of in the course of their duties. Such information must be used exclusively for the performance of assigned responsibilities and cannot be disclosed without the authorization of the relevant Function Manager, except in the event of a judicial order or request from external authorities.

The Group's Anti-Money Laundering Function is located within the Chief AML Officer Area. The Chief AML Officer is responsible for defining guidelines, organizational principles, and policies for managing the risk of money laundering and terrorist financing, and oversees their implementation by Group entities through the designated organizational units and local units.

Furthermore, the Chief AML Officer is delegated the responsibility for reporting suspicious transactions within Iccrea Banca by the Board of Directors, after consulting the Board of Statutory Auditors.

Lastly, as part of the project to comply with the EBA Guidelines 2014/14 and 2024/15, which define the new regulatory framework for policies, procedures, and internal controls for the implementation of European Union and national restrictive measures, an organizational and operational model was defined in 2025 to ensure compliance with international sanctions and restrictive measures. The model introduces a system for governing and managing the risk of non-compliance with international sanctions and restrictive measures, inspired by the already established anti-money laundering framework, incorporating its principles, organizational structure, and control logic. In light of the above, the model provides, in addition to updating the Functional Chart of the Parent Company's Anti-Money Laundering Function, for the identification and assignment of the role of Head of

Restrictive Measures, and for the drafting of a new Group Policy for governing and managing the risk of non-compliance with international sanctions and restrictive measures. The aim is to mitigate the risk of violations that could generate reputational, operational, and compliance impacts, by defining a structured prevention and control system.

Reporting Mechanisms – Money laundering

The Parent Company's Anti-Money Laundering Function regulates, through internal regulations, the main phases of the reporting process to ensure that affiliated banks and direct scope companies adopt a common approach when assessing potential suspicious activity. The objectives pursued by the Group are set out below.

- timely reporting of potentially suspicious activities to the competent Reporting Officer.
- forwarding the report, without delay, to external authorities (FIU) if the Group Company's Suspicious Transaction Reporting Officer or another designated person deems the reports received to be well-founded in light of all the elements and evidence deducible from the stored data and information;
- promoting active collaboration with the Supervisory Authorities by promptly responding to any requests for information and/or further details regarding the reported transactions and individuals.

Suspicious transactions are identified based on a careful and detailed analysis of the applicant's characteristics, the nature of the transactions, the connection or division, or any other circumstances known as a result of the functions performed, also taking into account the financial capacity and activity performed by the individual to whom they refer, based on information acquired as part of customer due diligence activities and ongoing updates.

The Group AML Policy requires the sharing of reported individuals at Group level to ensure the adoption of a uniform approach and manage adequate measures to mitigate the risks of money laundering and terrorist financing inherent to individuals common to multiple Group companies. For this activity, the Parent Company uses specially designed tools.

In compliance with the relevant provisions, suspicious transaction reports must not include the name of the reporting individual to ensure the confidentiality of the identity of the individuals making the report.

Pursuant to internal regulations, it is absolutely forbidden for those required to report or anyone who is aware of suspicious transactions to provide information to the customer concerned or to third parties regarding the report to the FIU, the sending of further information to the Authorities, or the likelihood of investigations and/or further investigations into the customer's operations for the purposes of combating money laundering and terrorist financing.

Reporting Mechanisms – Whistleblowing

Pursuant to Legislative Decree No. 24 of 2023, the Parent Company updated the Group Policy on Whistleblowing, in line with current regulatory provisions and the ANAC Guidelines adopted with Resolution No. 311 of July 12, 2023.

The Policy defines, in particular, the general principles, roles, and responsibilities of the parties involved in the reporting process, as well as the methods for submitting and handling reports. The aim is to combat all forms of unlawful conduct and/or violations, encouraging the dissemination of a culture focused on respect for the law through the active and responsible participation of internal and external stakeholders.

The Group, in accordance with applicable legislation, provides specific reporting channels, ensuring the protection—both in terms of confidentiality and protection from retaliation—of all those who report any violations and/or unlawful conduct.

Due to the new regulations introduced, the subjects who can make a report and who are guaranteed protection by law are:

- employees (i.e., all collaborators of the companies covered by this Policy, both senior and subordinate, who have an employment relationship with them);
- subordinate workers (i.e., employees of the commercial partners of the Parent Company, the direct scope companies, and affiliated banks);
- self-employed workers, freelancers, and consultants (who work for the Parent Company, the direct scope companies, and affiliated banks);

- volunteers and interns, paid and unpaid (who work for the Parent Company the direct scope companies, and affiliated banks);
- shareholders (natural persons) and partners;
- people with administrative, management, control, supervisory, or representation roles, even if such roles are exercised merely de facto (at the Parent Company, the direct scope companies, and affiliated banks).

The reports may regard:

- administrative, accounting, civil, or criminal offenses;
- unlawful conduct pursuant to Legislative Decree No. 231 of 2001 and violations of the Organization, Management, and Control Model pursuant to the same Legislative Decree;
- violations of the Group's Code of Ethics (including incidents involving any form of discrimination and/or physical, verbal, digital, and psychological violence), the Group's Anti-Corruption Code of Conduct, and internal company regulations;
- offenses falling within the scope of European Union legislation and the national provisions implementing it (by way of example and not limited to, offenses relating to the following sectors: public contracts; financial services, products, and markets; prevention of money laundering and terrorist financing; product safety and compliance; environmental protection; public health; consumer protection; protection in the insurance and reinsurance sectors; protection of privacy and personal data; and security of networks and information systems);
- acts or omissions that harm the financial interests of the European Union (including, but not limited to, fraud, corruption, and any other illegal activity related to Union expenditure);
- acts or omissions affecting the internal market (including, but not limited to, violations of competition and State aid);
- acts or behaviors that frustrate the object or purpose of the provisions of European Union acts (including, but not limited to, violations of free competition);
- violations in the banking sector pursuant to Articles 52-bis and 52-ter of Legislative Decree No. 385/1993 (special provisions of the TUB);
- violations in the field of financial intermediation pursuant to Articles 4-undecies and 4-duodecies of Legislative Decree No. 58/1998 (special provisions of the TUF).

Clearly unfounded news, information already in the public domain, and information acquired solely on the basis of unreliable rumors or hearsay (so-called "gossip") are not reportable.

To ensure the reporting tool is fully effective, information regarding the channels, procedures, and requirements for filing a report (both internal and external), codified within the aforementioned Policy, is made available to all stakeholders on the institutional websites of Group companies, in the "Group Ethics and Whistleblowing" section. Reports may be submitted in writing, via an IT platform for employees or by regular mail for non-employees, and in oral form, for both employees and non-employees, via a voice messaging system or by requesting a face-to-face meeting with the Head of Internal Violation Reporting Systems.

Investigation procedures

The evaluation of reports regarding business conduct, including those involving corruption, is the responsibility of the Violation Reporting Committee, established at each individual Group Company, which is responsible for ensuring a rapid and impartial analysis of the reported cases. To ensure the transparency and independence of the investigative process, an escalation mechanism has been implemented that assigns responsibilities based on the category and company to which the reported individual belongs. Note that, regardless of the category and company to which the reported individual belongs, reports regarding incidents of gender violence, which are also relevant pursuant to Legislative Decree no. 231/2001 as they also constitute a violation of the Group Code of Ethics, are treated specifically. In these cases, the evaluating body is the Gender Equality Steering Committee, if established; in other cases, the responsibility for the evaluation is entrusted to the Supervisory Body 231/01, which assumes the role of evaluator. This system ensures fair and timely management of reports, respecting the principles of impartiality and transparency.

The Manager of the internal system for reporting violations of each Group company draws up the Annual Report

on the correct functioning of the Violation Reporting System. This Report contains aggregate information, with no relation to the identity of the subjects involved, on the results of the activity carried out following the reports received for each Company. The Report is made available to employees via the company intranet.

Training Policy on Business Conduct

The Parent Company has defined the mandatory training areas for 2025 for direct scope companies and affiliated banks (in line with the provisions of the Cohesion Contract), with the aim of promoting a corporate culture based on legality and correct conduct. In particular, mandatory training courses have been provided regarding the administrative liability of legal entities (pursuant to Legislative Decree 231/2001) and whistleblowing, intended for all employees, including administrative bodies and new hires. These courses were delivered in e-learning mode to ensure their usability and widespread coverage.

ESRS G1-3, G1-4, G1-5 - PREVENTION AND DETECTION OF CORRUPTION AND BRIBERY

In line with the impacts, risks, and opportunities (IROs) identified in the context of business conduct topics, the Group has defined and implemented a structured set of actions aimed at preventing and mitigating the negative impacts of corruption, regulatory violations, and unlawful conduct. It also manages operational and reputational risks through internal controls, formalized procedures, and monitoring activities, and seizes the opportunities arising from transparent and responsible management of relationships with all stakeholders, strengthening the Group's trust and reputation.

These actions are continuously monitored through the internal control system and the relevant functions, which verify the effectiveness of the measures adopted and promote their updating in light of regulatory and organizational developments and emerging risks and opportunities. The results of the anti-corruption prevention and counter-corruption activities—discussed below—are an integral part of the reporting system and allow for the long-term evaluation of the effectiveness of the measures implemented, also contributing to strengthening opportunities for improving the Group's governance and reputation.

Functions at Risk of Corruption

The Group firmly rejects all forms of corruption and bribery and is actively committed to its prevention and fight, promoting a culture of risk and widespread awareness of the internal control system in place. This commitment translates into the adoption of principles contained in the Group Code of Ethics and the Group Anti-Bribery Code of Conduct, which establish guidelines to identify and prevent behaviors that do not comply with the ethical standards promoted by the Group. Furthermore, the Organization, Management and Control Models ("MOG 231/01") of each Group Company include periodic assessments on the areas at risk of offence and among these, particular attention is paid to the corporate functions most exposed to the risk of bribery.

The risk-crime mapping matrices developed by the Parent Company identify the following main types of crime:

- embezzlement of public funds, undue receipt of public funds, fraud against the state;
- aggravated fraud to obtain public funds;
- embezzlement, also through the profit of others;
- misappropriation of public funds, undue perception of public funds;
- extortion;
- corruption in the exercise of a function;
- corruption to act contrary to official duties;
- corruption in judicial acts;
- undue inducement to provide or promise benefits;
- corruption of a person in charge of a public service;
- incitement to corruption;

- extortion, incitement to give or promise benefits and corruption of members of international organizations.

As regards the functions and subjects potentially involved in corruption events, each Group Company is responsible for their identification based on the results of the risk assessment activities. As recalled in the Risk-Crime Mapping Matrices of the Parent Company's MOG 231, potential functions/subjects at risk are summarized by: (i) the members of the Board of Directors, including the Chairman; (ii) the General Manager; (iii) the Board of Statutory Auditors and the Auditing Firm; (iv) the Chief Compliance Officer and Chief AML Officer Area; (v) some divisions/organizational units of the Chief Business Officer Area; (vi) the Chief Financial Officer Area (Administration and Budget Unit); (vii) some divisions/organizational units of the Credit and Associated Activities Area; (viii) some divisions/organizational units of the Chief Operating Officer Area; (ix) the Group Companies that provide outsourcing services to the Group itself (including the IT outsourcer); (x) the Institutional Communication organizational unit; (xi) consultants, external collaborators, outsourcers and suppliers of goods and services used by individual companies.

Formal internal procedures are a primary and indispensable form of risk management, and the distinctive element in the construction of the MOG. The Anti-Corruption Code of Conduct, as ex-ante risk mitigation control, also defines the principles to set out the framework of policies and process rules governing the activities in which the types of crime could arise, including the management of: (i) relationships with the Supervisory Authorities and Control Bodies; (ii) purchases and relationships with suppliers; (iii) relationships with third-party entities and lobbying activities; (iv) gifts, hospitality, sponsorships and donations; (v) relations with analysts, investors, press and rating agencies; (vi) human resources; (vii) credit and finance; (viii) extraordinary transactions; (ix) relations with customers; (x) complaints and litigation. All (100%) functions at risk at the reporting date, have participated in the mandatory training programs provided by the Parent Company on anti-bribery. Furthermore, each Group company is responsible for ensuring adequate training for its personnel with reference to the "special" component that characterizes its Organization, Management and Control Model.

During 2024, all Group companies adopted their own MOG 231/01 thus completing the process of adopting the Model across all Group companies.

Incidents of corruption and bribery

In 2025, there were no convictions for violations of the laws against corruption and bribery.

CONFIRMED INCIDENTS OF CORRUPTION AND BRIBERY	2025	2024
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	-	-
Total number of confirmed incidents of corruption or bribery	-	-
Total	-	-

No fines were imposed for violations of anti-bribery and anti-corruption laws during the year. There have been no incidents involving contracts with business partners that have been terminated or not renewed due to corruption or bribery-related violations.

ESRS G1-2, G1-6 - MANAGEMENT OF RELATIONS WITH SUPPLIERS AND PAYMENT PRACTICES

In a context where corporate social and environmental responsibility is increasingly relevant, supplier policies must ensure that companies operate ethically and responsibly throughout the supply chain. This involves not only compliance with local and international regulations, but also the adoption of practices that promote respect for human rights, environmental protection, the promotion of decent working conditions and the fight against corruption. Policies in this area must include, among others, monitoring and evaluation tools, to ensure that suppliers comply with corporate sustainability standards and to encourage continuous improvement of ESG (environmental, social and governance) performance throughout the supply chain.

Code of Ethics and Charter of Commitments on Human Rights

The Group is committed to promoting sustainable behaviors along its supply chain, respecting applicable laws and regulations, as indicated in the Group Code of Ethics and in the Charter of Commitments on Human Rights. In particular, suppliers selection and management processes comply with the principles of fairness, transparency and reliability, as set out in the Code of Ethics. The choice of suppliers is made through clear, transparent, non-discriminatory processes and based on a technical and economic evaluation, with particular attention to the

reliability and quality of offered services. Furthermore, the Group requires its suppliers to adopt practices that respect workers' rights, ensuring non-discrimination, safety at work, and combating child and forced labor, as established by the Charter of Commitments on Human Rights. All commercial relationships with suppliers must be governed by clear and transparent contracts, in line with the principles of fairness and commercial correctness set out in the Code of Ethics, with compensation commensurate with the quantity and quality of supplies. In any case, the Group avoids having relationships with suppliers that may be involved in illicit activities, such as money laundering or terrorist financing, or that do not meet the necessary requirements of seriousness and commercial correctness, as outlined in both documents.

The ethical and regulatory principles that govern relationships with suppliers also includes MOG 231 and policies and processes that regulate outsourcing.

For the discussion of other policies, please refer to the chapter relating to ESRS S2.

The Group has implemented an ESG assessment system for suppliers through the SAP Ariba management system, with the aim of monitoring and qualifying suppliers based on ESG principles. The main requirements include: identification of suppliers, collection of additional data, classification by size and risk, automated sending of ESG questionnaires, calculation of ESG scores for monitoring reporting. This system aims to optimize the sustainability of the supply chain and ensure compliance with ESG regulations.

In parallel, an ESG questionnaire for suppliers was launched, exploring issues such as the presence of dedicated sustainability structures, transition targets, risk management policies, diversity, and environmental impacts. The survey collects data to evaluate suppliers' approach to sustainability, promoting a responsible supply chain aligned with global standards. For a more in-depth discussion of these initiatives, please refer to the chapter on ESRS S2.

Payment practices

The Group Policy on "Cost Management - Procurement of Goods and Services" (see ESRS S2) defines the general principles and guidelines of the Cost Management Model for the procurement of goods and services for direct scope companies and affiliated banks, a model managed through the SAP platform. However, specific supplier payment practices are left to each Group company, which agrees on the terms and standards according to its own internal policies.

In general, supplier payment practices in the affiliated banks are governed by internal processes structured to avoid payment delays, in compliance with the principles of conduct set forth in the Code of Ethics, the Group's Anti-Corruption Code, and the 231/01 Model.

The Group's banks adopt the SAP application, supported by internal management practices. Among the key measures to avoid delays are the use of internal workflows that map the entire approval cycle (from order receipt to invoice registration and payment) and a constant comparison between invoices to be received and those recorded in the system. Furthermore, some mutual banks have formalized these procedures in internal documents, such as regulations or process standards, which govern each phase of the accounts payable cycle, from supply request to final payment. These policies are generally monitored by specific managers, such as administration or payment coordinators, and by tools such as the company intranet and periodic reports.

Based on the data present in the SAP application used by the Group, the average payment time expressed in days is shown below. This time is calculated as the difference between the actual invoice payment date and the invoice acquisition date in internal systems, compared to the total invoices recorded in the system for the 2025 accounting period.

PAYMENT TERMS	2025	2024
Average time to pay an invoice (days)	21	20

In line with the standard terms provided by national legislation, the Group pays invoices with an average time of 21 days. Since there are no shared standards at Group level for the management of payment terms towards suppliers and each company adopts its own practices, it is not possible to identify, on the basis of the available tools, "standard" payment terms, and consequent possible delays in payments, nor to systematically compare the conditions applied to the different categories of suppliers.

NUMBER OF LEGAL PROCEEDINGS CURRENTLY OUTSTANDING FOR LATE PAYMENTS	2025	2024
Number of outstanding legal proceedings for late payments	-	-
Total	-	-

At this reporting date, there are no significant pending legal proceedings due to payment delays.

9. INTERNAL CAPITAL AND LIQUIDITY ADEQUACY ASSESSMENT PROCESS

The ICAAP and ILAAP processes have been implemented in all their respective phases - i.e. risk identification, risk measurement and assessment in both baseline and adverse scenarios, self-assessment, etc. – and providing for the assessment and certification of capital adequacy (Capital Adequacy Statement - CAS) and liquidity adequacy (Liquidity Adequacy Statement - LAS) of the Group.

The analyses conducted to assess adequacy were developed in line with system expectations for ICAAP/ILAAP packages for SREP 2026 purposes (“ECB clarification on ICAAPs and ILAAPs and respective package submissions”) transmitted by the ECB in February 2025 to all bank/banking groups subject to the Single Supervisory Mechanism (SSM)¹¹⁹ and with the other specific requests/expectations communicated by the supervisory authorities.

The results of the analyses and assessments conducted were formalized in the Group “ICAAP and ILAAP package”, submitted to the supervisory authorities on March 13, 2026.

At the consolidated level, the assessments conducted within the 2026 ICAAP in the various perspectives considered (regulatory/internal and economic) showed full compliance with overall capital adequacy requirements over the entire time horizon of the baseline scenario.

With regard to the regulatory/internal rules perspective:

- the CET1 ratio, Tier 1 ratio and Total Capital ratio are positioned stably above the thresholds established at the regulatory level and in the main risk governance processes (i.e. Risk Tolerance and Risk Capacity), with substantial capital buffers over the entire time horizon considered. In particular, the analyses show that at the end of 2028:
 - for the CET1 ratio, the capital buffer over OCR+P2G stands at around €13.7 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €12.2 billion;
 - for the Tier 1 ratio, the capital buffer over OCR+P2G stands at around €12.4 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €11.1 billion;
 - for the Total Capital ratio, the capital buffer over OCR+P2G stands at around €10.5 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €9.3 billion;
- the leverage ratio is positioned stably above the thresholds envisaged at the regulatory and management levels, with sizeable buffers over the horizon considered. More specifically, the analyses performed showed that at the end of 2028, in the baseline scenario, the capital buffer over the minimum regulatory requirement stood at about €15.7 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €12.9 billion;
- the regulatory MREL indicators (MREL and MREL subordinated calculated on the basis of overall risk exposures and overall leverage exposures), are positioned - over the entire time horizon considered - above the targets set both in the Funding Plan 2026-2028 and the levels provided for in the main risk governance processes (i.e. Risk Tolerance and Risk Capacity).

With regard to the economic perspective, the key indicator (Risk Bearing Capacity)¹²⁰ shows that our capital determined on a going concern basis is amply sufficient to absorb potential unexpected losses on the Group's exposures. In particular,

- at the point in time date of December 31, 2025”, the analyses conducted show that the indicator stands at 300.6%, giving a capital buffer of about €8.8 billion for the defined Risk Tolerance threshold (125%), and about €11.2 billion for the defined Risk Capacity level (100%);
- over the lifetime of the plan (baseline scenario) the Group complies with capital requirements, with an estimated RTC ratio largely above the management threshold. In particular, in 2028 the ratio is equal to 358.8%, giving a capital buffer of about €13.8 billion for the defined Risk Tolerance level (125%), and about €15.2 billion for the defined Risk Capacity level (100%).

The assessments conducted using the integrated approach between the various perspectives in adverse conditions showed full compliance with overall capital adequacy requirements at the consolidated level over the

¹¹⁹ ECB Explanatory Note on ICAAP and ILAAP and on the transmission of related files. In its February 2026 communication, the ECB clarified that the “expectations” published in 2025 remain unchanged and fully valid for 2026.

¹²⁰ The ratio between the amount of capital readily available to absorb unexpected losses while preserving business continuity (Total Capital) and the value of the Total Internal Capital estimated internally on all relevant measurable risks of both the first and second pillars aggregated through a “building block” approach. The relative value is compared with the management threshold of 100%.

entire time horizon. In particular, having the Group adopted sufficiently severe but plausible adverse scenarios that could determine a significant deterioration of the capital profile, with reference to the Regulatory/Internal Regulatory Perspective:

- the CET1 ratio, Tier 1 ratio and Total Capital ratio, in the time horizon considered, are at levels higher than the thresholds set both at regulatory level and in the main risk governance processes (i.e. Risk Tolerance and Risk Capacity). In particular, the analyses conducted show that at the end of 2028:
 - for the CET 1 ratio, the capital buffer over OCR+P2G stands at around €11.4 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €9.8 billion;
 - for the Tier 1 ratio, the capital buffer over OCR+P2G stands at around €10.0 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €8.8 billion;
 - for the Total Capital ratio, the capital buffer over OCR+P2G stands at around €8.2 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €7 billion;
- the leverage ratio indicator exceeds regulatory and management thresholds even in adverse scenario showing at the end of 2028 a capital buffer over the minimum regulatory requirement of about €13.4 billion, while the capital buffer with respect to the Risk Tolerance threshold is equal to about €10.6 billion;
- the regulatory MREL indicators (MREL and MREL subordinated) are positioned - over the entire time horizon considered - above the targets set in the Funding Plan and the management thresholds even in adverse scenario.

With regard to the economic perspective, including in adverse conditions, the Group complies with capital requirements, with an estimated RTC ratio above the management threshold. Specifically, the ratio is equal to 275.6% in 2028, giving a capital buffer of about €10.2 billion with respect to the defined Risk Tolerance threshold (125%), and of more than €11.9 billion with respect to the defined Risk Capacity threshold (100%).

The assessments conducted for the ILAAP showed that for the entire time horizon the overall liquidity profile of the Group is overall adequate in the short and medium-long term, taking into consideration both normal operating conditions and adverse conditions. In particular, the estimated evolution of the LCR and NSFR indicators over the period of the plan did not reveal any critical issues in terms of the adequacy of the operational and structural liquidity profiles, as:

- in the baseline scenario, the LCR and NSFR indicators exceed the regulatory and management thresholds (i.e. Risk Tolerance and Risk Capacity) over the time horizon considered. More specifically, the analyses show that at the end of 2028 the LCR stands at 288% and the NSFR at 164%;
- in the stress scenario, given the adoption by the Group of sufficiently severe but plausible adverse scenarios, which could produce a significant deterioration in its liquidity position, the LCR exceeds the regulatory levels and maximum risk allowed over the time horizon considered, standing at 244% at the end of 2028. The NSFR indicator exceeds the regulatory and management levels (i.e. Risk Tolerance and Risk Capacity) over the time horizon considered, standing at 151%. At the end of 2028.

10. RISKS AND UNCERTAINTIES

The geopolitical context remains uncertain: the timing and methods of resolving the conflicts in the Middle East and Ukraine are far from clear. The recent joint US-Israeli military attack on Iran has further undermined the fragile stability in the Middle East. The Iranian regime has lost its religious and political leader, but it remains unclear whether future arrangements will emerge following the end of hostilities or whether they will escalate further.

The most immediate economic impact has been the disruption of the oil supply chain, due to the closure of the Canal of Hormuz.

In general, geopolitical instability is fueling pressure on energy and commodity prices, as well as posing risks to the stability of financial markets, with spillovers into sovereign markets, which are particularly sensitive to geopolitical risks.

More generally, the deterioration in international relations calls into question balances and relationships that were thought to be consolidated, forcing businesses to rethink production processes and trade relations, financial institutions to reassess counterparty risk and capital movements, and households to assess future prospects. The loss of reference points pushes us to look to the future with concern and encourages caution. Furthermore, the direct damage to financial systems, transportation, energy transmission, and infrastructure systems that could be caused by an intensification of "unconventional" hostile actions, such as cyberattacks or the use of drones, are worth considered.

Some of the uncertainty surrounding US trade policy has eased with the bilateral agreements reached in the summer of 2025, but threats of further tariffs continue to heighten uncertainty.

Monetary policies continue a gradual easing, broadly in line with expectations. On the fiscal side, however, there is still uncertainty about the extent to which both the US administration's announcements and Europe's infrastructure and defense modernization plans will be implemented.

Inflation in the EMU and in Italy remains in line with its target, thanks to declining energy prices and the strengthening of the euro, while in the US it is being pushed upward by increased tariffs and the weakening of the dollar.

Despite the challenging environment, the global economy remains resilient, with expectations of a slowdown in the US economy. Growth in the EMU is expected to consolidate starting in 2026, on the back of lower inflation and increased investment in infrastructure and defense plans, which will counteract the negative effects of export tariffs.

In Italy, GDP growth will be supported by investment, especially public investment. The improvement in public finances, which is expected to consolidate in the coming years, will also provide some scope for measures that, starting in 2027, will compensate for the end of the NRRP.

During the year, the euro area saw a decline in risk-free rates in the very short-term segment, against an increase in the medium-long term segment, accompanied by a rise in credit spreads of American and European government bonds, in particular Italian.

The systemic phenomena which have impacted risk-free rates and are expected to generate further instability have affected interest rate risk. In this environment, the Group's objective is to minimize the risk of losses of economic value on the banking book caused by potential adverse changes in risk-free rates, together with balance sheet dynamics.

With regard to credit risk, while economic developments during the year caused a slight deterioration in credit quality, which could persist and deteriorate further in light of the uncertainties previously discussed, methodological changes were carried out by the Group in order to introduce additional precautionary measures (overlays). The estimation of out-of-model overlays is intended to incorporate a greater level of prudence for sub-portfolios that could see their creditworthiness deteriorate in the event of further macroeconomic shocks. In this respect, starting from the half-yearly report of June 2025, the scope of application of the overlay (i.e., customers operating in the Real Estate and Automotive sector and the C&E risk cluster) has been integrated with the Tariffs cluster relating to Businesses and Producer households operating in the sectors most affected by the effects of US tariffs, by virtue of specific sector analyses which have highlighted a situation of high uncertainty with potential impacts on the profitability of the business of Italian companies particularly exposed to the US market.

With regard to climate-related and environmental risks, following the completion of the activities to adapt to the ECB's expectations regarding climate and environmental risks, a specific project was launched to enrich the governance systems for such risks with respect to the new EBA guidelines on ESG risk management.

On January 9, 2026, the European Banking Authority published the final version of the Guidelines on the management of environmental, social and governance (ESG) risks, which entered into force on January 11, 2026.

The new C&E regulation consolidates and expands the practices already introduced by the Supervisory Authorities regarding climate and environmental risks, emphasizing the importance of integrating ESG risks into strategic processes, corporate policies, and systems for identifying, measuring, managing, and monitoring corporate risks. To ensure the compliance of the Group's systems by the deadline, an in-depth gap analysis was conducted to assess the Group's level of preparedness to the new regulatory provisions. The results of this analysis supported the definition of a specific project, aimed at integrating the internal developments already implemented in the C&E area, ensuring the adaptation of methodological frameworks and processes.

In this respect, during the year, the effort continued for an overall upgrade of the methodological framework underlying the assessment of the materiality of climate-related and environmental risks on traditional banking risks. This assessment, conducted on an annual basis, is formalized in a specific document submitted, in its consolidated version, to the attention of the corporate bodies of the Parent Company and, in a separate version, to the Group Companies. It is structured in the following steps:

- identification of the taxonomy adopted by the Group and identification of the main drivers of transition and physical risk, both climatic and environmental;
- identification of the transmission channels and related time horizon, through the qualitative description of the C&E risks and related impact propagation on the time horizon to the risks relevant to the Bank;
- assessment of the materiality of C&E risks, with materiality assessment analyses carried out for all types of ESG risks relevant to the Group, measuring the impact of these risks on traditional risks.

During the financial year, the materiality analyses were updated to include initial assessments of social and governance factors, in line with the regulatory framework and the level of maturity of market practices on the topic.

At the same time, further activities are underway for the Group's Risk Management framework, to integrate climate-related and environmental (C&E) risk factors into traditional risk measurement and assessment metrics and models. These interventions aim to strengthen and consolidate the methods for determining the impacts of emerging risks across the various dimensions of analysis, considering both baseline and stressed scenarios and different time horizons (short, medium, and long term). The ongoing initiatives are also instrumental in ensuring progressive compliance with the Guidelines on Climate-Related Scenario Analysis, which define a structured methodological framework for integrating climate scenarios into stress testing processes and for conducting resilience analyses to assess the medium- to long-term impacts on intermediaries' business models, strategies, and risk profiles, with a view to their application starting January 1, 2027.

Likewise, full follow-up has been given to the initiatives aimed at strengthening the reporting framework for climate and environmental risks, with consolidation of monitoring reporting through the systematization of input data and the progressive automation of the production processes of materiality analyses and related outcomes.

Within this constantly evolving and complex environment, the Group - which is facing this economic situation with more than adequate capital and a robust liquidity position - appears to be fully capable of ensuring compliance with regulatory requirements and the more stringent limits that have been set internally.

The risks and uncertainties are also subject to constant observation through our framework of risk policies, the updating of these policies, and monitoring efforts aimed at verifying their implementation and adequacy. Moreover, the Group is paying close attention to the timely assessment and adoption of measures to contain the potential impact of the various risks and uncertainties on our operations and to the consequent adaptation of strategies as the current landscape evolves.

More detailed information on risks in general, and on financial risks (credit risk and market risk) and operational risks more specifically, is provided in the relevant sections of Part E of the explanatory notes.

As regards capital soundness, more information is provided in the section specifically dedicated to capital and capital adequacy. Additional details are also provided in conjunction with updates to the Disclosure to the Public under Third Pillar of Basel 3 at consolidated level, published quarterly by the Parent Company Iccrea Banca SpA on the Group's institutional website.

11. SUBSEQUENT EVENTS

Mergers between Mutual banks

The merger between Banca di Ripatransone e del Fermano Credito Cooperativo and Banca dei Sibillini - Credito Cooperativo di Casavecchia is underway. The Business Plan and the Merger Plan, drawn up pursuant to Article 2501-ter of the Italian Civil Code, are currently being drafted. Following a positive assessment by the Boards of Directors of the banks and the Parent Company, the project will be submitted to the ECB for evaluation and, finally, to the Shareholders' meetings of the banks, approximately by the end of 2026.

Interventions under the Guarantee Scheme

On January 20, 2026, the Board of Directors of Iccrea Banca approved a capital support intervention in favor of BCC di Ancona e Falconara for €7.35 million, to be implemented through the issuance of shares pursuant to Article 150-ter of the Consolidated Law on Banking. The intervention will be implemented in the first half of 2026 after receiving the authorization by the ECB.

12. OTHER INFORMATION

Treasury shares

At December 31, 2025 the share capital of Iccrea Banca was represented by 27,125,759 ordinary shares with a par value of €51.65 each, equal to €1,401,045,452.35. Of this, 97.475%, for a nominal value of €1,365,675,945.55 is represented by 26,440,967 ordinary shares held by affiliated banks, which are to be considered as treasury shares Held for the purposes of the consolidated financial statements.

The affiliated mutual banks hold treasury shares for €27,717,673.70. The consolidated financial statements also report treasury shares in the affiliated banks held by Group companies for a total amount of €85,640.64. The total amount of treasury shares of the affiliated mutual banks in the consolidated financial statements is therefore €27,803,314.34, bringing the total treasury shares reported in the consolidated financial statements as of December 31, 2025 to €1,393,479,260.89.

No shares of the Parent Company were sold during the financial year.

On November 19, 2025, in response to a request submitted on August 7, 2025, Iccrea Banca was authorized to reduce its consolidated and individual own funds through the repurchase of ordinary CET1 instruments for a nominal amount of €552,448.00. In January 2026, Iccrea Banca proceeded with the repurchase of its own shares – for the maximum amount permitted by the aforementioned provision.

On January 9, 2026, in response to a request submitted on October 31, 2025, Iccrea Banca was authorized to reduce its consolidated and individual own funds through the repurchase of between 89,015 and 90,997 ordinary shares, with a nominal value of €51.65 each and a maximum aggregate nominal value of approximately €4.7 million. The authorization is valid for one year from the date of its notification. On March 11, 2026, under the aforementioned authorization, 5,810 ordinary instruments were purchased for a total nominal value of €300,086.50.

Iccrea rating

During 2025, after the significant and positive rating revisions in 2024, the Group rating was further improved by one agency.

More specifically, on April 18, 2025, S&P Global Ratings improved Iccrea Banca's and the Group's ratings, raising its rating for both the medium/long-term debt to "BBB" from "BBB-", and the short term debt to "A-2" from "A-3", with a "stable" outlook.

On October 21, 2025, Morningstar DBRS improved its rating for the medium/long-term debt of Iccrea Banca and the Group to "BBB (high)" from "BBB" and the rating for the short-term debt to R-1 (low) from R-2 (high), with a "Stabile" trend for all ratings.

On December 5, 2025, Fitch Ratings improved its rating for the medium/long term debt of Iccrea Banca and the Gruppo to “BBB” from “BBB-” and for the short term debt to “F2” from “F3”, confirming the “Positive” outlook.

The Group has therefore confirmed its “investment grade” rating with all the agencies. Current ratings are:

- S&P Global Ratings: BBB/A-2 with stable outlook,
- DBRS Morningstar: BBB(high)/R-1 (low) with stable trend,
- Fitch Ratings: BBB/F2 with positive outlook.

These ratings reflect the significant improvement in the Group’s asset quality (thanks to the implementation of the risk reduction strategy and NPE disposal plan), the solid capital and liquidity position as well as the progress achieved in improving the operating and business model.

In December 2025, the Group’s ESG Risk Rating was raised to 13.7 by Morningstar Sustainalytics, corresponding to a “Low” ESG risk grade, on a 5-grade scale (Negligible, Low, Medium, High, Severe).

Investment under the Guarantee Scheme

The resources of the Ex Ante Quota are invested in liquid and enforceable assets, in accordance with the prescriptions, limits and requirements set out in the Investment Policy approved by the Board of Directors of Iccrea Banca. The financial resources constituting the Ex Ante Quota of the RAFs are invested in readily convertible instruments, with a limited risk profile and sufficiently diversified in order to pursue the objective of capital conservation and ready availability.

At December 31, 2025, the assets consist of i) approximately €8 million of liquid assets held at the Central Bank and Euroclear Bank SA, ii) approximately €358.2 million of securities (of which approximately €23 million represented by subordinated loans and approximately €3 million by AT1 Irredeemable Securities subscribed as part of capital support interventions), and iii) approximately €123 million of equity investments (of which approximately €109.4 million represented by financing shares pursuant to art. 150-ter of the TUB subscribed as part of capital interventions).

Transactions with related parties

Group policy for the management of conflicts of interest and transactions with related parties governs the management of conflicts of interest in respect of transactions with related parties, decisions within the scope of application of Article 136 of the Consolidated Banking Act and Article 2391 of the Italian Civil Code, loans granted to company officers and their related parties pursuant to Article 88 of the CRD-V Directive, transactions whose counterparties are senior personnel and, where applicable, conflicts of interest connected with the application of the Early Warning System. The policy establishes the responsibilities of the companies subject to the management and coordination of the Parent Company, creating management arrangements consistent with the regulations established by the Bank of Italy while at the same time serving the Group’s organizational and corporate structure.

With particular regard to transactions with connected parties, the policy underscores the obligation to comply with the limits on exposures to connected parties established in banking supervisory regulations and lays down specific evaluation, decision-making and reporting procedures that involve, where necessary, the TCP committees set up within the companies of the banking group.

In addition, decision-making procedures have been tailored to the risk level of the transactions involved. Since the materiality threshold envisaged under supervisory regulations is 5% of consolidated own funds, a lower threshold, equal to 5% of the individual own funds of the Bank, has been established to identify significant-value transactions of lesser importance for which the enhanced decision-making process should be activated.

In order to streamline the procedures for low-risk transactions, the Policy fully exempts certain operations from the decision-making and disclosure procedures, including the low-value transactions, transactions connected with guarantee interventions, the centralization agreements between the affiliate banks and the Parent Company and the intercompany service agreements governed by the Group rules if their value classifies them as being of lesser importance. Although the materiality threshold would be €1 million on the basis of the applicable legislation for all entities of the ICBG, lower thresholds have been set in relation to the type of company and the amount of own funds.

During the period, there were no transactions with connecting parties approved by the deliberating body despite an adverse opinion of the TCP Committee.

In order to strengthen the oversight of this type of transaction and ensure the continuous monitoring of developments and the total value of exposures in relation to the limits established by the Parent Company - on the occasion of the annual update of the Group Risk Appetite Statement - the scope of the indicators included therein was expanded by introducing, among others, an indicator measuring exposures to related parties and connected parties, operationally implemented at both a consolidated level and the individual level of the Group banks.

The results of the monitoring activities are included in the periodic reporting to the corporate bodies produced for RAF/RAS purposes on a quarterly basis.

As far as transactions with related parties are concerned, during the period no positions associated with atypical or unusual transactions whose significance or scale might have raised concerns about the integrity of the company's financial position were undertaken.

Part H – “Transactions with related parties” in the notes to the financial statements provides information on the remuneration paid to key management personnel and loans and guarantees granted, in compliance with Article 136 of the Consolidated Banking Act.

Disclosures on business continuity, financial risks, verification of impairment of assets and uncertainty in the use of estimates

As better specified in Part A of the Notes, these consolidated financial statements have been prepared on a going-concern basis. In this regard, the Directors are not aware of any significant uncertainties, events or conditions that could warrant serious concern about the Group's ability to continue to operate as a going concern in the foreseeable future.

For more information on financial risks, verification of impairment of assets and uncertainties in the use of estimates, please see the details provided in this report on operational performance and/or in the specific sections of the notes to the financial statements.

Main characteristics of the risk management and internal control systems with regard to the financial reporting process (Article 123-bis, paragraph 2, letter b) of the Consolidated Law on Financial Intermediation (TUF) and voluntary establishment of the Financial Reporting Officer (art. 154-bis of TUF)

The control activities and processes relating to the generation of the information required for the preparation of the financial reports (annual and interim financial statements) are an integral part of the Group's general control system for managing risks. While noting that no internal control system can entirely eliminate the risks of error or fraud, but can only measure those risks and lessen the likelihood of occurrence and mitigate the effects, these features seek to provide a reasonable guarantee of the reliability, accuracy and timeliness of financial reporting.

The control system is based upon two primary guidelines:

- the information on transactions handled by different subsystems is entered in the accounting system. The line control processes are therefore incorporated either within IT and transaction management procedures or assigned to specially-formed units. Organizational procedures assign the duties of verifying the accounting records to the heads of the organizational units. Second-level controls are performed by the organizational unit responsible for managing the general accounts and preparing the annual and interim reports. Controls are performed daily, weekly or monthly depending upon the type and frequency of the transactions processed;
- the valuation components that have the greatest impact on the financial statements are delegated to specialized units. The data relating to the fair value of balance sheet items, in addition to those for hedging relationships and the related effectiveness tests, are supplied by specialized structures equipped with appropriate calculation tools. The data are then re-examined by the appropriate units of the Parent Company. Data concerning the classification and measurement of non-performing loans are provided by highly specialized, appropriately separated structures that operate on the basis of detailed procedures approved by the Board of Directors.

The annual consolidated and interim financial statements are audited by Forvis Mazars SpA which also conducted

an accounting review pursuant to Article 14 of Legislative Decree 39/2010.

The consolidated Sustainability Statement is subject to limited review by Forvis Mazars SpA.

With the aim of further strengthening the control over the system of internal controls relevant on individual and consolidated financial reporting, Iccrea Banca voluntarily appointed the officer in charge of preparing corporate accounting documents (the Financial Reporting officer, FRO), a position introduced by Law 262/2005 and regulated by the Consolidated Finance Act. The FRO exercises governance, supervision and coordination functions over the entire corporate accounting and reporting process, and has the responsibility of controlling and documenting the procedures and of the Group internal and external communication.

With regard to the supervision and control functions, the FRO:

- certifies, together with the CEO, the appropriateness and the effective adoption of the administrative and accounting procedures for the preparation of the separate financial statements of the Parent Company Iccrea Banca and the consolidated financial statements, pursuant to Art. 154-bis TUF, paragraph 5, as well as that these documents are compliant with international accounting standards, correspond to the information in the books and other accounting records, and provide a true and fair representation of the financial position, financial performance and cash flows, and a reliable analysis of operations and performance, with a description of the main risks and uncertainties to which the Group is exposed;
- certifies, pursuant to the provisions of Article 154-bis, paragraph 5-ter, of the TUF, that the consolidated sustainability statement, included in the Report on Operations was prepared in compliance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013 and Legislative Decree adopted in application of Art. 13 of Law 15 of February 21, 2024, and with the specifications adopted pursuant to Art. 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council, of June 18, 2020;
- certifies the conformity of the documents and communications disclosed to the market against documents results, books and accounting records, pursuant to art. 154-bis TUF, paragraph 2.

The affiliated mutual banks and direct scope companies carrying out compliance checks on operations and representing the first organizational control over the working the internal control system are involved proportionally, according to a risk-based approach.

With regard to the "Transparency Directive", the Parent Company has chosen Luxembourg as its home member state, as the majority of securities issues are concentrated on this stock exchange.

Outlook

The macroeconomic and socio-political context remains particularly complicated, under the influence of various vulnerability factors such as geopolitical uncertainty and inflation trends, influenced by the ongoing conflicts between Russia and Ukraine and in the Middle East (Israeli military operations in Gaza, joint attack by Israel and the United States on Iranian nuclear sites in June 2025) and by US policies on tariffs and their impact on international trade.

Following the expected easing in monetary policy rates by a total of 200 basis points between June 2024 and June 2025, financial intermediaries are expected to operate in a substantially stable market rate environment. The financial wealth of households is expected to increase on the back of a propensity to save expected to remain high. Persistently high interest margins and fee and commission income, together with continued good credit quality will contribute to supporting profitability. The contribution of fees, supported by the expansion of asset management and advisory services, will continue to represent a source of revenue diversification. Particular attention will have to be paid to pressures on operating costs due to the growing focus on digitalization and artificial intelligence, which will require significant investments in technology and human capital. Overall, efficiency improvements remain crucial for the banking sector.

The aforementioned context, already characterized by strong instability resulting from geopolitical uncertainty in various areas, has become even more complex due to recent developments triggered by the military operations launched by the United States and Israel against Iran and the consequent reaction of the Ayatollahs' regime, also directed towards the Persian Gulf countries, which has had immediate effects on the prices of oil and gas and on the volatility of financial markets.

Although at present prevailing expectations seem to point to a "short-term disturbance", with military operations

against Iran lasting a few weeks, at the end of which the tensions and the current energy disruption would tend to ease, we cannot exclude an escalation and a prolongation of the conflict, which would significantly increase the impact on inflation, hitting growth, and triggering monetary policy interventions reflecting the prevalent need to contain inflation or stimulate growth.

In this context, the Group confirms the strategic importance of credit quality monitoring activities, which will be pursued by lending further impetus to managing and recovering impaired positions and continuing the use of disposals of portions of the non-performing portfolio, with the goal of further improving asset quality indicators.

The Group will continue to implement actions to ensure growth and medium-term sustainability of profitability: the latter will continue to be driven by initiatives to expand net fee and commission income, supported by the partnerships already in place, and contain costs, also implementing specific efficiency enhancement measures already initiated and progressing on the actions taken to rationalize the branch network and the direct scope companies.

Also the Group will continue to strengthen its capital position and issue financial instruments designed to ensure compliance with MREL and liquidity requirements with an appropriate margin of safety.

ATTACHMENT 1 - RECONCILIATION OF EQUITY AND NET PROFIT OF THE PARENT COMPANY WITH GROUP EQUITY AND NET PROFIT

	SHARE CAPITAL	RESERVES	VALUTATION RESERVES	EQUITY INSTRUMENTS	NET PROFIT	SHAREHOLDERS' EQUITY
Iccrea Banca SpA Financial Statements	1,401,045	866,216	55,481	-	184,371	2,507,114
Financial statements of fully consolidated company	997,604	13,584,311	213,106	30,139	1,847,031	16,672,191
Financial statements of companies accounted for using equity method		29,487	376		14,177	44,040
Elimination of Group company dividends		66,920			(66,920)	-
Adjustment of intercompany writedowns (revaluations)		161,708			-	161,708
Goodwill		15,426			-	15,426
Other consolidation adjustments	(114,549)	(1,561,719)	(20,771)		(47,168)	(1,744,207)
Consolidated shareholders' equity	2,292,245	13,166,024	248,207	30,139	1,931,831	17,668,446
Non-controlling interests	8,145	3,675	15		340	12,175
Group shareholders' equity	2,284,100	13,162,349	248,192	30,139	1,931,491	17,656,271

ATTACHMENT 2 - ALTERNATIVE PERFORMANCE MEASURES

Pursuant to Article 16 of Regulation (EU) 1095/2010, the European Securities and Markets Authority (ESMA) has issued a series of guidelines on the criteria for the presentation of Alternative Performance Measures (APMs). APMs are defined as indicators of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The APMs are generally derived (or are based) on the financial statements prepared in accordance with the applicable financial reporting framework. This type of measure is included by European issuers in their regulated information, therefore including the Report on Operations, when these measures are not defined or provided for by the financial reporting framework. These guidelines are intended to promote the usefulness and transparency of the APMs, in such a way as to adopt a common approach to the use of these measures, with improvements in terms of comparability, reliability and understandability and consequent benefits for the users of financial information.

Measures published in application of prudential rules, including the measures specified in the Regulation and the Directive on capital requirements (CRR/CRD IV), physical or non-financial indicators, and social and environmental indicators are not strictly included in the definition of APM.

Iccrea Banca draws up its consolidated financial statements, in application of Legislative Decree 38 of February 28, 2005, in accordance with the IAS/IFRS accounting standards issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and endorsed by the European Commission, as established by Regulation (EC) no. 1606 of July 19, 2002, using the formats and rules envisaged by Circular no. 262 of December 22, 2005 “Bank financial statements: formats and rules of compilation” as detailed in Part A of the notes to the financial statements.

Iccrea Banca uses Alternative Performance Measures (APMs), determined in accordance with the aforementioned ESMA guidelines, with the aim of providing a faithful representation of the financial information disclosed to the market in terms of profit or loss, financial position and performance obtained, and which represent useful metrics for investors to facilitate their understanding of developments in performance and financial position.

In addition to being widely used in banking and finance, the APMs selected by Iccrea Banca are considered key factors by management in its decision-making at both the operational and strategic level.

The values for the measures can be reconciled with these financial statements for the purposes of the associated measures defined under the IFRS. For each published measure, the corresponding value for the comparative period is also provided, appropriately restated to ensure a uniform comparison where the restatement is necessary and of a material amount.

Note that the Alternative Performance Measures represent supplementary information with respect to the measures defined in the IFRS and are in no way a substitute for the latter.

Structural indicators

- Loans to customers: the aggregate includes loans to customers recognized as financial assets measured at amortized cost, net of exposures represented by securities.
- Total direct funding from ordinary customers: the aggregate includes outstanding debt securities, current accounts, deposits and other liabilities recognized as liabilities measured at amortized cost relating to funding from ordinary customers, with the exception of the sub-item financing.
- Net loans to customers at amortized cost/Total assets: the measure compares loans to customers at amortized cost with total balance sheet assets. For a definition of the “loans to customers” aggregate, please see the foregoing.
- Direct funding from customers/Total liabilities: the measure is the amount of total direct funding from ordinary customers as a proportion of total balance sheet liabilities. For a definition of “direct funding from customers” aggregate, please see the foregoing.
- Loan to deposit ratio: a measure of loans to customers at amortized cost as a proportion direct funding from customers, which includes amounts due to customers and outstanding securities, and provides summary information on liquidity.

Profitability measures

- ROE - Return On Equity: the measure is calculated as the ratio between net profit and shareholders' equity and expresses the profitability generated by available equity.
- ROTE - Return On Tangible Equity: the measure is calculated as the ratio between net profit and tangible equity.¹²¹
- ROA - Return On Assets: the measure is calculated as the ratio between net profit and total assets and provides an indication of the profitability of company assets.
- Cost/Income Ratio: the measure is calculated as the ratio between operating costs and gross income and provides an indication of the efficiency of operations.

Risk measures

- Net bad loans/Loans to customers at amortized cost: the measure is calculated as the ratio between bad loans and total loans to customers. For a definition of the loans to customers aggregate, please see the foregoing.
- Impairment losses on bad loans/Gross bad loans: the measure is calculated as the ratio between total impairment losses accumulated on bad loans to customers and the amount of bad loans to customers, gross of the associated accumulated impairment losses. It provides an indication of the coverage level for bad loans. For a definition of the loans to customers aggregate, please see the foregoing.
- Net NPL Ratio (Net non-performing loans/Net loans to customers at amortized cost): the measure is calculated as the ratio between non-performing loans to customers net of the associated accumulated impairment losses and total net loans to customers. It provides an indication of the quality of the loan portfolio. For a definition of the loans to customers aggregate, please see the foregoing.
- Net UTP/Net loans to customers at amortized cost: the measure is calculated as the ratio between unlikely to pay loans to and total loans to customers. For a definition of the loans to customers aggregate, please see the foregoing.
- Impairment losses on gross UTP/UTP: the measure is calculated as the ratio between total accumulated impairment losses on unlikely to pay loans to customers and unlikely to pay loans to customers gross of the associated accumulated impairment losses. It provides an indication of the coverage level for unlikely to pay positions. For a definition of the loans to customers aggregate, please see the foregoing.
- Impairment losses on impaired past-due exposures/gross impaired past-due exposures: the measure is calculated as the ratio between total accumulated impairment losses on impaired past-due loans to customers and impaired past-due loans to customers gross of the associated accumulated impairment losses. It provides an indication of the coverage level for impaired past-due loans. For a definition of the loans to customers aggregate, please see the foregoing.
- Gross NPL Ratio (Gross non-performing loans/Gross loans to customers at amortized cost): the measure is calculated as the ratio between gross non-performing loans to customers and total gross loans to customers. It provides an indication of the quality of the loan portfolio. For a definition of the loans to customers aggregate, please see the foregoing.
- NPL Coverage (Accumulated impairment losses on non-performing loans/Gross non-performing loans to customers): the measure is calculated as the ratio between total accumulated impairment losses on loans to customers and non-performing loans to customers gross of the associated accumulated impairment losses. It provides an indication of the coverage level for non-performing loans to customers.
- Cost of risk (Net writedowns/writebacks) for credit risk/net loans to customers measured at amortized cost): the measure is calculated as the ratio between impairment losses for the year and the amount of loans to customers at the end for the year. It provides an indication of the impact of impairment losses on the portfolio during the year. For a definition of the loans to customers aggregate, please see the foregoing.

¹²¹ Determined as the difference between the Group's book equity and intangible assets.

- Texas ratio: the ratio between gross non-performing loans to customers and the sum, in the denominator, of the related provisions and tangible equity.

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

Assets	31/12/2025	31/12/2024
10. Cash and cash equivalents	1,703,492	3,316,821
20. Financial assets measured at fair value through profit or loss	1,540,230	1,493,522
a) financial assets held for trading	81,765	87,418
b) financial assets designated as at fair value	332,783	324,693
c) other financial assets mandatorily measured at fair value	1,125,682	1,081,411
30. Financial assets measured at fair value through other comprehensive income	7,443,125	6,914,461
40. Financial assets measured at amortized cost	148,120,749	143,283,468
a) due from banks	3,227,015	3,390,631
b) loans to customers	144,893,734	139,892,837
50. Hedging derivatives	1,071,800	725,478
60. Value adjustments of financial assets hedged generically (+/-)	(695,597)	(528,043)
70. Equity investments	310,306	300,366
90. Property, plant and equipment	2,340,620	2,292,185
100. Intangible assets	225,120	200,283
- of which: goodwill	18,408	18,408
110. Tax assets	969,419	1,012,498
a) current	346,388	272,195
b) deferred	623,031	740,303
120. Non-current assets and disposal groups held for sale	9,245	109,553
130. Other assets	4,608,901	5,491,321
Total assets	167,647,410	164,611,913

Liabilities and shareholders' equity		31/12/2025	31/12/2024
10.	Financial liabilities measured at amortized cost	145,644,783	143,756,450
	a) due to banks	2,436,775	6,554,016
	b) due to customers	127,933,676	123,234,220
	c) securities issued	15,274,332	13,968,214
20.	Financial liabilities held for trading	45,633	63,920
30.	Financial liabilities designated as at fair value	67,763	-
40.	Hedging derivatives	245,123	244,789
60.	Tax liabilities	50,498	83,193
	a) current	9,725	45,771
	b) deferred	40,773	37,422
70.	Liabilities associated with assets held for sale	-	30,922
80.	Other liabilities	3,161,250	3,699,492
90.	Employee termination benefits	172,471	197,279
100.	Provisions for risks and charges	591,443	658,124
	a) commitments and guarantees issued	191,831	268,203
	c) other provisions for risk and charges	399,612	389,921
120.	Valuation reserves	248,192	201,291
140.	Equity instruments	30,139	30,139
150.	Reserves	14,399,624	12,543,839
160.	Share premium reserves	156,204	154,624
170.	Share capital	2,284,100	2,292,445
180.	Treasury shares (-)	(1,393,479)	(1,387,018)
190.	Non-controlling interests (+/-)	12,175	11,837
200.	Net profit (loss) for the period (+/-)	1,931,491	2,030,587
Total liabilities and shareholders' equity		167,647,410	164,611,913

CONSOLIDATED INCOME STATEMENT

	31/12/2025	31/12/2024
10. Interest and similar income	5,611,147	6,766,179
of which: interest income calculated using effective interest rate method	5,288,539	6,212,486
20. Interest and similar expense	(1,618,903)	(2,402,647)
30. Net interest income	3,992,244	4,363,532
40. Fee and commission income	1,755,087	1,689,398
50. Fee and commission expense	(299,576)	(284,879)
60. Net fee and commission income (expense)	1,455,511	1,404,519
70. Dividends and similar income	23,688	25,005
80. Net gain (loss) on trading activities	35,676	40,306
90. Net gain (loss) on hedging activities	2,509	(1,687)
100. Net gain (loss) on the disposal or repurchase of:	139,015	92,025
a) financial assets measured at amortized cost	120,192	89,671
b) financial assets measured at fair value through other comprehensive income	18,648	2,130
c) financial liabilities	175	224
110. Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss	(52,426)	(6,175)
a) financial assets and liabilities designated as at fair value	4,479	2,184
b) other financial assets mandatorily measured at fair value	(56,905)	(8,359)
120. Gross income	5,596,218	5,917,525
130. Net losses/recoveries for credit risk in respect of:	(234,031)	(336,913)
a) financial assets measured at amortized cost	(233,336)	(336,324)
b) financial assets measured at fair value through other comprehensive income	(695)	(589)
140. Gains/losses from contractual modifications without derecognition	(980)	(7,433)
150. Net income (loss) from financial operations	5,361,207	5,573,179
180. Net income (loss) from financial and insurance operations	5,361,207	5,573,179
190. Administrative expenses:	(3,302,768)	(3,252,135)
a) personnel expenses	(2,067,289)	(2,104,039)
b) other administrative expenses	(1,235,479)	(1,148,096)
200. Net provisions for risks and charges	55,680	13,899
a) commitments and guarantees issued	73,438	40,877
b) other net provisions	(17,758)	(26,978)
210. Net adjustments of property, plant and equipment	(189,041)	(186,501)
220. Net adjustments of intangible assets	(51,206)	(45,417)
230. Other operating expenses/income	382,367	378,687
240. Operating costs	(3,104,969)	(3,091,468)
250. Profit (loss) from equity investments	16,577	9,801
260. Net gain (loss) from valuation at fair value of property, plant and equipment and intangible assets	(12,259)	(21,448)
270. Goodwill impairment	-	(310)
280. Profit (loss) from disposal of investments	(680)	(252)
290. Profit (loss) before tax on continuing operations	2,259,875	2,469,502
300. Income tax expense from continuing operations	(371,009)	(418,411)
310. Profit (loss) after tax on continuing operations	1,888,866	2,051,091
320. Profit (loss) after tax on discontinued operations	42,965	(20,946)
330. Net profit (loss) for the period	1,931,831	2,030,145
340. Net profit (loss) for the period – non-controlling interests	340	(442)
350. Net profit (loss) for the period – shareholders of the Parent Company	1,931,491	2,030,587

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

	31/12/2025	31/12/2024
10. Net profit (loss) for the period	1,931,831	2,030,145
Other comprehensive income net of taxes not recyclable to profit or loss	16,371	(8,289)
20. Equity securities designated as at fair through other comprehensive income	13,232	(8,562)
30. Financial liabilities designated at fair value through profit or loss (changes in the entity's own credit risk)	(143)	-
70. Defined-benefit plans	3,282	273
Other comprehensive income net of taxes recyclable to profit or loss	30,400	115,383
130. Cash flow hedges	(8,505)	31,004
150. Financial assets (other than equity investments) measured at fair value through other comprehensive income	46,697	76,842
170. Share of valuation reserves of equity investments accounted for with equity method	(7,792)	7,537
200. Total other comprehensive income net of taxes	46,771	107,094
210. Comprehensive income (item 10 + 200)	1,978,602	2,137,238
220. Consolidated comprehensive income - non-controlling interests	338	(442)
230. Consolidated comprehensive income - shareholders of the Parent Company	1,978,264	2,137,680

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY 2025

	As at 31/12/2024	Change in opening balance	Allocation of net profit of previous year		Change for the period							Shareholders' equity at 31/12/2025	Shareholders equity attributable to shareholders of the Parent Company	Non-controlling interests	
			Reserves	Dividends and other allocations	Change in reserves	Equity transactions									Comprehensive income at 31/12/2025
						Issue of new shares	Purchase of treasury shares	Extraordinary dividends	Change in equity instruments	Derivatives on treasury shares	Stock options				
Share capital:															
- ordinary shares	2,300,590	2,300,590	1,863			8,484	(18,692)						2,292,245	2,284,100	8,145
- other shares															
Share premium reserve	156,000	156,000				1,580							157,580	156,204	1,376
Reserves:															
- earnings	12,577,292	12,577,292	1,833,455		22,116								14,432,863	14,430,564	2,299
- other	(30,710)	(30,710)			(230)								(30,940)	(30,940)	
Valuation reserves	201,307	201,307			130							46,771	248,207	248,192	15
Equity instruments	30,139	30,139											30,139	30,139	
Treasury shares	(1,387,019)	(1,387,019)				2,911	(9,373)						(1,393,479)	(1,393,479)	
Net profit (loss) for the period	2,030,145	2,030,145	(1,835,318)	(194,827)								1,931,831	1,931,831	1,931,491	340
Total shareholders' equity	15,877,745	15,877,745		(194,827)	22,016	12,975	(28,065)					1,978,602	17,668,446	17,656,271	12,175
Shareholders' equity - shareholders of the Parent Company	15,865,908	15,865,908		(194,827)	22,016	12,975	(28,065)					1,978,264	17,656,271		
Shareholders' equity - non-controlling interests	11,837	11,837										338	12,175		

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY 2024

	As at 31/12/2023	Change in opening balance	As at 1/1/2024	Allocation of net profit of previous year		Change for the period							Shareholders' equity at 31/12/2024	Shareholders equity attributable to shareholders of the Parent Company	Non-controlling interests	
				Reserves	Dividends and other allocations	Change in reserves	Issue of new shares	Purchase of treasury shares	Extraordinary dividends	Change in equity instruments	Derivatives on treasury shares	Stock options				Change in equity holdings
Share capital:																
- ordinary shares	2,290,202		2,290,202	8,774			9,071	(15,602)				8,145	2,300,590	2,292,445	8,145	
- other shares																
Share premium reserve	152,967		152,967				1,657					1,376	156,000	154,624	1,376	
Reserves:																
- earnings	10,922,751		10,922,751	1,688,492		(36,693)						2,742	12,577,292	12,574,550	2,742	
- other	(29,247)		(29,247)			(1,463)							(30,710)	(30,710)		
Valuation reserves	47,360		47,360			46,838						16	107,093	201,307	201,291	16
Equity instruments	30,139		30,139										30,139	30,139		
Treasury shares	(1,382,888)		(1,382,888)				3,171	(7,301)					(1,387,018)	(1,387,018)		
Net profit (loss) for the period	1,857,606		1,857,606	(1,697,266)	(160,340)							2,030,145	2,030,145	2,030,587	(442)	
Total shareholders' equity	13,888,890		13,888,890		(160,340)	8,682	13,898	(22,902)				12,279	2,137,238	15,877,745	15,865,908	11,837
Shareholders' equity - shareholders of the Parent Company	13,888,890		13,888,890		(160,340)	8,682	13,898	(22,902)				2,137,680	15,865,908			
Shareholders' equity - non-controlling interests												12,279	(442)	11,837		

CONSOLIDATED STATEMENT OF CASH FLOWS: INDIRECT METHOD

	31/12/2025	31/12/2024
A. OPERATING ACTIVITIES		
1. Operations	2,351,008	2,854,491
- net profit (loss) for the period (+/-)	1,931,831	2,030,145
- gains (losses) on financial assets held for trading and on financial assets/liabilities at fair value through profit or loss(-/+)	89,401	35,760
- gains (losses) on hedging activities (-/+)	11,544	(21,996)
- net losses/recoveries on impairment (+/-)	166,357	200,873
- net adjustments of property, plant and equipment and intangible assets(+/-)	240,247	231,918
- net provisions for risks and charges and other costs/revenues (+/-)	20,554	144,899
- taxes, duties and tax credits to be settled (+/-)	(100,654)	226,250
- other adjustments (+/-)	(8,272)	6,642
2. Net cash flows from/used in financial assets	(4,937,407)	3,353,162
- financial assets held for trading	(17,265)	113,569
- financial assets designated as at fair value	(8,090)	(7,617)
- other assets mandatorily measured at fair value	(110,753)	(141,001)
- financial assets measured at fair value through other comprehensive income	(478,538)	885,648
- financial assets measured at amortized cost	(5,701,351)	1,928,638
- other assets	1,378,590	573,926
3. Net cash flows from/used in financial liabilities	1,289,635	(7,715,806)
- financial liabilities measured at amortized cost	1,888,333	(9,039,526)
- financial liabilities held for trading	(18,287)	(47,668)
- financial liabilities designated as at fair value	67,763	-
- other liabilities	(648,174)	1,371,388
Net cash flows from/used in operating activities	(1,296,765)	(1,508,152)
B. INVESTING ACTIVITIES		
1. Cash flow from	209,311	280,963
- sales of equity investments	-	15,000
- dividends on equity investments	23,688	25,005
- sales of property, plant and equipment	84,596	45,195
- sales of intangible assets	4,899	-
- sales of subsidiaries and business units	96,127	195,761
2. Cash flow used in	(324,585)	(247,943)
- purchase of equity investments	-	(51)
- purchases of property, plant and equipment	(247,762)	(147,421)
- purchases of intangible assets	(76,824)	(100,471)
Net cash flows from/used in investing activities	(115,275)	33,020
C. FINANCING ACTIVITIES		
- issues/purchases of own shares	(6,462)	(4,129)
- dividend distribution and other	(194,827)	(160,340)
Net cash flows from/used in investing activities	(201,289)	(164,469)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	(1,613,329)	(1,639,601)

Key
 (+) generated
 (-) absorbed

RECONCILIATION

	31/12/2025	31/12/2024
Cash and cash equivalents at beginning of period	3,316,821	4,956,422
Net increase/decrease in cash and cash equivalents	(1,613,329)	(1,639,601)
Cash and cash equivalents at end of period	1,703,492	3,316,821

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

PART A - ACCOUNTING POLICIES

A.1 – GENERAL INFORMATION

SECTION 1 – DECLARATION OF CONFORMITY WITH INTERNATIONAL ACCOUNTING STANDARDS

In compliance with the provisions of Legislative Decree 38 of February 28, 2005, the consolidated financial statements of the Iccrea Cooperative Banking Group have been prepared in condensed form and in accordance with the recognition and measurement criteria of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), and the related interpretations of the International Financial Reporting Interpretations Committee (IFRS - IC), endorsed by the European Commission and in force as of the reporting date.

The IASs/IFRSs have also been applied in accordance with the “Conceptual Framework for Financial Reporting” (the Framework), with particular regard to the key principle of the prevalence of substance over form, as well as the concepts of relevance and materiality of information.

These financial statements have been prepared using the format and main schedules provided for in Circular no. 262 of December 22, 2005 – 8th update of November 17, 2022 – issued by the Bank of Italy in the exercise of the powers established by Article 43 of Legislative Decree 136/2015.

These consolidated financial statements were prepared using the accounting standards IAS/IFRS endorsed by the European Commission and in force as of the reporting date.

The following table sets out the new international accounting standards and amendments to existing accounting standards, with the related endorsement regulations of the European Commission, that took effect, either on a mandatory basis or with the option of early adoption, as from January 1, 2025.

ENDORSEMENT REGULATION	IAS/IFRS AND SHORT DESCRIPTION	ENTRY INTO FORCE
2862/2024	Amendments to IAS 21 Effects of changes in exchange rates The amendments to IAS 21 require the provision of disclosures that enable users of financial statements to understand the impact of a non-exchangeable currency.	Annual reporting periods beginning on or after January 1, 2025.

The amendments and additions provided for in the endorsed regulation did not have a material impact on the financial position or performance of the Group.

The following table reports new international accounting standards and amendments to existing standards issued by the IASB that have not yet entered force:

ENDORSEMENT REGULATION	IAS/IFRS AND SHORT DESCRIPTION	ENTRY INTO FORCE
1047/2025	Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments The amendments primarily regard: - the derecognition of a financial liability settled through electronic transfer; - the classification of financial assets, with specific regard to those with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to adopt in the assessment of the SPPI test; - the disclosure requirements for investments in equity instruments designated as at FVOCI.	Annual reporting periods beginning on or after January 1, 2026.
1266/2025	Amendments to IFRS 9 and IFRS 7 Contracts referencing nature-dependent electricity The amendments include: - a clarification on the application of the “own use exception” to this type of contracts; - the criteria permitting hedge accounting if these contracts are used as hedging instruments; and, - new disclosure requirements to help users understand the effects of such contracts on the entity's cash flows and financial performance.	Annual reporting periods beginning on or after January 1, 2026.

1331/2025	Annual improvements to IFRS – Volume 11 The document includes clarifications, simplifications, corrections and changes aimed at improving the consistency of several IFRS Accounting Standards. The amended principles are: • IFRS 1 First-time Adoption of International Financial Reporting Standards; • IFRS 7 Financial Instruments: Disclosures and related guidance on the implementation of IFRS 7; • IFRS 9 Financial Instruments; • IFRS 10 Consolidated Financial Statements; • IAS 7 Statement of Cash Flows.	Annual reporting periods beginning on January 1, 2026. Early application is permitted.
338/2026	IFRS 18 Presentation and Disclosure in Financial Statements IFRS 18 replaces IAS 1 Presentation of Financial Statements. IFRS 18 sets out specific principles for aggregating and disaggregating financial statement information and which of these must be provided in the schedules or in the notes. In particular: • it requires assets, liabilities, equity, income, expenses or cash flows to be classified into items based on shared characteristics and, otherwise, to disaggregate financial statement items if the disclosure resulting from the disaggregation is material; • it allows an item to be labeled as “other” only if a more informative label is not available. In the case of the aggregation of several material items, the entity shall use a label that describes the aggregated item as precisely as possible, for example, ‘other operating expenses’ or ‘other finance expenses’; • it requires the presentation of “additional line items” and “additional subtotals” (for example, after operating profit) when such items are necessary to provide a “useful structured summary” in the income statement”.	Annual reporting periods beginning on or after January 1, 2027
To be determined	IFRS 19 Subsidiaries without Public Accountability: Disclosures IFRS 19 permits entities that do not have public accountability and are subsidiaries of a parent company producing financial statements complying with the IFRS to apply IFRS with reduced disclosure requirements.	Annual reporting periods beginning on or after January 1, 2027
To be determined	Amendments to IAS 21 Effects of changes in exchange rates - Translation to a Hyperinflationary Presentation Currency The amendments define translation procedures in the event that the presentation currency is the currency of an hyperinflationary economy. The amendments may result in updates to IFRS 19 and IAS 29.	Annual reporting periods beginning on or after January 1, 2027

At December 31, 2025, the possible impact on the financial position and performance of the Group of rules issued by the IASB that have not yet entered force is being assessed.

SECTION 2 - GENERAL PREPARATION PRINCIPLES

These consolidated financial statements consist of the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows, the notes to the financial statements and associated comparative information, along with the Report on Operations and the performance and financial position of the Iccrea Cooperative Banking Group.

In compliance with Article 5 of Legislative Decree 38/2005, the financial statements use the euro as the reporting currency.

Unless otherwise specified, the figures in the financial statements and the explanatory notes are expressed in thousands of euros.

The financial statements have been prepared in accordance with the general principles set out in IAS 1 "Presentation of Financial Statements" and the accounting standards endorsed by the European Commission and described in Part A.2 of these explanatory notes, as well as the general assumptions set out in the Conceptual Framework for Financial Reporting issued by the IASB. No exceptions have been made in applying the IASs/IFRSs.

The financial statements also comply with the following general principles of preparation:

- accrual basis accounting;
- understandability of information;
- materiality of information (relevance);
- reliability of information (faithful representation; prevalence of economic substance over legal form; neutrality of information; completeness of information; prudence in estimation to avoid overestimating revenues/assets or underestimating costs/liabilities);
- comparability over time.

In preparing the financial statements, the documents issued by the European Securities and Markets Authority (ESMA) during 2024 and 2025 were also considered - to the extent applicable. In particular, in October 2025, ESMA published the document "European common enforcement priorities for 2025 corporate reporting", noting some points of concern mainly relating to the ongoing wars in Ukraine and the Middle East and the consequently increasing trade tensions which have led to persistent volatility in energy and raw material prices, as well as complex changes in global trade patterns. ESMA therefore calls for providing specific information on the effects of geopolitical uncertainties, updating sensitivity analyses on asset and liability values where deemed necessary, judiciously assessing whether additional disclosures are necessary to enable users to understand the effect of geopolitical risks and uncertainties on financial position, cash flows, and financial performance, ensuring consistency between assumptions and information throughout the financial statements.

As discussed in the relevant section of the Report on Operations, to which reference is made, the risks and uncertainties associated with the geopolitical and macroeconomic context, as well as climate-related issues, are the subject of in-depth analysis to assess their "direct" and "indirect" impacts on the Group's economic activity, financial situation and performance, based on the evidence currently available and the scenarios currently conceivable. The related findings were also considered in order to assess the existence of the going-concern assumption in the preparation of the financial statements and reflected in significant accounting estimates, with particular reference to the quantification of impairment losses on receivables.

Managements is not aware of any significant uncertainties, events or conditions that could warrant serious concern about the Group's ability to continue to operate as a going concern in the foreseeable future, taking particular account of the system of cross-guarantees on which the Cooperative Banking Group is based, for which a discussion is provided in the Report on Operations. The uncertainties resulting from the current economic environment, although likely to impact the financial statements, do not undermine the going-concern assumption. In light of these elements and assessments, the Group has a reasonable expectation of continuing to operate as a going concern for the foreseeable future and has therefore prepared the financial statements as of December 31, 2025, on the going-concern basis.

In addition to the financial statements in PDF format, which represents the official version, the Group also voluntarily prepares the financial statements in the XHTML format required under Delegated Regulation (EU) 2019/815 "ESEF - European Single Electronic Format".

Our country-by-country reporting as provided for in Article 89 of Directive 2013/36/EU of the European Parliament and the Council (CRD IV), is annexed to these financial statements.

Content of the financial statements and the explanatory notes

Balance sheet and income statement

The balance sheet and the income statement contain items, sub-items and further information (the “of which” for items and sub-items). Items without values for the reference period and the previous period are not included. In the income statement, revenues are shown without indicating their sign, while cost figures are shown within parentheses.

Statement of comprehensive income

The items concerning other comprehensive income after taxes in the statement of comprehensive income report changes in the value of assets recognized in the valuation reserves. Items without balances for the period and for the previous period are not reported. Negative amounts are presented within parentheses.

Statement of changes in equity

The statement of changes in equity shows the composition and movements of equity accounts during the reference period and the previous period, broken down by share capital (ordinary and savings shares), earnings reserves, capital reserves and valuation reserves for assets or liabilities, equity instruments and the net profit (loss) for the period. The value of any treasury shares is deducted from shareholders' equity.

Statement of cash flows

The statements of cash flows for the present period and the previous period were prepared using the indirect method, under which cash flows from operating activities are represented by the profit (loss) for the period, adjusted for the impact of non-monetary transactions. Cash flows are broken down into cash flows from/used in operating activities, investing activities and financing activities. Cash flows generated during the period are shown without a sign, while those used are shown within parentheses.

Content of the notes to the financial statements

The explanatory notes to the financial statements include the information required by international accounting standards, using the tables provided for in Bank of Italy Circular no. 262/2005 – 8th update of November 17, 2022, as well as the Communication of the Bank of Italy of March 14, 2023.¹²²

For the sake of a complete representation compared with the schedules provided for by the Bank of Italy, the notes also report the titles of sections for items in the financial statements that do not have values either for the period under review or the previous period.

¹²² See. “Update of the provisions of Circular no. 262 “Bank financial statements: formats and rules of preparation” concerning the impact of COVID-19 and the measures to support the economy.

SECTION 3 – SCOPE AND METHODS OF CONSOLIDATION

The scope of consolidation of the Iccrea Cooperative Banking Group includes:

- the financial statements of Iccrea Banca SpA in its capacity as Parent Company and Central Body;
- the financial statements of the affiliated mutual banks, which together with Iccrea Banca SpA comprise the Consolidating Entity;
- the financial statements of the companies over which, in application of IFRS 10, IFRS 11 and IAS 28, Iccrea Banca and the affiliated mutual banks exercise control, joint control or significant influence.

Please see “Assessments and significant assumptions in determining the scope of consolidation” in section 2 below for a discussion of the assumptions underlying the determination of the scope of consolidation and the associated consolidation methods.

The following table reports the companies included in the scope of consolidation of the Iccrea Cooperative Banking Group.

1. COMPANIES CONSOLIDATED ON A LINE-BY-LINE BASIS

		Headquarters	Type of relationship (A)	Equity investment		% share of votes (B)
				Investor	% holding	
A. Consolidated on a line-by-line basis						
1	Iccrea Banca SpA	Rome				
2	BCC di Bari e Taranto S.C.	Bari				
3	Banca dell'Elba - Credito Cooperativo S.C.	Portoferraio				
4	Credito Cooperativo Mediocrati S.C.	Rende				
5	Banca di Credito Cooperativo Magna Grecia – Società Cooperativa	Vallo della Lucania				
6	Credito Cooperativo Romagnolo - BCC di Cesena E Gatteo - S.C.	Cesena				
7	Emil Banca - Credito Cooperativo S.C.	Bologna				
8	Banca Cremasca e Mantovana - Credito Cooperativo S.C.	Crema				
9	Banca della Marca Credito Cooperativo S.C.	Orsago				
10	Credito Cooperativo Friuli (CrediFriuli) S.C.	Udine				
11	BCC dell'Adriatico Teramano S.C.	Atri				
12	Banca di Credito Cooperativo della Calabria Ulteriore - Società Cooperativa	Crotone				
13	BCC di Cagliari S.C.	Cagliari				
14	Banca di Andria Di Credito Cooperativo S.C.	Andria				
15	BCC Agrigentino S.C.	Agrigento				
16	BCC di Napoli S.C.	Napoli				
17	BCC di Putignano S.C.	Putignano				
18	Banca di Ancona e Falconara Marittima Credito Cooperativo S.C.	Ancona				
19	BCC di Montepaone S.C.	Montepaone				
20	BCC di Basciano S.C.	Basciano				
21	BCC della Valle del Trigno S.C.	San Salvo				
22	Valpolicella Benaco Banca Credito Cooperativo S.C.	Costermano Sul Garda				
23	Banca Veronese Credito Cooperativo di Concamarise S.C.	Bovolone				
24	Banca Centropadana Credito Cooperativo S.C.	Lodi				
25	Banco Fiorentino - Mugello Impruneta Signa - Credito Cooperativo S.C.	Firenzuola				
26	BCC di Roma S.C.	Rome				
27	BCC Brianza e Laghi S.C.	Lesmo				
28	BCC di Altofonte e Caccamo S.C.	Altofonte				
29	Banca di Anghiari E Stia - Credito Cooperativo S.C.	Anghiari				
30	BCC di Avetrana S.C.	Avetrana				
31	BCC Pordenonese e Monsile S.C.	Azzano Decimo				
32	Banca di Pescia e Cascina - Credito Cooperativo S.C.	Pescia				
33	BCC di Arborea S.C.	Arborea				

		Headquarters	Type of relationship (A)	Equity investment		% share of votes (B)
				Investors	% holding	
34	BCC Campania Centro - Cassa Rurale e Artigiana S.C.	Battipaglia				
35	BCC di Bellegra S.C.	Bellegra				
36	Cassa Rurale e Artigiana di Binasco - Credito Cooperativo S.C.	Binasco				
37	Banca delle Terre Venete Credito Cooperativo S.C.	Vedelago				
38	BCC di Busto Garolfo e Buguggiate S.C.	Busto Garolfo				
39	Cassa Rurale e Artigiana di Cantù BCC S.C.	Cantù				
40	BCC di Capaccio Paestum e Serino S.C.	Capaccio Paestum				
41	BCC Abruzzese - Cappelle Sul Tavo S.C.	Cappelle Sul Tavo				
42	BCC del Basso Sebino S.C.	Capriolo				
43	BCC di Carate Brianza e Treviglio S.C.	Carate Brianza				
44	Credito Cooperativo Di Caravaggio Adda e Cremasco - Cassa Rurale S.C.	Caravaggio				
45	BCC di Terra D'Otranto S.C.	Carmiano				
46	Banca Alpi Marittime Credito Cooperativo Carrù S.C.	Carrù				
47	BCC di Venezia, Padova E Rovigo - Banca Annia S.C.	Cartura				
48	BCC di Milano S.C.	Carugate				
49	Credito Padano Banca di Credito Cooperativo S.C.	Cremona				
50	Banca dei Sibillini - Credito Cooperativo Di Casavecchia S.C.	Pieve Torina				
51	Credito Cooperativo Valdarno Fiorentino Banca di Cascia S.C.	Reggello				
52	Cassa Rurale e Artigiana di Castellana Grotte Credito Cooperativo S.C.	Castellana Grotte				
53	BCC di Castiglione Messer Raimondo e Pianella S.C.	Castiglione Messer Raimondo				
54	Banca del Piceno Credito Cooperativo S.C.	Acquaviva Picena				
55	BCC dell'Oglio e Del Serio S.C.	Calcio				
56	Banca della Valsassina Credito Cooperativo S.C.	Cremeno				
57	BCC di Fano S.C.	Fano				
58	BCC di Alba, Langhe, Roero e Del Canavese S.C.	Alba				
59	Credito Cooperativo Cassa Rurale Ed Artigiana Di Erchie S.C.	Erchie				
60	Credito Cooperativo Ravennate, Forlivese E Imolese S.C.	Faenza				
61	Banca di Filottrano - Credito Cooperativo di Filottrano e Camerano S.C.	Filottrano				
62	BCC di Gaudiano Di Lavello S.C.	Lavello				
63	Banca di Pisa e Fornacette Credito Cooperativo S.C.	Pisa				
64	BCC di Gambatesa S.C.	Gambatesa				
65	BCC Agrobresciano S.C.	Ghedi				
66	BCC Basilicata - Credito Cooperativo Di Laurenzana e Comuni Lucani S.C.	Laurenzana				
67	BCC Valle Del Torto S.C.	Lercara Friddi				
68	BCC di Leverano S.C.	Leverano				
69	BCC di Canosa - Loconia S.C.	Canosa Di Puglia				
70	BCC di Lezzeno S.C.	Lezzeno				
71	Chiantibanca - Credito Cooperativo S.C.	Monteriggioni				
72	BCC del Garda - BCC Colli Morenici Del Garda S.C.	Montichiari				
73	BCC di Mozzanica S.C.	Mozzanica				
74	BCC di Marina Di Ginosa S.C.	Ginosa				
75	BCC di Nettuno S.C.	Nettuno				
76	BCC del Metauro S.C.	Terre Roveresche				
77	BCC di Ostra e Morro D'alba S.C.	Ostra				
78	BCC di Ostra Vetere S.C.	Ostra Vetere				
79	BCC di Ostuni S.C.	Ostuni				
80	BCC di Pachino S.C.	Pachino				
81	Banca di Udine Credito Cooperativo S.C.	Udine				
82	Credito Cooperativo Cassa Rurale e Artigiana di Paliano S.C.	Paliano				
83	Banca Versilia Lunigiana e Garfagnana - Credito Cooperativo S.C.	Pietrasanta				
84	BCC di Pergola e Corinaldo S.C.	Pergola				
85	BCC Vicentino - Pojana Maggiore S.C.	Pojana Maggiore				

		Headquarters	Type of relationship (A)	Equity investment		% share of votes (B)
				Investor	% holding	
86	BCC di Pontassieve S.C.	Pontassieve				
87	BCC di Pratola Peligna S.C.	Pratola Peligna				
88	Centromarca Banca - Credito Cooperativo di Treviso e Venezia, S.C.	Treviso				
89	BCC di Recanati e Colmurano S.C.	Recanati				
90	Banca di Ripatransone e Del Fermano - Credito Cooperativo S.C.	Ripatransone				
91	Cassa Rurale e Artigiana di Rivarolo Mantovano Credito Cooperativo S.C.	Rivarolo Mantovano				
92	BCC della Provincia Romana S.C.	Riano				
93	BCC Veneta - Credito Cooperativo S.C.	Fara Vicentino				
94	Banca del Valdarno - Credito Cooperativo S.C.	San Giovanni Valdarno				
95	Banca di Pesaro Credito Cooperativo S.C.	Pesaro				
96	BCC di Santeramo In Colle S.C.	Santeramo In Colle				
97	Banca TEMA - Terre Etrusche di Valdichiana e di Maremma S.C.	Chiusi				
98	BCC di Scafati e Cetara S.C.	Scafati				
99	BCC Appulo Lucana S.C.	Spinazzola				
100	BCC di Staranzano e Villesse S.C.	Staranzano				
101	Banca Centro Credito Cooperativo Toscana - Umbria S.C.	Sovicille				
102	BCC di Triuggio e della Valle del Lambro S.C.	Triuggio				
103	BCC della Valle del Fitalia S.C.	Longi				
104	Banca Alta Toscana Credito Cooperativo S.C.	Quarrata				
105	BCC Bergamasca e Orobica S.C.	Cologno Al Serio				
106	Banca Don Rizzo - Credito Cooperativo della Sicilia Occidentale S.C.	Alcamo				
107	BCC dei Colli Albani S.C.	Genzano di Roma				
108	BCC G. Toniolo di San Cataldo S.C.	San Cataldo				
109	Banca San Francesco Credito Cooperativo S.C.	Canicatti				
110	BCC delle Madonie S.C.	Petralia Sottana				
111	BCC Terra Di Lavoro - S. Vincenzo De' Paoli S.C.	Casagiove				
112	BCC degli Ulivi - Terra di Bari S.C.	Palo Del Colle				
113	RivieraBanca Credito Cooperativo di Rimini e Gradara S.C.	Rimini				
114	BCC di San Marco Dei Cavoti e Del Sannio - Calvi S.C.	San Marco Dei Cavoti				
115	BCC Risparmio&Previdenza SGrpA	Milan	1	Iccrea Banca SpA	100.0	100.0
116	BCC Leasing SpA	Rome	1	Iccrea Banca SpA	100.0	100.0
117	BCC Factoring SpA	Rome	1	Iccrea Banca SpA	100.0	100.0
118	BCC Financing SpA	Udine	1	Iccrea Banca SpA	100.0	100.0
119	BCC Gestione Crediti SpA	Rome	1	Iccrea Banca SpA	100.0	100.0
120	BCC Sinergia SpA	Rome	1	Iccrea Banca SpA	100.0	100.0
121	BCC Beni Immobili S.r.l.	Rome	1	Iccrea Banca SpA	100.0	100.0
122	BCC Rent&Lease SpA	Rome	1	Iccrea Banca SpA	100.0	100.0
123	BCC CreditoConsumo SpA	Rome	1	Iccrea Banca SpA	100.0	100.0
124	BCC Sistemi Informatici SpA	Milan	1	Iccrea Banca SpA	90.0	90.0
125	BCC Servizi Assicurativi S.r.l.	Milan	1	Iccrea Banca SpA	100.0	100.0
126	Fondo Securis Real Estate	Rome	4	Iccrea Banca SpA	78.0	78.0
				BCC Brianza e Laghi S.C.	1.2	1.2
127	Fondo Securis Real Estate II	Rome	4	Iccrea Banca SpA	84.8	84.8
128	Fondo Securis Real Estate III	Rome	4	Iccrea Banca SpA	79.5	79.5
129	Fondo Sistema BCC	Rome	4	BCC di Milano S.C.	44.4	44.4
				Credito Cooperativo Di Caravaggio Adda e Cremasco - Cassa Rurale S.C.	8.9	8.9
				BCC del Garda - BCC Colli Morenici Del Garda S.C.	29.4	29.4
				BCC di San Marco Dei Cavoti e Del Sannio - Calvi S.C.	10.6	10.6
130	Asset Bancari V	Rome	4	BCC di Milano S.C.	16.0	16.0
				Banca di Anghiari e Stia - Credito Cooperativo S.C.	16.0	16.0

Headquarters	Type of relationship (A)	Equity investment	% share of votes (B)		Headquarters
			Investor	% holding	
			BCC del Garda - BCC Colli Morenici Del Garda S.C.	19.3	19.3
			Cassa Rurale e Artigiana di Binasco - Credito Cooperativo S.C.	4.0	4.0
			Credito Padano Banca di Credito Cooperativo S.C.	11.3	11.3
			Banca Cremasca e Mantovana - Credito Cooperativo S.C.	26.0	26.0

Key:

A) Type of relationship; 1 = majority of voting rights in ordinary shareholders' meeting; 4 = other forms of control.

B) Votes available in ordinary shareholders' meeting.

Compared with December 31, 2024, changes in the scope of consolidation reflect: (i) the disposal of BCC POS SpA to Numia SpA; (ii) the merger of BCC di Treviglio into BCC di Carate Brianza with the establishment of BCC di Carate Brianza e Treviglio and (iii) the merger of Banca Sviluppo SpA into the Parent Company Iccrea Banca.

The voluntary liquidation of Banca di Pisa e Fornacette Credito Cooperativo, pursuant to Art. 96 quinquies of Legislative Decree 385/1993 (TUB), began in 2025, authorized by the Bank of Italy on June 9, 2025.

2. ASSESSMENTS AND SIGNIFICANT ASSUMPTIONS IN DETERMINING THE SCOPE OF CONSOLIDATION

Introduction

The concept of cooperative banking group was introduced into Italian law with Decree Law 18 of February 14, 2016, ratified with amendments with Law 49 of April 8, 2016, which amended Legislative Decree 385/1993 (the Consolidated Banking Act) with the introduction of Article 37-bis establishing, among other things, that the Parent Company shall exercise management and coordination activities “on the basis of a Cohesion Contract that ensures the existence of control as defined by the international accounting standards adopted by the European Union.”

From the point of view of the associated regulation, the provisions of the Bank of Italy Circular 285 containing supervisory provisions for banks implement articles 37-bis and 37-ter of the Consolidated Banking Act concerning the cooperative banking group. They govern the prudential and supervisory requirements to be met by the parent company, the minimum content of the Cohesion Contract, the characteristics of the joint and several guarantee systems and the requirements of membership in the group. The cooperative banking group is based on the management and coordination powers of the parent company, defined in the Cohesion Contract agreed between the latter and the affiliated mutual banks, which are intended to ensure the unity of strategic direction and the control system as well as compliance with the prudential provisions applicable to the Group and its members, including by way of measures issued by the Parent Company that are binding on the affiliated banks.

A cooperative banking group, as defined in Bank of Italy Circular 285 is a group of entities affiliated to a central body pursuant to Article 10 of Regulation (EU) no. 575/2013 (the CRR), with the simultaneous presence of a mutual guarantee system. In particular, the definition of Central Body, defined in Article 2, paragraph 4, letter a) of Directive 77/780/EEC, establishes that:

- the commitments of the central body and the affiliated institutions are joint and several liabilities;
- the solvency and liquidity of all the affiliated institutions are monitored as a whole on the basis of consolidated accounts.

From the point of view of financial reporting regulations, Law 145 of December 30, 2018 concerning the “State budget for the 2019 fiscal year and the multi-year budget for the 2019-2021 period” (the 2019 Budget Act) amended Legislative Decree 136/2015 “Implementation of Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings”, with the introduction of Article 2, paragraph 2, letter b) of Directive 86/635/EEC, which governs the consolidated accounts of central bodies.

In particular, Article 1072 of Law 145 of December 30, 2018 amended Article 38 of Legislative Decree 136/2015 with the following paragraph 2-bis: “In the case of cooperative banking groups pursuant to Article 37-bis of Legislative Decree 385 of September 1, 1993, the parent company and the mutual banks affiliated to it by virtue of the Cohesion Contract shall constitute a single consolidating entity”.

The single consolidating entity represents the community of interests created by the system of cross-guarantees in the context of the Cohesion Contract, aimed at ensuring the financial and governance unity of the Group as a whole.

The explanatory report to the 2019 Budget Act (as approved by the Senate on December 23, 2018) summarizes the effects of the aforementioned regulatory change as follows:

- “for the purposes of preparing the consolidated financial statements, the parent company and the banks belonging to the cooperative banking group shall constitute a single consolidating entity”;
- “in the preparation of the consolidated financial statements, the accounting items pertaining to the Parent Company and the affiliated banks shall be recognized on a consistent basis”.

The regulatory changes introduced in the Italian legal system are consistent with the position expressed by the European Commission in 2006 regarding the adoption of international accounting standards, according to which the obligation to draw up the consolidated financial statements must be determined in accordance with the provisions of the national legislation transposing European directives notwithstanding the provisions of those accounting standards.

An authoritative option has been issued on the consolidation of the financial statements of cooperative banking groups in application of the regulatory and financial reporting provisions described above.

Taking account of the foregoing, in particular:

- the provisions introduced with the 2019 Budget Act that specify the procedures for complying with consolidation requirements in the case of groups of banks affiliated to a central body;
- the provisions of the Consolidated Banking Act, which are important in defining the governance powers of the central body over the affiliated mutual banks, defined in the Cohesion Contract;
- that the 2019 Budget Act, introducing paragraph 2-bis of Article 38 of Legislative Decree 136/2015 (in implementation of Directive 86/635) as a special rule, prevails and specifies the generic reference of Article 37 bis, paragraph 1 of the Consolidated Banking Act to control for the purposes of the accounting standards.

The consolidated financial statements of the Iccrea Cooperative Banking Group have been prepared on the basis of the following procedures:

- the entity required to draw up the consolidated financial statements is represented by the aggregation of the central body and the affiliated mutual banks (hereinafter the “consolidating entity”);
- in the consolidated financial statements, the accounting entries of the Parent Company and the affiliated mutual banks are recorded at the same values;
- in the consolidated financial statements, the accounting entries of the Parent Company and the affiliated mutual banks are recorded at the existing value reported in the individual financial statements;
- the provisions of IFRS 10 are applied for the purpose of identifying the scope of consolidation of the consolidating entity (subsidiaries of the Parent Company and the affiliated mutual banks);
- IFRS 3 is applicable only for any business combinations between the single consolidating entity and third parties;
- balance sheet and income statement positions between companies included in the scope of consolidation are eliminated in full;
- Parent Company shares held by the affiliated mutual banks are eliminated in full and accounted for as treasury shares of the consolidating entity.

Scope and methods of consolidation

In view of the foregoing, the scope of consolidation of the Iccrea Cooperative Banking Group includes:

- the financial statements of Iccrea Banca SpA in its capacity as Parent Company and Central Body;
- the financial statements of the affiliated mutual banks, which together with Iccrea Banca SpA comprise the Consolidating Entity;
- the financial statements of the companies over which, in application of IFRS 10, IFRS 11 and IAS 28, Iccrea Banca and the affiliated mutual banks exercise control, joint control or significant influence.

Subsidiaries

Subsidiaries are those entities over which the Consolidating Entity has the power to direct the relevant activities as a result of a legal right or a mere situation of fact and is exposed to the variable returns resulting from that power.

More specifically, pursuant to IFRS 10 the control requirement is met when an investor simultaneously has:

- the power to direct the relevant activities of the entity;
- is exposed, or has rights, to variable returns from its involvement with the investee;
- has the ability to use its power over the investee to affect the amount of its returns (link between power and returns).

The carrying amount of equity interests in companies either consolidated on a line-by-line basis, held by the Consolidating Entity or other companies within the Group, is eliminated – as the subsidiaries' assets and liabilities are absorbed into those of the Group – offsetting the corresponding percentage of the subsidiaries' equity pertaining to the Group.

Asset and liability items, off-balance sheet transactions, expenses and income, as well as profits and losses which occur between companies falling within the scope of consolidation are eliminated.

Costs and revenues of a subsidiary are included in consolidation from the date on which control is acquired. Costs and revenues from a subsidiary disposed of are included in the consolidated income statement up to the date of disposal, which is to say up to the point at which control over the subsidiary is lost. The difference between the payment received on disposal of the subsidiary and the carrying amount of its net assets at the same date is recognized in profit or loss under item 280 "Gain/(loss) from the disposal of investments". Any residual interest held must be measured at fair value as of the date control is lost.

The share pertaining to non-controlling interests is presented on the balance sheet under item 190. "Non-controlling interests", separately from the liabilities and shareholders' equity pertaining to the shareholders of the Parent Company. The portion pertaining to non-controlling interests is also presented separately in the income statement, under item 340 "Profit/(loss) pertaining to non-controlling interests".

For companies that are included in the scope of consolidation for the first time, the fair value of the costs incurred in order to obtain control of that equity interest, inclusive of ancillary costs, is measured as at the acquisition date.

Changes in interests in a subsidiary that do not entail loss of control are recognized in equity.

Controlling equity investments held for sale are consolidated on a line-by-line basis and reported separately in the financial statements as a disposal group valued as of the reporting date at the lower of carrying amount or fair value less costs to sell.

Non-material subsidiaries are not consolidated.¹²³ Their exclusion from the scope of consolidation does not have a material impact on Group equity.

Associates

Associates are companies in which the Consolidating entity directly or indirectly holds at least 20% of the voting rights or over which, even with a smaller share of the voting rights, it exercises a significant influence, which is defined as the power to participate in determining the financial and operational policies of the associate without having control or joint control.

More specifically, Significant influence is assumed to exist when the parent company:

- directly or indirectly holds at least 20% of the voting rights of another company;
- is able, including through shareholders' agreements, to exercise significant influence through:
 - representation on the company's management body;
 - participation in the process of setting policies, including participation in the decision-making process concerning dividends;

¹²³ The scope of consolidation does not include subsidiaries with total assets of less than €10 million, subject to the condition that the total assets of all unconsolidated subsidiaries do not exceed €50 million.

- the existence of significant transactions;
- the exchange of management personnel.

Associates are accounted for using the equity method. Equity in the associated company includes goodwill (net of any impairment loss) paid for the acquisition. The carrying amount of the interest is increased or decreased to reflect the share of the post-acquisition profits or losses of the associate and is recognized in the income statement under item 250. "Profit/(loss) from equity investments". Any distribution of dividends is indicated as a decrease in the carrying amount of the equity investment. The goodwill associated with an associate or joint venture is included in the carrying amount of the investment and does not undergo separate impairment testing.

Any change in the other comprehensive income relating to these investee companies is presented as part of the comprehensive income of the Group. In addition, if an associated company recognizes a change allocated directly to equity, the Group recognizes its share, where applicable, in the statement of changes in equity.

If the portion of the losses pertaining to the Group equals or exceeds the carrying amount of the investment in the associate, further losses are not recognized unless there is contractual obligation to cover such losses or in the presence of payments made on behalf of the associate.

Unrealized profits on transactions between the Group and its associated companies are eliminated at the same percentage of the Group's interest in the profits of the associates. Unrealized losses are also eliminated, unless the transactions carried out show evidence of an impairment loss on the assets involved. Valuation reserves for associated companies are recognized separately in the statement of comprehensive income.

A number of interests of more than 20%, albeit of limited amount, over which the Parent Company does not have the direct or indirect ability to participate in setting management policies are excluded from the scope of consolidation and classified in accordance with the provisions of IFRS 9. Non-material associates are also excluded from the scope of consolidation. Their exclusion from the scope of consolidation does not have a material impact on Group equity.

Joint arrangements

Entities held under joint arrangements are those over which control is shared under a contractual agreement with other investors. More specifically, a joint arrangement is a contractual arrangement whereby two or more parties exercise joint control.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Under IFRS 11 joint arrangements are classified as either joint operations or joint ventures based upon the contractual rights and obligations held by the Group. A joint operation is a joint arrangement whereby the parties have rights to the assets and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the parties have rights to the net assets of the arrangement. Investments in joint arrangements are accounted for using the equity method.

Structured entities

Subsidiaries may also include any "structured entities" in which the voting rights are not deemed significant in assessing control and include special purpose entities and investment funds.

Structured entities are treated as subsidiaries where:

- the Group has the power through contractual rights to direct the relevant activities;
- the Group is exposed to the variable returns arising from such activities.

The structured entities for which the Group has the power to govern the relevant activities of the entity as a result of the financial instruments it has subscribed include:

- real estate investment funds;
- special purpose securitization vehicles.

Structured entities – Real estate investment funds

In the real estate investment funds, the control relationship takes account of the purpose/scope of the operation and has been deemed to exist in the following cases:

- the involvement of the investor/sponsor in structuring the operation;
- the participation of the Group companies on the committees provided for in the fund's rules (participants' advisory committee), which have the power to direct/govern the relevant activities of the fund and/or control the activities of the fund manager;
- the presence of contractual relationships that tie the fund to the Group for the subscription/placement/sale of its units.

The consolidated real estate investment funds are Fondo Securis Real Estate, Fondo Securis Real Estate II, Fondo Securis Real Estate III, Fondo Sistema BCC, Fondo Asset Bancari V.

In view of their business model (real estate) and the composition of their assets, essentially composed of properties measured at market value, these funds have been consolidated, recognizing their assets under property, plant and equipment in the consolidated financial statements, recognizing any increases/decreases under "*Net gain/loss from valuation at fair value of property, plant and equipment*" in the income statement.

Structured entities –securitizations

In securitizations, the indicators that a control relationship exists include:

- the involvement of the Group companies in structuring of the operation (originator/investor/servicer/facility provider);
- the subscription of substantially all of the ABSs issued by the SPV by Group companies;
- the purpose/scope of the operation.

The segregated assets of the operations originated by banks of the Group that did not give rise to the derecognition of the assigned loans have been consolidated through consolidation of the originating banks.

3. INVESTMENTS IN SUBSIDIARIES WITH SIGNIFICANT NON-CONTROLLING INTERESTS

3.1 NON-CONTROLLING INTERESTS, VOTING RIGHTS OF NON-CONTROLLING INTERESTS AND DIVIDENDS DISTRIBUTED TO NON-CONTROLLING INTERESTS

	%	Non-controlling interest percentage of votes ⁽¹⁾	Dividends distributed to non-controlling interests
BCC Sistemi Informatici SpA	10.00%	10.00%	-

(1) Percentage of votes in ordinary shareholders' meeting

3.2 INVESTMENTS WITH SIGNIFICANT NON-CONTROLLING INTERESTS: ACCOUNTING DATA

	Total assets	Cash and cash equivalents	Financial assets	Property, plant and equipment and intangible assets	Financial liabilities	Shareholders' equity	Net interest income	Gross income	Operating expenses	Profit (loss) from continuing operations before tax	Profit (loss) from continuing operations after tax	Profit (loss) of disposal groups held for sale after tax	Profit (loss) for the period (1)	Other income after tax (2)	Comprehensive income (3) = (1) + (2)
BCC Sistemi Informatici SpA	513,001	712	8	288,431	258,615	121,749	(6,182)	(2)	28,451	22,520	16,619	(13,220)	3,399	(16)	3,383

4. SIGNIFICANT RESTRICTIONS

There are no significant restrictions as envisaged under IFRS 12, paragraph 13, applicable to the banks and companies that form the area of consolidation of the Iccrea Cooperative Banking Group.

5. OTHER INFORMATION

Data used for consolidation

The accounting data used for line-by-line consolidation are those at December 31, 2025, as approved by the competent bodies of the companies included in the scope of consolidation, adjusted where necessary to adapt them to the uniform Group accounting policies.

Subsidiaries whose annual financial statements have not been drawn up on the basis of the international accounting standards (IAS-IFRS) prepare a specific reporting package using such standards to permit the Parent Company to perform the consolidation. This reporting package is approved by the boards of directors of the companies.

SECTION 4 – EVENTS SUBSEQUENT TO THE REPORTING DATE

In the period between the reporting date of the financial statements and their approval by the Board of Directors on March 26, 2026 no events occurred that would entail a modification of the financial data approved at that meeting.

SECTION 5 – OTHER MATTERS

Risks and uncertainties associated with the use of estimates

In conformity with the IAS/IFRS, management is required to formulate accounting estimates that can impact the values of the assets, liabilities, costs and revenues recognized in the financial statements. The formulation of these estimates is based on prior experience, available information, the adoption of assumptions and subjective judgements.

Estimation processes were used to support the carrying amount of some of the largest items recognized in the consolidated financial statements, such as:

- the verification of compliance with the requirements for classifying financial assets in the accounting portfolios that adopt the amortized cost criterion (SPPI test), with particular regard to the performance of the benchmark test;
- the quantification of impairment losses on loans and, more generally, other financial assets;
- the assessment of the appropriateness of the value of equity investments and other non-financial assets (e.g. goodwill);
- the use of valuation techniques in the recognition of the fair value of financial assets not listed on active markets;
- the use of valuation techniques in the recognition of the fair value of tax credits under the “Cure Italy” and “Save Italy” Decrees”;
- the estimation and assumptions concerning the recoverability of deferred tax assets;
- the determination of discount rates for lease liabilities;
- the quantification of provisions for legal and tax risks and charges;
- in the assessment of relevance and in the measurement of ESG risks.

The description of the accounting policies applied to the main financial statement aggregates provides the information necessary to identify the main assumptions and subjective assessments used in the preparation of the financial statements. In particular:

- for allocation to the three stages of credit risk provided for under IFRS 9 of loans and debt securities classified under financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income and the associated calculation of expected losses, the main estimates regard the determination of the parameters representing a significant increase in credit risk, the inclusion of forward-looking factors in determining PD, EAD and LGD and the determination of future cash flows from impaired loans and the determination of the overlay component applied to the ECL calculation;
- for the quantification of provisions for risks and charges, the estimation of the amount of outlays necessary to discharge liabilities, taking account of the effective probability of having to employ resources to do so and the expected disbursement times.

For further information concerning the composition and associated carrying amounts of the items affected by these estimates, please see the specific sections in the notes to the financial statements.

By their nature, estimates may vary from year to year and, therefore, it cannot be ruled out that in subsequent years the current values recorded in the financial statements may differ significantly as a result of changes in the circumstances on which they were based, the availability of new information or greater experience (e.g. ongoing inflationary dynamics, evolution of the Russian-Ukrainian conflict).

In particular, given the uncertainties of the global macroeconomic scenario, primarily attributable to:

- the high level of uncertainty arising from numerous conflicts, from the closest in Gaza and Ukraine to the more distant ones in Pakistan or Taiwan, with consequent potential risks of supply chain disruptions and pressure on energy and raw material prices, as well as risks to the stability of financial markets, with spillovers into sovereign markets, which are particularly sensitive to geopolitical risks;
- the uncertainties arising from US trade policy, with ongoing threats of further tariffs and the potential repercussions in terms of inflation;
- the US-Iran conflict.

It is not possible to rule out the need to revise the financial statement estimates during 2026, in light of new information that may become available from time to time. For more detailed information on the main issues and variables impacting the market, see the Report on Operations.

The following summarizes the Group's operational choices concerning the primary circumstances in which subjective judgment is required.

Calculating the ECL for performing credit exposures

At the closure of the financial statements at December 31, 2025, the calculation of the IFRS 9 ECL of the Group's performing credit exposures included implementation of the following:

- the updates of the LGD model, through the quantification and application of specific Margins of Conservatism (MoC), following the recommendations formulated by the Supervisory authority in the OSI-IFRS9 context and the results of the backtesting activity by the Validation unit;
- interventions on the Group's lending processes and procedures aimed at: i) ensuring the availability of the same customer financial information and related reclassification within the Group, thus ensuring the homogeneity of creditworthiness assessments and ii) ensuring that the watchlist classification for common customers is aligned within the Group;
- the updates of the Overlay component applied to the calculation of ECL, in order to add an additional degree of prudence in the light of the uncertainty of the macroeconomic environment as well as to the integration of C&E expectations on credit risk as provided for in the 2025 planning.

In conjunction with the above-mentioned interventions, and in line with the provisions of IFRS 9, adjustments have been implemented regarding the ordinary process of updating the PD Point in Time (PiT) parameter with the latest available risk data.

Starting from the close of December 2022, the Group has also planned the introduction of post-model adjustments (Overlays) in order to incorporate even greater prudence for specific sub-portfolios that could prove riskier by the occurrence of unexpected events deviating from the likely macroeconomic environment. In line with the ongoing update and evaluation of the Overlay measures in place, the scope of application was reviewed with reference to both the results of backtesting carried out by the Validation unit and the most recent developments in the macroeconomic context.

In light of the results of the above analyses, the following decisions were made:

- the complete removal of the "private individual with variable rate mortgages without cap" cluster. This cluster was already the object of intervention in the December 2024 financial statements, with the exception of positions with higher ratings. The macroeconomic environment resolved with the easing of interest rates and backtesting analyses highlighted an overestimation of PD relative to default rates, both overall and for each rating class;
- the "construction and real estate" cluster was confirmed; despite the slow recovery, the sector is still below the expansion threshold and the risk arising from the context of uncertainty may not have yet fully manifested itself. That said, backtesting analyses currently still highlight an overall overestimation of PD compared with default rates;
- in respect of the "Automotive" cluster, the recovery in car demand (-20% compared to pre-COVID) is expected to remain weak in the future, given the persistent high level of economic and financial uncertainty. However, backtesting analysis also revealed no underestimation issues. Therefore, the cluster is confirmed;
- the "Tariffs" cluster was introduced from June 2025. Although no specific backtesting analysis has been carried out due to its recent introduction, the macroeconomic analysis highlights that the "Tariffs", together with the appreciation of euro against the dollar (which is also a consequence of tariffs), undermine the price competitiveness of European goods in the USA, causing a negative impact on exports and manufacturing.

A last measure relates to the climate overlay. Since December 2024, the climate component was assessed through parameter adjustments (in-model adjustments) using the models estimated to address the Supervisory Authority's expectations in the C&E area. In particular, in addition to model already in place (that is (i) acute physical risk, in respect of the LGD component of mortgages and (ii) the transition risk (climate-related/environmental) with impacts on both the PD (business segment) and LGD (mortgage loans on all segments), from December 31, 2025, the model for acute physical risk includes the parameter PD (business segment).

Finally, as part of the conditioning of IFRS 9 risk parameters, the standard update of macroeconomic scenarios was applied based on the most recent available data (September 2025).

For further details, please see Part E of the Notes to the financial statements – Section 1 - Credit Risk.

Exposures in senior securities from securitizations under the GACS mechanism

As regards the determination of impairment pursuant to IFRS 9, from the closure of the 2024 financial statements, the Group framework has provided for new methods for staging the notes arising from GACS assignment transactions and the consequent determination of impairment. Based on evidence of a trigger event in respect of the Cumulative Collection Ratio indicator (ratio between actual and estimated cumulative net collections in the original business plan), during 2025 the senior notes of GACS I (BCC NPL 2018 Srl) and the senior note of GACS II (BCC NPL 2018-2 Srl) were classified in stage 3 and the senior note of GACS III ("BCC NPLs 2019") was classified in stage 2, with application of the lifetime valuation metric for the determination of impairment. The senior notes of the remaining securitizations with GACS are classified in stage 1 and subject to "1-year" valuation metrics.

Impairment testing of equity investments and goodwill

In compliance with IAS 36, at each reporting date, the Group companies shall verify that there is no objective evidence that the carrying amounts of equity investments and goodwill is not recoverable on the basis of the common guidelines, criteria and methodological models developed by the Parent Company.

With particular regard to the goodwill recognized by the Group banks, the so-called dividend discount model (DDM) in the excess capital variant (which estimates the value of a company on the basis of future dividends attributable to shareholders) was used for the full company CGU, while the discounted cash flow (DCF) in the "levered variant" (which estimates the value of the economic capital of a company as the sum of the present value of cash flows to the shareholders that it will be able to generate over a specific explicit planning period for prospective performance/financial data and the residual value at the end of that period, discounted at a rate equal to the cost of equity) was used for the branches acquired CGU.

The above approaches are discussed in greater detail in Part B of the notes to the financial statements.

Main tax measures of the 2026 Stability law (Law 199 of December 30, 2025)

The 2026 Stability law, in force since January 1, 2026, has introduced important changes in the determination of business income, partly with effects on the financial statements closed at December 31, 2025. The main impacted areas considered relevant in this context are recalled below.

Article 1, paragraphs 56-58: deductibility of writedowns for expected losses on loans to customers

The article provides that from the 2026 tax period up to and including the 2029 tax period, in derogation from the provisions of art. 106, para 3, of Presidential Decree 917/1986 for IRES purposes and art. 6, para 1, letter c-bis, of Legislative Decree 446/1997 for IRAP purposes, writedowns of stage 1 and 2 credit losses according to the recognition model of the loss allowance under the "ECL model" pursuant to IFRS 9, which was fully deductible until the 2025 tax period, will be deductible in equal installments over 5 years: the first in the year in which the writedowns are recognized and the remaining 4 in the four subsequent years.

Paragraph 57 specifies that the rules on the conversion into tax credits for tax losses and statutory losses (Article 2, paragraphs 55, 56-bis, 56-bis,1 and 56-ter of Legislative Decree no. 225/2010) do not apply to DTAs recognized as a result of the postponement of the deductibility of the aforementioned writedowns. Consequently, the DTAs relating to the postponed instalments do not "qualify" and will have to pass a "probability test" in order to be recognized as assets in the balance sheet. Furthermore, these DTAs cannot be included in the taxable base of the DTA fee that financial intermediaries must pay annually to use this regime for converting DTAs into tax credits (Article 11, paragraph 2, Legislative Decree no. 59/2016). The amount of writedowns to which this provision applies is assumed net of writebacks (always pertaining to stages 1 and 2).

As regards the calculation of the IRES advance payment for the 2026 tax period, this will be based on the tax amount that would have been determined in 2025 applying the new instalment deduction rule. The provision

produces an anticipated financial effect for the Treasury, as the 2026 advance payments will be higher than those calculated on the basis of the previous full deduction regime, but it does not determine economic impacts on the 2025 financial statements.

Article 1, paragraphs 68 to 73: revision of the extraordinary contribution and lifting of the reserve

The Stability Law introduced, starting from January 1, 2029, a tax rate of 40% on distributed profits– including interim dividends or distribution of reserves – based on the absolute presumption that the amounts to be distributed come from the reserves set aside to cover the extraordinary tax (2023 extra-profit tax), i.e. the reserves referred to in Article 26, paragraph 5-bis, of Legislative Decree 104/2023, irrespective of the relevant accounting classification and decisions of the shareholders' meeting.

In light of the aforementioned extraordinary tax, in 2023 the Group's mutual banks that had a net interest income for 2023 higher than in 2021 had set aside reserves pursuant to Article 37 of the Consolidated Banking Act (Legislative Decree No. 385 of September 1, 1993) to cover 2.5 times the amount of the potential tax.

A specific amendment has modified the provision to exclude the mutual banks from the above mentioned absolute presumption and consequently from the payment of the extraordinary tax.¹²⁴

Therefore, BCCs are not subject to the obligation in question.

Article 1, paragraphs 76 to 81: suspension of the deduction of negative components related to DTAs

In article 1, paragraphs 76 to 81, the Stability law provides for the suspension of the deduction of a portion of the negative components related to the DTAs with a direct impact on the accounting frameworks of:

- writedowns and losses on receivables not deducted until the year ending on December 31, 2015. For the year ending on December 31, 2027 only, a portion of 3.8% shall be deferred and deducted in two equal instalments in 2028 and 2029;
- goodwill and other intangible assets not yet deducted at December 31, 2017. Of the portion deductible in 2027, 12.36% shall be deferred and deducted in two equal instalments in 2028 and 2029;
- the reversal of writedowns on receivables from first-time adoption of IFRS 9. Again, a 2027 portion equal to 9.50% shall be deferred and deducted in two equal instalments to 2028 and 2029.

These changes do not have a financial impact on the 2025 financial statements.

The 2026 Budget law also impacts the deduction of losses carried forward pursuant to Article 84 of the Consolidated Income Tax Code (TUIR) and of the "ACE surplus" pursuant to Article 5 of Legislative Decree 216/2023. Previously with paragraph 18 of Article 1 of Law 207/2024, the legislator had already limited deductibility for the 2025 tax period to 54% of the higher taxable income determined on the basis of Article 1, paragraphs 14 -17 of Law 207/2024. With these provisions, the deduction of tax losses and residual ACE for the 2026 tax period is limited to 35% of the higher taxable income determined from the postponement of the deductions referred to in Article 1 paragraphs 14 -17 of Law 207/2024, while for the tax period in progress on December 31, 2026, the deduction of tax losses and residual ACE can be limited to 42% of the higher taxable income resulting from the postponement of the deductions referred to in the provision in question on the determination of the advance payments due for the 2026, 2027 and 2028 tax periods.

These changes will have a financial impact on the 2026, 2027 and 2028 financial statements.

¹²⁴ Paragraph 68 provides that "Starting from the financial year beginning after January 1, 2028, for entities referred to in paragraph 1, any distribution of profits, including interim dividends, or reserves, is presumed, irrespective of the shareholders' resolution, to be a distribution of the reserve referred to in paragraph 5-bis; this presumption does not apply if and to the extent that the reserve is constituted with profits allocated to the reserves referred to in Article 37 of the Consolidated banking act (Legislative Decree no. 385 of September 1, 1993). Since the above paragraph 5-bis, included during the ratification of Decree Law 104/2023, provides that "Profits allocated to the legal reserve pursuant to Article 37, paragraph 1, of the Consolidated Banking Act, pursuant to Legislative Decree No. 385 of September 1, 1993, are considered to be allocated to the non-distributable reserve", all reserves allocated by the mutual banks to cover the extraordinary tax (2023 extra-profit tax) are constituted solely with reserves referred to in Article 37 of the Consolidated Banking Act and consequently the presumption of distribution is automatically disapplied starting from January 1, 2029.

Article 1, paragraphs 133 to 136: limits on the deductibility of interest expense

Article 1, paragraphs 133-136, of the Stability law introduces limits on the deductibility of interest expenses starting January 1, 2026, for banks and financial intermediaries (excluding asset management companies and investment firms). Specifically, the law limits the deductibility of interest expenses for the 2026, 2027, 2028, and 2029 tax periods to the following rates:

- 96% for the 2026 tax period;
- 97% for the 2027 tax period;
- 98% for the 2028 tax period;
- 99% for the 2029 tax period.

Interest expense will be fully deductible again starting from the 2030 tax period.

By express reference to Article 96, paragraph 13 (2) of the TUIR, the mechanism of full deductibility of intercompany interest expense applies within the scope of the consolidated tax mechanism up to the amount of expense paid outside the Group. The provision requires recalculating advance payments for the tax periods 2027 to 2030, assuming that the tax for the previous period is the tax which would have been determined if the lower deductibility of interest expense had not been applied.

Article 1, paragraphs 74 and 75: increase in the IRAP rate

For the 2026, 2027, and 2028 tax periods only, the 2026 Stability law, Article 1, paragraphs 74 and 75, increased the IRAP rate for banks and other financial intermediaries (with the exception of asset management companies, investment firms, SICAVs, and holding companies) by two percentage points. This measure has a positive impact on the 2025 financial statements, following the adjustment to the new rate of DTAs pursuant to Law 214, and on IFRS 9 writedowns.

Determination of DTAs and DTLs and Probability test

In light of the changes introduced by the 2026 Budget Law, in preparing the financial statements at December 31, 2025, the existing stock of IRAP deferred tax assets and liabilities had to be adjusted by two percentage points for all amounts to be reabsorbed in the three-year period 2026 - 2028.

The adjustment of the DTA stock concerned the portions of the reversals of the writedowns of loans under Law 214, expected losses arising during the IFRS 9 FTA, and goodwill under Law 214 to be reversed in the years 2026, 2027 and 2028.

In accordance with IAS 12, the initial recognition of DTAs and their subsequent recognition in the financial statements require a probability assessment regarding the recoverability of the recognized values (so-called probability test).

The probability test carried out to verify the conditions for maintaining, in the 2025 financial statements, the deferred tax assets both new and from previous years, was carried out using the same criteria and methods throughout the Group, estimating the taxable amount or tax loss (IRES/IRAP) over a reasonable horizon and verifying its capacity with respect to the overall amount of the DTAs recognized undergoing the test.

The estimate and assumptions on the recoverability of deferred tax assets were conducted on the basis of the 2026-2028 projections of each Group company. For more information, see the more detailed discussion in Part B of the notes.

Presentation of tax credits in the financial statements

Among the urgent measures deployed in response to the COVID 19 pandemic and to support the real economy, Decree Law 18/2020 (the "Cure Italy Decree") and Decree Law 34/2020 (the "Revival Decree") introduced specific tax incentives into Italian law in the form of tax credits.

The Government has intervened again on the issue through (i) Decree Law 50/2022 (so-called "Aid" Decree), mainly by reshaping the group of potential transferees, (ii) Decree Law 11/2023 which prohibits, albeit with certain derogations, opting for discounting on the invoice or for transferring the credit instead of directly using the

deduction, and (iii) Decree Law 38/2024 with which the possibility of using the tax credit to offset social security liabilities has been limited to financial intermediaries and insurance companies.

The main characteristics of these tax credits are: (i) they are offsettable, (ii) they can be transferred to third parties, (iii) they are non-refundable by the Treasury.

The accounting of tax credits purchased at a financial discount from a third party cannot be classified according to a specific international accounting principle. IAS 8 provides that, for transactions not explicitly covered by IAS/IFRS accounting standards, the management must define an accounting policy suitable for providing relevant and reliable information on the transaction.

Therefore, taking into account the indications of the document "Accounting treatment of tax credits connected with the Cure Italy and Revival Decrees, purchased from direct beneficiaries or previous purchasers" jointly published on January 5, 2021 by the Bank of Italy, Consob and IVASS on the application of IAS/IFRS, the Group has adopted an accounting policy that refers, by analogy and to the extent applicable based on the characteristics of the case, to the accounting rules set out in IFRS 9.

Upon acceptance of the tax credit in the "tax box", the Bank classifies:

- under the Hold to Collect business model, the credits acquired within the limits of its tax capacity for the purpose of holding them to offset against tax liabilities. These credits are measured at amortized cost with representation of the pro-rata remuneration in the interest margin during the recovery period;
- under the Hold to Collect and Sell business model, the credits acquired within its tax capacity to possibly sell them. Tax credits classified under the HTCS business model are measured at fair value;¹²⁵
- under the "Other" business model, the credits acquired for the purpose of portfolio active management, i.e. trading them. These credits are measured at fair value through profit or loss.

The fair value measurement of these credits is based on the construction of discount factor vectors determined on the basis of the credits traded in the reference quarter by the Group mutual banks, through bootstrapping. Receivables subject to fair value measurement for which at the reporting date a transfer contract has already been signed and is being finalized are measured at the corresponding value defined in the contract itself.

In all the business models above, initial recognition of the tax credit occurs upon transfer to the Bank's tax box and at the purchase price, which is equivalent to Level 3 fair value, given that there are no official markets or comparable transactions. Therefore, no day-one profit/loss is recognized.

The IFRS 9 accounting framework for calculating expected losses is not deemed to be applicable to these tax credits as there is no refunding from the Treasury (the credit being either offset against the Bank's tax debts or reassigned to a third party).

Given the operating and control methods implemented by the Group's banks, the risks of non-use of tax credits are believed to be substantially non-existent. As a matter of fact, the Group has set prudential thresholds in respect of its effective tax capacity (irrespective of the business model) for the purposes of acquiring credits and assessing from time to time the compatibility of the portfolio with the relevant offsetting deadlines, and constantly monitors that the portfolio remains within the aforementioned limits, in all reference years.

Since the acquired tax credits do not represent, pursuant to IAS/IFRS, tax assets, government grants, intangible assets or financial assets, their classification in the balance sheet is in the residual "Other assets" item.

Securities obtained against assets transferred in non-cash transactions

In compliance with applicable accounting standards and the guidelines set out in Document no. 8 of the Bank of Italy, CONSOB and IVASS coordination group, investment fund units acquired in return for the transfer of impaired loans (bad loans or unlikely-to-pay positions), having verified the absence of any obligation to consolidate the fund and the possibility of derecognizing the transferred loans (given failure to pass the SPPI test) are classified as instruments measured at FVTPL.

¹²⁵ The correct amount of interest at each reporting date with which to adjust the fair value change in equity as a balancing entry in the income statement is calculated using the IRR (and, consequently, the amortized cost) of these credits. Interest income is recognized according to the same logic used for credits at amortized cost. Fair value changes are initially recognized in OCI. When the tax credit is derecognized, the fair value changes previously recognized in OCI and accumulated in equity are reclassified to the income statement.

Use of valuation models in the determination of the fair value of units held in unlisted investment funds

For the purposes of determining the fair value of units held in unlisted investment funds, both at initial recognition and in subsequent measurement, the analysis of cash flows, the discount rates applied and the other assumptions adopted are consistent with the characteristics of the fund assets.

In respect of this types of investments, a liquidity discount ("*liquidity adjustment*") is determined to be applied to the net asset value (NAV) of the fund. In this regard, the methodological approach adopted provides for consideration, in line with market best practice, of the following main elements:

- the average holding period of the individual unlisted funds, before they can be realized;
- the characteristics of the individual assets held by the fund and their volatility in the holding period (degree of uncertainty);
- the level of risk aversion specified with a prudent threshold, which for a distribution of the possible returns/final value of the asset/portfolio considered makes it possible to measure any deviation from their expected value.

The consideration of this information in the methodological approach used made it possible to estimate a discount with respect to the NAV, calculated as a percentage adjustment of the risk premium linked to the uncertainty concerning potential unfavorable changes in value before realization, taking due account of the management costs of funds not incorporated in the NAVs of the individual unlisted funds.

Global minimum tax

As discussed in the Report on Operations, on February 17, 2025 the Ministry for the Economy and Finance published the guidelines on global minimum taxation specifically for cooperative banking groups ("*Linee guida in materia di imposizione minima globale, introdotta con Decreto Legislativo 27 dicembre 2023, n. 209 – carenza dei presupposti applicativi in capo ai gruppi bancari cooperativi*"), establishing the exclusion of mutual banks affiliated with a cooperative banking group from the scope of the law, which is now limited to the Parent Company and its direct scope subsidiaries.

Covered bonds

Since 2021, the Group initiated a covered bond issue program, under which a number of Group banks sold high credit quality assets to a vehicle in a multi-originator transaction. The assets were of a quality such as to serve as collateral for the guarantee issued by the vehicle to the subscribers of the covered bonds issued under the program. At the same time, the banks granted the vehicle a subordinated loan (the CB Loan) to fund the purchase of those assets, the repayment of which is linked to the performance of the asset portfolio transferred to the vehicle. Following the sale, the Parent Company issued the covered bonds backed by the aforementioned guarantee. Subsequently, the Parent Company granted a loan with conditions and characteristics consistent with those of the covered bonds issued to the affiliated banks that contributed the assets to be sold.

Under the transaction structure, the Vehicle, making use of a custodian, receives from the Originator the cash flows represented by the loan payments it collects, the principal amount of which it retains, returning the interest portion to the Originator as remuneration of the loan received. Periodically, the cumulative loan principal collections on the assets forming the cover pool are used to purchase other high credit quality assets from the Originator. The Originator banks undertake to maintain the credit quality of the cover pool over the course of the transaction. In the event of a deterioration in credit quality, they will repurchase the loans involved from the Vehicle and transfer new high credit quality assets in an amount suitable to replenish the original guarantee.

Very briefly, in addition to the multi-originator profile of the parties transferring the assets that form the cover pool, the transaction is characterized by the identity of the originator bank and the bank granting the vehicle the subordinated loan to purchase the assets. The subordinated loan from the Originator to the Vehicle to finance the purchase of receivables qualifies as a limited-recourse loan, as the repayment and return are conditional on developments in the cover pool. From a substantive point of view, the assignor/lending banks therefore remain exposed to the risk of the assets pledged as collateral as if the transfer had not taken place. They are also required to replenish the guarantee if the quality of the assets deteriorates and their value falls below the thresholds specified in the contractual arrangements.

Taking account of the role played in the transaction and the corresponding risk profiles, as a result of the sale the

banks lose legal title to the assets making up the cover pool. However, those assets continue to be recognized for accounting and financial reporting purposes (as well as for supervisory reporting and prudential purposes) since they do not pass the derecognition test because the assignors retain exposure to the risks and rewards of the assets through the grant of the subordinated limited-recourse loan to the vehicle (in compliance with the provisions of paragraphs 3.2.15 and B3.2.1 of IFRS 9). Accordingly, the banks continue to apply the ordinary accounting treatment adopted prior to the sale to the transferred assets and recognize a receivable due from the vehicle for the principal amounts collected from the transferred borrower and consequently retroceded to the Vehicle.

Consolidated tax mechanism option

Iccrea Banca SpA and the Group subsidiaries belonging to the so-called “direct scope” have adopted the “consolidated tax mechanism”, governed by Articles 117-129 of the Uniform Income Tax Code (“TUIR”), introduced with Legislative Decree 344/2003. It consists of an optional tax regime under which total net income or the tax losses of each subsidiary taking part in the tax consolidation –along with withholdings, deductions and tax credits – are transferred to the parent company. Only one taxable income or tax loss that can be carried forward (the algebraic sum of the parent company's and its participating subsidiaries' income/losses resulting in a single tax payable/receivable) is calculated and attributed to the parent company. Under this option, the Group companies that participate in the consolidated tax mechanism calculate their tax liabilities and the corresponding taxable income, which is transferred to the parent company. If one or more subsidiaries report negative taxable income, the tax losses are transferred to the parent company when there is consolidated income for the period or a high probability of future taxable income.

Audit

The consolidated financial statements have been audited by Forvis Mazars SpA which has also been engaged to monitor the keeping of the accounts pursuant to Article 14 of Legislative Decree 39/2010; the engagement for the period 2021-2029 was conferred in execution of the shareholders' resolution of May 28, 2021.

Financial reporting officer

On May 16, 2024 the Shareholders' Meeting of Iccrea Banca approved the amendment to the Articles of Association required under the Consolidated Law on Financial Intermediation (TUF) to establish the position of officer responsible for preparing corporate financial reporting documents (Financial Reporting Officer). The Bank's Board of Directors subsequently appointed Marianna Di Prinzio, previously Head of Administration and Financial Reporting, to this position.

In light of this appointment, the certification issued by the Financial Reporting Officer in accordance with the provisions of paragraph 5 of Art. 154-bis of the TUF is attached to these consolidated financial statements.

A.2 - THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

This section sets out the accounting policies adopted in preparing the consolidated financial statements. The presentation of these accounting policies is broken down into stages – classification, recognition, measurement and derecognition - for the various asset and liability items. A description of the impact on profit or loss, where material, is provided for each stage.

Classification of financial assets

Financial assets are classified in the categories envisaged by IFRS 9 on the basis of both of the following elements:

- the business model used to manage the financial assets;
- the characteristics of the contractual financial flows of the financial asset (the “SPPI Test” - Solely Payments of Principal and Interest Test).

If the business model is identified as hold to collect and the asset passes the SPPI test, the asset is recognized at amortized cost (AC).

If the business model is identified as hold to collect and sell and the asset passes the SPPI test, the asset is recognized at fair value through other comprehensive income (FVTOCI).

Finally, if the business model differs from those specified above or the asset does not pass the SPPI test in both the two previous cases, the asset is recognized at fair value through profit or loss (FVTPL).

The business model

IFRS 9 identifies three different business models, which in turn reflect the ways in which financial assets are managed:

- “Hold to collect”: this includes financial assets held with the objective of collecting contractual cash flows, retaining the financial instrument to maturity, with the exception of sales permitted under Group policies in line with IFRS 9;
- “Hold to collect and sell”: this includes financial assets held with the aim of both collecting contractual cash flows over the life of the assets and the proceeds from the sale of those assets;
- “Other”: this is a residual business model that includes financial instruments that cannot be classified in the previous categories, mainly represented by financial assets held for the purpose of generating cash flows through sale (including trading).

The business model does not depend on management’s intentions for each individual instrument, but is determined at a higher level of aggregation. It is therefore possible for an entity to adopt more than one business model in managing financial instruments, including in respect of the same financial asset. For example, a tranche of a security could be purchased as part of a hold to collect business model, while a second tranche of the same instrument could be acquired both to collect the contractual cash flows and to sell it (HTCS). The assessment of which business model has been adopted is based on reasonably possible scenarios and not on scenarios that unlikely to occur (such as “worst case” or “stress case” scenarios), taking account, among other things, of the way in which:

- the performance of the business model and the assets at initial recognition are evaluated by key management personnel;
- risks that impact the performance of the business model and the assets involved in initial recognition are managed;
- the managers of the business are remunerated.

From an operational point of view, the Iccrea Group identifies the business models used to manage financial assets in accordance with its own judgment, as governed by internal rules. The assessment is not determined by a single factor or activity, but rather by considering all the relevant information available at the assessment date, ensuring ongoing consistency with strategic and operational planning. In this sense, the business models of the Iccrea Group are identified on the basis of the granularity of the portfolio and the level of definition of the business, identifying key managers in accordance with the provisions of IAS 24, the nature of the products and type of underlying asset, the methods for evaluating performance and how these are reported to key management, the risks that impact

the business accounting model and how these risks are managed, manager remuneration arrangements and the volume of sales.

With specific reference to the “hold to collect” model, according to IFRS 9, the sale of a debt instrument or a loan does not itself determine the business model. In fact, an HTC business model does not necessarily imply that an instrument will be held to maturity and the standard itself offers examples of sales deemed admissible within this model. Accordingly, the Group’s policies govern the types of sale considered consistent with this model, as in the case of sales made in response to an increase in the credit risk of the counterparty.

Specifically, sales that have occurred as a result of the following circumstances are considered consistent with this business model:

- in the case of an increase in credit risk and, more specifically:
 - on the basis of developments in CDS spreads with regard to the securities portfolio, taking due account of all reasonable and supportable information concerning forecasts, approved/authorized as appropriate;
 - on the basis of the staging indicator for the loan portfolio;
- in the case of sales that occur near the maturity date, i.e. when they approximate the cash flows that would be generated obtained by not selling the security;
- to manage structural liquidity in order to respond to extreme liquidity situations;
- when the sales are frequent but not material in value terms or are occasional even if material in value terms. Frequency and materiality thresholds have been specified to determine those aggregates:
 - frequency is defined as the number of trading days considered in the period considered;
 - materiality is defined as the percentage ratio between the nominal value of sales and the total nominal value of the instruments held in the portfolio during the period considered.

In cases where both frequency and materiality thresholds are exceeded, an assessment must be conducted to determine compliance with the requirements of the business model identified.

The SPPI test

In order to determine whether a financial asset can be measured at amortized cost or at fair value through other comprehensive income, it is important to determine whether the contractual cash flows of the asset are represented by solely payments of principal and interest on the principal amount outstanding. Such contractual flows are compatible with a basic lending arrangement, where the consideration for the time value of money and credit risk are typically the most significant elements of interest. However, interest may also include consideration for other risks, such as liquidity risk, and the costs associated with holding the financial asset. Furthermore, interest may also include a profit margin that is compatible with a basic lending arrangement. The principal amount is represented by the fair value of the financial asset at recognition. Contractual terms introducing exposure to risks or volatility in contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to inverse changes in interest rates, in equity prices or in commodity prices, do not give rise to contractual cash flows that are solely payments principal and interest on the principal amount outstanding. As determined by analysis conducted by the Group, such types of instruments cannot be considered SPPI-compliant and must therefore be measured at fair value through profit or loss.

In some cases, the time value of money element may be modified. That would be the case if a financial asset’s interest rate is periodically reset but the frequency of that reset does not match the tenor of the interest rate (for example, the interest rate resets every month to a one-year rate). When assessing a modified time value of money element, the objective is to determine how different the contractual cash flows could be from the cash flows that would arise if the time value of money element was not modified. In these cases, IFRS 9 requires the performance of a “benchmark test”, an exercise that involves comparing the interest on the actual instrument, calculated at the contractually specified interest rate, and the interest on the benchmark instrument, calculated using the interest rate that does not contain the change in the time value of money, all other contractual clauses being equal. The benchmark test therefore consists of a comparison between the sum of the undiscounted expected cash flows of the actual instrument and the sum of those for the benchmark instrument. In doing so, we consider only reasonably possible scenarios, therefore excluding stress test scenarios.

Furthermore, for the purposes of the SPPI test, any contractual term that could change the timing or amount of the contractual cash flows (for example, the case of a prepayment option, subordinated instruments or an option to extend the term for payment of principal and/or interest) shall also be considered.

Finally, a contractual cash flow characteristic does not affect the classification of the financial asset if it could only have a de minimis effect on the cash flows. At the same time, if a contractual cash flow characteristic is “not genuine”, it does not affect the classification of the financial asset. A cash flow characteristic is not genuine if it affects the instrument’s contractual cash flows only on the occurrence of an event that is extremely rare, highly abnormal and very unlikely to occur. To make a determination of the de minimis effect, an entity must consider the possible effect of the contractual cash flow characteristic in each reporting period and cumulatively over the life of the financial instrument.

From an operational standpoint, the Group has established guidelines for conducting the SPPI test, which represent the methodology adopted by the Group and reflected in its internal rules, so as to be able to represent the benchmark instrument for the performance of the testing by all the functions involved. In this context, with specific reference to the loan portfolio, these guidelines have been implemented in a tool within the Group’s application systems that enables the benchmark test to be performed. With specific reference to the securities portfolio, on the other hand, the outcome of the test is provided by a leading sector info-provider, based on the guidelines and methods defined by the Group.

1 - Financial assets measured at fair value through profit or loss

Classification

This category includes financial assets, regardless of their technical form, which are not recognized under financial assets measured at fair value through other comprehensive income or financial assets measured at amortized cost. More specifically, the category comprises:

- financial assets held for trading, mainly represented by debt securities, equity instruments and the positive value of derivatives held for trading;
- financial assets designated as at fair value, i.e. financial assets so designated at the time of initial recognition and where the appropriate conditions are met. In particular, financial assets are designated as irrevocably measured at fair value through profit or loss if, and only if, doing so eliminates or significantly reduces an accounting mismatch;
- financial assets mandatorily measured at fair value, represented by financial assets that do not meet the requirements for measurement at amortized cost or at fair value through other comprehensive income. These comprise financial assets whose contractual terms do not provide for solely payments of principal and interest on the principal amount outstanding (i.e. that do not pass the SPPI test) or which are not held within the framework of a business model whose objective is the hold assets in order to collecting their contractual cash flows (the hold to collect business model) or to both collect the contractual cash flows and sell the financial assets (the hold to collect and sell business model).

The category therefore includes:

- debt securities and loans that are held as part of an “other” business model or that do not pass the SPPI test;
- equity instruments - that do not represent an interest in subsidiaries, associates or joint arrangements - held for trading or for which the option at the time of initial recognition to designate them as held at fair value through other comprehensive income was not exercised;
- units in collective investment undertakings and derivative instruments.

With regard to derivatives, this item also includes derivatives embedded in a financial liability or in a non-financial contract (the “host contract”). The combination of a host contract and the embedded derivative is a hybrid instrument. In this case the embedded derivative is separated from the host contract and recognized as a derivative if:

- the economic characteristics and risks of the embedded derivative are not closely related to the characteristics of the host;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;

- the hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss.

In accordance with the provisions of IFRS 9, reclassifications are allowed only following a modification of the business model. Such changes are expected to be very infrequent and are determined by the entity's senior management (as identified pursuant to IAS 24) as a result of external or internal changes and must be significant to the Group's operations and demonstrable to external parties. This occurs, for example, when the entity has acquired, disposed of or terminated a business line.

The transfer value is represented by the fair value at the time of the reclassification, which takes place prospectively starting from that date. In this case, the effective interest rate is redetermined based on the fair value of the reclassified financial asset at the time of the change and that moment is considered to be the initial recognition date for the purpose of verifying a significant increase in credit risk.

Recognition

Debt and equity securities are initially recognized at the settlement date, while derivative contracts are recognized at the trade date. Financial assets are initially recognized at fair value, which is usually the amount paid or received. Where the price is different from the fair value, the financial asset is recognized at its fair value and the difference between the two amounts is recognized through profit or loss.

Measurement

Financial assets measured at fair value through profit or loss are measured at fair value following initial recognition. The effects of the application of this treatment are recognized through profit or loss.

For financial instruments listed on active markets, the fair value of financial assets or liabilities is determined on the basis of the official prices at the reporting date. For financial instruments that are not listed on active markets, including equity instruments, fair value is determined using valuation techniques and observable market data, such as: the price of listed instruments with similar features, calculation of discounted cash flows, option pricing models and prices registered in recent similar transactions.

With specific regard to equity instruments not listed on an active market, cost is used as an estimate for fair value only in rare cases in a limited number of circumstances, i.e. where cost represents the best estimate of fair value among a wide range of fair values, making cost the most significant value, or in cases in which the valuation techniques referred to above are not applicable.

For more information on the determination of fair value, please see section A.4 "Fair value disclosures" of Part A of the notes to the financial statements.

Derecognition

Financial assets measured at fair value through profit or loss are derecognized when the contractual rights to the cash flows expire, are extinguished or a disposal transfers all the risks and rewards connected with ownership to a third party. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial asset are retained, the asset continues to be recognized even if legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, financial assets are derecognized when no form of control over the instrument has been retained. Conversely, if the Bank retains even a portion of control, the asset continues to be recognized to the extent of the continuing involvement, measured by exposure to changes in the value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to third parties.

Recognition of income components

The results of the measurement of financial assets held for trading are recognized through profit or loss under "Net gain (loss) on trading activities". The results of the measurement of financial assets designated as at fair value and

of those mandatorily measured at fair value are instead recognized under “Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss”, respectively under sub-items “a) financial assets and liabilities designated as at fair value” and “b) other financial assets mandatorily measured at fair value. Dividends from equity instruments held for trading are recognized through profit or loss under “Dividends and similar income” when the right to receive payment is established.

2 - Financial assets measured at fair value through other comprehensive income

Classification

This category includes financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the HTCS business model) and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e. they pass the SPPI test).

The category also includes capital instruments not held for trading for which the option envisaged under IFRS 9 was exercised at the time of initial recognition to designate them as held at fair value through other comprehensive income with no recycling to profit or loss of any gains or losses on disposal.

Specifically, the item includes:

- loans and debt securities held with a “hold to collect and sell” business model that pass the SPPI test;
- equity interests - that do not represent an interest in subsidiaries, associates or joint arrangements – not held for trading for which the option was exercised at the time of initial recognition to designate them as held at fair value through other comprehensive income. This includes equity investments intended to strengthen the Group’s commercial presence and extend its reach into business areas in which it is not present. Similarly, this option is exercised for equity instruments that have been acquired for strategic and institutional purposes and are therefore held with no intention of selling them in the short term, representing instead a medium/long-term investment.

In accordance with the provisions of IFRS 9, reclassifications are only allowed following a modification of the business model. Such changes are expected to be very infrequent and are determined by the entity’s senior management (as identified pursuant to IAS 24) as a result of external or internal changes and must be significant to the Group’s operations and demonstrable to external parties. This occurs, for example, when the entity has acquired, disposed of or terminated a business line.

The transfer value is represented by the fair value at the time of the reclassification, which takes place prospectively starting from that date. In this case, the effective interest rate is redetermined based on the fair value of the reclassified financial asset at the time of the change and that moment is considered to be the initial recognition date for the purpose of verifying a significant increase in credit risk. In the event of the reclassification of financial assets measured at fair value through other comprehensive income to the category of financial assets measured at amortized cost, the cumulative gain or loss previously recognized in other comprehensive income is removed from equity and adjusted against the fair value of the financial asset at the reclassification date. In the event of reclassification to financial assets measured at fair value through profit or loss, the cumulative gain or loss previously recognized in other comprehensive income is recognized through profit or loss.

Recognition

Financial assets measured at fair value through other comprehensive income are initially recognized at the settlement date for debt or equity securities and at the disbursement date for loans.

Financial assets are initially recognized at fair value, which is generally the amount paid or received. Where the price is different from the fair value, the financial asset is recognized at its fair value and the difference between the two amounts is recognized through profit or loss. The initial recognition value includes direct transaction costs or revenue determinable at the recognition date, even if settled at a later time.

Measurement

Following initial recognition, financial assets measured at fair value through other comprehensive income, other than equity instruments, are measured at fair value, with the value corresponding to the amortized cost recognized

in the income statement. Gains and losses from changes in the fair value are recognized in a special equity reserve until the asset is derecognized or they incur an impairment loss. Upon disposal or the recognition of an impairment loss, the cumulative gain or loss recognized in the equity reserve is reversed to profit or loss.

Equity instruments classified in this category under the option provided for by IFRS 9 are measured at fair value through other comprehensive income. Unlike other instruments classified here, however, those amounts are not subsequently transferred to profit or loss, even if the instruments are sold (no recycling). Accordingly, the only element associated with the equity instruments recognized through profit or loss is any associated dividends.

Fair value is determined using the criteria adopted for financial assets measured at fair value through profit or loss.

Financial assets measured at fair value through other comprehensive income represented by debt securities are assessed for any significant increase in credit risk (impairment) like assets measured at amortized cost, with the consequent recognition through profit or loss of a provision to cover expected loss. More specifically, if at the measurement date no significant increase in credit risk is found compared with the date of initial recognition (stage 1), the 12-month expected loss is recognized. Conversely, the lifetime expected loss is recognized for instruments whose credit risk has increased significantly since initial recognition (stage 2) and for impaired exposures (stage 3). Equity instruments do not undergo lifetime impairment testing, i.e. calculated over the entire residual life of the financial asset. Equity securities do not undergo impairment testing.

Derecognition

Financial assets measured at fair value through other comprehensive income are derecognized when the contractual rights to the cash flows expire/are extinguished or a disposal transfers all the risks and rewards connected with ownership to a third party. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial asset are retained, the asset continues to be recognized even if legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, financial assets are derecognized when no form of control over the instrument has been retained. Conversely, if the Bank retains even a portion of control, the asset continues to be recognized to the extent of the continuing involvement, measured by exposure to changes in the value of the assets transferred and to changes in the related cash flows.

Financial assets sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

Recognition of income components

Gains and losses from changes in fair value are recognized in a specific equity reserve until the asset is derecognized. The equity reserve representing the cumulative changes in the fair value of equity instruments for which the option to irrevocably designate the instrument as at fair value through other comprehensive income was exercised is not reversed through profit or loss even when the asset is derecognized, while dividends in respect of such instruments are recognized through profit or loss.

Interest calculated on debt instruments using the effective interest method, which takes account of both the amortization of transaction costs and the differential between the initial value and the repayment value, are recognized under "Interest and similar income".

Writedowns and writebacks for credit risk and the recognition of an impairment loss are recognized under the item "Net losses/recoveries for credit risk in respect of financial assets measured at fair value through other comprehensive income", with a corresponding adjustment of the relevant valuation reserve in equity.

Cumulative gains and losses recognized in other comprehensive income are recognized through profit or loss under the item "Gain (loss) on disposal of financial assets measured at fair value through other comprehensive income" on the disposal of the asset.

Dividends on an equity instrument are recognized through profit or loss when the right to receive payment is established.

3 - Financial assets measured at amortized cost

Classification

This category comprises financial assets such as loans and debt securities held within a business model whose objective is achieved by collecting contractual cash flows on a financial asset ("hold to collect" business model) that are solely payments of principal and interest on the principal amount outstanding (i.e. they pass the SPPI test).

Specifically, this category includes credit exposures to banks (including the central bank) and to customers that, regardless of technical form (bonds, loans, credit lines and deposits), meet the requirements indicated above.

In accordance with the provisions of IFRS 9, reclassifications are allowed only following a modification of the business model. Such changes are expected to be very infrequent and are determined by the entity's senior management (as identified pursuant to IAS 24) as a result of external or internal changes and must be significant to the Group's operations and demonstrable to external parties. This occurs, for example, when a relevant activity is begun or terminated after the entity has acquired, disposed of or terminated a business line.

The transfer value is represented by the fair value at the time of the reclassification, which takes place prospectively starting from that date. In this case, the effective interest rate is redetermined based on the fair value of the reclassified financial asset at the time of the change and that moment is considered to be the initial recognition date for the purpose of verifying a significant increase in credit risk. In the event of the reclassification of financial assets measured at amortized cost to the category of financial assets measured at fair value through other comprehensive income, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in other comprehensive income. In the event of reclassification to financial assets measured at fair value through profit or loss, the gain or loss is recognized through profit or loss.

Recognition

Financial assets are initially recognized at the settlement date for debt securities and at the disbursement date for loans. The initial amount recognized is equal to the amount disbursed or subscription price, including costs and revenue directly attributable to the transaction and determinable from the inception of the transaction, even if settled at a later time. The initially recognized amount does not include costs to be reimbursed by the debtor or that can be characterized as normal administrative overhead costs.

The initial recognition amount of loans disbursed at non-market conditions is equal to the fair value of the loans, determined using valuation techniques. The difference between the fair value and the amount disbursed or the subscription price is recognized through profit or loss.

Securities repurchase transactions are recognized as funding or lending transactions. Transactions involving a spot sale and a forward repurchase are recognized as payables in the amount received spot, while those involving a spot purchase and a forward sale are recognized as receivables in the amount paid spot.

Transactions with banks through correspondent accounts are recognized at the time of settlement and, therefore, these accounts are adjusted for all non-liquid items regarding bills and documents received or sent registered as 'subject to collection' or after actual collection.

Where, in the event of unusual circumstances, the assets are recognized in this category following reclassification from financial assets available for sale or from financial assets held for trading, the fair value of the assets at the date of reclassification shall be deemed to be the new amortized cost of the assets.

Measurement

Subsequent to initial recognition, financial assets are measured at amortized cost, using the effective interest rate method. The amortized cost equals the amount at which a financial asset is measured at initial recognition decreased by principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount, minus any reduction (directly or through the use of a provision) due to impairment or non-recoverability.

In certain cases, a financial asset may be considered impaired at initial recognition because its credit risk is very high and, in the case of a purchase, is acquired at a large discount to its value at initial issue.

Amortized cost is not used for very-short-term loans, loans without a specified maturity or revocable loans, for which the impact of this method can be considered not material. These positions are measured at cost.

The measurement effects strictly consider the three different credit risk stages provided for in IFRS 9. The stages can be summarized as follows:

- stage 1 and 2 including performing financial assets;
- stage 3 including impaired financial assets.

With regard to the presentation of measurement effects in the accounts, value adjustments of this type of asset are recognized through profit or loss:

- at the time of initial recognition in an amount equal to 12-month expected credit losses;
- at the time of subsequent measurement of the asset where credit risk has not increased significantly since initial recognition in an amount equal to the change in the loss allowance for 12-month expected credit losses (stage 1);
- at the time of subsequent measurement of the asset where credit risk has increased significantly since initial recognition in an amount equal to the loss allowance for lifetime expected credit losses (stage 2);
- at the time of subsequent measurement of the asset where credit risk has increased significantly since initial recognition but the increase is no longer “significant” in an amount equal to the adjustment of the cumulative loss allowances to take account of the transition from lifetime expected credit losses to 12-month expected credit losses (return to stage 1).

Financial assets recognized in this category are tested for impairment periodically and in any event at the close of each reporting period in order to determine any value adjustments to be recognized at the level of individual loans (or tranches of a security) as a function of the risk parameters represented by Probability of Default (PD), Loss Given Default (LGD) and Exposure At Default (EAD), appropriately modeled to take account of the provisions of IFRS 9. The amount of the value adjustment recognized through profit or loss therefore takes into consideration so-called forward-looking information and possible alternative recovery scenarios. If, in addition to a significant increase in credit risk, financial assets show objective evidence of impairment, the amount of the loss is measured as the difference between the carrying amount of the assets (classified as “impaired”) and the present value of estimated future cash flows, discounted at the original effective interest rate of the financial assets. The assessment of the impairment loss and the consequent amount to be recognized in profit or loss is conducted on an individual basis or determined by creating groups of positions with a uniform risk profile.

Non-performing loans, unlikely-to-pay positions, restructured exposures and past-due or over-limit exposures are considered impaired in accordance with the applicable rules of the Bank of Italy, consistent with the IAS/IFRS and European supervisory regulations (stage 3).

Measurement of the financial assets takes account of the best estimate of expected future cash flows in respect of principal and interest payments. Also taken into consideration is the realizable value of any guarantees excluding recovery costs, recovery times estimated based on contractual maturities, if any, and on reasonable estimates in the absence of contractual provisions, and the discount rate, which is the original effective interest rate. For impaired positions at the transition date, where determining this figure would be excessively burdensome, the Bank has adopted reasonable estimates, such as the average rate of loans for the year in which the loan was first classified as a bad debt, or the restructuring rate.

If the reasons for the impairment should cease to obtain following an event that occurred subsequent to the recognition of the impairment loss, a writeback is taken to profit or loss. The value of the financial asset after the writeback shall not exceed the amortized cost that the instrument would have had in the absence of the prior writedown. See the section on procedures for determining impairment for more information.

Where these financial assets are classified as measured at amortized cost or at fair value through other comprehensive income, they are classified as “purchased or originated credit impaired” (“POCI”) and receive special treatment in terms of impairment, with the recognition of lifetime expected credit losses. In addition, the credit-adjusted effective interest rate is calculated for financial assets identified as POCIs at initial recognition. This rate reflects initial expected losses in estimating cash flows. In using amortized cost method, and the consequent calculation of interest, therefore, this credit-adjusted effective interest rate is therefore used.

Derecognition

Financial assets measured at fair value through other comprehensive income are derecognized when the contractual rights to the cash flows expire/are extinguished or a disposal transfers all the risks and rewards

connected with ownership to a third party. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial asset are retained, the asset continues to be recognized even if legal title has been transferred.

Where it is not possible to determine whether substantially all the risks and rewards have been transferred, the financial assets are derecognized if no form of control over it is retained. Conversely, where even a portion of control is retained, the asset continues to be recognized to the extent of the continuing involvement in the asset, measured by the exposure to changes in value of the transferred assets and changes in their cash flows.

Transferred financial assets are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

In certain cases, during the course of the life of financial assets, in particular loans, the terms of the contract may be modified from those in force at the time of initial recognition. In these circumstances, the modified terms must be analyzed to determine whether the original assets can continue to be recognized or must instead be derecognized, with the consequent recognition of new modified financial assets. In general, modifications of contractual terms lead to the derecognition of the financial asset and the recognition of a new asset when they are considered to be "substantial", with the recognition in profit or loss of any difference in carrying amounts.

In conducting this assessment, qualitative judgments are called for. To this end, the assessment shall consider:

- the reasons for the modifications, distinguishing, for example, between renegotiations carried out for commercial reasons or in response to the counterparty's financial difficulties:
 - transactions carried out with performing counterparties for reasons other than debtor's financial difficulties, and therefore not related to a change in the creditworthiness of the borrower, are considered commercial renegotiations, which have the main objective of adjusting the cost of credit to market conditions. These cases include all renegotiations aimed at maintaining the commercial relationship with the client, and are therefore carried out with the aim of retaining the counterparty, who might otherwise turn to another bank. In this case, these modifications are considered substantial because if they did not occur, the customer could turn to another financial institution, thus causing the bank to lose future revenue;
 - transactions whose objective is to maximize the recoverable amount of the loan are considered renegotiations due to financial difficulties of the counterparty, with the creditor therefore willing to accept a restructuring of the debt on terms potentially favorable to the debtor. In these circumstances, it is generally assumed that there has essentially been no extinguishment of the original cash flows that would therefore require derecognition of the original loan. Consequently, these types of renegotiation represent the majority of cases presented in the financial statements through "modification accounting", in which the difference between the carrying amount and the recalculated value of the financial asset is recognized in profit or loss by discounting the renegotiated or modified cash flows at the original effective interest rate;
- the presence of specific objective elements that substantially modify the characteristics and/or cash flows of the financial instrument, such that they would entail the derecognition of the instrument and the consequent recognition of a new financial asset. This includes, for example, the introduction of new contractual terms that would cause the asset to fail the SPPI test or a change in the denomination of the currency of the instrument, as the entity would be exposed to a new risk.

Recognition of income components

Interest on financial assets measured at amortized cost is recognized under "Interest and similar income" in the income statement using the effective interest criterion, which takes account of both the amortization of transaction costs and the differential between the initial value and the repayment value.

Gains or losses on the financial assets in question are recognized in profit or loss when the assets are derecognized or have incurred an impairment loss.

More specifically, gains or losses deriving from the sale of an asset are, as previously noted, recognized in the income statement under the item "Gain (loss) on the disposal or repurchase of: a) financial assets measured at amortized cost" on the disposal of the asset.

Writedowns and writebacks for credit risk are recognized under "Net losses/recoveries for credit risk in respect of: a) financial assets measured at amortized cost", with a corresponding adjustment of the relevant provision.

4 - Hedging

The Iccrea Cooperative Banking Group has elected to exercise the option to continue to apply the rules provided for in IAS 39 governing hedge accounting for each type of hedge (the “opt-out” option).

Classification

Risk hedging transactions are intended to neutralize the potential losses recognized on a given element or group of elements attributable to a given risk in the event that risk should actually be realized.

The types of hedges permitted under IAS 39 are as follows:

- fair value hedges, which are intended to hedge the exposure to the risk of changes in the fair value (due to the various types of risk) of assets and liabilities or portions of assets and liabilities, groups of assets and liabilities, irrevocable commitments and portfolios of financial assets and liabilities as permitted under IAS 39 as endorsed by the European Commission;
- cash flow hedges are intended to hedge the exposure to the risk of changes in the future cash flows on recognized assets or liabilities or on highly probable forecast transactions. This type of hedge is essentially used to stabilize interest flows on variable-rate funding to the degree that the latter finances fixed-rate lending. In some circumstances, analogous transactions are carried out for certain types of variable-rate lending.

Only instruments that involve a non-Group counterparty can be designated as hedging instruments.

The items “hedging derivatives” among assets and liabilities include the positive and negative values of derivatives that establish effective hedging relationships.

Recognition

Hedging derivatives and the hedged financial assets and liabilities are reported in accordance with hedge accounting rules. In particular, derivative instruments with a positive fair value are recognized under “Hedging derivatives” on the asset side of the balance sheet, while derivatives with a negative fair value at the reporting date are recognized under “Hedging derivatives” on the liability side of the balance sheet.

Measurement and recognition of income components

Hedging derivatives are measured at fair value. More specifically:

- in the case of fair value hedges, the change in the fair value due to the risk on the hedged item has a corresponding impact on the income statement, where the change in the fair value of the hedging instrument is recognized. Any difference between the two changes, which represents the partial ineffectiveness of the hedge, represents the net impact in profit or loss;
- in the case of cash flow hedges, changes in the fair value of the derivative are recognized in a specific equity reserve in the amount of the effective portion of the hedge and in profit or loss in the amount of the ineffective or overhedging portion. The reserve is reclassified to profit or loss only when the cash flows on the hedged item whose variability is being hedged manifest themselves or in the event the hedging relationship is discontinued in the manner specified for the circumstance that prompted the interruption of the hedge.

The derivative is designated as a hedging instrument where there is formal documentation of the relationship between the hedged item and the hedging instrument and if the hedge is effective at the moment of inception and throughout its life.

The effectiveness of a hedge depends on the extent to which changes in the fair value of the hedged item or the associated cash flows are offset by those of the hedging instrument. Accordingly, effectiveness is quantified on the basis of the comparison of those changes, taking account of the intentions of the entity at the time the hedge is established.

A hedge is deemed effective when the changes in fair value (or in cash flows) of the hedging instrument nearly entirely offset (i.e. within a range of 80-125%) changes in the hedged instrument for the risk factor being hedged.

Effectiveness is measured at every reporting date through:

- prospective tests, which justify the use of hedging accounting, as they demonstrate the hedge's expected effectiveness;
- retrospective tests, which indicate the level of effectiveness of the hedge achieved in the period under review, measuring the difference between actual results and theoretical results (perfect hedges).

If the tests do not confirm the effectiveness of the hedge, hedge accounting is discontinued in accordance with the above criteria, the hedging derivative is reclassified as a trading instrument or extinguished early and the hedged financial instrument is measured using the criteria normally adopted for instruments of its category. Subsequent changes in the fair value of the derivative are recognized through profit or loss. For cash flow hedges, when it becomes certain that the hedged transaction will no longer be carried out, the cumulative gain or loss recognized in the equity reserve is reversed through profit or loss.

The changes in the fair value of the hedged instruments and those used to hedge a fair value hedge transaction are recognized in the income statement under "Net gain (loss) on hedging activities". The ineffective or overhedging portion of the cash flow hedging derivative measured with respect to the hypothetical derivative (hedge ineffectiveness) is also recognized under this item.

5 – Equity investments

Classification

The item includes equity investments in subsidiaries, associates and joint ventures.

Subsidiaries are those entities over which the investor has the power to direct the relevant activities as a result of a legal right or a mere situation of fact and is exposed to the variable returns resulting from that power.

Pursuant to IFRS 10 the control requirement is met when an investor simultaneously has:

- the power to direct the relevant activities of the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee;
- has the ability to use its power over the investee to affect the amount of its returns (link between power and returns).

Joint control is the contractually agreed sharing of control of an arrangement.

Associated companies comprise companies in which the Group holds, either directly or indirectly, at least 20% of the voting rights or, independently of the proportion of voting rights, companies over which the Group exercises a significant influence, which is defined as the power to participate in determining financial and operating policies, but without exercising either control or joint control.

Equity interests in subsidiaries, joint ventures and associates held for sale are reported separately in the financial statements as a disposal group and are measured at the lower of the carrying amount and the fair value excluding disposal costs.

Recognition

Equity investments are initially recognized at cost at the settlement date including costs and revenue that are directly attributable to the transaction.

Measurement

Investments in subsidiaries are measured at cost, while investments in associates or joint ventures are measured using the equity method (for more details, see Section 3 – Scope and methods of consolidation in Part A Accounting policies: A.1 – General information). Where there is evidence that the value of an equity investment may be impaired, its recoverable amount is determined, taking account of both its market value and the present value of future cash flows. If this value is lower than the carrying amount, the difference is recognized through profit or loss as an impairment loss.

Impairment testing of equity investments

As required by the accounting standards referred to earlier and by IAS 36, if there is evidence (triggers) of possible impairment, equity investments undergo impairment testing to determine whether there is objective evidence that the carrying amount of such assets is not fully recoverable and to determine the amount of any writedown.

Impairment indicators are essentially divided into two categories:

- qualitative indicators, such as the posting of losses or in any case a significant divergence with respect to budget targets or the objectives set out in the long-term plans announced to investors, the announcement/start of composition with creditors or restructuring plans, and the downgrading of the rating issued by a specialist agency;
- quantitative indicators consisting of a reduction in fair value below the carrying amount of over 30%, or for a period of more than 24 months, or a carrying amount for the equity investment in the separate financial statements greater than the carrying amount in the consolidated financial statements of the company's net assets and goodwill, or the distribution by the latter of a dividend greater than its comprehensive income.

In the presence of evidence of impairment, the size of any writedown is determined on the basis of the difference between the carrying amount and the recoverable amount, which is equal to the greater of fair value less costs to sell and the value in use.

Derecognition

Control, joint control and significant influence cease in cases in which the power to determine financial and operating policies of the company is removed from the governance bodies of the company and transferred to a governmental body, a court and in similar cases. The equity investment in these cases is subject to the treatment of IFRS 9, as provided for financial instruments.

Equity investments are derecognized when the contractual rights to the cash flows from the assets expire or when substantially all the risks and rewards connected with ownership of the equity investment are transferred.

Recognition of income components

Dividends received from equity investments are recognized in the income statement under "Dividends and similar income" when the right to receive payment is established.

Impairment losses on equity investments are recognized in the income statement under the item "Profit (loss) from equity investments". If the reasons for the impairment loss should be removed following an event occurring after the recognition of the impairment loss, the consequent writebacks are recognized in the income statement (in an amount not exceeding the previous writedowns) under the same item.

The recognition of the income effects in respect of equity investments accounted for using the equity method is discussed in Section 3 – Scope and methods of consolidation in Part A Accounting policies: A.1 – General information.

6 - Property, plant and equipment

Classification

Property, plant and equipment includes land and buildings used in operations and those held for investment purposes, plant, vehicles, furniture, furnishings and equipment of any kind.

According to IAS 16, buildings used in operations are those held for use in the supply of services or for administrative purposes. Pursuant to IAS 40, investment property includes property held to earn rentals or for capital appreciation or both.

The item also includes assets in accordance with IAS 2 - Inventories, which mainly include assets deriving from the enforcement of guarantees or purchase at auction that the Group intends to sell in the near future without carrying out significant restructuring works and which do not meet the conditions for classification in the previous

categories (“for use in operations” or “for investment”). This therefore includes assets acquired following the closure of an impaired credit exposure (for example from acceptance of the asset in lieu of the original performance (“datio in solutum”), from the consolidation of companies acquired as a result of loan restructuring/recovery agreements, the non-exercise of the purchase option in a finance lease or the termination of an impaired lease, etc.).

Where the requirements for the application of IFRS 5 to these assets are not met, the Group normally initially classifies the assets as inventories, subsequent measuring them in accordance with the criteria set out in IAS 2, except in rare cases in which the conditions are met for classification as:

- assets held for use in operations (see IAS 16);
- assets held for investment purposes (see IAS 40), insofar as they are held for the purpose of generating income through the receipt of lease payments or for capital appreciation.

Finally, property, plant and equipment also includes the rights of use for assets held under leases (whether finance or operating leases) pursuant to IFRS 16, even though the lessor retains legal ownership of the assets.

Recognition

Property, plant and equipment is recognized at cost, which includes all incidental expenses directly attributable to purchasing and placing the asset in service.

Expenses subsequently incurred (e.g. extraordinary maintenance costs) increase the carrying amount of the asset or are recognized as separate assets if it is likely that the future economic benefits will exceed initial estimates and the costs can be reliably calculated.

All other subsequent expenses (e.g. ordinary maintenance costs) are recognized in the income statement in the year incurred.

Property, plant and equipment originally held as collateral for credit and acquired in recovery activities carried out on the basis of specific contracts or legal proceedings is recognized when both of the following conditions are met:

- recovery activities have been completed;
- the Group has acquired ownership of the property.

Normally these exchange transactions lack commercial substance as defined in paragraph 24 of IAS 16 and, consequently, the asset is initially recognized at the carrying amount of the asset given up.

In the rare cases where, in an exception to the general principle mentioned above, the enforcement operation has commercial substance, the asset acquired is initially recognized at fair value.

In the case of recognition of rights of use in respect of leased assets pursuant to IFRS 16, the cost of the right-of-use asset is determined as follows:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee;
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Measurement

Property, plant and equipment used in operations is measured at cost less depreciation and impairment. Depreciation is determined systematically over the remaining useful life of the asset.

For assets purchased and placed in service during the year, the period of depreciation is calculated on the basis of the actual number of days the assets contribute to the production cycle. For assets transferred and/or disposed of during the year, depreciation is calculated on a daily basis up to the date of transfer or disposal.

The depreciable value is represented by the cost of the assets since the residual value at the end of the depreciation process is considered negligible. Buildings are depreciated at a rate of 3% per year, deemed to appropriately represent the deterioration of the assets over time from their use, taking into account extraordinary maintenance

costs, which increase the value of the asset. Land, whether purchased individually or incorporated into the value of a building, is not depreciated.

In accordance with the provisions of paragraph 32 a) of IAS 40, investment property as defined in IAS 40 is valued using the cost model and is depreciated, with the exception of properties deriving from the consolidation of real estate investment funds, which are measured at fair value since they are connected with liabilities that produce a return directly linked to the fair value of the investment property.

Assets classified as inventory are measured at the lower of recognition cost and net realizable value and are not depreciated. The net realizable value is equal to the estimated price for sale in the normal course of business, net of the estimated completion costs and those necessary for the sale of the asset.

Following initial recognition, assets acquired through recovery or enforcement of guarantees in debt collection activities carried out by the Group for impaired loans are measured in accordance with the criteria established for the classification adopted (for use in operations, for investment purposes, inventories).

Right-of-use assets determined in compliance with IFRS 16 are subsequently measured using a cost model, less depreciation and impairment losses, in accordance with IAS 16.

Derecognition

Property, plant and equipment is derecognized when disposed of or when permanently withdrawn from use and no future benefits are expected from its disposal.

Recognition of income components

Depreciation of property, plant and equipment measured at cost, with the exception of inventories, is recognized through profit or loss under “Net adjustments of property, plant and equipment”.

In the first year, depreciation is recognized in proportion to the period the asset is effectively available for use. For assets sold or otherwise disposed of during the year, depreciation is calculated on a daily basis up to the date of transfer and/or disposal.

If there is evidence of possible impairment of the asset, the asset's carrying amount is compared against its recoverable amount, which is equal to the greater of the value in use of the asset, meaning the present value of future cash flows originated by the asset and its fair value, net of any disposal costs. Any negative difference between the carrying amount and the recoverable amount is recognized in the income statement. If the reasons for the impairment should cease to obtain, a writeback is recognized in the income statement. The carrying amount following the writeback shall not exceed the value that the asset would have had, net of depreciation, in the absence of the prior writedowns.

Gains (losses) deriving from changes in the fair value of investments deriving from the consolidation of real estate investment funds are recognized in the income statement under “Net gain (loss) from valuation at fair value of property, plant and equipment and intangible assets”.

Gains and losses deriving from the disposal or decommissioning of property, plant and equipment are determined as the difference between the net sale price and the carrying amount of the asset. They are recognized in profit and loss at the same date on which the assets are derecognized, under the item “Profit (loss) from the disposal of investments”.

7 - Intangible assets

Classification

Intangible assets are recognized as such if they are identifiable and are based on legal or contractual rights. They include application software.

Right-of-use assets have not been recognized in respect of leases involving intangible assets as such recognition is optional under IFRS 16.

Recognition

Intangible assets are recognized at cost, adjusted for any incidental expenses, only if it is probable that the future economic benefits attributable to the asset will be realized and if the cost of the asset can be reliably determined. Otherwise, the cost of the intangible asset is recognized in profit or loss in the period in which it is incurred.

Recognition of intangible assets generated internally, and software in particular, is subject to verification of the above conditions and distinguishing between the research activities and development activities carried out to produce the asset. Costs associated with research cannot be capitalized, as the generation of probable future economic benefits cannot be demonstrated.

Intangible assets can be recognized in respect of goodwill arising from business combinations (purchases of business units). This goodwill is recognized in an amount equal to the positive difference between the purchase price of the business combination (the consideration transferred) and the fair value of the assets and liabilities acquired if that positive difference represents future economic benefits. Goodwill in respect of business combinations carried out prior to the date of transition to the IFRS are measured on a cost basis and represent the same value as that given using Italian GAAP.

Measurement

After initial recognition, intangible assets with a finite useful life are recognized at cost, net of total amortization and accumulated impairment losses. Amortization begins when the asset becomes available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended and ceases when the asset is derecognized. Intangible assets are amortized on a straight-line basis, so as to reflect the long-term use of the asset over its estimated useful life, which for application software does not exceed 5 years.

Goodwill is not amortized and is tested for impairment at the reporting date.

Derecognition

Intangible assets are derecognized upon disposal or when no future economic benefits are expected to be generated by the use or disposal of the asset.

Recognition of income components

Amortization is recognized through profit or loss under “Net adjustments of intangible assets”, as are impairment losses. If the reasons for the impairment of intangible assets other than goodwill should cease to obtain, a writeback is recognized in profit or loss. The value of the asset after the writeback shall not exceed the value that the asset would have had, net of amortization, in the absence of the prior writedowns for impairment.

Writedowns of goodwill are recognized in the income statement under “Writedowns of goodwill”. Goodwill previously written down may not be written back.

Gains and losses from the disposal or other transfer of an intangible asset are determined as the difference between the net sale price and the carrying amount of the asset and recognized in the income statement under the item “Profit (Loss) from disposal of investments”.

8 - Non-current assets and liabilities and disposal groups held for sale

Classification

Non-current assets and disposal groups, including associated liabilities, are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is met only when their sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. The Group must be committed to the sale, which must be expected to be completed within one year of classification as held for sale.

Properties obtained through the enforcement of guarantees are classified under this item when the following conditions are met:

- the asset is available for immediate sale in its present condition, subject to terms that are usual and customary for sales of such assets;
- the sale is highly probable. In particular, the appropriate level of management must be committed to a plan to sell the asset, and an active program to locate a buyer and complete the plan must have been initiated. Further, the asset must be actively marketed for sale at a price that is reasonable in relation to its current fair value. Finally, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by IFRS 5, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Recognition

Non-current assets and disposal groups held for sale are valued at the lower of their carrying amount and their fair value less costs to sell, with the exception of assets for which IFRS 5 requires measurement in accordance with the applicable IFRSs (e.g. financial assets within the scope of IFRS 9).

Measurement and recognition of income components

Following initial recognition in this category, the assets are measured at the lower of their carrying amount and their fair value less costs to sell, with the exception of assets that IFRS 5 requires be measured using the provisions of the relevant accounting standard (for example, financial assets within the scope of IFRS 9). If the assets held for sale can be depreciated, any such depreciation ceases upon classification to non-current assets held for sale. Non-current assets and disposal groups held for sale, as well as “discontinued operations”, and the associated liabilities are reported under specific items of assets (“Non-current assets and disposal groups held for sale”) and liabilities (“Liabilities associated with disposal groups held for sale”).

The results of the measurement, income, expenses and gains/losses upon disposal (net of any tax effect), of “discontinued operations” are recognized in the income statement under “Profit (loss) after tax of discontinued operations”. Gains and losses associated with individual assets held for sale are recognized under the most appropriate item of the income statement.

Derecognition

Non-current assets and disposal groups held for sale are derecognized upon disposal.

9 - Current and deferred taxation

Classification

Income taxes, which are calculated on the basis of national tax law, are accounted for as a cost on an accruals basis, in line with the recognition of the costs and revenue that gave rise to the tax liability. They therefore represent the balance of current taxes and deferred taxes in respect of income for the year. Current tax assets and liabilities report the net tax positions of the Group companies in respect of Italian and foreign tax authorities. More specifically, they report the net balance between current tax liabilities for the year, calculated on the basis of a prudent estimate of the tax liability for the period, as determined on the basis of applicable tax law, and current tax assets represented by payments on account and other tax receivables for withholding tax incurred or other tax credits for previous years which the Group companies opted to offset against taxes for subsequent years. Current tax assets also report tax receivables for which the Group companies have requested reimbursement from the competent tax authorities.

While taking account of the adoption of the national consolidated taxation mechanism by the companies forming part of the “direct scope” of the Group (the former Iccrea Banking Group), the tax positions of each Group company are managed separately for administrative purposes.

Deferred taxation is determined using the balance sheet liability method, taking account of the tax effect of temporary differences between the carrying amount of assets and liabilities and their value for tax purposes, which will give rise to taxable or deductible amounts in future periods. To that end, “taxable temporary differences” are those that in future periods will give rise to taxable amounts and “deductible temporary differences” are those that in future periods will give rise to deductible amounts. Deferred taxes are recognized on all taxable temporary

differences, with the following exceptions: i) deferred tax liabilities arising from the initial recognition of goodwill or ii) an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect either the balance sheet or the tax situation.

Deferred tax assets are recognized against all deductible temporary differences, tax receivables and unused tax losses that can be carried forward, insofar as it is probable that sufficient future taxable income will be available to allow the use of the deductible temporary differences and the tax receivables and losses carried forward, except for cases in which the deferred tax asset related to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect either the balance sheet or the tax situation.

Deferred tax is calculated by applying the tax rates established in applicable tax law, laws already issued or substantially in force at the reporting date that are expected to be applied during the year in which those assets are realized or those assets are extinguished to taxable temporary differences for which it is likely that a tax charge will be incurred and to deductible temporary differences for which it is reasonable certain there were be future taxable income at the time they become deductible (the probability test).

Current tax assets and liabilities and deferred tax assets and liabilities are offset in the financial statements if, and only if, they relate to income taxes applied by the same taxation authority and there is a legally enforceable right to set off tax assets.

Recognition and measurement

Where the deferred tax assets and liabilities regard items that impact profit or loss, that effect is recognized under income taxes.

In cases where the deferred tax assets and liabilities regard transactions that directly impact equity with no effect on profit or loss (such as adjustments on first-time adoption of the IAS/IFRS, measurement of financial instruments measured at fair value through other comprehensive income or cash flow hedge derivatives), they are recognized in equity, under specific reserves where required (i.e. the valuation reserves).

The potential taxation in respect of items on which taxation has been suspended that will be “taxed in the event of any use” is recognized as a reduction in equity. Deferred taxes in respect of revaluations prompted by conversion of amounts to the euro that were directly allocated to a specific reserve under Article 21 of Legislative Decree 213/98 on a tax-suspended basis are recognized as a reduction of that reserve. The potential taxation in respect of items that will be taxed “only in the event of distribution” is not recognized as the amount of available reserves that have already been taxed is sufficient to conclude that no transactions will be carried out that would involve their taxation.

Deferred taxation in respect of companies participating in the consolidated taxation mechanism is recognized in their financial statements on an accruals basis in view of the fact that the consolidated taxation mechanism is limited to settlement of current tax positions.

The potential taxation of components of the equity of the consolidated companies is not recognized where the circumstances that would give rise to their taxation are not considered likely to arise, taking due consideration of the lasting nature of the investment.

The value of deferred tax assets and liabilities is reviewed periodically to take account of any changes in legislation or in tax rates.

Recognition of income components

Income taxes are recognized through profit or loss, with the exception of those debited or credited directly to equity. Current income taxes are calculated based on taxable income for the period.

In determining income taxes, any uncertainties over tax treatments are taken into account, in accordance with the provisions of IFRIC 23.

Current tax payables and receivables are recognized at the value that payment to or recovery from the tax authorities is expected by applying current tax rates and regulations. Deferred income tax assets and liabilities are calculated, using expected tax rates, on the basis of temporary differences between the value attributed to the assets and liabilities in the financial statements and the corresponding values recognized for tax purposes.

Derecognition

Deferred tax assets and deferred tax liabilities are derecognized in the period in which:

- the temporary difference that originated them becomes taxable for deferred tax liabilities or deductible for deferred tax assets;
- the temporary difference that originated them is no longer relevant for tax purposes;
- for deferred tax assets only, the probability test envisaged by IAS 12 indicates that sufficient future taxable income will not be available.

10 - Provisions for risks and charges

Provisions for commitments and guarantees issued

This sub-item reports provisions estimated in respect of the credit risk on commitments to disburse funds and guarantees issued, which fall within the scope of application of the rules for calculating expected losses in accordance with IFRS 9. In principle, these cases use the same methods for allocation to the three risk stages and the calculation of expected losses that are adopted for financial assets measured at amortized cost or at fair value through other comprehensive income.

This sub-item also includes provisions for other types of commitments and guarantees issued that, on the basis of their characteristics, do not fall within the scope of application of impairment in accordance with IFRS 9.

Other provisions for risks and charges

The other provisions for risks and charges include provisions for legal obligations or related to employment relationships or disputes originating from a past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The item also includes long-term employee benefits.

Recognition

A provision shall be recognized if and only if:

- the company has a present obligation (legal or constructive) as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Measurement and recognition of income components

The amount recognized is the best estimate of the expenditure required to settle the obligation or to transfer it to third parties at the end of the reporting period and reflects the risks and uncertainties that inevitably surround many events and circumstances.

Where the time value of money is material and the payment dates of the obligation can be estimated reliably, the provision shall be discounted at market rates as of the reporting date.

Provisions are reviewed at every reporting date and are adjusted to reflect the best estimate of the charge required to settle the obligations existing at the close of the period. The impact of the time value of money and that of changes in interest rates are reported in profit or loss under net provisions for the period.

Actuarial gains and losses are recognized immediately in profit or loss.

Derecognition

Provisions are only used when the charges for which they were originally established are incurred. When the use of resources to fulfil the obligation is no longer deemed to be probable, the provision is reversed through profit or loss.

11 - Financial liabilities measured at amortized cost

Classification

Financial liabilities measured at amortized cost include amounts due to banks, amounts due to customers and securities issued, comprising all technical forms of interbank and customer funding, repurchase agreements and funding through certificates of deposit, bonds and other funding instruments in circulation, net of any amounts repurchased.

The item also includes liabilities recognized by the lessee in respect of leases (finance or operating) pursuant to IFRS 16.

Recognition

The liabilities are initially recognized at fair value, which is normally equal to the amounts received or the issue price, plus or minus any additional costs or revenue directly attributable to the transaction that are not reimbursed by the creditor. Internal administrative costs are excluded.

Financial liabilities issued on non-market terms are recognized at estimated fair value and the difference with respect to the amount paid or the issue price is taken to the income statement.

Measurement and recognition of income components

Following initial recognition, these liabilities are measured at amortized cost using the effective interest rate method, excluding short-term liabilities, which are recognized in the amount received in keeping with the general principles of materiality and significance. See the section on assets measured at amortized cost for information on the criteria for determining amortized cost.

Interest expense recognized on financial liabilities is reported under "Interest and similar expense" in the income statement.

In addition to cases of extinguishment and expiration, financial liabilities reported in these items are also derecognized when previously issued securities are repurchased. In this case, the difference between the carrying amount of the liability and the amount paid to repurchase it is recognized in the income statement under "Gain (loss) on the disposal or repurchase of: c) financial liabilities". If the repurchased security is subsequently placed again on the market, this is treated as a new issue and is recognized at the new placement price, with no impact on the income statement.

Derecognition

Financial liabilities are derecognized when the obligation underlying the liability is extinguished, waived or discharged. Where a financial liability is replaced with another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as the derecognition of the original liability accompanied by the recognition of a new liability, with the recognition of any difference in their carrying amounts through profit or loss.

12 – Financial liabilities held for trading

Classification

The item reports the negative value of trading derivatives that are not part of hedging relationships as well as the negative value of embedded derivatives to be separated from hybrid instruments representing financial liabilities. Liabilities deriving from short positions in by securities trading activities are recognized under "Financial liabilities

held for trading”.

Recognition

Debt and equity securities representing financial liabilities are initially recognized at the settlement date, while derivative contracts are recognized at the date they are signed. The financial liabilities are initially recognized at fair value, which generally equals the amount received.

In cases in which the amount paid differs from the fair value, the financial liability is recognized at fair value, and the difference between the amount paid and the fair value is recognized through profit or loss.

Derivative contracts embedded in financial liabilities or other contractual forms and which have financial and risk characteristics that are not correlated with the host instrument or which meet the requirements to be classified themselves as derivative contracts, are recognized separately among financial liabilities held for trading if their value is negative, with the exception of cases in which the compound instrument containing the derivative is entirely measured at fair value through profit or loss.

Measurement

Subsequent to initial recognition, the financial liabilities are recognized at fair value through profit or loss. Please see Part 4 “Fair value disclosures” of these notes to the financial statements for information on determining fair value.

Derecognition

Financial liabilities are derecognized when the obligation underlying the liability is extinguished, waived or discharged. Where a financial liability is replaced with another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as the derecognition of the original liability accompanied by the recognition of a new liability, with the recognition of any difference in their carrying amounts through profit or loss.

Recognition of income components

Gains and losses from the measurement of and transactions in financial liabilities held for trading are recognized through profit or loss.

13 - Financial liabilities designated as at fair value

Classification

This item reports financial liabilities designated as at fair value through profit or loss under the option permitted to entities in IFRS 9 (the “fair value option”). More specifically, financial liabilities may be irrevocably designated as at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch due to a measurement inconsistency or where they contain one or more embedded derivatives.

Recognition

Financial liabilities at fair value through profit or loss are initially recognized at the issue date at their fair value, which normally corresponds to the price paid. If the price is different from the fair value, the financial liability is recognized at its fair value and the difference between the price and the fair value is recognized in the income statement.

Measurement and recognition of income components

After initial recognition, financial liabilities reported under this item are measured at fair value in accordance with the following rules:

- if the change in fair value is attributable to a change in the credit risk of the liability, it shall be recognized in other comprehensive income (equity) and is not subsequently recycled through profit or loss (“no recycling”);
- all other changes in fair value shall be recognized through profit or loss under “Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss: a) financial assets and liabilities designated as at fair value”.

Pursuant to IFRS 9, this accounting method shall not be applied if would create or enlarge an accounting mismatch in the income statement. In this case, the gains or losses related to the liability falling under this item shall be recognized through profit or loss.

Derecognition

Financial liabilities are derecognized when the obligation underlying the liability is extinguished, waived or discharged. Where a financial liability is replaced with another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as the derecognition of the original liability accompanied by the recognition of a new liability, with the recognition of any difference in their carrying amounts through profit or loss.

14 - Foreign currency transactions

Classification

In addition to those explicitly denominated in a currency other than the euro, foreign currency assets and liabilities also include those that have indexing clauses linked to the exchange rate of the euro with a specific currency or with a certain basket of currencies.

Recognition

Transactions in a foreign currency are initially recognized in the functional currency by translating the amount in the foreign currency into the functional currency at the exchange rate prevailing on the date of the transaction.

For the purposes of translation, foreign currency assets and liabilities are divided into monetary items (classified under current items) and non-monetary items (classified under non-current items). Monetary items comprise cash and assets and liabilities to be received or paid in fixed or determinable amounts of money. Non-monetary items are characterized by the absence of a right to receive, or an obligation to deliver, a fixed or determinable amount of money.

Measurement

At the reporting date, foreign currency items are measured as follows:

- monetary items are translated at the exchange rate prevailing at the reporting date;
- non-monetary items measured at historic cost are translated at the exchange rate prevailing at the transaction date;
- non-monetary items measured at fair value are translated using the exchange rate prevailing at the reporting date.

Recognition of income components

Exchange rate differences relating to financial assets/liabilities other than those designated as at fair value and those mandatorily measured at fair value through profit or loss are recognized in the income statement under the item “Net gain (loss) on trading activities”. Exchange rate differences relating to the two categories referred to above are recognized in under the item “Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss”. In addition, if the financial asset is measured at fair value through other comprehensive income, exchange rate differences are allocated to the relevant valuation reserve.

Exchange rate differences resulting from the settlement of monetary items or from the translation of monetary items at exchange rates other than the initial translation rate, or translation of the previous financial statements, are recognized through profit or loss in the period in which they emerge.

When gains or losses relating to a non-monetary item are recognized in equity, the exchange rate difference for the item is also recognized in equity. Likewise, when a gain or loss is recognized through profit or loss, the corresponding exchange rate difference is also recognized through profit or loss.

15 – Insurance assets and liabilities

There are no insurance undertakings in the scope of consolidation.

16 – Other information

Employee termination benefits

Following the reform of supplementary pension schemes introduced by Legislative Decree 252 of December 5, 2005, changes were made to the way in which employee termination benefits are recognized. The portion of termination benefits accrued through December 31, 2006 is treated as a defined-benefit plan, since the company is required under law to pay the employee an amount determined pursuant to Article 2120 of the Italian Civil Code.

The portion of termination benefits accrued from January 1, 2007 allocated to a supplementary pension scheme or to the treasury fund managed by INPS (Italy's National Social Security Institute) are treated as a defined-contribution plan since the company's obligation towards the employee ceases upon transfer of the amounts to the fund.

Therefore, starting January 1, 2007, the Group:

- continues to recognize the obligation accrued at December 31, 2006 in accordance with the rules for defined-benefit plans, i.e. using the projected unit credit method. This means that it measures the obligation for benefits accrued by employees using actuarial techniques, projecting into the future the amount to pay at the time the employment relationship is terminated and discounting the accrued portion. To this end, the projected unit credit method considers each individual service period as the originator of an additional unit of termination benefits to be used in constructing the final obligation by projecting future outflows on the basis of statistical analysis of historical developments and the demographic curve, discounting those flows using a market interest rate. Total actuarial gains and losses are recognized, in line with the provisions of IAS 19, in equity, while the interest cost component of the change in the defined benefit obligation is recognized in profit or loss;
- recognizes the obligation for portions accrued starting January 1, 2007, payable to a supplementary pension scheme or to the treasury fund managed by INPS, on the basis of the contributions owed in each period, as a defined contribution plan for employee service, in profit or loss. More specifically, in the case of termination benefits payable to a supplementary pension scheme that treatment begins at the time of the choice or, if the employee does not exercise any option, as from July 1, 2007.

Recognition of revenue

Revenue is recognized when realized or, in the case of the sale of goods or services, in relation to the extent to which the performance obligation has been satisfied, as specified below.

Specifically:

- interest is recognized on an accruals basis using the contractual interest rate or the effective interest rate where the amortized cost method is applied;
- default interest, if any, is recognized through profit or loss only upon receipt;
- dividends are recognized in the income statement when their distribution is authorized;
- commissions for revenue from services are recognized in relation to the effective provision of the services to a customer, as discussed in greater detail below;

- revenue from the placement of funding instruments, calculated on the basis of the difference between transaction price and the fair value of the financial instrument, are recognized in the income statement when the transaction is recognized if the fair value can be determined with reference to parameters or transactions recently observed in the same market in which the instrument is traded. If these amounts cannot be easily determined or the instrument is not highly liquid, the financial instrument is recognized in an amount equal to the transaction price, excluding the commercial margin. The difference between this amount and the fair value is taken to profit or loss over the duration of the transaction through the gradual reduction in the valuation model of the corrective factor reflecting the reduced liquidity of the instrument;
- revenue from the sale of non-financial assets is recognized at the time the performance obligation is satisfied with the transfer of the asset, i.e. when the customer obtains control of the asset.

In application of IFRS 15, the following steps are followed in recognizing revenue from contracts with customers:

- identification and analysis of the contract signed with the customer to identify the type of revenue. In some specific cases, multiple contracts may have to be combined and accounted for as a single contract;
- identification of the specific performance obligations in the contract. If the goods/services to be transferred are distinct, they qualify as performance obligations and are accounted for separately;
- determination of the transaction price, considering all the performance obligations in the contract. This price may be a fixed amount, but may sometimes include variable or non-monetary consideration;
- allocation of the transaction price to the performance obligations. The transaction price is allocated to the various performance obligations on the basis of the selling prices of each distinct good or service provided contractually. If it is impossible to determine the standalone selling price, it is necessary to estimate it. The assessment must be carried out as from the start date of the contract (the inception date);
- recognition of revenue when the performance obligation is satisfied. Revenue is recognized following the satisfaction of the performance obligation to the customer, i.e. when the latter obtains control of the good or service. Some revenue is recognized at a point in time, while other is accrued over time. It is therefore necessary to identify the moment in which the performance obligation is satisfied. In the case of performance obligations satisfied over time, revenue is recognized over the reference period, selecting an appropriate method to measure the progress made towards complete satisfaction of the performance obligation.

Accruals and deferrals

Accruals and deferrals reporting costs and revenue accruing in the period on assets and liabilities are recognized as adjustments to the assets and liabilities to which they refer. In the absence of such assets or liabilities, they are recognized under “Other assets” or “Other liabilities”.

Expenditure for leasehold improvements

Expenses for refurbishments of buildings belonging to third parties that do not have an independent function or use are conventionally classified under “Other assets”. Amortization is performed over the useful life of the right of use in respect of the buildings and amortization charges are reported under other operating expenses.

Determination of amortized cost

Amortized cost is applied to financial assets and liabilities measured at amortized cost and to the income components of financial assets measured at fair value through other comprehensive income.

The amortized cost of a financial asset or financial liability is the value at which it is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest rate is the rate that discounts the contractual flow of future or received payments until the maturity date or the next repricing date to the present value of a financial asset or financial liability.

For instruments bearing a fixed rate or a fixed rate for periods of time, future cash flows are determined on the basis of the specified interest rate over the life of the instrument. For variable-rate financial assets or liabilities, future

cash flows are determined on the basis of the last known rate. At each repricing date, the residual amortization and the effective yield over the residual useful life (i.e. until maturity) of the financial instrument are recalculated.

For purchased or originated credit-impaired financial assets ("POCI"), the effective interest rate corrected for credit risk is calculated, discounting estimated future cash flows over the expected life of the financial asset, taking of account all the contractual terms of the asset (e.g. prepayment options, call options, etc.) as well as expected credit losses.

Financial assets and liabilities transacted on market terms are initially recognized at their fair value, which normally corresponds to the amount paid or received including directly attributable transaction costs and fees: internal marginal costs and income not recoverable from customers are considered transaction costs attributable at the time of initial recognition of the instrument.

These ancillary components, which must be attributable to the individual asset or liability, affect the effective return and cause the effective interest rate to differ from the contractual interest rate: therefore, costs and income referable indiscriminately to multiple transactions and related components that they may be recognized during the life of the financial instrument are not included. Furthermore, costs that the Group incurs independently of the transaction, such as administrative, office supplies and communication costs, are not considered in the calculation of the amortized cost.

With particular regard to inflation-linked BTPs - the overall performance of which does not depend solely on its real components but also on the developments in inflation, to which these bonds are indexed¹²⁶ - the measurement method adopted provides for the sterilization of the inflation effect in the calculation of the IRR and its inclusion in amortized cost, so as to generate a perfect adjustment of the value of holdings to changes in inflation. Accordingly, the value of the holding increases (or decreases) in proportion to the inflation coefficient, so that at the maturity of the security its value is equal to the redemption value.

More specifically, the methodology applied makes it possible to adjust the average carrying price of the security to the presumable redemption value by varying the associated value of the holdings in a manner consistent with the indexing parameter. In this way, the effect of inflation is accounted for in the year in which it occurs, in line with the accrual principle, and is summed with the real yield on the securities.

Net interest income reflects the contribution linked to both the real yield of the security (coupons and accrued interest) and the inflation component, the latter through the recognition of the portion at amortized cost deriving from the periodic revaluation of the value of the holdings of the securities.

Determination of impairment

Financial assets

At each reporting date, the Group determines whether there is objective evidence that a financial asset or group of financial assets has incurred a significant increase in the related credit risk since initial recognition and requires the definition of a methodology for calculating the expected loss (ECL) and the related risk parameters necessary to calculate it, namely: Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD).

The staging methodology provides for the allocation of each exposure/tranche (loans and securities) to the three distinct stages on the basis of the following:

- stage 1: this includes newly issued instruments/tranches and exposures to counterparties classified as performing that, as at the reporting date, have a PD lower than or equal to a given threshold (qualifying for the low credit risk exemption) or have not experienced a significant increase in credit risk with respect to that measured the date of disbursement/purchase. The 12-month expected loss is measured for these positions;
- stage 2: this includes all performing instruments/tranches that, as at the reporting date, simultaneously:
 - have a higher PD than that specified for the low credit risk exemption;
 - have experienced a significant increase in credit risk with respect to the date of disbursement;

In general, in the absence of a rating/PD at the reporting date the exposure is allocated in stage 2 (without prejudice

¹²⁶ The overall performance of inflation-linked BTPs depends on two components: an a priori element, i.e. the real yield, and another linked to inflation, which determines the revaluation of coupons and principal. The value of the security is therefore made to evolve as a function of both effects.

to the use of additional criteria specifically adopted for the management of particular types of portfolios/positions not covered by the use of an internal rating model). In this case, the lifetime expected loss is measured;

- stage 3: this includes all instruments/tranches associated with loans/securities in default, for which the loss is calculated as the difference between the contractual cash flows and expected cash flows, discounted at the effective interest rate of the instrument (lifetime expected loss), which is essentially unchanged compared with the previous accounting standard.

A so-called grace period is also granted, under which newly disbursed exposures are conventionally classified in stage 1 for the first 3 months of the relationship, unless they derive from forbearance measures.

Furthermore, in order to reduce the volatility of allocations of exposures to the various stages, the mechanisms for transferring exposures between stages envisage a so-called 3-month probation period (the minimum period for which positions are allocated to a given stage), defined as follows:

- an exposure allocated to stage 2 can be transferred to stage 1 if at the reporting date the conditions for allocation to stage 1 are met and at least 6 continuous months have elapsed since the factors that prompted allocation to stage 2 no longer exist;
- the reclassification as performing of an exposure previously allocated to stage 3 involves direct allocation to stage 2 for at least 3 months following the return to performing status, unless events requiring reallocation to stage 3 should occur.

If at least one of the criteria for classification in stage 2 is activated for a position within the probation period, the probation period recommences from the month in which the criteria that determined the allocation to stage 2 are no longer active.

Performing forborne exposures for which the regulatory probation period of 24 months is already activated and positions that are classified in stage 2 because of the activation of the cluster rule (unrated exposures) are excluded from the application of this criterion.

With regard to the securities portfolio, the methodology for staging performing exposures is based solely on quantitative information consisting in:

- the application of the low credit risk exemption, under which quantitative staging criteria are applied only to positions that, at the measurement date, have a credit risk that exceeds a specific threshold;
- the use of criteria based on a comparison between the 12-month PD conditioned on the origination date and the 12-month PD conditioned on the observation date (current PD). In this case, the criteria are defined on the basis of which the increases in PD represent a significant increase in credit risk such as to give rise to the allocation of the exposure to stage 2;
- a comparison at the observation date between the conditioned PD measure and a specified threshold value such as to give rise to the allocation of the exposure to stage 2 when this threshold is exceeded;
- the verification of the PD/rating measurement at the observation date and at the origination date such as to give rise the allocation to Stage 2 if one of the two pieces of information is missing¹²⁷ even if a rating system for evaluating the counterparty is available.

Exposures associated with securities in default are classified in stage 3.

With regard to expected credit loss, the risk parameters necessary for calculating that value have been distinguished by differentiating between the securities portfolio and the loan portfolio.

With regard to the securities portfolio:

- Probability of Default (PD): the PD at 12 months and multi-period PDs used underwent forward-looking conditioning;
- Loss Given Default (LGD): the unconditioned LGD measures used are the same for both stage 1 and stage 2 exposures. More specifically, an unconditioned LGD metric of 45% is used, which subsequently undergoes forward-looking conditioning;
- Exposure At Default (EAD): for the purposes of quantifying the EAD associated with each securities issue, the gross value of the exposure at the reporting dates is generally used.

¹²⁷ Unless the low credit risk exemption applies.

With regard to the loan portfolio:

- Probability of Default (PD): the approach defined by the Group envisages:
 - the use of internal rating models to determine the transition matrix based on rating classes, conditioned to incorporate forward-looking macroeconomic scenarios and used to obtain lifetime PDs;
 - where an internal rating model is absent, calculating default rates on an annual basis, conditioned to include forward-looking macroeconomic scenarios and used to obtain cumulative lifetime PDs;
- Loss Given Default (LGD): the approach for estimating LGD developed by the Group provides for the determination of historical loss rates on closed impaired positions and the application of the so-called danger rate, conditioned by macroeconomic scenarios;
- Exposure At Default (EAD): the estimation approach for EAD differs by type of portfolio, product and stage to which the exposure has been assigned.

In order to condition the PD and LGD risk parameters for future macroeconomic scenarios, the Group uses an approach consisting in:

- the estimation of internal “satellite models”, which explain the relationship linking the reference variables, proxies of the risk parameters, to a set of explanatory macroeconomic variables;
- the adoption of macroeconomic scenarios, which describe the possible evolution of the explanatory variables identified in the estimation of the models. The use of at least two different scenarios is envisaged, typically distinguishing them based on the “severity” of the forecasts and associating each of them with a probability of occurrence.

Non-performing loans, unlikely-to-pay positions, restructured exposures and past-due or over-limit exposures are considered impaired in accordance with the applicable rules of the Bank of Italy, consistent with the IAS/IFRS and European supervisory regulations (stage 3).

Measurement of the financial assets takes account of the best estimate of expected future cash flows in respect of principal and interest payments. Also taken into consideration is the realizable value of any guarantees excluding recovery costs, recovery times estimated based on contractual maturities, if any, and on reasonable estimates in the absence of contractual provisions, and the discount rate, which is the original effective interest rate. For impaired positions at the transition date, where determining this figure would be excessively burdensome, the Bank has adopted reasonable estimates, such as the average rate of loans for the year in which the loan was first classified as a bad debt, or the restructuring rate.

The measurement of the impaired financial asset using these criteria is conducted on a specific basis under two possible alternative scenarios that assume operational continuity (the “going concern” scenario) or the cessation of operations (“gone concern”) or on a generic basis, using specific defaulted asset LGD models.

Equity securities and units of collective investment undertakings

Equity securities and units of collective investment undertakings, regardless of the accounting portfolio to which they are allocated, do not undergo impairment testing as they are measured at fair value.

Other non-financial assets

Property, plant and equipment and intangible assets with a finite useful life undergo impairment testing if there is evidence that the carrying amount of the asset cannot be recovered. The recoverable amount is determined as the greater of the fair value of the item of property, plant and equipment or the intangible asset net of costs of disposal and the value in use.

As regards real estate, fair value is mainly determined on the basis of an appraisal prepared by an independent expert.

Intangible assets recognized following acquisitions and in application of IFRS 3 at each reporting date undergo impairment testing to determine whether there is objective evidence that the asset may have incurred an impairment loss.

If there is evidence of impairment, intangible assets with a finite life undergo a new valuation to determine the recoverability of the carrying amount. Recoverable amount is determined on the basis of value in use, i.e. present value, as estimated using a rate representing the time value of money, the specific risks of the asset and the margin generated by relationships in place at the valuation date over a time horizon equal to the residual term of those relationships.

Since intangible assets with an indefinite life, represented by goodwill, do not generate autonomous cash flows, they undergo annual testing of their carrying amount for the cash generating unit (CGU) to which the values were allocated in the related business combinations. The amount of any impairment is determined on the basis of the difference between the carrying amount of the CGU and the recoverable amount of the unit, represented by the greater of its fair value, net of costs of disposal, and its value in use.

The carrying amount of the CGU must be determined in a manner consistent with the criteria used to determine its recoverable amount. From the standpoint of a banking enterprise, it is not possible to determine the cash flows of a CGU without considering the flows generated by financial assets and liabilities, given that the latter represent the core business of the company. In other words, the recoverable amount of the CGUs is impacted by those cash flows and, accordingly, the carrying amount of the CGUs must be determined using the same scope of estimation used for the recoverable amount and, therefore, must include the financial assets/liabilities. To that end, these assets and liabilities must be allocated to the CGUs.

Following this approach, the carrying amount of the CGUs can be determined in terms of their contribution to consolidated shareholders' equity, including non-controlling interests.

The value in use of a CGU is calculated by estimating the present value of the future cash flows that are expected to be generated by the CGU. Those cash flows are determined using the most recent public business plan or, in the absence of such a plan, an internal forecasting plan developed by management.

Normally, the specific forecasting period covers a maximum time horizon of three years. The flow in the final year of the forecasting period is projected forward in perpetuity, using an appropriate growth rate "g" for the purposes of the terminal value.

In calculating value in use, the cash flows must be discounted using a rate that reflects the current time value of money and the specific risks to which the asset is exposed. More specifically, the discount rates adopted incorporate current market values for the risk-free rate and equity premiums observed over a sufficiently long period of time to reflect different market conditions and business cycles.

With specific reference to the rights of use recognized in accordance with IFRS 16, evidence that an asset may have suffered an impairment loss may be associated both with internal factors (deterioration, obsolescence, etc.) and external factors (market value, technological changes, etc.). Failure to exercise a right of use or the subletting of the underlying asset are considered potential indicators of impairment of the right of use.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability between willing and knowledgeable market participants in an orderly transaction. In the definition of fair value, a key assumption is that an entity is fully operational (the assumption that an entity is a going concern) and does not have the intention or the need to liquidate, significantly reduce its operations or undertake transactions on unfavorable terms. In other words, fair value is not the amount an entity would receive or would pay in a forced transaction, an involuntary liquidation or a distress sale. Nevertheless, the fair value reflects the credit quality of the instrument as it incorporates counterparty risk.

Financial instruments

Please see section A.4 Fair value disclosures for more information on the methods used to determine the fair value of financial instruments.

Non-financial assets

Investment property is primarily valued using external appraisals, considering transactions at current prices in an active market for similar properties, in the same location and condition and subject to similar conditions for rentals

and other contracts.

Financial guarantees

As part of its ordinary banking operations, the Bank grants financial guarantees in the form of letters of credit, acceptances and other guarantees. Commission income earned on guarantees, net of the portion representing the recovery of costs incurred in issuing the guarantee, are recognized on an accruals basis under item 40 “Fee and commission income”, taking account of the term and residual value of the guarantees.

Following initial recognition, the financial guarantees are measured as the greater of the amount of the provision covering the losses determined in accordance with the rules governing impairment and the initial recognition amount (fair value) less (where appropriate) the cumulative amount of the income that the Bank has recognized in accordance with IFRS 15 (deferred income).

Any losses and value adjustments on such guarantees are reported under item 170 “Net provisions for risks and charges: a) commitments and guarantees issued” in the income statement. Writedowns due to the impairment of guarantees issued are reported under “Provisions for risk and charges: a) commitments and guarantees issued” in liabilities in the balance sheet.

Guarantees are off-balance-sheet transactions and are reported under “Other information” in Part B of the notes to the financial statements.

Business combinations

The transfer of control of an entity (or a group of integrated activities and assets, conducted and managed together) is a business combination.

IFRS 3 requires that an acquirer be identified for all business combinations. The acquirer is the entity that obtains control over another entity or group of activities. If it is not possible to identify a controlling entity using the definition of control described earlier, such as for example in the case of an exchange of equity interests, the acquirer must be identified using other factors such as: the entity whose fair value is significantly greater, the entity that possibly pays cash or the entity that issues new equity instruments.

The acquisition (and therefore the first consolidation of the acquired entity) must be accounted for on the date on which the acquirer actually obtains control over the entity or the assets acquired. When the business combination is achieved in a single exchange transaction, the date of exchange normally coincides with the acquisition date. However, it is always necessary to check for any agreements between the parties that may involve a transfer of control before the exchange date.

The consideration transferred as part of a business combination is determined as the sum of the fair value, at the exchange date, of the assets transferred, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control.

In transactions involving payment in cash (or when payment is made using financial instruments comparable to cash) the consideration is the agreed price, possibly discounted if payment will be made in installments over a period longer than short term. If payment is made using an instrument other than cash, such as through the issue of equity instruments, the price is equal to the fair value of the means of payment net of costs directly attributable to the equity issue.

The consideration in a business combination at the acquisition date includes adjustments subordinated to future events if envisaged in the transfer agreements and only if they are probable, reliably determinable and made within the twelve months following the date of acquisition of control, while indemnities for a reduction in the value of the assets used are not included as they are already considered in the fair value of the equity instruments or as a reduction in the premium or increase in the discount on the initial issue of debt instruments, where applicable.

The costs related to the acquisition are charges that the acquirer incurs to carry out the business combination. By way of example, these include professional fees paid to auditors, experts, legal consultants, fees for appraisals and the auditing of accounts, preparation of information documents required by regulations, as well as consulting costs incurred to identify potential targets for acquisition if it is contractually established that payment is made only in the event of a successful combination, as well as the costs of registration and the issue of debt or equity securities.

The acquirer must account for the costs related to the acquisition as charges in the periods in which these costs are incurred and the services are received, with the exception of the costs of issuing equity or debt securities, which must be recognized in accordance with the provisions of IAS 32.

Business combinations are accounted for using the acquisition method, under which the identifiable assets acquired (including any intangible assets previously not recognized by the acquiree) and the identifiable liabilities assumed (including contingent liabilities) must be recognized at their respective fair values on the acquisition date. Furthermore, for each business combination, any non-controlling interests in the acquiree can be recognized at fair value (with a consequent increase in the consideration transferred) or as a proportion of the share of the non-controlling interests in the identifiable net assets of the acquiree.

If control is obtained in stages, the acquirer shall recalculate the interest previously held in the acquiree at its respective fair value on the acquisition date and record any difference with respect to the previous carrying amount through profit or loss. The excess of the consideration transferred (represented by the fair value of the assets transferred, the liabilities incurred or the equity instruments issued by the acquirer), increased by the value of any non-controlling interest (determined as indicated above), and the fair value of the interest previously held by the acquirer, over the fair value of the assets and liabilities acquired must be recognized as goodwill. However, if the latter exceed the sum of the consideration, non-controlling interest and the fair value of the interest previously held, the difference is recognized in profit or loss.

Following initial recognition, goodwill is measured at cost net of accumulated impairment losses. For the purpose of impairment testing, the goodwill acquired in a business combination is allocated, from the acquisition date, to each cash generating unit of the Group that is expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquired entity are assigned to those units.

If goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of the unit, the goodwill associated with the transferred asset is included in the carrying amount of the asset when determining the gain or loss on disposal. The goodwill associated with the transferred asset is determined on the basis of the relative values of the transferred asset and the part retained by the cash-generating unit.

Business combinations can be accounted for provisionally by the end of the reporting period in which the combination occurs, with the accounting to be completed within twelve months of the acquisition date.

Mergers are the form of business combination that represents the most complete form of combination, as they involve both the legal and economic unification of the participating parties.

If the business combination is carried out for reorganizational purposes, i.e. between two or more entities or businesses that already belong to the same group and the combination does not involve a change in control regardless of the extent of non-controlling interests before and after the business combination (business combinations of entities under common control), the transaction is considered to be without economic substance. Accordingly, in the absence of specific instructions in the IASs/IFRSs and in compliance with the presumptions of IAS 8 which require that - in the absence of a specific standard – an entity shall use of its judgment in applying an accounting policy that provides relevant, reliable, prudent information that reflects the economic substance of the transaction, such combinations are accounted for preserving the values in the financial statements of the acquiree in those of the acquirer.

Mergers, whether they are mergers of equals, i.e. with the establishment of a new legal entity following the combination, or the combination of one entity into another surviving entity, are treated in accordance with the criteria illustrated previously, and in particular:

- if the transaction involves the transfer of control of an entity, it is treated as a business combination within the scope of IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by preserving the values in the financial statements of the merged entity in the surviving entity.

A.3 – DISCLOSURES ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

In execution of shareholders' resolutions passed in December 2018 and following the establishment and launch of the Iccrea Cooperative Banking Group, at the beginning of 2019 71 mutual banks reconfigured the business model of their financial portfolio, reclassifying about €3.7 billion of securities held under the hold to collect and sell (HTCS) business model to the hold to collect (HTC) business model and reclassifying about €0.3 billion of securities held under the hold to collect (HTC) business model to the hold to collect and sell (HTCS) business model.

No financial assets were reclassified in the years after 2019.

The following table reports the reclassified carrying amount at January 1, 2019 of the reclassified assets as at that date and still recognized at the reporting date as they were not sold or otherwise derecognized during the year.

A.3.1 RECLASSIFIED FINANCIAL ASSETS: CHANGE IN BUSINESS MODEL, CARRYING AMOUNT AND INTEREST INCOME

Type of financial instrument	Original portfolio	New portfolio	Reclassification date	Reclassified carrying amount	Interest income recognized in the period (before taxes)
Debt securities	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortized cost	31/12/2019	49,462	-

A.3.2 RECLASSIFIED FINANCIAL ASSETS: CHANGE IN BUSINESS MODEL, FAIR VALUE AND IMPACT ON COMPREHENSIVE INCOME

No financial assets were reclassified in the period.

A.3.3 RECLASSIFIED FINANCIAL ASSETS: CHANGE IN BUSINESS MODEL AND EFFECTIVE INTEREST RATE

The disclosures required by IFRS 7 12C do not apply.

A.4 – FAIR VALUE DISCLOSURE

QUALITATIVE DISCLOSURES

This section provides the disclosures on the fair value of financial instruments as requested under IFRS 13, in particular paragraphs 91 and 92.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the “exit price”) on the principal (or most advantageous) market, regardless of whether that price is directly observable or is estimated using a valuation technique.

Prices on an active market are the best indication of the fair value of financial instruments (Level 1 in the fair value hierarchy). In the absence of an active market or where prices are affected by forced transactions, fair value is determined on the basis of the prices of financial instruments with similar characteristics (Level 2 inputs – the comparable approach) or, in the absence of such prices as well, with the use of valuation techniques that use market inputs to the greatest extent possible (Level 2 inputs – model valuation - mark to model). Where market data is not available, inputs not drawn from the market and estimates and model forecasts may be used (Level 3 inputs – model valuation - mark to model). Where market data is not available, inputs not drawn from the market and estimates and model forecasts may be used (Level 3 inputs – model valuation - mark to model).

For financial instruments measured at fair value, the Group assigns maximum priority to prices quoted on active markets and lower priority to the use of unobservable inputs, as the latter are more discretionary, in line with the fair value hierarchy noted above and discussed in greater detail in section A.4.3 below. The policy establishes the order of priority, the criteria and general conditions used to determine the choice of one of the following valuation techniques:

- mark to market: a valuation approach using inputs classified as Level 1 in the fair value hierarchy;
- the comparable approach: a valuation approach based on the use of the prices of instruments similar to the one undergoing valuation, which are classified as Level 2 in the fair value hierarchy;
- mark to model: a valuation approach based on the use of pricing models whose inputs are classified as Level 2 (in the case of the exclusive use of market observable inputs) or Level 3 (in the case of the use of at least one significant unobservable input) in the fair value hierarchy.

Mark to market

Classification in Level 1 of the fair value hierarchy represents the mark-to-market approach. For an instrument to be classified in Level 1 of the fair value hierarchy, its value must be based solely on quoted prices in an active market to which the Bank has access at the time of valuation (Level 1 inputs).

A quoted price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value.

The concept of active market is a key concept in allocating a financial instrument to Level 1. An active market is a market (or dealer, broker, industrial group, pricing service or regulatory agency) in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Thus, the definition implies that the concept of active market is associated with the individual financial instrument and not the market itself, and it is therefore necessary to conduct materiality tests.

The definition of “active market” is broader than that of “regulated market”: regulated markets are defined as the markets included in the list provided for by Article 63, paragraph 2, of the Consolidated Finance Act (TUF) and in the special section of the same list (see Article 67, paragraph 1, of the TUF). These markets are managed by companies authorized by CONSOB that operate in accordance with the provisions of the TUF and under the supervision of CONSOB itself.

Other markets in addition to regulated markets include organized trading systems (Multilateral Trading Systems and Systematic Internalizers) defined, pursuant to Legislative Decree 58/98, as a “set of rules and structures, including automated structures, which make exchange possible, on an ongoing or periodic basis, in order to collect and transmit orders for transactions in financial instruments and to settle these orders, for the purpose of concluding contracts”: although normally the financial instruments listed on these markets fall within the definition of instruments listed on active markets, there may be situations in which officially listed instruments are

not liquid due to low trading volumes. In such cases, quoted prices cannot be considered representative of the fair value of an instrument. Generally speaking, multilateral trading facilities (MTF) can be considered active markets if they are characterized by continuous and significant trading and/or by the presence of binding prices provided by the market maker, such as to ensure the formation of prices that actually represent the fair value of the instrument.

Financial instruments are also listed on regulated markets in other countries, and therefore not regulated by CONSOB, whose prices are available daily. These prices are considered representative of the fair value of the financial instruments insofar as they represent the result of a regular transaction and not only of offers to buy or sell. Finally, other markets, while not regulated, can also be considered active markets (e.g. platforms such as Bloomberg or Markit). Electronic over-the-counter (OTC) trading circuits are considered active markets to the extent that the quotations provided actually represent the price at which a normal transaction would occur. Similarly, the quotes published by brokers are representative of fair value if they reflect the actual price level of the instrument in a liquid market (that is, they are not indicative prices, but rather binding offers).

Ultimately, in order to consider a market active, the significance of the price observed on the market itself is of particular importance and, for this reason, the following factors are considered:

- bid-ask spreads: the difference between the price at which an intermediary undertakes to sell the securities (ask) and the price at which it undertakes to buy them (bid). The larger the spread, the lower the liquidity of the market and therefore the significance of the price;
- breadth and depth of the trading book: the first concept refers to the presence of offers of large dimensions, while the depth of the book means the existence of both purchase and sell orders for numerous price levels;
- number of contributors: number of market participants providing purchase or sell offers for a specific instrument. The larger the number of active market participants, the greater the significance of the price;
- availability of information on the terms and conditions of transactions;
- price volatility: presence of daily prices of the instrument outside a certain range. The lower the volatility of the prices, the greater the significance of the price.

Comparable approach

As already noted, the fair value of financial instruments classified in Level 2 can be determined using two different approaches: the so-called comparable approach, which presupposes the use of prices quoted on active markets for similar assets or liabilities or the prices of identical assets or liabilities on inactive markets, and the model valuation approach (or mark to model), which uses valuation techniques based on observable inputs concerning the instrument itself or similar instruments.

In the case of the comparable approach, measurement is based on the prices of substantively comparable instruments in terms of risk-return, maturity and other trading conditions. The following Level 2 inputs are necessary for use of the comparable approach:

- quoted prices on active markets for similar assets or liabilities;
- quoted prices for the instrument involved or for similar instruments on inactive markets, i.e. markets in which transactions are infrequent, prices are not current, change significantly over time or among the various market makers or on which little information is made public.

If there are quoted instruments that meet all of the comparability criteria indicated here, the value of the Level 2 instrument is considered to correspond to the quoted price of the comparable instrument, adjusted if necessary for factors observable on the market.

However, if the conditions for using the comparable approach directly do not apply, the approach may still be used as an input in Level 2 mark-to-model valuations.

Mark to model approach

In the absence of quoted prices for the instrument or for comparable instruments, valuation models are adopted. Valuation models must always maximize the use of market inputs. Accordingly, they must make priority use of observable market inputs (e.g. interest rates and yield curves observable at commonly quoted intervals, volatilities, credit spreads, etc.).

In the absence of directly or indirectly observable inputs or where they are insufficient to determine the fair value of an instrument, inputs that are not observable on the market can be used (discretionary estimates and assumptions). With the consequent allocation of the estimate obtained to Level 3 of the fair value hierarchy.

The mark-to-model technique therefore does not give rise to a single classification within the fair value hierarchy. Depending on the observability and materiality of the inputs used in the valuation model, an instrument could be assigned to Level 2 or Level 3.

A.4.1 FAIR VALUE LEVELS 2 AND 3: VALUATION TECHNIQUES AND INPUTS USED

The Group uses mark-to-model approaches in line with methods that are generally accepted and used in the industry. The valuation models comprise techniques based on the discounting of future cash flows and the estimation of volatility. They are reviewed both during their development and periodically thereafter in order to ensure their full consistency with the valuation objectives.

In the absence of quoted prices on active markets, financial instruments are measured as follows:

- bonds are measured using a discounted cash flow model adjusted for the credit risk of the issuer. The inputs used are yield curves and credit spreads for the issuer. The discount rule based on the guarantor's yield curve is applied to these securities, failing which the sectoral curve corresponding to the rating of the security (or of the guarantor in case of unavailability) and the guarantor's product sector is used. The inputs used include yield curves and any illiquidity spread;
- structured bonds are measured using a discounted cash flow model that incorporates valuations from option pricing models, adjusted for the credit risk of the issuer. The discount rule based on the guarantor's yield curve is applied to these securities, failing which the sectoral curve corresponding to the rating of the security (or of the guarantor in case of unavailability) and the guarantor's product sector is used. The inputs used include yield curves and any illiquidity spread, as well volatility surfaces and the correlation matrix for the underlyings;
- asset backed securities (ABS) are measured using the discounted sum of expected future cash flows. The cash flow model estimates future developments in the underlying asset portfolio, taking account of payment reports, market data and model input parameters, applying the priority of payments to obtain the expected future cash flows for the notes (interest and principal). Once the expected cash flows have been obtained, the PV of each individual note is obtained by discounting these flows using the discount margin method for variable-rate securities, or the discount yield for fixed-rate securities. The inputs used include, in addition to the government securities yield curve, the illiquidity spread and yield curves;
- derivatives on interest rates are measured using discounted cash flow models, within the multi-curve framework based on OIS discounting;
- derivatives involving options on rates, such as caps/floors and European swaptions, are measured using the Bachelier model, which uses the volatility matrix for these instruments and interest rates as market input parameters, in accordance with the multi-curve measurement framework based on OIS discounting;
- equity and CIU derivatives are valued using the Black&Scholes models (or models based on it, such as the Rubinstein model for forward starts and the Nengju Ju model for Asian options), which includes an estimate of volatility through interpolation by maturity and strike prices on a volatility matrix, as well as the inclusion of dividends. The inputs used are the price of the underlying equity, the volatility surface and the interest rate dividend curve. The estimate of the value uses the OIS/BC discounting approach;
- derivatives on exchange rates are valued using a discounted cash flow approach for plain-vanilla contracts or a Garman and Kohlhagen model for European options on exchange rates. The inputs are spot exchange rates and the forward points curve and volatility surfaces for plain-vanilla options. The estimate of the value uses the OIS/BC discounting approach;
- inflation derivatives, such as zero-coupon indexed inflation swaps and CPI swaps, are measured using a discounted cash flow approach, which in turn are measured on the basis of the term structure of inflation and seasonal factors (CPI Cash Flow Model), in accordance with the multi-curve measurement framework based on OIS discounting;
- equity securities are measured at fair value estimated using models applied in valuation practice or using balance sheet, income or mixed methods or with reference to direct transactions in the same security or similar securities observed over an appropriate span of time with respect to the valuation date. They are

measured at cost if their carrying amount is below the materiality thresholds set by the Group both at individual and consolidated level and in cases where the cost represents a reliable estimate of fair value (e.g. because the most recent information to evaluate fair value is not available);

- investments in CIUs other than open-end harmonized funds are generally valued on the basis of the NAVs (adjusted where necessary with a specific liquidity adjustment if not fully representative of the fair value) made available by the asset management companies. These investments include private equity funds, real estate investment funds, bond funds and loan-based funds (impaired and performing)
- medium/long-term loans to customers are measured on the basis of a mark-to-model process using the discounted cash flow approach for the positions and other models for estimating option components where applicable;
- for medium/long-term liabilities, represented by securities for which the fair value option was chosen, the fair value is determined alternatively by either discounting the residual contractual cash flows using the zero-coupon yield curve, by applying the asset swap method or by using other yield curves deemed representative of the Bank's credit standing;
- for tax credits pursuant to the Cure Italy and Revival Decrees, the fair value is estimated by constructing two discount factor vectors applicable to, respectively, tax credits held by the Parent Company and by the mutual banks. The fair value of each credit designated as held under the Other or HTCS business models is obtained by multiplying the nominal value of the portion of the credit applicable to future portions of each year by the appropriate discount factor.

Significant unobservable inputs used in valuing instruments in Level 3 mainly include:

- estimates and assumptions underlying the models used to measure investments in equity securities and units in CIUs;
- Probability of Default (PD) and Loss Given Default (LGD): the parameters are derived from the impairment model. They are used to measure financial instruments for disclosure purposes only;
- credit spreads: the figure is extrapolated to create sector CDS curves using regression algorithms on the basis of a panel of single-name CDS curves. The figure is used to value financial instruments for disclosure purposes only;
- the liquidity spreads used in the mark-to-model measurement of ABS.

The Group also provides for the possibility of applying valuation adjustments to the prices of financial instruments when the valuation technique used does not capture factors that market participants would use in estimating fair value, for example when it is necessary to ensure that the fair value reflects the value of a transaction that could actually be carried out in a market.

The factors impacting the need for an adjustment include the complexity of the financial instrument; the credit standing of the counterparty; and the presence of any collateral agreements. In particular, the Group uses a method for calculating the CVA/DVA (Credit Value Adjustments/Debt Value Adjustments) in order to adjust the calculation of the fair value of uncollateralized derivatives in order to take account of counterparty risk (non-performance risk). The CVA/DVA is not calculated when collateral agreements have been formalized and are operational for derivatives positions.

With particular regard to units held in unlisted alternative investment funds (so-called AIFs), a liquidity adjustment is determined to be applied to the Net Asset Value (NAV) of the unlisted funds held.

The methodological approach adopted provides for the consideration, in line with market best practice, of the following main elements:

- the average holding period of the individual unlisted funds before they can be sold;
- the characteristics of the individual assets held by the fund and their level of volatility in the holding period considered (degree of uncertainty);
- the level of risk aversion reflected in a prudent threshold which, with reference to the distribution of the possible returns/final value of the asset/portfolio considered, makes it possible to measure any divergence from their expected value.

The use of these elements made it possible to estimate a discount with respect to the NAV, calculated as a percentage adjustment of the risk premium linked to the uncertainty concerning potential unfavorable changes

in value before their realization while also taking account of the management costs of the funds not incorporated in the NAVs of the individual unlisted funds.

For 2025, the percentage adjustment applied was respectively 4.0% for real estate funds, 15.0% for private debt – bad loan funds, 7% for private debt –NPL UTP funds, 3.0% for private debt –Performing loan funds, 1.6% for private debt – bond funds and 7.8% for private equity funds.

A.4.2 VALUATION PROCESSES AND SENSITIVITY

The Group conducted an analysis of the potential sensitivity of the valuations of instruments classified in Level 3 and measured at fair value on a recurring basis to changes in the unobservable market parameters.

Level 3 exposures to financial instruments are mainly represented by units in CIUs, property, plant and equipment and equity securities.

The sensitivity analysis of unobservable inputs is conducted through a stress test of all significant unobservable inputs for the different types of assets. The tests are used to determine the potential changes in the fair value by category of asset attributable to changes in the determination of unobservable inputs (such as the volatility and the correlation of the recovery rates of the clusters for the NPL component of funds and the distribution haircut for the real estate component).

This analysis demonstrated that the sensitivity impacts were not material.

A.4.3 FAIR VALUE HIERARCHY

Under the provisions of IFRS 13, all fair value valuations must be classified within the three levels that delineate the valuation process on the basis of the characteristics and significance of the inputs used:

- Level 1: unadjusted quoted prices on an active market. Fair value is drawn directly from quoted prices observed on active markets. A financial instrument is considered to be quoted on an active market if prices are readily and regularly available and represent actual market transactions carried out on normal terms on a regulated market or MTF;
- Level 2: inputs other than the quoted prices noted above that are observable on the market either directly (prices) or indirectly (derivatives on prices). Fair value is determined using valuation techniques that provide for: a) the use of market inputs indirectly connected with the instrument being valued and derived from instruments with similar risk characteristics or quoted on inactive markets (the comparable approach); or b) that use observable inputs;
- Level 3: inputs that are not observable on the market. Fair value is determined using valuation techniques that use significant unobservable inputs, such as non-binding quotes provided by infoproviders (Mark to Model approach).

The following are normally considered Level 1:

- shares, debt securities and units of CIUs listed on regulated markets. Units of CIUs include mutual investment funds (UCITS, AIFs and restricted FIAs), SICAVs/SICAFs and ETPs (Exchange Traded Products);
- debt securities listed on Multilateral Trading Facilities (MTF) which meet the “specific requirements for multilateral trading systems” set out in MiFID II;
- debt securities whose fair value is equal to the unadjusted prices provided by brokers/market makers from an active market for an identical instrument and executable at the declared level;
- Units of CIUs whose value (NAV) is provided directly by the market operator;
- listed derivative financial instruments and issued financial liabilities whose fair value at the valuation date corresponds to the price quoted on an active market.

The following are normally considered Level 2:

- debt securities issued by national and international issuers that are not listed on an active market and are measured using approaches that mainly employ observable market inputs;
- debt securities whose fair value is equal to the prices provided by brokers/market makers determined with a valuation model based on observable market inputs;

- OTC financial derivatives entered into with institutional counterparties for which the main inputs are observable market data;
- units of CIUs whose prices are provided by the issuing entity (the so-called “soft NAV”) or whose fair value is adjusted using pricing models based on observable market inputs;
- insurance policies and interest-bearing postal bonds whose fair value is approximated, respectively, by the surrender and redemption value, which under applicable regulations represent the exit prices for those instruments.

Finally, the following are normally considered Level 3:

- debt securities not listed on an active market and measured using approaches that mainly employ unobservable inputs;
- debt securities whose fair value is equal to the prices provided by brokers/market makers determined with a valuation model based on unobservable inputs;
- equity securities and issued financial liabilities for which there are no prices quoted on active markets at the valuation date and which are mainly valued using techniques based on unobservable market data;
- OTC financial derivatives entered into with institutional counterparties and measured using pricing models similar to those used for Level 2 valuations but from which they differ in the degree of observability of the inputs used in the pricing techniques;
- financial derivatives entered into with customers for which the fair value adjustment taking account of default risk is significant with respect to the total value of the financial instrument;
- units of CIUs whose prices are provided by the issuing entity (the so-called “soft NAV”) or whose fair value is adjusted using pricing models not based entirely on observable market inputs.

The fair value of tax credits under the “Cure Italy” and “Revival” Decrees is treated as Level 3.

In general, transfers of financial instruments between Level 1 and Level 2 in the fair value hierarchy only occur in the event of changes in the market in the period considered. For example, if a market previously considered active no longer meets the minimum requirements for being considered active, the instrument will be reclassified to a lower level; in the opposite case, it will be raised to a higher level.

A.4.4 OTHER INFORMATION

The circumstances referred to in paragraphs 48, 93 letter (i) and 96 of IFRS 13 do not apply to the Group's financial statements as the Group is not managing groups of financial assets and liabilities on the basis of its net exposure to a specific market risk (or risks) or to the credit risk of a specific counterparty and the highest and best use of a non-financial asset does not differ from its current use.

QUANTITATIVE DISCLOSURES**A.4.5 FAIR VALUE HIERARCHY****A.4.5.1 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS: BREAKDOWN BY FAIR VALUE INPUT LEVEL**

	31/12/2025			31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets measured at fair value through profit or loss	396,780	796,922	346,528	402,821	742,899	347,804
a) financial assets held for trading	26,358	55,218	188	45,531	41,687	200
b) financial assets designated as at fair value	332,060	-	723	323,647	-	1,047
c) other financial assets mandatorily measured at fair value	38,362	741,704	345,617	33,643	701,212	346,557
2. Financial assets measured at fair value through comprehensive income	6,915,539	469,820	57,766	6,398,793	461,226	54,442
3. Hedging derivatives	469	1,071,331	-	502	724,975	-
4. Property, plant and equipment	-	-	277,560	-	-	309,538
5. Intangible assets	-	-	-	-	-	-
Total	7,312,788	2,338,073	681,854	6,802,116	1,929,100	711,784
1. Financial liabilities held for trading	2,022	43,612	-	8,858	55,062	-
2. Financial liabilities designated as at fair value	-	67,763	-	-	-	-
3. Hedging derivatives	352	244,771	-	535	244,254	-
Total	2,374	356,146	-	9,393	299,316	-

A.4.5.2 CHANGE FOR THE PERIOD IN FINANCIAL ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS (LEVEL 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property, plant and equipment	Intangible assets
	Total	of which: a) financial assets held for trading	of which: b) financial assets at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balance	347,803	200	1,047	346,557	54,442	-	309,538	-
2. Increases	114,313	-	38	114,275	5,640	-	-	-
2.1 Purchases	50,007	-	-	50,007	2,673	-	-	-
2.2 Profits recognized in:	12,686	-	10	12,676	775	-	-	-
2.2.1 Income statement	12,686	-	10	12,676	329	-	-	-
- of which: capital gains	8,883	-	10	8,873	173	-	-	-
2.2.2 Shareholders' equity	-	X	X	X	446	-	-	-
2.3 Transfers from other levels	-	-	-	-	-	-	-	-
2.4 Other increases	51,620	-	28	51,592	2,192	-	-	-
3. Decreases	115,589	12	362	115,215	2,316	-	31,978	-
3.1 Sales	6,628	-	-	6,628	472	-	19,622	-
3.2 Repayments	24,011	-	328	23,683	9	-	-	-
3.3 Losses recognized in:	56,313	4	34	56,275	132	-	12,356	-
3.3.1 Income statement	56,313	4	34	56,275	2	-	12,356	-
- of which: capital losses	45,306	-	34	45,273	-	-	12,356	-
3.3.2 Shareholders' equity	-	X	X	X	130	-	-	-
3.4 Transfers to other levels	-	-	-	-	-	-	-	-
3.5 Other decreases	28,637	8	-	28,629	1,703	-	-	-
4. Closing balance	346,527	188	723	345,617	57,766	-	277,560	-

A.4.5.3 CHANGE FOR THE PERIOD IN FINANCIAL LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS (LEVEL 3)

The table has not been completed because there were no such positions as of the reporting date.

A.4.5.4 FINANCIAL ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS: BREAKDOWN BY FAIR VALUE INPUT LEVEL

	31/12/2025				31/12/2024			
	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
1. Financial assets measured at amortized cost	148,120,749	46,070,488	2,921,367	103,829,246	143,283,468	44,564,032	2,479,011	98,171,508
2. Investment property	123,347	-	23,923	153,891	140,125	-	22,532	146,077
3. Non-current assets and disposal groups held for sale	9,245	-	3,280	842	109,553	-	4,813	790
Total	148,253,341	46,070,488	2,948,570	103,983,979	143,533,146	44,564,032	2,506,356	98,318,375
1. Financial liabilities measured at amortized cost	145,644,783	7,929,107	19,413,466	118,306,759	143,756,450	6,595,961	18,811,221	118,488,342
2. Liabilities associated with assets held for sale	-	-	-	-	30,922	-	-	-
Total	145,644,783	7,929,107	19,413,466	118,306,759	143,787,372	6,595,961	18,811,221	118,488,342

A.5 – DISCLOSURE ON “DAY ONE PROFIT/LOSS”

During the period under review, differences emerged between the fair values posted at the time of initial recognition and the values recalculated at the same date using valuation techniques in accordance with IFRS 9 (paragraphs B.5.1.2 A letter b), with a net negative impact of about €183 thousand in respect of cash flow hedges.

PART B – INFORMATION ON THE CONSOLIDATED BALANCE SHEET

ASSETS

SECTION 1 - CASH AND CASH EQUIVALENTS – ITEM 10

1.1 CASH AND CASH EQUIVALENTS: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
a) Cash	824,286	827,302
b) Current accounts and demand deposits with Central Banks	730,542	2,337,289
c) Current accounts and demand deposits with Banks	148,664	152,230
Total	1,703,492	3,316,821

The item “Current accounts and demand deposits with central banks” includes deposits with the Bank of Italy, of which €425 million in overnight deposits, €6.3 million attributable to the Guarantee Scheme operated by the Parent Company and €299.2 connected with the instant payments service.

SECTION 2 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS – ITEM 20

2.1 FINANCIAL ASSETS HELD FOR TRADING: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
A. Financial assets (non-derivatives)						
1. Debt securities	24,029	1,775	-	44,811	274	-
1.1 Structured securities	9,313	11	-	5,789	70	-
1.2 Other debt securities	14,716	1,764	-	39,022	204	-
2. Equity securities	1,448	2	-	297	-	-
3. Units in collective investment undertakings	687	735	94	65	14	98
4. Loans	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	-	-	-	-	-
Total (A)	26,164	2,512	94	45,173	288	98
B. Derivatives						
1. Financial derivatives	194	52,707	94	358	41,399	102
1.1 Trading	194	49,373	94	358	41,399	102
1.2 Associated with fair value option	-	3,333	-	-	-	-
1.3 Other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 Trading	-	-	-	-	-	-
2.2 Associated with fair value option	-	-	-	-	-	-
2.3 Other	-	-	-	-	-	-
Total (B)	194	52,707	94	358	41,399	102
Total (A+B)	26,358	55,219	188	45,531	41,687	200

The sub-item A.1 – 1.2 “other debt securities” mainly includes government securities held for trading in the amount of €13.4 million, essentially unchanged from 2024.

The sub-item B.1 – 1.1 reports the market value of the derivatives originated by Group operations.

2.2 FINANCIAL ASSETS HELD FOR TRADING: BREAKDOWN BY DEBTORS/ISSUERS/COUNTERPARTIES

	Total 31/12/2025	Total 31/12/2024
A. Financial assets (non-derivatives)		
1. Debt securities	25,804	45,085
a) Central banks	-	-
b) Government entities	13,358	15,498
c) Banks	895	23,590
d) Other financial companies	10,715	4,892
of which: insurance undertakings	412	-
e) Non-financial companies	836	1,105
2. Equity securities	1,450	297
a) Banks	1	34
b) Other financial companies	40	18
of which: insurance undertakings	4	3
c) Non-financial companies	1,409	245
d) Other issuers	-	-
3. Units in collective investment undertakings	1,516	177
4. Loans	-	-
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total (A)	28,770	45,559
B. Derivatives		
a) Central counterparties	32,035	12,443
b) Other	20,960	29,416
Total (B)	52,995	41,859
Total (A+B)	81,765	87,418

2.3 FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	332,060	-	-	323,646	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	332,060	-	-	323,646	-	-
2. Loans	-	-	723	-	-	1,047
2.1 Structured	-	-	-	-	-	-
2.2 Other	-	-	723	-	-	1,047
Total	332,060	-	723	323,646	-	1,047

The item 1.2 “other debt securities” includes the balance for securities in which the liquidity from the Guarantee Scheme operated by Parent Company is invested.

2.4 FINANCIAL ASSETS DESIGNATED AT FAIR VALUE: BREAKDOWN BY DEBTORS/ISSUERS

	Total 31/12/2025	Total 31/12/2024
1. Debt securities	332,060	323,646
a) Central banks	-	-
b) Government entities	332,060	323,646
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	-	-
2. Loans	723	1,047
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	119	138
f) Households	604	909
Total	332,783	324,693

2.5 OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	10,870	11,123	3,062	7,090	11,568	3,155
1.1 structured securities	6,347	4,206	-	6,069	5,432	-
1.2 Other debt securities	4,523	6,917	3,062	1,021	6,136	3,155
2. Equity securities	21,791	34,256	-	22,453	36,420	4
3. Units in collective investment undertakings	5,700	80,484	326,975	4,101	76,449	327,618
4. Loans	-	615,841	15,580	-	576,775	15,780
4.1 Repurchase agreements	-	-	-	-	-	-
4.2 Other	-	615,841	15,580	-	576,775	15,780
Total	38,361	741,704	345,617	33,644	701,212	346,558

The item includes financial instruments that under IFRS 9 do not meet the requirements for measurement at amortized cost or at fair value through other comprehensive income (unit in CIUs, insurance policies, postal savings bonds, debt securities and loans failing to pass the SPPI test).

The largest components of loans reported under 4.2 “Other” include insurance policies underwritten by the banks of the Group in the amount of about €549 million and interest-bearing postal bonds in the amount of about €52 million.

2.6 OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE: BREAKDOWN BY DEBTORS/ISSUERS

	Total 31/12/2025	Total 31/12/2024
1. Equity securities	56,047	58,875
of which: banks	2,626	5,020
of which: other financial companies	44,872	47,049
of which: non-financial companies	8,549	6,806
2. Debt securities	25,055	21,813
a) Central banks	-	-
b) Government entities	1	-
c) Banks	3,594	1,967
d) Other financial companies	17,908	16,035
of which: insurance companies	637	639
e) Non-financial companies	3,552	3,811
3. Units in collective investment undertakings	413,159	408,168
4. Loans	631,421	592,555
a) Central banks	-	-
b) Government entities	11,011	12,929
c) Banks	-	-
d) Other financial companies	620,410	579,342
of which: insurance companies	549,192	509,662
e) Non-financial companies	-	284
f) Households	-	-
Total	1,125,682	1,081,411

The item “Units in collective investment undertakings” mainly includes bond funds in the amount of €139 million, loan funds (€130 million), real estate funds (€109 million) and equity funds (€35 million).

SECTION 3 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – ITEM 30

3.1 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	6,882,231	50,297	-	6,372,756	40,250	-
1.1 structured securities	629,580	43,292	-	517,027	29,087	-
1.2 other debt securities	6,252,651	7,005	-	5,855,730	11,163	-
2. Equity securities	33,308	419,523	57,766	26,036	420,976	54,442
3. Loans	-	-	-	-	-	-
Total	6,915,539	469,820	57,766	6,398,793	461,226	54,442

The item “Debt securities”, came to €6.9 billion, and includes €5.8 billion of government securities.

“Equity securities - Level 2” includes the equity investment in the Bank of Italy in the amount of €375 million, unchanged over the previous year. The remainder of equity securities mainly includes non-controlling interests.

3.2 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN BY DEBTORS/ISSUERS

	Total 31/12/2025	Total 31/12/2024
1. Debt securities	6,932,528	6,413,006
a) Central banks	-	-
b) Government entities	5,837,922	5,391,877
c) Banks	750,090	759,612
d) Other financial companies	168,857	121,056
of which: insurance undertakings	10,406	10,755
e) Non-financial companies	175,659	140,461
2. Equity securities	510,597	501,455
a) Banks	379,955	385,902
b) Other issuers:	130,642	115,553
- other financial companies	67,580	64,736
of which: insurance undertakings	10,636	10,019
- non-financial companies	62,532	50,804
- other	530	13
3. Loans	-	-
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	7,443,125	6,914,461

3.3 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: GROSS VALUE AND TOTAL IMPAIRMENTS

	Gross amount					Total impairments				
	Stage 1	of which: instruments with low credit risk	Stage 2	Stage 3	Purchased or originated credit- impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired	Total partial write-offs*
Debt securities	6,902,387	6,607,678	34,288	11	-	(2,250)	(1,908)	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	6,902,387	6,607,678	34,288	11	-	(2,250)	(1,908)	-	-	-
Total 31/12/2024	6,351,590	5,967,199	67,126	113	-	(2,847)	(2,934)	(42)	-	-

* Value to be reported for information purposes

SECTION 4 - FINANCIAL ASSETS MEASURED AT AMORTIZED COST - ITEM 40

4.1 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN BY PRODUCT OF LOANS AND RECEIVABLES WITH BANKS

	Total 31/12/2025						Total 31/12/2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3
A. Due from Central Banks	1,521,757	-	-	-	-	1,521,757	1,625,061	-	-	-	-	1,625,061
1. Fixed-term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Reserve requirements	1,521,757	-	-	X	X	X	1,625,051	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	10	-	-	X	X	X
B. Due from Banks	1,705,258	-	-	1,234,507	262,891	222,350	1,765,570	4	-	1,247,655	260,248	269,920
1. Financing	205,873	-	-	-	33,613	172,058	286,656	-	-	8,626	78,482	197,262
1.1 Current accounts and demand deposits	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Fixed-term deposits	33,826	-	-	X	X	X	61,383	-	-	X	X	X
1.3. Other financing:	172,047	-	-	X	X	X	225,273	-	-	X	X	X
- Repurchase agreements	63,413	-	-	X	X	X	10,445	-	-	X	X	X
- Finance leases	205	-	-	X	X	X	229	-	-	X	X	X
- Other	108,429	-	-	X	X	X	214,599	-	-	X	X	X
2. Debts securities	1,499,385	-	-	1,234,507	229,278	50,292	1,478,911	4	-	1,239,029	181,766	72,659
2.1 Structured securities	768,776	-	-	688,510	89,063	-	684,603	-	-	630,471	64,276	-
2.2 Other debt securities	730,609	-	-	545,997	140,215	50,292	794,311	4	-	608,558	117,490	72,659
Total	3,227,015	-	-	1,234,507	262,891	1,744,107	3,390,631	4	-	1,247,655	260,248	1,894,981

“Due from Central Banks” total €1.5 billion and include the balance of the Group banks’ reserve requirement managed on behalf of the mutual banks by the Parent Company.

The sub-item “debt securities” comes to €1.5 billion, essentially in line with the end of the previous year, and is attributable to bank bonds held by the Group.

4.2 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN BY PRODUCT OF LOANS AND RECEIVABLES WITH CUSTOMERS

	Total 31/12/2025						Total 31/12/2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3
1. Loans	97,284,869	614,724	2,459	-	1,223,202	101,071,638	92,777,810	759,950	3,551	-	894,368	95,128,209
1.1. Current accounts	6,721,168	72,401	18	X	X	X	6,506,946	73,184	17	X	X	X
1.2. Repurchase agreements	2,517,359	-	-	X	X	X	1,230,915	-	-	X	X	X
1.3. Medium/long term loans	72,266,534	454,301	1,514	X	X	X	69,638,217	604,407	2,432	X	X	X
1.4. Credit cards, personal loans and loans repaid by automatic deductions from wage	3,147,696	15,545	-	X	X	X	2,783,168	13,965	-	X	X	X
1.5. Finance leases	3,333,782	35,767	-	X	X	X	3,396,668	44,608	-	X	X	X
1.6. Factoring	888,129	12,341	-	X	X	X	899,204	8,076	-	X	X	X
1.7. Other loans	8,410,201	24,369	927	X	X	X	8,322,692	15,710	1,102	X	X	X
2. Debt securities	46,596,792	394,890	-	44,835,981	1,435,274	1,013,501	46,351,450	76	-	43,316,377	1,324,395	1,148,317
2.1. Structured securities	824,709	-	-	435,202	368,080	28,524	657,970	-	-	352,035	174,227	124,155
2.2. Other debt securities	45,772,083	394,890	-	44,400,779	1,067,194	984,977	45,693,480	76	-	42,964,342	1,150,168	1,024,162
Total	143,881,661	1,009,614	2,459	44,835,981	2,658,476	102,085,139	139,129,260	760,026	3,551	43,316,377	2,218,763	96,276,526

Loans to customers classified here came to a total €144.9 billion up by €5 billion on the end of 2024.

In particular, the balance of “Loans” increased by a total of €4.4 billion on the end of 2024.

“Repurchase agreements” came to €2.5 billion, and mainly reports amounts connected with transactions with the Clearing & Guarantee Fund, an increase of €1.3 billion on the previous year.

Medium/long-term loans, amounting to €72.7 billion, are mainly granted to households and non-financial companies and increase by €2.5 billion on the previous year.

The item “Current accounts” also increased on the end of 2023, by about €0.2 billion.

Loans to customers include approximately €713 million in loans disbursed with funds made available by public entities, mainly local governments, with the Group to a prevalent extent assuming the total risk. The operations are mainly aimed at supporting the business sector (mainly small and medium-sized enterprises) and agriculture with credit.

“Debt securities” classified here came to €47 billion, up by €0.6 billion over the end of the previous year, and mainly includes €45.3 billion of government securities, mainly Italian government securities.

The above items include senior notes issued in securitization transactions totaling about €1 billion, attributable to own securitization transactions.

4.3 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN BY DEBTORS/ISSUERS OF LOANS TO CUSTOMERS

	Total 31/12/2025			Total 31/12/2024		
	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired	Stage 1 and 2	Stage 3	Purchased or originated credit-impaired
1. Debt securities	46,596,792	394,890	-	46,351,450	76	-
a) Government entities	45,275,032	-	-	44,425,880	-	-
b) Other financial companies	981,010	394,810	-	1,570,753	-	-
of which: insurance undertakings	54,364	-	-	16,617	-	-
c) Non-financial companies	340,750	80	-	354,817	76	-
2. Loans to:	97,284,869	614,724	2,459	92,777,810	759,950	3,551
a) Government entities	1,323,961	769	-	1,228,965	725	-
b) Other financial companies	5,928,226	7,217	-	4,661,239	2,612	-
of which: insurance undertakings	135,290	-	-	455,485	-	-
c) Non-financial companies	42,405,461	355,930	2,222	41,581,442	435,643	3,441
d) Households	47,627,221	250,808	237	45,306,164	320,970	110
Total	143,881,661	1,009,614	2,459	139,129,260	760,026	3,551

4.4 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: GROSS AMOUNT AND TOTAL IMPAIRMENTS

	Gross amount					Total impairments				
	Stage 1	of which: instruments with low credit risk	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Total partial write-offs *
Debt securities	47,736,598	46,421,968	467,379	421,201	-	(8,627)	(99,173)	(26,311)	-	-
Loans	91,791,691	31,147,571	7,851,755	2,534,267	8,285	(242,070)	(388,876)	(1,919,544)	(5,826)	(410,831)
Total 31/12/2025	139,528,289	77,569,539	8,319,134	2,955,468	8,285	(250,697)	(488,049)	(1,945,855)	(5,826)	(410,831)
Total 31/12/2024	133,453,760	72,132,341	9,925,836	2,902,207	10,441	(270,807)	(588,897)	(2,142,181)	(6,891)	(437,983)

* Value to be reported for information purposes

Loans outstanding at the reporting date which represent new liquidity granted through public guarantee mechanisms established in response to the COVID-19 emergency are reported in the table below, showing the gross value and total impairments, broken down by risk stages and “purchased or originated credit impaired” status. These include, among other, financial assets recognized in respect of forbearance measures involving a refinancing with derecognition of the original asset and recognition of a new loan, or a restructuring of multiple liabilities with recognition of a new loan.

LOANS MEASURED AT AMORTIZED COST INVOLVED IN COVID-19 SUPPORT MEASURES: GROSS AMOUNT AND TOTAL IMPAIRMENTS

	Gross amount					Total impairments				
	Stage 1	of which: instruments with low credit risk	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Total partial write-offs*
New loans	2,120,842	421,086	327,770	105,041	-	(3,404)	(4,809)	(63,016)	-	(47)
Total 31/12/2025	2,120,842	421,086	327,770	105,041	-	(3,404)	(4,809)	(63,016)	-	(47)

* Value to be reported for information purposes

SECTION 5 – HEDGING DERIVATIVES - ITEM 50

5.1 HEDGING DERIVATIVES: BREAKDOWN BY PRODUCT OF CONTRACT AND LEVEL OF INPUT

	FV 31/12/2025			NV 31/12/2025	FV 31/12/2024			NV 31/12/2024
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A. Financial derivatives								
1. Fair value	469	1,058,145	-	16,058,945	502	701,948	-	12,284,963
2. Cash flows	-	13,186	-	2,135,082	-	23,028	-	2,193,879
3. Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
Total	469	1,071,331	-	18,194,027	502	724,976	-	14,478,842

Key

NV=Notional value

The slight increase in the balances compared with 2024 is mainly attributable to an increase in swap rates during the period, reflecting the nature of the hedged items, mainly represented by fixed-rate long-term loans and securities.

5.2 HEDGING DERIVATIVES: BREAKDOWN BY HEDGED PORTFOLIO AND TYPE OF HEDGE

	Fair value						Cash flows			Investments in foreign operations
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equity securities and equity indices	currencies and gold	loans	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	946	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortized cost	413,953	X	470	-	X	X	X	11,332	X	X
3. Portfolio	X	X	X	X	X	X	643,244	X	1,854	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	414,899	-	470	-	-	-	643,245	11,332	1,854	-
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	-	-	-	-	-	-	-	-	-	-
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	

SECTION 6 - VALUE ADJUSTMENTS OF FINANCIAL ASSETS HEDGED GENERICALLY – ITEM 60

6.1 VALUE ADJUSTMENTS OF HEDGED ASSETS: BREAKDOWN BY HEDGED PORTFOLIOS

	Total 31/12/2025	Total 31/12/2024
1. Positive adjustments	8,214	45,550
1.1 Of specific portfolios:	8,214	45,550
a) financial assets measured at amortized cost	8,214	45,550
b) financial assets measured at fair value through comprehensive income	-	-
1.2 Comprehensive	-	-
2. Negative adjustments	(703,811)	(573,593)
2.1 Of specific portfolios:	(703,811)	(573,593)
a) financial assets measured at amortized cost	(703,811)	(572,797)
b) financial assets measured at fair value through comprehensive income	-	(796)
2.2 Comprehensive	-	-
Total	(695,597)	(528,043)

The item refers to the negative value adjustment of macro-hedged assets and is correlated with the positive fair value of macro-hedging derivatives shown in Table 5.1 - Hedging derivatives.

SECTION 7 – EQUITY INVESTMENTS – ITEM 70

7.1 EQUITY INVESTMENTS: INFORMATION ON INVESTMENTS

	Registered office	Operational headquarters	Type of relationship	Investment Investor	% holding	% of votes
A. Joint ventures						
Federazione BCC Friuli Venezia Giulia S.r.l.	Udine	Udine	Joint control	Iccrea Banca SpA	50.0%	50.0%
B. Companies subject to significant influence						
Numia Group SpA	Milan	Milan	Significant influence	Iccrea Banca SpA	28.6%	28.6%
BCC Vita SpA	Milan	Milan	Significant influence	Iccrea Banca SpA	49.0%	49.0%
BCC Assicurazioni SpA	Milan	Milan	Significant influence	Iccrea Banca SpA	49.0%	49.0%
Pitagora SpA	Turin	Turin	Significant influence	Iccrea Banca SpA	20.0%	20.0%
Sigest S.r.l.	Calcinaia	Calcinaia	Significant influence	Iccrea Banca SpA	49.0%	49.0%
Vorvel SIM SpA	Milan	Milan	Significant influence	Iccrea Banca SpA	20.0%	20.0%
Polo Verde S.r.l.	Cremona	Cremona	Significant influence	Credito Padano Banca di Credito Cooperativo S.C.	25.0%	25.0%
Solaria S.r.l.	Grosseto	Grosseto	Significant influence	Banca TEMA - Terre Etrusche e di Maremma S.C.	40.0%	40.0%
Hbenchmark S.r.l.	Altavilla Vicentina	Altavilla Vicentina	Significant influence	Iccrea Banca SpA	10.0%	10.0%
CIBA Brokers SpA	Bologna	Bologna	Significant influence	Emil Banca S.C.	20.0%	20.0%

7.2 SIGNIFICANT EQUITY INVESTMENTS: CARRYING AMOUNT, FAIR VALUE AND DIVIDENDS RECEIVED

	Carrying amount	Fair value*	Dividends received
A. Joint ventures			
B. Companies subject to significant influence			
Numia Group SpA	154,233	-	-
BCC Vita SpA	81,602	-	-
BCC Assicurazioni SpA	12,425	-	-
Pitagora SpA	22,003	-	902
Sigest S.r.l.	13,694	-	-
Total	283,957	-	902

* The fair value of investments must be indicated only for listed securities

7.3 SIGNIFICANT EQUITY INVESTMENTS: ACCOUNTING DATA

	Cash and cash equivalents	Financial assets	Non-financial assets	Financial liabilities	Non-financial liabilities	Total revenues	Net interest income	Net adjustments of property, plant and equipment	Profit (loss) from continuing operations before tax	Profit (loss) from continuing operations after tax	Profit (loss) of disposal groups held for sale after tax	Profit (loss) for the period (1)	Other income after tax (2)	Comprehensive income (3) = (1) + (2)
A. Joint ventures														
B. Companies subject to significant influence														
Numia Group SpA	X	663,835	1,263,394	1,219,866	707,363	1,019,548	X	X	47,941	22,223	-	22,223	-	22,223
BCC Vita SpA	X	6,414,566	191,166	6,439,197	166,535	253,093	X	X	22,165	8,286		8,286	(16,073)	(7,787)
BCC Assicurazioni SpA	X	133,481	35,009	6,008	162,482	78,432	x	x	2,532	2,449	-	2,449	295	2,744
Pitagora SpA	X	402,032	53,129	261,936	99,073	30,546	X	X	17,986	11,267	-	11,267	-	11,267
Sigest S.r.l.	X	-	32,095	2,343	29,752	1,617	X	X	39	(65)	-	(65)	-	(65)

7.4 NON-SIGNIFICANT EQUITY INVESTMENTS: ACCOUNTING DATA

	Carrying amount of investment	Total assets	Total liabilities	Total revenues	Profit (loss) from continuing operations after tax	Profit (loss) for the period (1)	Other income after tax (2)	Comprehensive income (3) = (1) + (2)
A. Joint ventures	2,260	6,448	534	695	125	87	-	87
B. Companies subject to significant influence	3,361	23,354	14,651	14,287	185	185	1	186

7.5 EQUITY INVESTMENTS: CHANGE FOR THE PERIOD

	Total 31/12/2025	Total 31/12/2024
A. Opening balance	300,364	239,807
B. Increases	14,218	124,358
B.1 Purchases	1,265	51
B.2 Writebacks	-	-
B.3 Revaluations	9,414	9,363
B.4 Other increases	3,539	114,945
C. Decreases	4,276	63,801
C.1 Sales	-	-
C.2 Impairment losses	-	-
C.3 Writedowns	3,816	63,561
C.4 Other decreases	460	240
D. Closing balance	310,307	300,364
E. Total revaluations	79,831	70,417
F. Total impairment losses	11,336	11,336

7.6 ASSESSMENTS AND SIGNIFICANT ASSUMPTIONS FOR ESTABLISHING THE EXISTENCE OF JOINT CONTROL OR SIGNIFICANT INFLUENCE

Part A – Accounting Policies, “Section 3 – Scope and methods of consolidation” of the notes to the financial statements sets out the general criteria for the assessment and significant assumptions made in establishing whether or not we exercise joint control or significant influence over an investee company or another entity.

7.7 COMMITMENTS IN RESPECT OF INVESTMENTS IN JOINT VENTURES

There are no such positions as of the reporting date.

7.8 COMMITMENTS IN RESPECT OF INVESTMENTS IN COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE

There are no such positions as of the reporting date.

7.9 SIGNIFICANT RESTRICTIONS

There are no such positions as of the reporting date.

7.10 OTHER INFORMATION

There are no such positions as of the reporting date.

SECTION 8 – INSURANCE ASSETS - ITEM 80

There are no such positions as of the reporting date.

SECTION 9 - PROPERTY, PLANT AND EQUIPMENT – ITEM 90

9.1 OPERATING PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN OF ASSETS CARRIED AT COST

	Total 31/12/2025	Total 31/12/2024
1. Owned assets	1,597,357	1,579,173
a) land	294,355	294,690
b) buildings	1,094,210	1,090,237
c) movables	62,863	61,826
d) electronic systems	35,602	43,269
e) other	110,327	89,151
2. Right of use of leased assets	312,244	231,395
a) land	1,800	1,815
b) buildings	201,965	201,357
c) movables	23	56
d) electronic systems	95,375	16,335
e) other	13,081	11,832
Total	1,909,601	1,810,568
of which: obtained through enforcement of guarantees received	1,224	1,378

The rights of use of leased assets for buildings are attributable almost entirely to the leases of properties used as branches and spaces used to host ATMs or offices.

9.2 INVESTMENT PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN OF ASSETS CARRIED AT COST

	Total 31/12/2025				Total 31/12/2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 2	Level 3	Level 1
1. Owned assets	123,347	-	23,923	153,891	140,125	-	22,532	146,077
a) land	30,089	-	668	29,909	26,429	-	267	27,474
b) buildings	93,258	-	23,255	123,982	113,696	-	22,265	118,603
2. Right of use of leased assets	-	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-	-
Total	123,347	-	23,923	153,891	140,125	-	22,532	146,077
of which: obtained through enforcement of guarantees received	28,610	-	-	31,012	29,150	-	-	31,925

At December 31, 2025 the Group had granted operating leases to others for investment property, mainly buildings, in the amount of about €49 million. The leased properties are mainly for commercial and residential use.

9.3 OPERATING PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN OF REVALUED ASSETS

The Group does not have revalued property, plant and equipment used in operations.

9.4 INVESTMENT PROPERTY, PLANT AND EQUIPMENT: COMPOSITION OF ASSETS AT FAIR VALUE

	Total			Total		
	31/12/2025			31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Owned assets	-	-	277,560	-	-	309,538
a) land	-	-	575	-	-	575
b) buildings	-	-	276,985	-	-	308,963
2. Right of use of leased assets	-	-	-	-	-	-
a) land	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-
Total	-	-	277,560	-	-	309,538
1. Owned assets	-	-	-	-	-	-

9.5 INVENTORIES OF PROPERTY, PLANT AND EQUIPMENT WITHIN THE SCOPE OF IAS 2: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
1. Inventories of property, plant and equipment obtained through enforcement of guarantees received	25,469	26,786
a) land	12,768	12,769
b) buildings	5,736	6,576
c) movables	-	-
d) electronic systems	-	-
e) other	6,965	7,441
2. Other inventories of property, plant and equipment	4,643	5,168
Total	30,112	31,954
of which: measured at fair value net of selling costs	2,020	1,567

9.6 OPERATING PROPERTY, PLANT AND EQUIPMENT: CHANGE FOR THE PERIOD

	Land	Buildings	Movables	Electronic system	Other	Total
A. Opening gross balance	296,675	2,503,619	471,611	420,108	643,976	4,335,989
A.1 Total net writedowns	170	1,212,025	409,729	360,504	542,993	2,525,421
A.2 Opening net balance	296,505	1,291,594	61,882	59,604	100,983	1,810,568
B. Increases:	3,643	134,121	15,749	117,780	62,109	333,402
B.1 Purchases	3,227	64,940	12,855	113,138	50,804	244,964
B.2 Capitalized improvement costs	20	21,678	420	87	546	22,751
B.3 Writebacks	-	1	5	-	-	6
B.4 Fair value gains recognized in	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Transfers from investment property	45	22,349	X	X	X	22,394
B.7 Other changes	351	25,153	2,469	4,555	10,759	43,287
C. Decreases:	3,993	129,540	14,745	46,407	39,684	234,369
C.1 Sales	566	3,200	1,176	5,556	2,956	13,454
C.2 Depreciation	14	102,322	11,158	34,633	32,622	180,749
C.3 Writedowns for impairment recognized in	828	1,296	39	-	-	2,163
a) equity	-	-	-	-	-	-
b) income statement	828	1,296	39	-	-	2,163
C.4 Fair value losses recognized in	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Transfers to:	2,064	12,496	-	-	-	14,560
a) investment property	1,942	11,697	X	X	X	13,639
b) non-current assets and disposal groups held for sale	122	799	-	-	-	921
C.7 Other changes	521	10,226	2,372	6,218	4,106	23,443
D. Closing net balance	296,155	1,296,174	62,886	130,977	123,408	1,909,601
D.1 Total net writedowns	988	1,253,316	393,002	298,265	567,739	2,513,310
D.2 Closing gross balance	297,143	2,549,491	455,888	429,242	691,147	4,422,911
E. Measurement at cost	-	-	-	-	-	-

9.7 INVESTMENT PROPERTY, PLANT AND EQUIPMENT: CHANGE FOR THE PERIOD

	Total	
	Land	Building
A. Opening balance	27,004	422,658
B. Increases	5,193	14,129
B.1 Purchases	2,905	267
B.2 Capitalized improvement costs	4	998
B.3 Fair value gains	-	-
B.4 Writebacks	14	75
B.5 Positive exchange rate differences	-	-
B.6 Transfers from operating property	1,942	11,697
B.7 Other changes	328	1,092
C. Decreases	1,533	66,544
C.1 Sales	389	23,791
C.2 Depreciation	-	3,713
C.3 Fair value losses	-	12,073
C.4 Writedowns for impairment	534	1,371
C.5 Negative exchange rate differences	-	-
C.6 Transfers to:	610	24,609
a) operating property	45	22,349
b) non-current assets and disposal groups held for sale	565	2,260
C.7 Other changes	-	987
D. Closing balance	30,664	370,243
E. Measurement at fair value	30,577	147,236

9.8 INVENTORIES OF PROPERTY, PLANT AND EQUIPMENT WITHIN THE SCOPE OF IAS 2: CHANGE FOR THE PERIOD

	Inventories of property, plant and equipment obtained through enforcement of guarantees received					Other inventory of property, plant and equipment	Total
	Land	Buildings	Movables	Electronic system	Other		
A. Opening balance	12,769	6,576	-	-	7,441	5,168	31,954
B. Increases	85	52	-	-	791	1	929
B.1 Purchases	-	-	-	-	335	1	336
B.2 Writebacks	-	-	-	-	456	-	456
B.3 Positive exchange rate differences	-	-	-	-	-	-	-
B.4 Other increases	85	52	-	-	-	-	137
C. Decreases	86	892	-	-	1,267	526	2,771
C.1 Sales	30	338	-	-	177	150	695
- of which business combinations	53	264	-	-	466	190	973
C.2 Writedowns for impairment	-	-	-	-	-	-	-
C.3 Negative exchange rate differences	3	290	-	-	624	186	1,103
C.4 Other decreases	12,768	5,736	-	-	6,965	4,643	30,112

9.9 COMMITMENTS TO ACQUIRE PROPERTY, PLANT AND EQUIPMENT

There are no such positions as at the reporting date.

SECTION 10 – INTANGIBLE ASSETS – ITEM 100

10.1 INTANGIBLE ASSETS: BREAKDOWN BY CATEGORY

	Total 31/12/2025		Total 31/12/2024	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	X	18,408	X	18,407
A.1.1 pertaining to the Group	X	18,408	X	18,407
A.1.2 pertaining to non-controlling interests	X	-	X	-
A.2 Other intangible assets	206,707	5	181,871	5
of which software	198,243	-	170,567	-
A.2.1 Assets carried at cost	206,707	5	181,871	5
a) internally generated intangible assets	4,320	-	5,342	-
b) other assets	202,387	5	176,529	5
A.2.2 Assets designated at fair value	-	-	-	-
a) internally generated intangible assets	-	-	-	-
b) other assets	-	-	-	-
Total	206,707	18,413	181,871	18,412

Item A.1.1 includes goodwill paid in the acquisition of bank branches by the Group banks (€2.8 million) and goodwill recognized upon first-time consolidation of certain controlling interests (€15.6 million) prior to the formation of the Mutual Banking Group.

Intangible assets mainly comprise software and licenses.

10.2 INTANGIBLE ASSETS: CHANGE FOR THE PERIOD

	Goodwill	Other intangible assets: internally generated		Other intangible assets: other		Total
		finite life	indefinite life	finite life	indefinite life	
A. Opening balance	25,748	35,154	-	561,870	5	622,777
A.1 Total net writedown	7,340	29,812	-	385,342	-	422,494
A.2 Opening net balance	18,408	5,342	-	176,528	5	200,283
B. Increases	-	1,244	-	75,652	-	76,896
B.1 Purchases	-	-	-	75,431	-	75,431
B.2 Increases in internally generated intangible assets	X	1,244	-	155	-	1,399
B.3 Writebacks	X	-	-	-	-	-
B.4 Fair value gains recognized in:	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Other changes	-	-	-	66	-	66
C. Decreases	-	2,266	-	49,793	-	52,059
C.1 Sales	-	-	-	6	-	6
C.2 Writedowns	-	2,262	-	48,944	-	51,206
- Amortization	X	1,664	-	45,870	-	47,534
- Impairment	-	598	-	3,074	-	3,672
+ equity	X	-	-	-	-	-
+ income statement	-	598	-	3,074	-	3,672
C.3 Fair value losses recognized in:	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Other changes	-	4	-	843	-	847
D. Closing net balance	18,408	4,320	-	202,387	5	225,120
D.1 Total net writedowns	764	32,077	-	425,159	-	458,000
E. Closing gross balance	19,172	36,397	-	627,546	5	683,120
F. Measurement at cost	-	-	-	-	-	-

10.3 OTHER INFORMATION

Goodwill impairment testing

Under the provisions of IAS 36, at each reporting date, goodwill must be tested for impairment in order to verify the asset's carrying amount. The test must also be performed following the occurrence of a trigger event during the year.

An asset is written down after impairment testing if its carrying amount is greater than that deemed recoverable, the latter defined as the greater of value in use (i.e. the present value of future cash flows cash expected from the cash generating unit – CGU - involved) and the fair value less of costs to sell, i.e. the price that would be received to sell an asset in an orderly transaction between informed and independent counterparties, net of any transaction costs.

The goodwill of the affiliated banks

In order to perform impairment tests for the goodwill recognized by the affiliated banks, the Group has adopted common criteria and methodological models, in line with best market and theoretical practice, for performing impairment testing of the goodwill recognized by the banks. More specifically, they calculate value in use instead of fair value less costs to sell, mainly due to the fact that the mutual banks are not listed on an active market and their nature, size and operations make it difficult and excessively arbitrary to identify comparable listed companies in the Italian market that would enable the use of the most common methods for estimating fair value net of costs to sell (e.g. "comparable transactions" or "comparable companies" methods).

Consistent with the provisions of IAS 36 and taking account of the general principles of reasonableness and demonstrability of the estimates to be used, two distinct approaches have been adopted within the Group (based

on the use of a CGU represented, respectively, by the entire company or the branches that originally led to the recognition of goodwill) in order to ensure any necessary continuity in the analytical methods.

In the case of the “entire company CGU”, the dividend discount model (DDM) - excess capital variant – has been applied. It estimates the value of a company (in this case, the affiliated mutual bank) on the basis of future dividends distributable to shareholders. This method is widely used in accepted valuation practice and supported by the literature on corporate valuation techniques, with particular regard to companies operating in the financial sector.

Affiliates that adopt the “branches acquired CGU” use the discounted cash flow (“DCF”) – levered variant. It estimates the value of the economic capital of a company (“equity value”) as the sum of the present value of the cash flows distributable to shareholders that it will generate over a specified explicit period for planning projected economic/financial data and of the residual value at the end of the that period (“TV”), discounted at a rate equal to the cost of equity (“Ke”).

The assumptions underlying the valuation models used are shown below:

- the value in use of the CGUs is determined by estimating the present value of future cash flows that are expected to be generated by the CGUs themselves;
- the CGUs were assessed on a stand-alone and going-concern basis;
- the allocated capital was calculated by applying a minimum prudential CET1 requirement to the target TCR including the P2G of the Group, equal to 14.84%;
- the data for BTP, Beta and MRP were acquired from market infoproviders or from publicly available information.

The discount rate was set equal to the average rate of return on capital, determined on the basis of the capital asset pricing model (“CAPM”) and using:

- as the risk-free rate, the yield on risk-free investments, estimated at 3.49% equal to the average yields observed in the last 12 months on the Italian 10-year BTP;
- to calculate beta, a sample of comparable companies (in terms of business) on the basis of which the average or median beta was drawn from monthly observations over a five-year horizon;
- a market risk premium of 4.21%, in line with commonly adopted valuation practice.

On the basis of these assumptions, the discount rate (Ke) used by the Bank was calculated at 8.06%.

Finally, in accordance with the provisions of paragraph 134, letter f) of IAS 36, as part of the assessment of the recoverable amount of goodwill and where the estimate of this value is the result of valuation procedures based on specific assumptions defined by company management, it is also necessary perform a sensitivity analysis to identify any reasonably possible changes in those assumptions that could cause the carrying amount of the CGU to exceed its recoverable amount.

In this regard, as described above, the basic assumptions adopted by the Bank’s management and used in the valuation procedure are represented:

- the rate for discounting the income referred to in the previous line, set equal to the average cost of capital for shareholders, estimated using the CAPM;
- by the measure of the prospective income derived from the Bank’s business plan, corrected appropriately on the basis of the valuation methodology applied and, therefore, by the average growth rate implicit for that income.

In the sensitivity analysis, the “Ke” and “g” parameters are modified with the reasonably possible range of +/- 0.25% and +/- 0.15%, respectively. The outcome of the sensitivity analysis out confirms the value of the goodwill recognized.

The outcome of the impairment test confirms the goodwill recognized at December 31, 2025 of €2.8 million.

The goodwill of investee companies

In the measurement of the goodwill recognized in the consolidated financial statements following the acquisition of control over the investee, the CGU is represented by each of these investees.

With regard to the goodwill recognized at the first-time consolidation of BCC Risparmio & Previdenza SGRpa (€10.5

million), the market multiples method was used to measure the company.

The market multiples method is based on the assumption that the value of a company can be determined by drawing information from the stock exchange market for companies operating in the same sector of the company being valued ("comparable companies"). Specifically, the method involves calculating multipliers ("stock market multiples") resulting from the relationship between the value that the market attributes to comparable companies and their performance and financial indicators. The value of the company being valued is obtained by applying the identified multiples to the indicators of the company involved.

In particular, an international panel of companies operating in the asset management sector was considered, representing the business of BCC Risparmio & Previdenza SGRpA, using P/BV (Price/Book Value) as the multiple.

The outcome of the impairment test confirms the value of the goodwill recognized in the financial statements.

In order to assess the goodwill recognized at first-time consolidation of BCC Sistemi Informatici (€4.9 million), for the purposes of the impairment test, the economic value of the company's capital was estimated using the market multiples method. In particular, an international panel of companies operating in the IT sector and in the development of software was considered, as these represent the main activities of BCC Sistemi Informatici, using P/BV (Price/Book Value) as the multiple.

The outcome of the impairment test confirms the value of the goodwill recognized in the financial statements.

SECTION 11 - TAX ASSETS AND LIABILITIES – – ITEM 110 OF ASSETS AND ITEM 60 OF LIABILITIES

11.1 DEFERRED TAX ASSETS: BREAKDOWN

	31/12/2025		Total	31/12/2024		Total
	IRES	IRAP		IRES	IRAP	
1) Recognized in income statement:	518,760	70,278	589,038	625,242	66,415	691,656
a) DTAs pursuant to Law 214/2011	282,271	40,051	322,322	357,952	33,514	391,466
Writedowns of loans to customers	281,205	40,003	321,207	282,049	32,497	314,546
Goodwill and other intangible assets at December 31, 2014	212	48	261	212	38	251
Tax losses/negative value of production pursuant to Law 214/2011	854	-	854	75,690	979	76,669
b) Other	236,489	30,227	266,716	267,290	32,900	300,191
Writedowns of amounts due from banks	1,646	-	1,646	2,475	-	2,475
Writedowns of loans to customers	19,801	9,748	29,549	20,055	7,602	27,657
Goodwill and other intangible assets	2,872	509	3,380	3,496	626	4,123
Tax losses	8,277	-	8,277	18,973	-	18,973
Writedowns of financial instruments	320	232	552	298	252	550
Writedowns from impairment of guarantees issued recognized under liabilities	48,952	-	48,952	52,135	-	52,135
Provisions for risks and charges	77,416	9,327	86,743	103,272	13,725	116,997
Costs of predominantly administrative nature	1,037	-	1,037	1,116	-	1,116
Difference between value for tax purposes and carrying amount of property, plant and equipment and intangible assets	36,895	5,400	42,294	37,108	5,383	42,491
Other	39,274	5,012	44,286	28,362	5,312	33,674
2) Recognized in shareholders' equity:	28,431	5,562	33,993	40,665	7,981	48,647
a) Valuation reserves	25,484	5,041	30,525	37,620	7,451	45,071
Capital losses on financial assets measured through OCI	25,484	5,041	30,525	37,620	7,451	45,071
b) Other:	2,947	521	3,468	3,046	530	3,576
Actuarial gains/losses on provisions for employees	24	-	24	33	-	33
Other	2,922	521	3,443	3,013	530	3,543
A. Total deferred tax assets	547,191	75,840	623,031	665,907	74,396	740,303
B. Offsetting with deferred tax liabilities	-	-	-	-	-	-
C. Net deferred tax assets - Total item 110 b)	547,191	75,840	623,031	665,907	74,396	740,303

The DTAs referred to in Law 214/2011, equal to €322.3 million, are mainly represented by prepaid taxes attributable to writedowns of loans to customers accounted for up to 2015 and not yet deducted, which can be converted into tax credits in the event of a net loss for the year and/or a tax loss. The decrease of the item compared with 2024 reflects the conversion into tax credits following the filing of the tax return.

DTAs recognized in the income statement other than those referred to in Law 214/2011 amount to a total €266.7 million. Among these, the sub-item “Provisions for risks and charges”, which amounts to €86.7 million, represents the prepaid taxes recognized in respect of provisions for risks and charges that are expected to be deducted in future years. The sub-item “Writedowns of loans to customers”, equal to €29.5 million, includes the deferred tax assets that can be recognized in respect of the nine-tenths of writedowns on loans to customers recognized at first-time adoption of IFRS 9, which under Law 145 of December 30, 2018 were deducted in tenths.

The decrease in deferred tax assets recognized in equity is attributable to the decrease in the negative reserve for securities measured at fair value through other comprehensive income recognized during the period.

11.2 DEFERRED TAX LIABILITIES: BREAKDOWN

	31/12/2025		Total	31/12/2024		Total
	IRES	IRAP		IRES	IRAP	
1) Deferred tax liabilities recognized in income statement	4,249	283	4,532	5,141	291	5,432
Writedowns of loans to customers deducted in tax return	-	-	-	-	-	-
Difference between value for tax purposes and carrying amount of property, plant and equipment and intangible assets	1,019	182	1,201	1,019	182	1,201
Other	3,230	101	3,331	4,122	109	4,231
2) Deferred tax liabilities recognized in shareholders' equity	30,248	5,993	36,241	26,700	5,290	31,990
Valuation reserves						
Capital gains on financial assets measured through OCI	24,528	4,880	29,408	17,507	3,457	20,964
Revaluation of property	500	83	583	500	83	583
Other	5,220	1,030	6,250	8,693	1,750	10,443
A. Total deferred tax liabilities	34,498	6,276	40,773	31,841	5,581	37,422
B. Offsetting with deferred tax assets	-	-	-	-	-	-
C. Net deferred tax liabilities	34,498	6,276	40,773	31,841	5,581	37,422

Deferred tax liabilities include deferred tax liabilities recognized through equity on capital gains on financial assets at FVOCI in the amount of about €29 million, an increase of €8.4 million on 2024.

11.3 CHANGES IN DEFERRED TAX ASSETS (RECOGNIZED IN INCOME STATEMENT)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	691,656	968,534
2. Increases	76,294	168,115
2.1 Deferred tax assets recognized during the period	60,667	151,824
a) in respect of previous period	1,030	959
b) due to change in accounting policies	-	-
c) writebacks	-	-
d) other	59,637	150,865
2.2 New taxes or increases in tax rates	9,968	-
2.3 Other increases	5,659	16,291
3. Decreases	178,912	444,993
3.1 Deferred tax assets derecognized during the period	97,338	354,916
a) reversals	93,586	352,024
b) writedowns for supervening non-recoverability	1,827	615
c) due to changes in accounting policies	-	-
d) other	1,925	2,277
3.2 Reduction in tax rates	-	-
3.3 Other decreases	81,574	90,077
a) transformation in tax credits pursuant to Law 214/2011	75,633	83,766
b) other	5,941	6,311
4. Closing balance	589,038	691,656

11.4 CHANGES IN DEFERRED TAX ASSETS PURSUANT TO LAW 214/2011

	Total	Total
	31/12/2025	31/12/2024
1. Opening balance	391,466	668,287
2. Increases	7,850	76,704
3. Decreases	76,994	353,525
3.1 Reversals	158	269,726
3.2 Conversion into tax credits	75,633	83,766
a) arising from losses for the year	65,260	72,680
b) arising from tax losses	10,373	11,086
3.3 Other decreases	1,203	32
4. Closing balance	322,322	391,466

11.5 CHANGES IN DEFERRED TAX LIABILITIES (RECOGNIZED IN INCOME STATEMENT)

	Total	Total
	31/12/2025	31/12/2024
1. Opening balance	5,432	5,746
2. Increases	493	1,016
2.1 Deferred tax liabilities recognized during the period	489	1,016
a) in respect of previous period	49	69
b) due to change in accounting policies	-	-
c) other	440	947
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	4	-
3. Decreases	1,414	1,330
3.1 Deferred tax liabilities derecognized during the period	1,400	1,330
a) reversals	1,231	1,172
b) due to changes in accounting policies	-	-
c) other	169	158
3.2 Reduction in tax rates	-	-
3.3 Other decreases	14	-
4. Closing balance	4,511	5,432

11.6 CHANGES IN DEFERRED TAX ASSETS (RECOGNIZED IN EQUITY)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	48,646	87,086
2. Increases	2,007	3,703
2.1 Deferred tax assets recognized during the period	1,741	3,457
a) in respect of previous periods	6	-
b) due to change in accounting policies	-	-
c) other	1,734	3,457
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	266	246
3. Decreases	16,660	42,142
3.1 Deferred tax assets derecognized during the period	16,436	41,495
a) reversals	1,525	3,201
b) writedowns for supervening non-recoverability	1	1
c) due to changes in accounting policies	-	-
d) other	14,910	38,295
3.2 Reduction in tax rates	-	-
3.3 Other decreases	224	647
4. Closing balance	33,993	48,646

11.7 CHANGES IN DEFERRED TAX LIABILITIES (RECOGNIZED IN EQUITY)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	31,990	22,729
2. Increases	10,310	16,763
2.1 Deferred tax liabilities recognized during the period	10,067	16,538
a) in respect of previous periods	17	-
b) due to change in accounting policies	-	-
c) other	10,050	16,538
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	243	225
3. Decreases	6,059	7,502
3.1 Deferred tax liabilities derecognized during the period	5,820	7,296
a) reversals	155	212
b) due to change in accounting policies	-	-
c) other	5,665	7,084
3.2 Reduction in tax rates	-	-
3.3 Other decreases	239	206
4. Closing balance	36,241	31,990

11.8 OTHER INFORMATION

The recovery of the DTAs pursuant to Law 214/2011 is certain under the provisions of the law and does not take account of the profit generating capacity of the companies that recognized them.

DTAs other than those referred to in Law 214/2011 are recognized to the extent that their recovery is probable. This probability was assessed using the probability test on the basis of the ability of the companies recognizing them (affiliated banks) or, as a result of the exercise of the option to participate in the tax consolidation mechanism, of the group of companies participating in that mechanism (the companies in the direct scope of consolidation) to generate positive taxable income.

With regard to the probability test conducted by the affiliated banks, the tax income or loss (IRES/IRAP) was estimated over a five-year forecast period (from 2025 to 2027), and the sufficiency of the estimated taxable income to absorb the temporary deductible differences that gave rise to the recognition of DTAs that will be reversed in the reference period was verified. In addition, with regard to DTAs reversing subsequent to the aforementioned time horizon, a further assessment was carried out that demonstrated their recoverability within a limited and reasonable period of years.

The estimations and assumptions concerning the recoverability of deferred tax assets were made on the basis of the 2023-2025 forecasts of each Group company.

The test used the IRES and IRAP rates in force at the reporting date (27.50% for IRES, including the surtax of 3.50%).

As regards the recoverability test for prepaid IRES of the Parent Company and the other companies participating in the tax consolidation mechanism, the projections for expected profitability prepared by the competent units of the Parent Company indicate the tax consolidation mechanism will be able to absorb all recognized DTAs by 2030.

The following table shows the composition of current tax assets at the reporting date.

	31/12/2025				31/12/2024			
	IRES	IRAP	Other	Total	IRES	IRAP	Other	Total
Current tax liabilities (-)	(198,470)	(123,106)	(631)	(322,207)	(98,912)	(99,118)	(3,620)	(201,650)
Payments on account (+)	244,366	130,068	396	374,830	47,581	82,470	1,045	131,096
Other tax receivables (+)	94,443	9,479	8,091	112,013	118,422	16,887	10,373	145,682
Tax credit pursuant to Law 214/2011 (+)	129,821	314	-	130,135	127,537	1,175	-	128,712
Withholding tax (+)	11,962	-	-	11,962	9,571	6	59	9,635
Debtor balance of item 60 a) of liabilities	(3,507)	(5,587)	(631)	(9,725)	(23,257)	(19,037)	(3,477)	(45,771)
Creditor balance	285,629	22,342	8,487	316,458	227,456	20,456	11,334	259,246
Balance of non-offsettable tax receivables	25,915	4,014	-	29,929	11,241	1,708	-	12,949
Creditor balance of item 110 a) of assets	311,544	26,357	8,487	346,387	238,318	22,164	11,334	272,195

SECTION 12 - NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE AND ASSOCIATED LIABILITIES - ITEM 120 OF ASSETS AND ITEM 70 OF LIABILITIES

12.1 NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE: BREAKDOWN BY PRODUCT

	31/12/2025	31/12/2024
A. Assets held for sale		
A.1 Financial assets	777	30,729
A.2 Equity investments	53	-
A.3 Property, plant and equipment	8,415	33,115
of which obtained through enforcement of guarantees received	6,342	7,498
A.4 Intangible assets	-	4,384
A.5 Other non-current assets	-	8,567
Total A	9,245	76,795
of which carried at cost	5,123	71,192
of which measured at fair value level 1	-	-
of which measured at fair value level 2	3,280	4,813
of which measured at fair value level 3	842	790
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or loss	-	-
- Financial assets held for trading	-	-
- Financial assets designated as at fair value	-	-
- Other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortized cost	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	21,566
of which: obtained through enforcement of guarantees received	-	-
B.6 Intangible assets	-	509
B.7 Other assets	-	10,683
Total B	-	32,758
of which carried at cost	-	32,758
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-
C. Liabilities associated with assets held for sale		
C.1 Debt	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	21,573
Total C	-	21,573
of which carried at cost	-	21,573
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at amortized cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated as at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	9,349
Total D	-	9,349
of which carried at cost	-	9,349
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-

At December 31, 2025 assets and liabilities held for sale significantly decreased on the end of 2024 and mainly of properties that are expected to be sold within twelve months.

12.2 OTHER INFORMATION

No other information necessary.

SECTION 13 - OTHER ASSETS – ITEM 130

13.1 OTHER ASSETS: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
- Shortfalls, embezzlement and robberies	1,922	1,555
- Trade receivables	43,726	78,796
- Stamp duty and other valuables	916	918
- Gold, silver and other precious metals	1,739	1,811
- Receivables for future premiums on derivatives	7,874	8,406
- Fees and commissions and interest to be received	40,566	36,351
- Tax receivables due from central govt. tax authorities and other tax agencies	600,307	470,878
- Receivables from social security institutions	2,463	691
- Tax receivables	2,920,605	3,605,603
- Receivables from employees	2,705	780
- Non-recurring transactions (acquisitions)	66	6,971
- Items in transit between branches and items being processed	526,258	435,931
- Accrued income not attributable to separate line item	8,523	8,265
- Prepaid expenses not attributable to separate line item	158,447	73,881
- Leasehold improvements	57,735	47,081
- Other (security deposits, assets not attributable to other items)	232,592	241,703
- Balance of illiquid portfolio items	2,457	471,700
Total	4,608,901	5,491,321

“Tax receivables” reports tax credits connected with the Revival Decree acquired by Group banks following assignment by the direct beneficiaries (the so-called Superbonus 110% program) in the amount of €2.9 billion, down €685 million on 2024.

The item “Balance of illiquid portfolio items” includes differences between the value dates applied in the various accounts, which are generated during the accounting elimination of the items in respect of the crediting and debiting of portfolios under reserve and after collection, whose settlement date is after the reporting date.

“Items in transit between branches and items being processed” reports assets that for technical/procedural reasons will be allocated definitively in the early days of the subsequent period, such as checks, incoming bank transfers pending or items in transit between banks.

“Tax receivables due from central government tax authorities and other tax agencies” includes taxes managed by Group companies as withholding agent and their own indirect taxes (stamp duty, substitute tax, local taxes, etc.).

LIABILITIES

SECTION 1 - FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST – ITEM 10

1.1 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST – DUE TO BANKS: BREAKDOWN BY PRODUCT

	Total 31/12/2025				Total 31/12/2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Due to central banks	-	X	X	X	4,701,855	X	X	X
2. Due to banks	2,436,775	X	X	X	1,852,161	X	X	X
2.1 Current accounts and demand deposits	1,070,954	X	X	X	869,637	X	X	X
2.2 Fixed term deposits	12,944	X	X	X	13,188	X	X	X
2.3 Loans	1,345,805	X	X	X	965,502	X	X	X
2.3.1 Repurchase agreements	1,236,274	X	X	X	882,370	X	X	X
2.3.2 Other	109,531	X	X	X	83,133	X	X	X
2.4 Liabilities in respect of commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease liabilities	4,664	X	X	X	2,518	X	X	X
2.6 Other payables	2,408	X	X	X	1,316	X	X	X
Total	2,436,775	-	1,240,066	1,192,763	6,554,016	-	900,645	5,644,639

The decrease of €4.1 billion on the previous year is mainly attributable to the repayments of central banks funding during the year.

1.2 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST – DUE TO CUSTOMERS: BREAKDOWN BY PRODUCT

	Total 31/12/2025				Total 31/12/2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Current accounts and demand deposits	108,995,386	X	X	X	103,294,029	X	X	X
2. Time deposits	5,387,124	X	X	X	6,135,365	X	X	X
3. Loans	12,419,352	X	X	X	12,757,465	X	X	X
3.1 Repurchase agreements	10,862,731	X	X	X	10,647,133	X	X	X
3.2 Other	1,556,621	X	X	X	2,110,332	X	X	X
4. Liabilities in respect of commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
5. Lease liabilities	297,764	X	X	X	232,319	X	X	X
6. Other payables	834,050	X	X	X	815,042	X	X	X
Total	127,933,676	-	10,866,346	116,981,614	123,234,220	-	10,740,443	112,540,752

Amounts due to customers increased by €4.7 billion compared with December 2024, mainly reflecting the increase in current accounts and demand deposits in the amount of about € 5.7 billion, partly offset by the decrease in time deposits and loans by over €1 billion.

The sub-item “Loans-other” comprises about €0.5 billion in respect of a loan from Cassa Depositi e Prestiti.

1.3 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST - SECURITIES ISSUED: BREAKDOWN BY PRODUCT

	Total 31/12/2025				Total 31/12/2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
A. Securities								
1. Bonds	8,549,741	7,929,107	697,214	-	7,316,465	6,595,961	786,056	-
1.1 structured	-	-	-	-	4,840	-	208	-
1.2 other	8,549,741	7,929,107	697,214	-	7,311,625	6,595,961	785,848	-
2. Other securities	6,724,591	-	6,609,840	132,381	6,651,749	-	6,384,076	302,950
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	6,724,591	-	6,609,840	132,381	6,651,749	-	6,384,076	302,950
Total	15,274,332	7,929,107	7,307,054	132,381	13,968,214	6,595,961	7,170,132	302,950

The item increased by an overall €1.3 billion compared with December 2024, mainly reflecting new issues carried out by the Parent Company (of which €0.9 billion represented by two Covered bond issues carried out by the Parent Company and one €0.5 billion Green Bond issue).

The sub-item 2.2 “Other securities– other” include certificates of deposit issued by Group banks in the amount of €6.7 billion.

1.4 BREAKDOWN OF SUBORDINATED DEBTS/SECURITIES

	31/12/2025	31/12/2024
A.1 Subordinated debt	-	-
- banks	-	-
- customers	-	-
B.1 Subordinated securities	312,734	330,938
- banks	312,734	317,419
- customers	-	13,519
Total	312,734	330,938

The sub-item B.1 “Subordinated securities– banks” includes €313 million in respect of subordinated bonds issued by Iccrea Banca SpA and subscribed by non-Group banks.

1.5 BREAKDOWN OF STRUCTURED DEBT

The table has not been completed because there were no such positions as of the reporting date.

1.6 LEASE LIABILITIES

Right-of-use	Falling due within 5 years	Falling due after 5 years
Land	-	335
Buildings	135,816	65,645
Movables	1,729	93
Electronic systems	79,738	3,621
Other	15,255	196

The table provides a breakdown by maturity of lease liabilities, as required under IFRS 16.

SECTION 2 - FINANCIAL LIABILITIES HELD FOR TRADING - ITEM 20

2.1 FINANCIAL LIABILITIES HELD FOR TRADING: BREAKDOWN BY PRODUCT

	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value *	NV	Fair value			Fair value *
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
A. Cash liabilities										
1. Due to banks	7	6	-	-	6	2,436	2,506	-	-	2,506
2. Due to customers	2,159	2,002	102	-	2,104	6,220	6,329	-	-	6,329
3. Debt securities	-	-	-	-	X	-	-	-	-	X
3.1 Bonds	-	-	-	-	X	-	-	-	-	X
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3. Other	-	-	-	-	X	-	-	-	-	X
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	2,166	2,008	102	-	2,110	8,655	8,835	-	-	8,835
B. Derivatives										
1. Financial derivatives	X	14	43,509	-	X	X	23	55,062	-	X
1.1 Trading	X	14	43,509	-	X	X	23	55,062	-	X
1.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives	X	-	-	-	X	X	-	-	-	X
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	X	14	43,509	-	X	X	23	55,062	-	X
Total (A+B)	X	2,022	43,611	-	X	X	8,858	55,062	-	X

Key:

NV=nominal or notional value

Fair value*= Fair value calculated excluding changes in the amount attributable to changes in the creditworthiness of the issuer since the issue date

The sub-item B.1.1 "Financial derivatives – trading" includes the negative value of trading derivatives entered into almost entirely by the Parent Company.

2.2 BREAKDOWN OF "FINANCIAL LIABILITIES HELD FOR TRADING": SUBORDINATED LIABILITIES

There are no such positions as of the reporting date.

2.3 BREAKDOWN OF "FINANCIAL LIABILITIES HELD FOR TRADING": STRUCTURED LIABILITIES

There are no such positions as of the reporting date.

SECTION 3 - FINANCIAL LIABILITIES DESIGNATED AS AT FAIR VALUE - ITEM 30

3.1 FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE: BREAKDOWN BY PRODUCT

	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value *	NV	Fair value			Fair value*
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
1. Due to banks	-	-	-	-	-	-	-	-	-	-
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	-	-	-	-	X	-	-	-	-	X
Of which:										
- commitments to disburse funds	-	X	X	X	X	X	X	X	X	X
- financial guarantees issued	-	X	X	X	X	X	X	X	X	X
2. Due to customers	-	-	-	-	-	-	-	-	-	-
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
Of which:										
- commitments to disburse funds	-	X	X	X	X	X	X	X	X	X
- financial guarantees issued	-	X	X	X	X	X	X	X	X	X
3. Debt securities	69,166	-	67,763	-	67,549	-	-	-	-	-
3.1 Structured	69,166	-	67,763	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	69,166	-	67,763	-	67,549	-	-	-	-	-

The item includes investment certificates issued by the Parent Company and placed by the Affiliated banks with customers.

3.2 BREAKDOWN OF “FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE”: SUBORDINATED LIABILITIES

There are no such positions as of the reporting date.

SECTION 4 - HEDGING DERIVATIVES – ITEM 40

4.1 HEDGING DERIVATIVES: BREAKDOWN BY PRODUCT OF HEDGE AND LEVEL OF INPUT

	Fair value 31/12/2025			NV 31/12/2025	Fair value 31/12/2024			NV 31/12/2024
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A) Financial derivatives	352	244,771	-	5,654,714	535	244,254	-	6,173,308
1) Fair value	352	225,103	-	3,615,952	535	233,070	-	5,274,308
2) Cash flows	-	19,668	-	2,038,762	-	11,184	-	899,000
3) Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	352	244,771	-	5,654,714	535	244,254	-	6,173,308

Key:
NV=notional value

4.2 HEDGING DERIVATIVES: BREAKDOWN BY HEDGED PORTFOLIO AND TYPE OF HEDGE

	Fair Value						Cash flows			Foreign investments
	Specific						Generic	Specific	Generic	
	Debt securities and interest rates	Equity securities and stock indices	Foreign currencies and gold	Credit	Commodities	Other				
1. Financial assets measured at fair value through other comprehensive income	11,718	-	-	-	X	X	X	1,085	X	X
2. Financial assets measured at amortized cost	209,607	X	372	-	X	X	X	17,774	X	X
3. Portfolio	X	X	X	X	X	X	3,758	X	809	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	221,325	-	372	-	-	-	3,758	18,859	809	-
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	-	-	-	-	-	-	-	-	-	-
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

The table reports the negative fair values of hedging derivatives, broken down by hedged asset or liability and type of hedge.

As indicated in Part A “Accounting policies” of these notes to the financial statements, the Group has exercised the option provided for in paragraph 7.2.21 of IFRS 9 to continue applying the provisions on hedge accounting envisaged by IAS 39.

SECTION 5 - VALUE ADJUSTMENTS OF GENERICALLY HEDGED LIABILITIES - ITEM 50

There are no such positions as of the reporting date.

SECTION 6 – TAX LIABILITIES – ITEM 60

See section 11 under assets.

SECTION 7 – LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE – ITEM 70

Please see table 12.1 “Non-current assets and disposal groups held for sale: composition by type” in section 12 under assets.

SECTION 8 - OTHER LIABILITIES – ITEM 80**8.1 OTHER LIABILITIES: BREAKDOWN**

	Total 31/12/2025	Total 31/12/2024
Amounts due to social security institutions and State	96,568	93,582
Trade payables	242,781	244,594
Amounts available to customers	85,765	92,416
Fees and commissions to be settled	32,936	24,486
Liabilities for future premiums on derivatives	2,805	10,928
Tax payables due to tax authorities	484,283	635,911
Payables due to employees	363,673	346,017
Accrued expenses not attributable to separate line item	1,850	3,590
Deferred income not attributable to separate line item	34,307	27,886
Items in transit and items being processed	460,610	1,470,300
Other (failed purchase transactions, trade payables, insurance liabilities, security deposits, items not attributable to separate line item)	342,847	395,874
Consolidation adjustments	227,503	231,553
Balance of illiquid portfolio items	785,038	121,956
Dividends to be paid	73	169
Tax consolidation mechanism	211	230
Total	3,161,250	3,699,492

The item “Items in transit and items being processed” includes liabilities that for technical or procedural reasons will be settled in the subsequent period, such as pending outward credit transfers or items in transit between banks.

The item “Tax payables due to tax authorities” reports amounts owed by the Group to these entities other than income taxes. This includes, in addition to amounts in respect of tax returns paid by mutual bank customers and withholdings made by the banks on customer transactions, tax payables accrued by the Group companies in respect of their indirect taxes, such as, for example, stamp duty, tax in lieu, tax on stock exchange contracts, VAT, local taxes, etc.

The item “Balance of illiquid portfolio items” includes differences the value dates applied in the various accounts, which are generated during the accounting elimination of the items in respect of the crediting and debiting of portfolios under reserve and after collection, whose settlement date is after the reporting date.

SECTION 9 - EMPLOYEE TERMINATION BENEFITS – ITEM 90

9.1 EMPLOYEE TERMINATION BENEFITS: CHANGE FOR THE PERIOD

	Total 31/12/2025	Total 31/12/2024
A. Opening balance	197,279	215,977
B. Increases	8,056	9,133
B.1 Provisions for the period	7,319	7,764
B.2 Other increases	737	1,369
C. Decreases	32,864	27,832
C.1 Benefit payments	13,126	16,733
C.2 Other decreases	19,738	11,098
D. Closing balance	172,471	197,279
Total	172,471	197,279

The table reports changes in the provision for termination benefits under the Italian severance pay mechanism (*trattamento di fine rapporto*, TFR). It does not report payments to external pension funds and the INPS treasury fund, which are presented in Section 8 “Other liabilities”.

The sub-item C.1 “Decreases – Benefit payments” reports uses of the termination benefit provision associated with advances granted in accordance with applicable regulations and national collective bargaining agreements and with terminations of the employment relationship.

9.2 OTHER INFORMATION

With regard to the provision for TFR benefits, service cost totaled €1.9 million, while interest cost came to €5.4 million. Net actuarial gains amounted to €5 million.

The following are the main actuarial and demographic assumptions adopted in measuring the provision at the reporting date:

- discount rate: Euro Composite AA yield curve at December 31, 2025;
- expected rate of increase in remuneration: between 0.50% and 3.5%;
- turnover: 2.08% average;
- ISTAT mortality tables.

The following reports the findings of the sensitivity analysis of the present value of the defined benefit obligation (DBO) at the end of the period using a discount rate adjusted by +0.25% and -0.25% compared with that actually used:

- in the case of an increase of 0.25%, the TFR provision would amount to €169.8 million;
- in the case of a decrease of 0.25% the TFR provision would amount to €174.9 million.

SECTION 10 - PROVISIONS FOR RISKS AND CHARGES – ITEM 100

10.1 PROVISIONS FOR RISKS AND CHARGES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
1. Provisions for credit risk in respect of commitments and financial guarantees issued	191,831	268,203
2. Provisions for other commitments and guarantees issued	-	-
3. Company pension plans	-	-
4. Other provisions for risks and charges	399,612	389,921
4.1 legal disputes	98,307	97,639
4.2 personnel expense	127,525	158,816
4.3 other	173,780	133,466
Total	591,443	658,125

Item 1. “Provisions for credit risk in respect of commitments and financial guarantees issued” includes provisions for credit risk in respect of commitments to disburse funds and financial guarantees issued that are subject to the impairment rules of IFRS 9.

The sub-item 4.1 “legal disputes” mainly includes provisions for disputes over interest, compound interest, contract terms and banking and investment services, as well as provisions for labor disputes and legal costs for debt collection.

The main provisions recognized under sub-item 4.2 “personnel expenses” include that for termination incentives in the amount of about €75 million and for employee loyalty bonus, in the amount of about €37 million.

The sub-item 4.3 “Other” includes, among other things, allocations to charity funds from profit for the previous year, in the amount of about €125 million.

10.2 PROVISIONS FOR RISKS AND CHARGES: CHANGE FOR THE PERIOD

	Provisions in respect of commitments and other guarantees issued	Retirement provisions	Other provisions	Total
A. Opening balance	-	-	389,921	389,921
B. Increases	-	-	187,281	187,281
B.1 Provisions for the year	-	-	144,183	144,183
B.2 Changes due to passage of time	-	-	201	201
B.3 Changes due to changes in the discount rate	-	-	46	46
B.4 Other increases	-	-	42,851	42,851
C. Decreases	-	-	177,590	177,590
C.1 Use during the period	-	-	140,673	140,673
C.2 Changes due to changes in the discount rate	-	-	5	5
C.3 Other decreases	-	-	36,912	36,912
D. Closing balance	-	-	399,612	399,612

10.3 PROVISIONS FOR CREDIT RISK IN RESPECT OF COMMITMENTS AND FINANCIAL GUARANTEES ISSUED

	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total
Commitments to disburse funds	40,798	21,337	40,016	-	102,151
Financial guarantees issued	23,095	20,630	45,955	-	89,680
Total	63,893	41,967	85,971	-	191,831

10.4 PROVISIONS IN RESPECT OF OTHER COMMITMENTS AND GUARANTEES ISSUED

There are no such positions as of the reporting date.

10.5 DEFINED-BENEFIT COMPANY PENSION PLANS

There are no such positions as of the reporting date.

10.6 PROVISIONS - OTHER

Please see the comments to table 10.1 “Provisions for risks and charges: composition”.

SECTION 11 - INSURANCE LIABILITIES - ITEM 110

There are no such positions as of the reporting date.

SECTION 12 - REDEEMABLE SHARES - ITEM 130

There are no such positions as of the reporting date.

SECTION 13 - SHAREHOLDERS' EQUITY - ITEMS 120, 130, 140, 150, 160, 170 AND 180**13.1 "SHARE CAPITAL" AND "TREASURY SHARES": BREAKDOWN**

As described in Part A Accounting Policies, Section 3 – Scope and methods of consolidation, pursuant to Law 145 of December 30, 2018 ("2019 Budget Act") the Parent Company, Iccrea Banca SpA, and the affiliated mutual banks under the Cohesion Contract represent a single consolidating entity. In the Group's shareholders' equity, share capital is therefore represented by the share capital of the Parent Company and that of the mutual banks. The intercompany portion, represented by shares of the Parent Company held by the mutual banks belonging to the Group under the provisions of the Cohesion Contract, is reported under treasury shares, as the shares were issued and subscribed by the single consolidating entity.

Share capital is represented by 27,125,759 ordinary shares with a par value of €51.65 each, for a total of €1,401,045,452.

As at the reporting date, share capital of the mutual banks belonging to the Iccrea Cooperative Banking Group amounted to €997,604,056 (€883,054,202 net of shares issued pursuant to Article 150-ter by six mutual banks and subscribed by the Parent Company). In accordance with the bylaws of the mutual banks, their share capital is variable as it is composed of shares that in principle can be issued without limit.

13.2 SHARE CAPITAL – NUMBER OF SHARES OF THE PARENT COMPANY: CHANGE FOR THE PERIOD

	Ordinary	Other
A. Shares at the start of the year	27,125,759	-
- fully paid	27,125,759	-
- partially paid	-	-
A.1 Treasury shares (-)	(26,439,705)	-
A.2 Shares in circulation: opening balance	686,054	-
B. Increases	-	-
B.1 new issues	-	-
- for consideration:	-	-
- business combinations	-	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- bonus issues:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sales of own shares	-	-
B.3 Other changes	-	-
C. Decreases	-	-
C.1 Cancellation	-	-
C.2 Purchase of own shares	(1,262)	-
C.3 Disposal of companies	-	-
C.4 Other changes	-	-
D. Shares in circulation: closing balance	684,792	-
D.1 Treasury shares (+)	26,440,967	-
D.2 Shares at the end of the year	27,125,759	-
- fully paid	27,125,759	-
- partially paid	-	-

13.3 SHARE CAPITAL– OTHER INFORMATION

The Group share capital of €2,284,099,654 is represented only by ordinary shares (subscribed share capital, fully paid up).

13.4 EARNINGS RESERVES: OTHER INFORMATION

Group reserves amount to a total €14.4 billion.

In particular, earning reserves amount to €14.4 billion and include, among the largest, the legal reserve in the amount of €14.9 billion as well as a negative IFRS 9 reserve of €1.6 billion.

13.5 EQUITY INSTRUMENTS: BREAKDOWN AND CHANGE FOR THE PERIOD

The item amounts to €30 million and is represented by six Additional Tier 1 bonds issued by mutual banks between 2016 and 2018.

13.6 OTHER INFORMATION

Additional disclosure is not necessary.

SECTION 14 - NON-CONTROLLING INTERESTS – ITEM 190

14.1 BREAKDOWN OF ITEM 190 “NON-CONTROLLING INTERESTS”

	Total 31/12/2025	Total 31/12/2024
Equity investments in consolidated companies with significant non-controlling interests		
BCC Sistemi Informatici SpA	12,175	11,837
Total	12,175	11,837

14.2 EQUITY INSTRUMENTS: BREAKDOWN AND CHANGE FOR THE PERIOD

The consolidated capital of the Iccrea Cooperative Banking Group does not include equity instruments issued by group companies that are not wholly owned.

OTHER INFORMATION

1. GUARANTEES ISSUED AND COMMITMENTS

	Nominal value of financial guarantees issued and commitments				Total 31/12/2025	Total 31/12/2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
Commitments to disburse funds	24,941,746	1,514,104	168,709	-	26,624,559	24,012,908
a) Central banks	-	-	-	-	-	-
b) Government entities	1,146,299	76,193	1,353	-	1,223,845	1,159,578
c) Banks	64,832	80,625	-	-	145,458	110,211
d) Other financial companies	3,206,817	163,661	3,736	-	3,374,214	1,573,587
e) Non-financial companies	17,955,120	1,077,226	150,834	-	19,183,181	18,530,436
f) Households	2,568,676	116,399	12,786	-	2,697,862	2,639,095
Financial guarantees issued	3,029,436	496,267	58,655	-	3,584,358	3,602,468
a) Central banks	-	-	-	-	-	-
b) Government entities	71,798	121	119	-	72,038	58,583
c) Banks	389,273	16,044	-	-	405,316	461,997
d) Other financial companies	169,681	69,752	316	-	239,750	227,719
e) Non-financial companies	2,024,713	356,944	52,957	-	2,434,614	2,441,340
f) Households	373,971	53,405	5,263	-	432,639	412,829

2. OTHER COMMITMENTS AND GUARANTEES ISSUED

The table has not been completed because there were no such positions as of the reporting date.

3. ASSETS PLEDGED AS COLLATERAL FOR OWN DEBTS AND COMMITMENTS

	Amount 31/12/2025	Amount 31/12/2024
1. Financial assets measured at fair value through profit or loss	356,885	358,328
2. Financial assets measured at fair value through other comprehensive income	954,477	1,293,861
3. Financial assets measured at amortized cost	18,816,980	28,271,298
4. Property, plant and equipment	-	-
of which: property, plant and equipment classified as inventories	-	-

4. COMPOSITION OF INVESTMENTS ASSOCIATED WITH UNIT-LINKED AND INDEX-LINKED POLICIES

The table has not been completed because there were no such positions as of the reporting date.

5. MANAGEMENT AND INTERMEDIATION SERVICES

	Amount 31/12/2025
1. Order execution on behalf of customers	42,669,441
a) Purchases	29,568,475
1. settled	29,549,348
2. not settled	19,128
b) Sales	13,100,966
1. settled	13,088,635
2. not settles	12,331
2. Asset management	18,326,030
a) Individual	11,205,788
b) Collective	7,120,241
3. Securities custody and administration	92,559,312
a) Third-party securities held as part of custodian bank services (excluding asset management)	-
1. Securities issued by consolidated companies	-
2. other securities	-
b) Other third-party securities on deposit (excluding asset management): other	33,927,517
1. Securities issued by consolidated companies	1,142,841
2. other securities	32,784,676
c) Third-party securities deposited with third parties	33,846,468
d) Securities owned by bank deposited with third parties	58,631,796
4. Other transactions	34,371,621

6. FINANCIAL ASSETS OFFSET IN THE FINANCIAL STATEMENTS OR GOVERNED BY MASTER NETTING AGREEMENTS OR SIMILAR AGREEMENTS

	Gross amount of financial assets (a)	Financial liabilities offset (b)	Net amount of financial assets reported (c=a-b)	Related amounts not offset		Net amount (f=c-d-e) 31/12/2025	Net amount 31/12/2024
				Financial instruments (d)	Cash collateral received (e)		
1. Derivatives	1,175,105	57,281	1,117,824	142,495	907,876	67,453	4,631
2. Repurchase agreements	-	-	-	-	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31/12/2025	1,175,105	57,281	1,117,824	142,495	907,876	67,453	X
Total 31/12/2024	924,128	168,221	755,907	102,733	648,543	X	4,631

7. FINANCIAL LIABILITIES OFFSET IN THE FINANCIAL STATEMENTS OR GOVERNED BY MASTER NETTING AGREEMENTS OR SIMILAR AGREEMENTS

	Gross amount of financial liabilities (a)	Financial assets offset (b)	Net amount of financial liabilities reported (c=a-b)	Related amounts not offset		Net amount (f=c-d-e) 31/12/2025	Net amount 31/12/2024
				Financial instruments (d)	Cash collateral received (e)		
1. Derivatives	301,583	57,281	244,301	158,964	92,882	(7,545)	3,339
2. Repurchase agreements	-	-	-	-	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31/12/2025	301,583	57,281	244,301	158,964	92,882	(7,545)	X
Total 31/12/2024	465,652	168,221	297,431	151,447	142,645	X	3,339

8. SECURITIES LENDING TRANSACTIONS

No information to report.

9. DISCLOSURES ON JOINT ARRANGEMENTS

Please see information in section 7 of assets.

PART C - INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

SECTION 1 - INTEREST -ITEMS 10 AND 20

1.1 INTEREST AND SIMILAR INCOME: BREAKDOWN

	Debt securities	Loans	Other transactions	Total 31/12/2025	Total 31/12/2024
1. Financial assets measured at fair value through profit or loss	9,728	4,088	1,869	15,685	20,430
1.1 Financial assets held for trading	2,810	-	1,869	4,680	3,567
1.2 Financial assets designated at fair value	4,403	29	-	4,431	9,009
1.3 Other financial assets mandatorily at fair value	2,515	4,059	-	6,574	7,853
2. Financial assets measured at fair value through other comprehensive income	173,575	-	X	173,575	181,900
3. Financial assets measured at amortized cost	1,249,213	3,865,752	-	5,114,964	6,030,586
3.1 Due from banks	57,171	29,880	X	87,051	174,879
3.2 Loans to customers	1,192,042	3,835,872	X	5,027,913	5,855,707
4. Hedging derivatives	X	X	112,311	112,311	300,648
5. Other assets	X	X	194,417	194,417	230,999
6. Financial liabilities	X	X	X	195	1,616
Total	1,432,516	3,869,839	308,597	5,611,147	6,766,179
of which: interest income on impaired financial assets	1,779	106,241	-	108,020	132,228
of which: interest income on finance leases	X	175,817	X	175,817	207,667

Interest on loans to customers include interest income in respect of loans to customers of €3.8 billion, down by €721 million on the end of 2024, mainly reflecting the decrease in interest rates during the period, mainly on loans to households.

Interest income on debt securities came to €1.4 billion, and mainly includes interest on securities issued by government entities, a decrease of €129 million compared with December 31, 2024 also reflecting the decrease in rates in the period.

“Hedging derivatives” include differences on hedging derivatives adjusting interest income on the hedged financial instruments, securities and loans.

The amount reported under “Other assets” regards interest income on tax credits associated with government tax incentive programs established since 2020 (the “ecobonus”) building renovation program, down compared with 2024, reflecting a decrease in volumes.

1.2 INTEREST AND SIMILAR INCOME: OTHER INFORMATION

1.2.1 INTEREST INCOME ON FOREIGN-CURRENCY FINANCIAL ASSETS

Interest received on financial assets in foreign currency totals €11 million and mainly regard current accounts and deposits (€4.9 million) and other financing (€6.1 million).

1.3 INTEREST AND SIMILAR EXPENSE: BREAKDOWN

	Debt	Securities	Other transactions	Total 31/12/2025	Total 31/12/2024
1. Financial liabilities measured at amortized cost	(1,162,059)	(452,047)	X	(1,614,106)	(2,367,333)
1.1 Due to central banks	(31,892)	X	X	(31,892)	(370,600)
1.2 Due to banks	(50,857)	X	X	(50,857)	(70,631)
1.3 Due to customers	(1,079,310)	X	X	(1,079,310)	(1,495,527)
1.4 Securities issued	X	(452,047)	X	(452,047)	(430,576)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	(1,869)	-	(1,869)	-
4. Other liabilities and provisions	X	X	(662)	(662)	(2,181)
5. Hedging derivatives	X	X	1,572	1,572	(18,716)
6. Financial assets	X	X	X	(3,838)	(14,417)
Total	(1,162,059)	(453,916)	910	(1,618,903)	(2,402,647)
of which: interest expense on finance leases	(8,933)	X	X	(8,933)	(8,918)

The item 1.1 “Due to central banks” includes interest on loans from the European Central Bank. The decrease compared with 2023, equal to about €339 million, reflects the repayments during the year.

The decrease in item 1.3 “Due to customers”, equal to €416 million, reflects the decrease in interest rates on funding from customers in the period.

The item 1.4 “Securities issued” regards interest expense accrued in the period on bonds and certificates of deposit measured at amortized cost. The slight increase compared with 2024 is connected with issues carried out by the Group in the period.

1.4 INTEREST AND SIMILAR EXPENSE: OTHER INFORMATION**1.4.1 INTEREST EXPENSE ON FOREIGN-CURRENCY LIABILITIES**

Interest expense incurred by the Group on foreign-currency liabilities amounted to €3.0 million and is essentially accounted for by current accounts and deposits.

1.5 DIFFERENCES ON HEDGING TRANSACTIONS

	Total 31/12/2025	Total 31/12/2024
A. Positive differences on hedging transactions:	684,729	308,626
B. Negative differences on hedging transactions:	(570,846)	(26,694)
C. Balance (A-B)	113,883	281,932

SECTION 2 - FEES AND COMMISSIONS – ITEMS 40 AND 50

2.1 FEE AND COMMISSION INCOME: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
a) Financial instruments	93,211	85,134
1. Securities placement	15,919	13,513
1.1 With underwriting and/or irrevocable commitment	-	-
1.2 Without irrevocable commitment	15,919	13,513
2. Order receipt and transmission and order execution for customers	33,195	29,136
2.1 Order receipt and transmission for one or more financial instruments	28,159	26,478
2.2 Order execution for customers	5,036	2,657
3. Other fees and commissions connected with financial instruments	44,097	42,485
of which: trading on own account	642	642
of which: individual portfolio management	43,455	41,842
b) Corporate finance	-	-
1. Merger and acquisition advisory services	-	-
2. Treasury services	-	-
3. Other fees and commissions connected with corporate finance services	-	-
c) Investment advisory services	1,155	1,059
d) Clearing and settlement	-	-
e) Collective portfolio management	92,954	74,914
f) Custody and administration	8,731	8,786
1. Depository bank	-	-
2. Other fees and commissions connected with custody and administration services	8,731	8,786
g) Central administrative services for collective portfolio management	-	-
h) Trustee services	-	-
i) Payment services	1,108,125	1,107,475
1. Current accounts	561,202	562,856
2. Credit cards	42,120	42,748
3. Debit cards and other payment cards	78,621	75,786
4. Credit transfers and other payment orders	180,229	189,893
5. Other fees and commissions connected with payment services	245,953	236,191
j) Distribution of third-party services	334,215	295,903
1. Collective portfolio management	1,061	1,176
2. Insurance products	128,953	112,739
3. Other products	204,201	181,988
of which: individual portfolio management	6,268	6,243
k) Structured finance	-	73
l) Securitization servicing	2,202	1,156
m) Commitments to disburse funds	-	-
n) Financial guarantees issued	25,732	25,978
of which: credit derivatives	-	-
o) Lending transactions	15,814	16,122
of which: for factoring transactions	7,217	6,368
p) Currency trading	5,432	5,462
q) Goods	-	-
r) Other fee and commission income	67,516	67,337
of which: for management of multilateral trading facilities	-	-
of which: for management of organized trading facilities	-	-
Total	1,755,087	1,689,398

The composition of fee and commission income, totaling €1.8 billion, an increase compared with December 31, 2024, reflects the operations of the Group's mutual banks, which are typically composed of customer current accounts (€561.2 million), other payment services (€546.9 million) and distribution of third-party products and services (€334.2 million, including insurance products for €129 million).

Fees and commissions concerning item e) collective portfolio management came to €93 million, and regard assets management activities which are exclusively performed by the Group asset management company. These were

accompanied by management fees on individual portfolios, represented under item a) 3, and amounting to €43.5 million.

The following table provides disclosures on the breakdown by business segment of revenues from contracts with customers, as required under IFRS 15, paragraphs 114 and 115.

€/thousand	CORPORATE	INSTITUTIONAL	RETAIL	MUTUAL BANKS	INTER-SEGMENT TRANSACTIONS	TOTAL
Guarantees issued	40	3,658	-	24,864	(2,830)	25,732
Management, intermediation and advisory services	-	32,954	129,212	97,108	(63,224)	196,050
Holding and management of current accounts	7	693	5	560,702	(204)	561,202
Collection and payment services	10	568,422	4	533,564	(597,196)	504,803
Distribution of third-party products	5,042	5,531	200,781	353,364	(230,504)	334,215
Other services	9,966	96,391	2,550	80,436	(56,258)	133,085
Fee and commission income	15,066	707,647	332,552	1,650,038	(950,216)	1,755,087

As regards the other disclosures required under IFRS 15, the main types of revenues from contracts with customers are recognized as follows:

- fees and commissions from the management of individual and collective portfolios are mainly recognized “over time”;
- fees and commissions from securities placement are recognized “at a point in time”;
- fees and commissions from order collections and transmission are mainly recognized “at a point in time”;
- fees from the distribution of third-party products are typically recognized “at a point in time”;
- fees and commissions from collection and payment services are recognized “at a point in time”;
- fees and commissions from holding and managing current accounts and other services are recognized “at a point in time” or “over time”, depending on the specific nature of the fees and commissions.

2.2 FEE AND COMMISSION EXPENSE: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
a) Financial instruments	(4,488)	(4,820)
of which: trading in financial instruments	(576)	(1,369)
of which: placement of financial instruments	(221)	(108)
of which: individual portfolio management	(3,691)	(3,343)
- Own	(3,588)	(3,178)
- Delegated to third parties	(103)	(165)
b) Clearing and settlement	(2,268)	(1,973)
c) Collection portfolio management	-	-
1. Own	-	-
2. Delegated to third parties	-	-
d) Custody and administration	(6,832)	(5,808)
e) Collection and payment services	(260,779)	(252,381)
of which: credit cards, debit cards and other payment cards	(252,273)	(241,493)
f) Securitization servicing	(298)	(258)
g) Commitments to receive funds	-	-
h) Financial guarantees received	(4,122)	(2,584)
of which: credit derivatives	-	-
i) Off-premises marketing of financial instruments, products and services	(3,749)	(3,444)
j) Currency trading	(79)	(225)
k) Other fee and commission expense	(16,959)	(13,386)
Total	(299,576)	(284,879)

SECTION 3 - DIVIDENDS AND SIMILAR REVENUES – ITEM 70**3.1 DIVIDENDS AND SIMILAR REVENUES: BREAKDOWN**

	Total 31/12/2025		Total 31/12/2024	
	Dividends	Similar revenues	Dividends	Similar revenues
A. Financial assets held for trading	33	36	10	10
B. Other financial assets mandatorily measured at fair value	1,662	1,593	1,779	3,087
C. Financial assets measured at fair value through other comprehensive income	18,942	112	19,683	180
D. Equity investments	1,310	-	256	-
Total	21,947	1,741	21,728	3,277

The main components of this item include dividends received on the interest held in the Bank of Italy in the amount of €17 million, classified under financial assets measured at fair value through other comprehensive income.

SECTION 4 - NET GAIN (LOSS) ON TRADING ACTIVITIES – ITEM 80

4.1 NET GAIN (LOSS) ON TRADING ACTIVITIES: BREAKDOWN

	Capital gains (A)	Trading profits (B)	Capital losses (C)	Trading losses	Net gain (loss) (A+B) – (C+D)
1. Financial assets held for trading	3,281	42,039	(892)	(11,036)	33,391
1.1 Debt securities	98	11,197	(64)	(1,736)	9,495
1.2 Equity securities	40	745	(91)	(364)	330
1.3 Units in collective investment undertakings	4	76	(89)	(50)	(59)
1.4 Loans	-	-	-	-	-
1.5 Other	3,139	30,021	(648)	(8,886)	23,626
2. Financial liabilities held for trading	-	-	-	-	-
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: foreign exchange differences	X	X	X	X	33,402
4. Derivatives	84,279	101,991	(109,586)	(75,367)	(31,118)
4.1 Financial derivatives:	84,279	101,991	(109,586)	(75,367)	(31,118)
- on debt securities and interest rates	79,886	101,991	(105,359)	(74,637)	1,881
- on equity securities and equity indices	4,393	-	(4,227)	(730)	(565)
- on foreign currencies and gold	X	X	X	X	(32,434)
- other	-	-	-	-	-
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges connected with fair value option	X	X	X	X	-
Total	87,560	144,030	(110,478)	(86,403)	35,676

The net gain/(loss) on “Financial assets and liabilities: foreign exchange differences” reports the balance of changes in the value of financial assets and liabilities denominated in foreign currencies, regardless of the accounting portfolio in which they are recognized, which correlate with the amount reported under “Financial derivatives on foreign currencies and gold”.

SECTION 5 - NET GAIN (LOSS) ON HEDGING ACTIVITIES – ITEM 90

5.1 NET GAIN (LOSS) ON HEDGING ACTIVITIES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
A. Gain on:		
A.1 Fair value hedges	679,006	122,522
A.2 Hedged financial assets (fair value)	8,764	205,044
A.3 Hedged financial liabilities (fair value)	16,172	623
A.4 Cash flow hedges	515	276
A.5 Assets and liabilities in foreign currencies	-	-
Total income on hedging activities (A)	704,457	328,465
B. Loss on:		
B.1 Fair value hedges	(66,261)	(265,228)
B.2 Hedged financial assets (fair value)	(632,918)	(39,042)
B.3 Hedged financial liabilities (fair value)	(2,119)	(24,307)
B.4 Cash flow hedges	(650)	(1,577)
B.5 Assets and liabilities in foreign currencies	-	-
Total expense on hedging activities (B)	(701,948)	(330,153)
C. Net gain (loss) on hedging activities (A - B)	2,509	(1,687)
of which: net gain (loss) of hedges of net positions	-	21

As indicated in Part A “Accounting policies” of these notes to the financial statements, for the purposes of accounting for the results of hedging, the Group has exercised the option provided for in paragraph 7.2.21 of IFRS 9 to continue applying the provisions on hedge accounting envisaged by IAS 39.

SECTION 6 - GAIN (LOSS) ON DISPOSAL OR REPURCHASE – ITEM 100

6.1 GAIN (LOSS) ON DISPOSAL OR REPURCHASE: BREAKDOWN

	Total 31/12/2025			Total 31/12/2024		
	Gains	Losses	Net gain (loss)	Gains	Losses	Net gain (loss)
Financial assets						
1. Financial assets measured at amortized cost	220,221	(100,029)	120,192	216,634	(126,964)	89,671
1.1 Due from banks	2,915	(483)	2,432	3,927	(3,852)	76
1.2 Loans to customers	217,306	(99,546)	117,760	212,707	(123,112)	89,595
2. Financial assets measured at fair value through other comprehensive income	41,266	(22,618)	18,648	58,115	(55,985)	2,130
2.1 Debt securities	41,266	(22,618)	18,648	58,115	(55,985)	2,130
2.2 Loans	-	-	-	-	-	-
Total assets (A)	261,487	(122,647)	138,840	274,749	(182,948)	91,801
Financial liabilities measured at amortized cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	493	(318)	175	817	(593)	224
Total liabilities (B)	493	(318)	175	817	(593)	224

This reports the positive or negative balances between the gains and losses realized with the sale of financial assets or repurchase of financial liabilities other than those held for trading or designated as at fair value.

The gain (loss) on disposal amounts to about €139 million and is mainly attributable to gains on the disposal of loans by banks of the Group (€98.3 million), and gains on the disposal of debt securities measured at amortized cost and assets measured at FV through other comprehensive income (€40.5 million).

SECTION 7 - NET ADJUSTMENTS OF OTHER FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS – ITEM 110

7.1 NET ADJUSTMENTS OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS: BREAKDOWN OF FINANCIAL ASSETS AND LIABILITIES DESIGNATED AS AT FAIR VALUE

	Capital gains (A)	Profits on realization (B)	Capital losses (C)	Losses on realization (D)	Net gain (loss) [(A+B) - (C+D)]
1. Financial assets	3,320	96	(165)	(379)	2,872
1.1 Debt securities	3,310	96	(14)	(379)	3,013
1.2 Loans	10	-	(151)	-	(140)
2. Financial liabilities	1,624	-	-	(18)	1,606
2.1 Securities issued	1,624	-	-	(18)	1,606
2.2 Due to banks	-	-	-	-	-
2.3 Due to customers	-	-	-	-	-
3. Financial assets and liabilities: foreign exchange rate differences	X	X	X	X	-
Total	4,944	96	(164)	(397)	4,479

The net gain for the item 1.1 Debt securities regards securities in which the liquidity of the Guarantee Scheme is invested.

7.2 NET ADJUSTMENTS OF OTHER FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS: BREAKDOWN OF OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE

	Capital gains (A)	Profits on realization (B)	Capital losses (C)	Losses on realization (D)	Net gain (loss) [(A+B) - (C+D)]
1. Financial assets	34,760	11,721	(101,242)	(1,913)	(56,674)
1.1 Debt securities	3,126	227	(316)	(170)	2,867
1.2 Equity securities	6,074	4,521	(6,266)	(809)	3,520
1.3 Units in collective investment undertakings	13,147	6,434	(23,249)	(931)	(4,599)
1.4 Loans	12,414	539	(71,411)	(3)	(58,461)
2. Financial assets: foreign exchange rate differences	X	X	X	X	(231)
Total	34,760	11,721	(101,242)	(1,913)	(56,905)

The sub-item 1.4 loans mainly regards the capital losses from the fair value measurement of financing granted by the mutual banks to the Deposit Guarantee Fund within the Group's guarantee system, which is related with net writebacks on provisions for risks and charges (provisions for credit risk in respect of commitments).

SECTION 8 - NET LOSSES/RECOVERIES FOR CREDIT RISK – ITEM 130

8.1 NET LOSSES/RECOVERIES FOR CREDIT RISK IN RESPECT OF FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN

	Losses (1)						Recoveries (2)				Total 31/12/2025	Total 31/12/2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
			Write-offs	Other	Write-offs	Other						
A. Due from banks	(1,415)	(558)	-	-	-	-	5,143	2,231	-	-	5,400	(3,630)
- loans	(560)	(503)	-	-	-	-	2,968	2,096	-	-	4,001	(2,799)
- debt securities	(855)	(55)	-	-	-	-	2,174	135	-	-	1,399	(831)
B. Loans to customers	(165,426)	(179,232)	(67,674)	(982,248)	-	(69)	298,462	156,821	700,363	267	(238,736)	(332,694)
- loans	(163,063)	(162,223)	(66,995)	(959,718)	-	(69)	296,753	144,903	700,022	267	(210,122)	(323,394)
- debt securities	(2,364)	(17,009)	(679)	(22,530)	-	-	1,708	11,918	342	-	(28,614)	(9,300)
Total	(166,841)	(179,790)	(67,674)	(982,248)	-	(69)	303,604	159,052	700,363	267	(233,336)	(336,324)

The value adjustments reported in the “Stage 1” and “Stage 2” columns regard collective writedowns on performing loans.

The value adjustments in the “Stage 3 - Other” column regard analytical writedowns of impaired past-due loans and those classified as unlikely to pay and bad loans, while those reported in the “Stage 3 - Writeoffs” column reflect extinguishing events, with the losses recognized following the definitive derecognition of the financial instruments.

At December 31, 2025, net losses for credit risk in respect of loans to customers came to €210.1 million, down compared with 2024 also in relation to the robust monitoring of non-performing positions implemented by the Group since its establishment, with a coverage ratio for those positions of 75.8%.

8.2 NET LOSSES FOR CREDIT RISK IN RESPECT OF FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN

	Losses (1)						Recoveries (2)				Total 31/12/2025	Total 31/12/2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired			
Write-offs	Other	Write-offs	Other									
A. Debt securities	(1,677)	(599)	-	(947)	-	-	2,083	445	-	-	(695)	(589)
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- to customers	-	-	-	-	-	-	-	-	-	-	-	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	(1,677)	(599)	-	(947)	-	-	2,083	445	-	-	(695)	(589)

SECTION 9 - GAINS (LOSSES) FROM CONTRACT MODIFICATIONS WITHOUT DERECOGNITION – ITEM 140

9.1 GAINS (LOSSES) FROM CONTRACT MODIFICATIONS: BREAKDOWN

The item, a negative €0.9 million, includes the impact of modifications of medium/long-term loan contracts with customers that, in compliance with IFRS 9, do not produce the derecognition of the assets but rather involve the recognition in profit or loss of the changes in the contractual cash flows.

The amounts do not include the impact of contract modifications on expected losses, which is recognized under item 130 – Net losses/recoveries for credit risk.

SECTION 10 - PROFIT (LOSS) FROM INSURANCE SERVICES - ITEM 160

There are no such positions as of the reporting date.

SECTION 11 - NET FINANCIAL INCOME (EXPENSE) FROM INSURANCE ACTIVITIES - ITEM 170

There are no such positions as of the reporting date.

SECTION 12 - ADMINISTRATIVE EXPENSES – ITEM 190

12.1 PERSONNEL EXPENSES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
1) Employees	(1,987,259)	(2,028,653)
a) wages and salaries	(1,372,330)	(1,338,436)
b) social security contributions	(331,081)	(326,966)
c) termination benefits	(10,277)	(11,055)
d) pension expenditure	(2)	(5)
e) allocation to employee termination benefit provision	(15,105)	(22,884)
f) allocation to provision for post-employment benefits and similar obligations:	-	-
- defined contribution	-	-
- defined benefit	-	-
g) payments to external pension funds:	(132,267)	(123,318)
- defined contribution	(132,144)	(123,207)
- defined benefit	(123)	(111)
h) costs from share-based payment plans	-	-
i) other employee benefits	(126,197)	(205,989)
2) Other personnel	(23,861)	(22,112)
3) Board of Directors and members of Board of Auditors	(56,169)	(53,273)
4) Retired personnel	-	-
Total	(2,067,289)	(2,104,038)

Group personnel expenses totaled €2.1 billion, slightly down from the end of the previous year mainly reflecting the net effect of:

- the renewal of the national collective bargaining agreement for professional areas and managers, in the first half of the year;
- the decrease in the cost of early termination incentives represented in sub-item 1) i) other employee benefits.

Item 1) g) “payments to external pension funds: - defined contribution” includes the employee TFR fund provisioned and transferred to the national pension fund for the industry.

12.2 AVERAGE NUMBER OF EMPLOYEES BY CATEGORY

	Total 31/12/2025	Total 31/12/2024
Employees:	21,583	21,555
a) senior management	380	386
b) middle management	6,864	6,765
c) other employees	14,339	14,404
Other personnel	339	349
Total	21,922	21,904

12.3 DEFINED-BENEFIT COMPANY PENSION PLANS: TOTAL COSTS AND REVENUES

At the reporting date, the company had no defined-benefit pension plans, with no associated costs or revenues.

12.4 OTHER EMPLOYEE BENEFITS

	Total 31/12/2025	Total 31/12/2024
Early termination incentives and income support fund	(18,419)	(110,061)
Lunch vouchers	(35,538)	(33,053)
Insurance policies	(13,380)	(8,405)
Medical checkups	(328)	(423)
Training	(7,056)	(6,713)
Long-service bonuses	(4,030)	(4,461)
Other benefits	(47,446)	(42,873)
Total	(126,197)	(205,989)

12.5 OTHER ADMINISTRATIVE EXPENSES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
Information technology	(299,862)	(177,809)
Property and movables	(96,161)	(89,236)
Rental and fees	(13,814)	(10,884)
Ordinary maintenance	(69,906)	(66,664)
Other (security, reception etc.)	(12,441)	(11,687)
Goods and services	(161,757)	(157,441)
Telephone, data transmission, infoprovider	(43,937)	(39,612)
Postal	(26,087)	(23,681)
Asset transport and counting	(18,293)	(18,176)
Electricity, heating and water	(38,834)	(40,204)
Transportation and travel	(22,715)	(22,427)
Office supply and printed materials	(9,370)	(10,545)
Subscriptions, magazines and newspapers	(2,522)	(2,797)
Professional services	(166,187)	(198,023)
Professional fees (other than audit fees)	(96,439)	(102,460)
Audit fees	(7,095)	(7,544)
Legal and notary costs	(40,543)	(42,007)
Court costs, information and title searches	(22,111)	(46,012)
Administrative services	(35,003)	(37,545)
Insurance	(24,836)	(23,555)
Promotional, advertising and entertainment expenses	(70,273)	(63,075)
Association dues	(34,414)	(35,132)
Donations	(4,477)	(4,888)
Other	(26,231)	(28,756)
Indirect taxes and duties	(316,278)	(332,637)
Total	(1,235,479)	(1,148,096)

Other administrative expenses totaled €1.2 billion, up by about €87.4 million on 2024, mainly reflecting:

- the increase in information technology mainly due to the disposal of the IT segment of BCC Sistemi Informatici outside the Group;
- the decrease in contribution to the Deposit Guarantee Fund, included under indirect tax and duties, mainly attributable to the achievement of the funding ceilings.

Pursuant to Article 2427, paragraph 16-bis of the Italian Civil Code, we set out below the fees paid in 2025 by the Iccrea Group to the audit firms Forvis Mazars SpA and EY SpA (and other entities belonging to its network):

- statutory audit of the annual accounts (including the auditing of the interim financial statements) for about €4.8 million;

PART C - INFORMATION ON THE CONSOLIDATED INCOME STATEMENT

- other audit-related services (certifications, signing of tax returns, MIFID II/MIFIR, Comfort Letter) for €0.7 million;
- other services for about €1.7 million.

These amounts are reported net of VAT, CONSOB fees and expenses.

SECTION 13 - NET PROVISIONS FOR RISKS AND CHARGES – ITEM 200

This section provides details of the provisions and write-backs relating to the following categories of provisions for risks and charges:

- provisions for credit risk in respect of commitments to disburse funds and financial guarantees issued falling within the scope of IFRS 9;
- other provisions for risks and charges.

13.1 PROVISIONS FOR CREDIT RISK IN RESPECT OF COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED: BREAKDOWN

	31/12/2025		Total
	Provisions	Reallocations of excesses	
Commitments to disburse funds Stage 1	(20,715)	55,253	34,538
Commitments to disburse funds Stage 2	(12,181)	8,304	(3,877)
Commitments to disburse funds Stage 3	(28,021)	34,070	6,049
Financial guarantees issued Stage 1	(11,468)	44,159	32,691
Financial guarantees issued Stage 2	(10,656)	13,285	2,629
Financial guarantees issued Stage 3	(18,043)	19,451	1,408
Total	(101,083)	174,522	73,438

Reallocations also include the writebacks on provisions for risk and charges in respect of commitments of the mutual banks to the Deposit Guarantee Fund following enforcement of the guarantee.

13.2 NET PROVISIONS IN RESPECT OF OTHER COMMITMENTS TO DISBURSE FUNDS AND GUARANTEES ISSUED: BREAKDOWN

There are no such positions as of the reporting date.

13.3 NET PROVISIONS FOR OTHER RISKS AND CHARGES: BREAKDOWN

	31/12/2025		Total
	Provisions	Reallocations of excesses	
Legal disputes	(26,705)	13,792	(12,913)
Other	(9,092)	4,247	(4,845)
Total	(35,797)	18,039	(17,758)

SECTION 14 - NET ADJUSTMENTS OF PROPERTY, PLANT AND EQUIPMENT - ITEM 210

14.1 NET ADJUSTMENTS OF PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN

	Depreciation (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Property, plant and equipment				
1 Operating assets	(180,840)	(2,163)	7	(182,996)
- Owned	(107,170)	(2,163)	7	(109,327)
- Right of use of leased assets	(73,669)	-	-	(73,670)
2 Investment property	(3,713)	(1,905)	89	(5,529)
- Owned	(3,713)	(1,905)	89	(5,529)
- Right-of-use assets in respect of leases	-	-	-	-
3 Inventories	X	(973)	457	(515)
Total	(184,553)	(5,041)	553	(189,041)

SECTION 15 - NET ADJUSTMENTS OF INTANGIBLE ASSETS - ITEM 220

15.1 NET ADJUSTMENTS OF INTANGIBLE ASSETS: BREAKDOWN

	Amortization (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Intangible assets				
of which: software	(41,435)	(3,672)	-	(45,107)
A.1 Owned	(47,534)	(3,672)	-	(51,206)
- generated internally by the Bank	(1,663)	(598)	-	(2,262)
- other	(45,871)	(3,074)	-	(48,944)
A.2 Right of use of leased assets	-	-	-	-
B. Assets held for sale	X	-	-	-
Total	(47,534)	(3,672)	-	(51,206)

SECTION 16 - OTHER OPERATING EXPENSES/INCOME - ITEM 230

16.1 OTHER OPERATING EXPENSES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
Charges connected with lease services (consultants, insurance, taxes and duties, capital losses)	(24,220)	(25,005)
Reductions in assets and prior-year expenses not attributable to separate line item	(12,620)	(13,129)
Settlement of disputes and claims	(370)	(461)
Amortization of expenditure for leasehold improvements	(10,995)	(10,077)
Other charges	(11,667)	(9,551)
Total	(59,884)	(58,224)

16.2 OTHER OPERATING INCOME: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
A) Cost recovery	330,333	317,592
Recovery of taxes	270,381	255,468
Recovery of sundry charges	34,456	35,745
Insurance premiums	4,901	3,315
Recovery of costs from customers	8,765	9,667
Recovery of costs on bad loans	11,830	13,397
B) Other income	111,918	119,319
Insourcing revenues	14,165	19,231
Property rental income	4,455	4,337
Reductions in liabilities and prior-year income not attributable to separate line item	29,988	28,651
Other income from finance leases	14,788	14,979
Other income	38,570	40,816
Accelerated processing fees	8,383	9,506
Consolidation adjustments	1,569	1,800
Total	442,251	436,911

The recovery of taxes and duties (stamp duty and tax in lieu), totaling €270.4 million, mainly regards current accounts, savings passbooks and certificates of deposit.

SECTION 17 - PROFIT (LOSS) FROM EQUITY INVESTMENTS - ITEM 250

17.1 PROFIT (LOSS) FROM EQUITY INVESTMENTS: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
1) Joint ventures		
A. Gains	-	-
1. Revaluations	-	-
2. Gains on disposals	-	-
3. Writebacks	-	-
4. Other income	-	-
B. Losses	-	-
1. Writedowns	-	-
2. Impairment	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit (loss)	-	-
2) Entities under significant influence		
A. Gains	16,577	16,902
1. Revaluations	14,177	1,902
2. Gains on disposals	-	-
3. Writebacks	-	-
4. Other income	2,400	15,000
B. Losses	-	(7,101)
1. Writedowns	-	(7,101)
2. Impairment	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit (loss)	16,577	9,801
Total	16,577	9,801

The item reports the financial impact of the equity measurement of investments in associates and the recognition of the earn-out of €2.4 million, connected with the sale to FSI of the investment in BCC Pay (now Numia SpA) during 2022.

SECTION 18 - NET ADJUSTMENT TO FAIR VALUE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS - ITEM 260

18.1 NET ADJUSTMENT TO FAIR VALUE (OR REVALUED AMOUNT) OR ESTIMATED REALIZABLE VALUE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS: BREAKDOWN

	Revaluations (a)	Writedowns (b)	Exchange rate differences		Net result (a-b+c)
			Positive (c)	Negative (d)	
A. Property, plant and equipment	-	(12,259)	-	-	(12,259)
A.1 Operating assets:	-	-	-	-	-
- Owned	-	-	-	-	-
- Right of use of leased assets	-	-	-	-	-
A.2 Investment property:	-	(12,259)	-	-	(12,259)
- Owned	-	(12,259)	-	-	(12,259)
- Right of use of leased assets	-	-	-	-	-
A.3 Inventories	-	-	-	-	-
B. Intangible assets	-	-	-	-	-
B.1 Owned:	-	-	-	-	-
- Internally generated	-	-	-	-	-
- Other	-	-	-	-	-
B.2 Right of use of leased assets	-	-	-	-	-
Total	-	(12,259)	-	-	(12,259)

The item reports gains/losses on the measurement of the properties contributed to consolidated real estate funds.

SECTION 19 - GOODWILL IMPAIRMENT - ITEM 270

19.1 GOODWILL IMPAIRMENT: BREAKDOWN

No goodwill impairments were recorded in 2025. For further information on the assessment of the recoverability of goodwill, please see Part B - Section 10.3 - Other information of these notes to the financial statements.

SECTION 20 - GAINS (LOSSES) ON DISPOSAL OF INVESTMENTS - ITEM 280

20.1 GAINS (LOSSES) ON DISPOSAL OF INVESTMENTS: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
A. Property	(302)	(364)
- Gains on disposal	927	1,104
- Losses on disposal	(1,229)	(1,467)
B. Other assets	(378)	112
- Gains on disposal	909	566
- Losses on disposal	(1,287)	(454)
Net gain (loss)	(680)	(252)

SECTION 21 - INCOME TAX EXPENSE FROM CONTINUING OPERATIONS – ITEM 300

21.1 INCOME TAX EXPENSE FROM CONTINUING OPERATIONS: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
1. Current taxes (-)	(348,223)	(216,271)
2. Change in current taxes from previous period (+/-)	2,255	(9,978)
3. Reduction of current taxes for the period (+)	3	19
3.bis Reduction of current taxes for the period for tax credits under Law 214/2011 (+)	75,610	83,766
4. Change in deferred tax assets (+/-)	(101,575)	(276,283)
5. Change in deferred tax liabilities (+/-)	921	337
6. Income taxes for the period (-) (-1+/-2+3+3bis+/-4+/-5)	(371,009)	(418,411)

21.2 RECONCILIATION OF THEORETICAL TAX LIABILITY AND ACTUAL TAX LIABILITY RECOGNIZED

IRES	31/12/2025	
	Taxable income	Tax
Profit (loss) before tax on continuing operations (item 290 IS)	2,259,876	-
Current rate	-	24%
Theoretical tax liability (24%)	-	(542,370)
Greater tax liability due to increases (taxable income)/ Greater tax liability due to increases (tax)	266,115	(63,868)
Temporary	-	-
- Changes during the year	210,609	-
Definitive	-	-
- Reversal of temporary differences of previous years	4,515	-
- Changes during the year	50,991	-
Lower tax liability due to decreases	1,749,122	419,789
Temporary	-	-
- Changes during the year	14,596	-
Definitive	-	-
- Reversal of temporary differences of previous years	289,663	-
- Changes during the year	942,893	-
- Deductions up to limit of taxable income	501,970	-
Net increase in entities with tax losses	13,218	(3,172)
Taxable income (loss)	790,087	-
Current gross tax (effective tax charge)	-	(189,621)
IRES surtax	-	(25,030)
IRES income from consolidated taxation mechanism	-	195
Tax credits	-	-
Current net tax in income statement	-	(214,456)
Changes in current tax/deferred tax assets/deferred tax liabilities (+/-)	-	(29,086)
Tax liability for the year (a)	-	(243,542)
IRAP	31/12/2025	
	Taxable income	Tax
Profit (loss) before tax on continuing operations (item 290 IS)	2,259,876	-
Current rate	-	4.65%
Theoretical tax liability (ordinary rate 4.65%)	-	(105,084)
Items not included in determination of income	(199,321)	(9,268)
- Revenue and income (-)	(1,907,738)	-
- Costs and charges (+)	1,708,417	-
Greater tax liability due to increases (taxable income)/ Greater tax liability due to increases (tax)	552,836	(25,707)
Temporary	-	-
- Changes during the year	5,424	-
Definitive	-	-
- Reversal of temporary differences of previous years	12,554	-
- Changes during the year	534,859	-
Lower tax liability due to decreases	141,467	(6,578)
Temporary	-	-
- Changes during the year	2,475	-
Definitive	-	-
- Reversal of temporary differences of previous years	65,055	-
- Changes during the year	73,937	-
Net increase in entities with tax losses	(6,517)	(933)
Value of production	2,465,407	-
Current tax	-	(114,641)
Effect of regional surtaxes/tax relief (+/-)	-	(19,125)
Current tax in income statement	-	(133,766)
Changes in current tax/deferred tax assets/deferred tax liabilities (+/-)	-	6,300
Tax liability for the year	-	(127,467)
Total income tax expense (item 300 IS)		(371,009)

SECTION 22 - PROFIT (LOSS) AFTER TAXES ON DISCONTINUED OPERATIONS - ITEM 320**22.1 PROFIT (LOSS) AFTER TAXES ON DISCONTINUED OPERATIONS: BREAKDOWN**

	Total 31/12/2025	Total 31/12/2024
1. Revenue	7,642	29,152
2. Expense	(22,659)	(103,816)
3. Result of measurement of groups of assets and associated liabilities	-	-
4. Gain (loss) on realization	55,418	49,379
5. Taxes and duties	2,564	4,339
Profit (loss)	42,965	(20,946)

At December 31, 2025 profit on discontinued operations came to about €43 million, mainly including: (i) the net gain on the disposal (in the first half of the year) of 100% of the interest in BCC POS (+€54.7 million), whose assets and liabilities at December 31, 2024 were classified as held for sale, (ii) the net loss (-€13.2 million) of the infrastructure segment of BCC Sistemi Informatici the sale of which was finalized on April 1, 2025 and (iii) the net profit of the investee BCC POS, realized before exiting the Group (€1.5 million).

22.2 BREAKDOWN OF INCOME TAXES OF DISCONTINUED OPERATIONS

	31/12/2025	31/12/2024
1. Current taxes (-)	2,564	4,776
2. Change in deferred tax assets (+/-)	-	(437)
3. Change in deferred tax liabilities (-/+)	-	-
4. Income taxes for the period (-1+/-2+/-3)	2,564	4,339

SECTION 23 - PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS – ITEM 340**23.1 BREAKDOWN OF ITEM 340 “PROFIT (LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS”**

	Total 31/12/2025	Total 31/12/2024
Consolidated equity investments with significant non-controlling interests		
BCC Sistemi Informatici SpA	340	(442)
Total	340	(442)

SECTION 24 - OTHER INFORMATION

Pursuant to Article 1, paragraphs 125-129 of Law 124/2017 ("Annual market and competition law") companies must comply with some measures aimed at ensuring transparency in the system of government grants and provide information on "subsidies, contributions, paid assignments and in any case economic advantages of any kind" received from public agencies and bodies, as detailed in paragraph 125, in the notes to the financial statements.

Following the simplification measures introduced with Article 8 of Law 160/2023, Article 125-*quinques* of Law 124/2017 provides an exemption for grants that are already subject to publication in the National Register of State Aid referred to Article 52 of Law 234/2012. For individual grants received by Group Companies, please refer to the Transparency section of the Register.

SECTION 25 - EARNINGS PER SHARE

The ordinary shares of the Parent Company, Iccrea Banca, are not traded on a public market and the company does not file its financial statements with CONSOB in order to issue ordinary shares on a public market. Accordingly, IAS 33 does not apply.

25.1 AVERAGE NUMBER OF ORDINARY SHARES IN DILUTED SHARE CAPITAL

There are no such positions as of the reporting date.

25.2 OTHER INFORMATION

No further information to report.

PART D - CONSOLIDATED COMPREHENSIVE INCOME

BREAKDOWN OF CONSOLIDATED COMPREHENSIVE INCOME

	31/12/2025	31/12/2024
10. Net profit (loss) for the period	1,931,831	2,030,145
Other comprehensive income not recyclable to profit or loss	16,371	(8,289)
20. Equity securities designated as at fair value through other comprehensive income:	13,776	(13,728)
a) fair value changes	11,547	2,407
b) transfers to other elements of shareholders' equity	2,229	(16,135)
30. Financial liabilities measured at fair value through profit or loss (change in credit risk):	(214)	-
a) fair value changes	(214)	-
b) transfers to other elements of shareholders' equity	-	-
40. Hedges of equity securities designated as at fair value through other comprehensive income:	-	-
a) fair value changes (hedged instrument)	-	-
b) fair value changes (hedging instrument)	-	-
50. Property, plant and equipment	-	-
60. Intangible assets	-	-
70. Defined-benefit plans	4,877	282
80. Non-current assets held for sale	-	-
90. Valuation reserves of equity investments accounted for with equity method	-	-
100. Financial income or expense in respect of insurance contracts issued	-	-
110. Income taxes on other comprehensive income not recyclable to profit or loss	(2,068)	5,156
Other comprehensive income recyclable to profit or loss	30,400	115,383
120. Hedging of investments in foreign operations:	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
130. Foreign exchange differences:	-	-
a) value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
140. Cash flow hedges:	(12,672)	46,162
a) fair value changes	(12,871)	41,495
b) reversal to income statement	(67)	47
c) other changes	266	4,621
of which: result on net positions	-	-
150. Hedging instruments (undesignated elements):	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
160. Financial assets (other than equity securities) measured at fair value through other comprehensive income:	69,254	113,955
a) fair value changes	70,588	74,185
b) reversal to income statement	(1,950)	39,751
1. adjustments for credit risk	1,575	306
2. gain/loss on realization	(3,525)	39,445
c) other changes	616	20
170. Non-current assets and disposal groups held for sale:	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
180. Valuation reserves of equity investments accounted for with equity method:	(7,792)	7,537
a) fair value changes	(7,792)	7,537
b) reversal to income statement	-	-
1. impairment adjustments	-	-
2. gain/loss on realization	-	-
c) other changes	-	-
190. Financial income or expense in respect of insurance contracts issued:	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
200. Financial income or expense in respect of cessions in reinsurance	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
210. Income taxes on other comprehensive income recyclable to profit or loss	(18,390)	(52,270)
220. Total other comprehensive income	46,770	107,094
230. Comprehensive income (item 10+220)	1,978,602	2,137,238
240. Consolidated comprehensive income pertaining to non-controlling interests	338	(442)
250. Consolidated comprehensive income pertaining to shareholders of the Parent Company	1,978,263	2,137,680

PART E - RISK AND RISK MANAGEMENT POLICIES

INTRODUCTION

The Iccrea Cooperative Banking Group conducts its business in accordance with the principles of prudence and risk containment, based on the need for stability associated with banking activity and the main characteristics of the mutual banks and their customers. Consistent with these principles, the Group pursues its growth objectives in accordance with the needs of the mutual banking system, ensuring, through balanced risk management, reliable and sustainable generation of value over time.

The risk governance policies represent the reference model in organizational and process development and in the systematic execution of all the operational and business activities performed by Group companies and are an integral part of a sound and prudent management, supporting sustainable implementation of the overall risk strategy. The internal control system (ICS) must, in general, ensure the completeness, appropriateness, functionality (in terms of effectiveness and efficiency) and reliability of the policies in a context of strict consistency with the risk appetite framework defined at Group level.

The Risk Management function operates within the internal control system.

THE RISK MANAGEMENT FUNCTION

The Chief Risk Officer area is responsible at the Group level for the key elements of the overall Risk Management Framework: identification, measurement, monitoring and mitigation of corporate risks. It is responsible for the governance and execution of second-level controls connected with risk management, consistent with the internal control system adopted by the Group. It is the contact for the corporate bodies of the Parent Company for matters within its scope of responsibility, providing an integrated and composite vision of both the first and second pillar risks assumed and managed by the individual entities and by the Group as a whole.

In 2024, the organizational structure of Risk Management function of the Parent Company underwent further fine-tuning, consistent with the ongoing improvement process of the organizational arrangements of the Group's risk management unit, which now provides for:

- a "Risk Governance" unit, that: i) represents a "competence center" overseeing all risk governance issues for the Group and operates, through the local risk management units, as the "evaluation and control center" for the risk profile of the individual affiliated banks; ii) ensures the development and implementation of the relevant frameworks, both at the consolidated and individual level, including the EWS and Stress Test framework for Guarantee Scheme purposes; iii) coordinates activities connected with the preparation of the area annual activity plan and the institutional reporting document submitted to the corporate bodies and the supervisory authorities, supporting the Chief Risk Officer in its areas of responsibility; iv) oversees activities pertaining to the management of reputational risks, coordinating and monitoring strategic projects for the CRO area, periodically assessing achievement of the objectives; v) in its capacity as "evaluation and control center" for the risk profile of the individual affiliated banks, besides representing it top reference of local risk management units, it coordinates their interaction with the other specialized units of the Risk Management function;
- a "*Group Risk Management*" unit, which (i) supervises and coordinates the organizational units dedicated to the individual risk categories, which within their areas of responsibility are involved in the development and maintenance of the methodological framework for the assumption and management of specific risks and their respective control arrangements, as well as the assessment and monitoring of those risks, the identification of any risk mitigation measures; (ii) acting through the Validation function, the unit validates models developed internally to quantify risks at Group level; iii) establishes the operational guidelines for the specialized units of the Risk Management function in their interactions with the Risk Management units of the affiliated banks and the direct-scope companies;
- a "*Non-Financial Risk Management*" unit, which: i) operates as a cross-functional competence center in the definition and on-going maintenance of the non-financial risk management framework at Group level; ii) monitors the overall evolution of this management framework and the related risks; iii) ensures the identification and evaluation of such risks, identifying any shortcomings in the management and control framework or existing vulnerabilities that may negatively impact the risk profile; iv) identifies and directs remediation actions for any malfunctions detected in order to bring the risk profile back to the level deemed acceptable within the defined risk appetite framework; v) supervises the correct and timely execution of identified remediation initiatives, monitoring the effectiveness of such measures, as well as intervening to direct such measures if necessary; vi) contributes, for the component relating to the monitored risks, to the

definition and ongoing operation of the Group's Risk Appetite Framework, as well as to the Group's other risk governance processes.

The main duties performed by the Group Risk Management function are the following:

- defining and developing the framework for the assumption and management of risks pertaining to the Group, which is composed of (i) organizational structures and corporate processes (operating, administrative and business), including line controls; (ii) risk governance policies (policies, limits, responsibilities); (iii) methodologies and risk measurement and assessment criteria, (iv) support tool applications. In this area, the Risk Management function ensures that the framework for the assumption and management of risks is compliant with applicable regulations, in line with market best practice, functional in respect of internal operational conditions and consistent with the business plan, the budget and the Risk Appetite Framework (RAF), the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP) of the Group;
- developing the Risk Appetite Framework and its operational implementation (the Risk Appetite Statement) at the consolidated level and, with the support of the affiliated banks and Group companies, at the individual level, consistent with capital adequacy objectives (ICAAP) and the adequacy of the liquidity profile (ILAAP) of the Group;
- acting as a control center for monitoring the risk profile of the individual affiliated banks and the companies in the direct scope for which risk management activities are performed on a centralized basis under an outsourcing arrangement governed by specific service agreements. This control center operates through the dedicated risk management units within the central organizational arrangements and, for the affiliated banks only, uses the mechanisms of the Early Warning System and the Guarantee Scheme. In this area, the Risk Management function:
 - handles the development and updating of the methodological framework and develops tools for managing the Guarantee Mechanism, as well as analyzing, controlling, assessing and monitoring the affiliated banks within the scope of EWS management processes and proposes their risk classification;
 - is responsible, through the action of its local units as well, for the determination and adoption by each affiliated bank of strategies, policies and principles for the assessment and measurement of the risks identified at the Group level.
- monitoring developments in the risk profile and the various types of risk to which the Group as a whole and its individual members are exposed, verifying the ongoing consistency between the actual risk assumed and the specified risk objectives. In this context, the Risk Management function:
 - develops methodologies and models for measuring and assessing risks, validating those models, periodically checking their operation, predictive capacity and performance, and their consistency over time with operational practices and regulatory requirements;
 - performs second-level controls of the appropriateness, effectiveness and resilience of the framework for the assumption and management of the risks for which it is responsible, identifying any needs for fine tuning/corrective or evolutionary maintenance and providing support – within the scope of its duties – in implementing the associated actions;
 - identifies any risk developments exceeding the limits set out in the Risk Appetite Statement, in the Risk Governance Policies or in external regulations and, in general, potentially harmful or unfavorable situations in order to assess possible mitigation initiatives to implement;
 - within the RAF/RAS and EWS frameworks, examines the results of the process of determining the capital requirements, analyzing the dynamics involved to verify the overall consistency with the risk profile in the different analytical dimensions considered;
 - analyzes major transactions, expressing a prior opinion on their consistency with the Risk Appetite Statement;
 - assesses, within the scope of its duties, the capital structure in relation to the risks assumed/assumable (ICAAP) and the appropriateness of the Group's liquidity profile (ILAAP);
 - assesses the impact of especially serious events on the Group's exposure to risk and participates in developing strategies to be implemented for the resolution;
 - reports to top management on risk developments in the various operating segments and business areas, providing support to management bodies in defining strategic policy and risk policy and the associated implementation of those policies;

- performing, within the scope of its duties, tasks required for the purpose of supervisory reporting, inspections and regulations.

THE RISK CULTURE

The Group devotes special attention to managing, assessing and understanding risk. All personnel are asked to identify, assess and manage risk within their area of responsibilities. Each employee is expected to perform their duties seriously and with awareness.

The risk culture is inspired by the principles of the risk management model of the Parent Company. It is disseminated to all business units and personnel and is founded on the following pillars:

- the independence of risk functions from business units;
- the establishment and constant updating of risk handbooks and policies, updating risk measurement and estimation approaches to ensure consistency with sector best practices;
- the specification of risk limits;
- the periodic monitoring of (aggregate and non-aggregate) exposures and compliance of approved limits and implementation of appropriate corrective measures where necessary;
- the presence of other support tools to help develop the culture of risk (training courses, remuneration policies and incentives linked to the quality of risk and the results of the Group companies in the long term, systematic and independent Internal Auditing units, etc.).

THE GROUP RISK GOVERNANCE FRAMEWORK

The overall Risk Governance framework developed and adopted by the Group reflects the specific features of the ICBG as a Group, whose participatory mechanisms are based on a Cohesion Contract, signed by the affiliated banks, that provides for internal stability mechanisms characterized by intercompany mutual support agreements regulated specifically by applicable external legislation.

On the basis of the provisions of the Cohesion Contract between the affiliated banks and the Parent Company, the latter constantly monitors the organization and the operating conditions, financial position and performance of the affiliated banks through the Early Warning System (EWS), which is designed to promptly identify any signs of management difficulty and/or failure to comply with the obligations assumed under the Cohesion Contract, recommending or arranging, depending on the specific features of any given case and on the basis of the principle of proportionality, the appropriate intervention measures. The overall framework of the Group's risk governance system is completed by the Risk Appetite Framework (RAF), which is implemented operationally through policies addressing the individual risks to which the Group is exposed (risk policies) and transversal systems involved in the internal assessment the capital adequacy and liquidity profile (ICAAP/ILAAP) and the overall assessment of the recovery capacity in particularly adverse conditions (the Recovery Framework).

The RAF defines - in line with the maximum assumable risk (Risk Capacity), the business model and the Group strategy, the Operational Plan and the company incentive system - the risk objectives or risk appetite (Risk Appetite) and Risk Tolerance thresholds, taking due account of possible adverse scenarios. Starting on the basis of the RAF, consistent operating limits are defined within the overall risk governance policies. The latter in turn represent the internal regulatory expression of the "rules" for the assumption and management of risks and are an integral part of the Risk Management Process (RMP) of the Group.

The overall architecture of the Risk Appetite Framework, defined in terms of key elements, scope of coverage/application and underlying operating models, is closely interconnected with ICBG's key risk governance process, i.e. the Early Warning System. The RAF is implemented individually with regard to the affiliated banks and shares qualitative and quantitative indicators with the EWS, ensuring consistency between the different calibration approaches and the purposes of the two frameworks.

In other words, the RAF is intended to explicate the medium/long-term vision of the desired risk profile for the Group as a whole and for each Group company, defining the risk area within which the management functions must operate in pursuit of corporate strategies. Compared with the RAF, the capital adequacy and liquidity assessment (ICAAP and ILAAP) represents an occasion to verify the stability of the risk appetite choices in terms of their consistency with the capital and liquidity resources available, guiding any subsequent modification of the

choices and the resulting overall strategy decisions.

SECTION 1 – RISKS WITHIN SCOPE OF ACCOUNTING CONSOLIDATION

QUANTITATIVE DISCLOSURES

A. CREDIT QUALITY

A.1 IMPAIRED AND PERFORMING CREDIT EXPOSURES: STOCKS, WRITEDOWNS, CHANGES AND DISTRIBUTION BY SECTOR

A.1.1 DISTRIBUTION OF FINANCIAL ASSETS BY PORTFOLIO AND CREDIT QUALITY (CARRYING AMOUNT)

	Bad loans	Unlikely to pay	Impaired past due exposures	Performing past due positions	Other performing positions	Total
1. Financial assets measured at amortized cost	70,198	807,679	132,137	1,022,728	146,088,007	148,120,749
2. Financial assets measured at fair value through other comprehensive income	11	-	-	-	6,932,517	6,932,528
3. Financial assets designated as at fair value	-	-	-	-	332,783	332,783
4. Other financial assets mandatorily measured at fair value	1	153	-	11	656,310	656,475
5. Financial assets held for sale	703	75	-	-	-	777
Total 31/12/2025	70,913	807,907	132,137	1,022,739	154,009,617	156,043,312
Total 31/12/2024	103,888	520,960	166,746	1,151,920	148,722,720	150,666,234

A.1.2 DISTRIBUTION OF CREDIT EXPOSURES BY PORTFOLIO AND CREDIT QUALITY (GROSS AND NET VALUES)

	Impaired assets				Performing assets			Total (net exposure)
	Gross exposure	Total adjustments	Net exposure	Total partial write-offs	Gross exposure	Total adjustments	Net exposure	
1. Financial assets measured at amortized cost	2,961,654	1,951,640	1,010,015	410,819	147,849,513	738,779	147,110,734	148,120,749
2. Financial assets measured at fair value through other comprehensive income	11	-	11	-	6,936,676	4,158	6,932,517	6,932,528
3. Financial assets designated as at fair value	-	-	-	-	X	X	332,783	332,783
4. Other financial assets mandatorily measured at fair value	154	-	154	-	X	X	656,321	656,475
5. Financial assets held for sale	1,377	599	777	-	-	-	-	777
Total 31/12/2025	2,963,196	1,952,239	1,010,957	410,819	154,786,189	742,937	155,032,355	156,043,312
Total 31/12/2024	2,969,655	2,178,062	791,593	443,380	149,801,100	865,520	149,874,641	150,666,234

	Assets with evidently poor credit quality		Other assets
	Cumulative losses	Net exposure	Net exposure
1. Financial assets held for trading	448	60	78,739
2. Hedging derivatives	-	-	1,071,800
Total 31/12/2025	448	60	1,150,539
Total 31/12/2024	-	10	812,412

*Value to be reported for information purposes

B. DISCLOSURES ON STRUCTURED ENTITIES (OTHER THAN SECURITIZATION VEHICLES)

Consistently with IFRS 12, the Group defines structured entities as entities that have been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

A structured entity often has some or all of the following features or attributes:

- restricted activities;
- a narrow and well-defined objective, such as to provide a source of capital or funding to an entity or provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors;
- insufficient equity to permit the structured entity to finance its activities without subordinated financial support;
- financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks.

The Group has exposures to structured entities that mainly operate as special purpose vehicles for securitizations and closed-end or open-end securities/real estate investment funds in which the Group has subscribed units or to which it has lent funds.

For the purpose of this section, transactions carried out with special purpose securitization vehicles are not considered. For more on that type of structured entity, please see section “C. Securitization” and section “E. Disposals” in Part E of the notes to the consolidated financial statements.

B.1 CONSOLIDATED STRUCTURED ENTITIES

In the Group, consolidated structured entities are represented by closed-end real estate investment funds over which the Group exercises control in accordance with international accounting standards as a result of the subscription of a number of units sufficient to expose the Group to variable returns from the involvement and give it the ability to manage the underlying portfolio directly or indirectly.

The following table summarizes the on-and off-balance-sheet exposures held by Group companies in respect of those entities.

Type of structured entity	Total Assets	Off-balance-sheet exposures
Investment funds	276,985	-

B.2 STRUCTURED ENTITIES NOT CONSOLIDATED FOR ACCOUNTING PURPOSES**B.2.1 STRUCTURED ENTITIES CONSOLIDATED FOR SUPERVISORY PURPOSES**

The Group does not have exposures to structured entities that are unconsolidated for accounting purposes but consolidated for supervisory purposes.

B.2.2 OTHER STRUCTURED ENTITIES**QUALITATIVE DISCLOSURES**

The Group has exposures to unconsolidated structured entities, mainly regarding units subscribed and loans granted to securities/real estate investment funds (collective investment undertakings - CIUs).

These entities are not consolidated since the Group only holds minority interests, is not the fund manager and is not able to influence its returns.

During the period under review, the Group did not provide and does not intend to provide financial or other support to unconsolidated structured entities and has not acted as a sponsor of these entities.

QUANTITATIVE DISCLOSURES

Items/Type of structured entities	Asset portfolios (*)	Total assets (A)	Liability portfolios	Total liabilities (B)	Net carrying amount (C=A-B)	Maximum exposure to loss risk (D)	Difference between exposure to loss risk and carrying amount (E=D-C)
1. Vehicles	-	-	-	-	-	-	-
2. CIUs							
	HFT	1,516			1,516	1,516	
	MFV	413,160			413,160	413,160	

(*) MFV = financial assets mandatorily measured at fair value; HFT= financial assets held for trading

SECTION 2 – RISKS WITHIN SCOPE OF PRUDENTIAL CONSOLIDATION

1.1 CREDIT RISK

QUALITATIVE DISCLOSURES

1. GENERAL ASPECTS

In accordance with the organizational model established at the Group level to govern and manage risks, credit risk is managed with an integrated series of processes and associated responsibilities defined within company units and regulated with a comprehensive set of internal rules for credit risk.

As Parent Company, Iccrea Banca determines credit risk management policies at the Group level. More specifically:

- the lines of development for the Group activities are defined in the Strategic Plan and then incorporated in the annual budgets of the subsidiaries, in agreement with the Parent Company;
- the Risk Management function supports the risk assumption phase (policy, assessment and pricing models, quality control, strategic policy analysis) and management (identification, measurement/assessment, monitoring/reporting, mitigation) of the credit risk exposure of the Parent Company and all the Group companies.

With regard to the management and coordination role of the Parent Company, on the basis of the Cohesion Contract – Iccrea Banca assumes responsibility for the following areas: lending rules (principles, policies and processes), credit strategies and credit risk limits, management of large exposures, guidelines for the main credit product categories by customer segment, the monitoring and reporting of portfolio credit risk.

In line with these credit governance rules, the Chief Lending Officer Area is responsible for overseeing all lending processes for the Parent Company and the direct-scope companies, from origination to the management of non-performing loans (with the exception of resolved impaired loans) and to exercise management and coordination activities for the affiliated banks.

2. CREDIT RISK MANAGEMENT POLICIES

2.1 ORGANIZATIONAL ASPECTS

Credit risk represents the preponderant component of the overall risks to which the Group is exposed, considering that credit exposures account for a dominant share of assets.

In light of this circumstance and in compliance with the applicable provisions concerning the internal control system (see Bank of Italy Circular No. 285/2013, Part One, Title IV, Chapter 3), the Group has adopted a governance structure and operational arrangements to ensure the adequate monitoring of credit risk in the various phases of the process.

In this respect, the CLO Area:

- performs guidance and coordination activities for all phases of the credit process (origination, management, governance of guarantees, monitoring, classification, evaluation and credit recovery);
- ensures the constant updating of the guidelines on credit issues;
- oversees and directs projects related to innovations or upgrading of existing credit processes;
- coordinates any remedial actions requested by the supervisory authorities, top management or the corporate control functions;
- supports the competent Group units in the definition and development of credit products;
- contributes to the definition of the Strategic Plan for the lending area, including the NPE sector;
- defines the NPE Operating Plan, in line with the Group's strategic guidelines in this area;

- issues, in compliance with the provisions and amount limits specified in the Group Lending Policies and in compliance with the powers attributed in internal rules, credit opinions on performing and non-performing credit transactions from companies in the direct scope and the affiliated banks;
- issues, in compliance with the provisions and models specified in the Group Lending Policies and the powers provided for in the structure of delegated powers of Iccrea Banca, classification opinions on positions shared at Group level, in order to ensure a common classification to exposures proposed for the classification under unlikely to pay or of non-performing, in respect of debtors with obligations to multiple legal entities of the Group;
- approves the bank's performing and non-performing loan transactions, in compliance with the powers attributed in internal rules, submitting them to the higher decision-making bodies of Iccrea Banca where they do not fall within its powers;
- supports the integration of counterparty climate-related and environmental risk assessments into the broader lending process.

From a regulatory perspective, the Group's lending policies uniformly govern all phases of the lending process, leaving the individual affiliated banks independence in implementing the principles and rules set out in the policies issued by the Parent Company on the basis of the specific features of the territory in which operate, their organizational structure and their business model.

In accordance with supervisory regulations (Bank of Italy Circular No. 285/2013), the Risk Management function performs - at both the consolidated and individual legal entity levels - credit risk control activities designed to ascertain that the activities performed in all phases of the lending process ensure the effective monitoring and adequate representation of credit risk, identifying any hidden risks and guiding correct/adequate risk management, classification and evaluation. More generally, the Risk Management function oversees the risk management of the individual entities from a consolidated and individual perspective:

- overseeing the measurement of credit risk from a current and forward-looking perspective, considering both conditions of normal operations and stress scenarios;
- monitoring the capacity of the risk limits, including those defined within the RAF/RAS with regard to the associated credit risk metrics;
- defining and updating the methods and measurement models for credit risk, including those used in the performance of credit stress tests, ensuring their ongoing compliance with regulatory developments and market best practice.

2.2 MEASUREMENT, MANAGEMENT AND CONTROL SYSTEMS

IDENTIFICATION OF RISKS

As noted in the previous section, in compliance with the provisions of Circular no. 285/2013 of the Bank of Italy as updated, the Parent Company determines the strategies, policies and principles for assessing and measuring risks for the Group and ensures the consistency of the internal control systems of the affiliated banks with the strategies, policies and principles established at the Group level, thus exercising the powers of strategic management and coordination aimed at ensuring the unity of the Group's strategic management and control system, as governed by the Cohesion Contract.

With regard to the lending process, Group regulations establish specific principles and guidelines for:

- the analysis of the needs and requirements of counterparties;
- accurately assessing the credit risk profile, based on qualitative and quantitative disclosures. This activity, focuses on several aspects, including:
- the counterparty as well as the economic context in which it operates (also in respect of "groups of connected clients", when there are any legal or economic connections between with other counterparties);
- the purpose and characteristics of the transaction to be financed;
- the analysis of the counterparty's repayment capacity;
- the guarantees available.

The Group adopts a counterparty approach in assigning ratings except in specific cases in which the counterparty assessment is supplemented by a product-perspective evaluation, in consideration of any special features of a business. Using rating/scoring models, the Group assigns the counterparty a credit rating representing the probability of default of the counterparty, adopting an on-line processing procedure, which is typically accessed through the electronic application processing system but also in batch mode, with the latter being adopted for periodic updating of ratings for all Bank customers (the loan position performance rating).

The monitoring and management process breaks down in the following steps:

- Monitoring the exposures, with the aim of:
 - identify, within the performing portfolio, a set of anomalous positions with a high risk profile. The selected positions are then promptly forwarded to the next management step;
 - verify the progress and results achieved by the management activities.
- Managing the exposures, with the aim of:
 - mitigate risk, with timely action on performing exposures showing anomalies;
 - bring back to performing or contain possible losses on non-performing positions.

In particular, the position manager carries out an analysis of the type of criticality affecting the customer, to define the most appropriate strategies to support the customer in overcoming criticalities while protecting the credit.

CREDIT STRATEGIES FOR NEW LENDING

As part of its strategies on performing loans, Iccrea Banca has introduced a methodology for evaluating the attractiveness of economic sectors which, together with the evaluation of the counterparty's creditworthiness, has the objective of defining strategic guidelines for new loans, allowing for the improvement of the quality of the loans portfolio and the Expected Loss objectives.

The methodology for evaluating sector attractiveness is based on the following:

- Credit Risk, defined on the basis of year-end analysis and on the prospective portfolio and macroeconomic expectations with a view to identifying both the less risky sectors and those for which a more prudent selection of customers is desirable, also evaluating the possible use of risk mitigation measures;
- Market Size identifies the economic sectors in which it is potentially possible to channel new loans (commercial potential), both in terms of development on existing customers and new customers on the market;
- ESG Climate Transition Risks measure the impacts of climate-related transition risks on economic sectors, including assessments on waste and pollution, water stress and biodiversity;
- Sector Concentration Analyses measure the incidence of significant exposures and the level of the average ticket of a bank in the individual sectors, representing a further element for directing credit strategies.

The assessment of sector attractiveness and of the risk characteristics of individual customers is used for allocating new loans, within a strategic and commercial planning processes. In this context, the Parent Company supports the banks in defining the commercial budget by providing guidelines for the distribution of growth volumes of loans, defining the strategy for individual customers in the lending process; it also supports the CBO Area in defining commercial targets relating to credit campaigns.

RISK MEASUREMENT AND ASSESSMENT

For the purpose of calculating prudential requirements for credit risk, the Group uses the standardized approach envisaged under prudential regulations (Regulation (EU) No. 575/2013 of the European Parliament and the Council of June 26, 2013 - CRR).

The adoption of the standardized approach to determine the capital requirement against credit risk involves the subdivision of exposures into portfolios and the application of differentiated prudential treatments to each, possibly using assessments of creditworthiness (external ratings) issued by external agencies (ECAI) or by export credit agencies (ECA) recognized for prudential purposes on the basis of the provisions of Regulation (EU) No. 575/2013.

Depending on the type of counterparty and the sector in which it operates, the Group's operations also open it to the risk of being excessively exposed to an individual counterparty (single name) or a specific sector/geographical area (geo-sectoral).

For the purposes of determining internal capital for concentration risk for individual counterparties or groups of connected clients, the Group uses the regulatory granularity adjustment (GA) algorithm, based on the Herfindahl index. In accordance with regulatory provisions, the reference portfolio consists of on-balance-sheet and off-balance sheet exposures (the latter considered at their credit equivalent amount) falling within the regulatory portfolios "corporates and other borrowers", "short-term exposures to corporates" and exposures to corporates included in the asset classes "in default", "secured by real estate", "equity exposures" and "other exposures".

Furthermore, for the purpose of quantifying geo-sectorial concentration risk, the Group adopts the methodology developed by the "Geo-Sectoral Concentration Risk Laboratory" of the Italian Banking Association (ABI), which sets geographical and product categories against a national asset allocation benchmark.

The Group periodically performs stress tests for credit and concentration risks in order to assess - in terms of potential losses - the impact of expected risk developments on the financial profile of the Group and the individual entities under both normal and adverse operating conditions.

The stress test methods are based on regulatory practices and are applied in various management and risk governance processes, starting with the capital adequacy assessment process (ICAAP), as well as in the performance of supervisory exercises.

The methodological and calculation structure of credit stress tests is based on the use of internal risk models and parameters and incorporates a credit risk projection approach (transitions between stages/risk states) and determination of related losses over the scenario years (12-month or lifetime expected credit loss) based on the measurement of IFRS 9 impairment.

The projections of the estimates for the scenario years are performed considering the macroeconomic scenario assumptions in the adopted scenarios (in baseline or adverse conditions), using internally developed models ("satellite" models), which estimate the relationship between risk factors and developments in macroeconomic variables.

RISK MONITORING AND CONTROL

In accordance with supervisory regulations (Bank of Italy Circular no. 285/2013), the Risk Management function performs - at both the consolidated and individual company levels - credit risk control activities designed to ascertain that the activities performed in all phases of the lending process ensure the effective monitoring and adequate representation of credit risk, identifying any hidden risks and guiding correct/adequate risk management, classification and evaluation. These activities are accompanied by the ongoing controls of the Risk Management function through analysis of developments in the exposure to credit risk of the Group as a whole and of the individual entities.

The Internal Audit unit performs third-level controls, verifying the adequacy and comprehensiveness of the processes and activities performed by the relevant units, the consistency and validity of the analyses performed and the associated findings.

The locus of the strategic and operational management of credit risk is the Group's Risk Appetite Statement, through a comprehensive system of risk objectives and limits (appetite, tolerance and capacity) at both the consolidated and individual entity levels, with compliance ensured by the monitoring and control activities of the function.

Monitoring and reporting on the credit risk profile is characterized by activities that involve both the business functions and the control functions, in accordance with their respective responsibilities. In particular, monitoring is ensured both by aggregate portfolio performance analyses and by analyses carried out on individual positions.

The Risk Management function monitors the credit risk profile - at both the consolidated and individual affiliated bank and Group company level, using an analytical framework and related reporting based on a system of key risk indicators. It is designed to monitor the loan portfolio, at both the time exposures are taken on and during their lifetime, the outcomes of which are reported regularly to top management. In this context, the analytical methods and the related reporting undergo constant fine-tuning in order to represent the drivers underlying developments in credit risks in an ever more effective manner, reflecting changes in the regulatory environment as well as management requirements and to support decision-making.

Risk Management has also centrally defined the “Credit Risk Control 285” framework. This is intended to govern, based on the set of governance, management and control mechanisms adopted by the Group for credit risk, the analysis, identification and control activities performed by the Risk Management function pursuant to Circular 285.

The performance of this activity involved, over two annual cycles, the preliminary definition of an operational policy qualifying the functional elements for calibrating and targeting risk control activities. Following the definition of this operational policy and in compliance with the provisions of other internal regulations, mass controls were conducted for the Group’s credit portfolios, as well as sample checks (single file) of individual credit exposures. The completion of the activities also included reporting to the corporate bodies.

2.3 METHODS FOR MEASURING EXPECTED CREDIT LOSSES

The Group has adopted a framework for determining impairment based on risk assessment models and the corresponding parameters used in operational and management practices by the Parent Company and individual Group entities. In accordance with the provisions of IFRS 9, the methods for measuring expected losses on impaired exposures are based on the following elements:

- a 3-stage (stage allocation) approach, based on changes in credit quality, defined on a model of 12-month expected loss or lifetime expected loss if a significant increase in credit risk is detected. The standard provides for three different categories that reflect the deterioration in credit quality since initial recognition:
 - stage 1: financial assets originated and/or purchased that do not exhibit objective evidence of impairment at the date of initial recognition or that have not experienced a significant deterioration in their credit quality since the date of initial recognition (significant increase in credit risk) or which have low credit risk (low credit risk exemption);
 - stage 2: financial assets whose credit quality has deteriorated significantly since the date of initial recognition;
 - stage 3: financial assets that exhibit objective evidence of loss at the reporting date. The population of these exposures is consistent with those considered “impaired” under IAS 39.
- application of “point-in-time” formulations of the parameters for measuring credit risk for the purpose of calculating impairment;
- calculation of lifetime expected credit loss (ECL) for exposures not classified in stage 1, using lifetime parameters;
- inclusion of forward-looking conditioning in the calculation of ECL, considering the average loss from each scenario and the associated probability-weighted likelihood of each outcome;
- staging and transfers of financial assets between the stages.

In accordance with the standard, the Group allocates each asset/tranche to one of the following three stages:

- stage 1, which includes all performing positions/tranches that at the reporting date meet the condition for the low credit risk exemption, or that do not show a significant increase in credit risk with respect to the level measured at the date of disbursement or purchase;
- stage 2, which includes all performing positions/tranches that at the time of assessment simultaneously meet the following two conditions: (i) they have a PD greater than the threshold, (ii) they have experienced a significant increase in credit risk with respect to the level measured at the origination date. In the absence of a rating/PD at the reporting date, exposures are generally allocated to stage 2 (without prejudice to the additional considerations and practices addressed below);
- stage 3, which includes all exposures that, as at the evaluation date, are classified as non-performing under the default definition adopted and governed by specific internal rules in conformity with supervisory regulations.

The staging method of the Group was developed on the basis of the following drivers.

The method developed for the loan portfolio envisages:

- the use of the low credit risk (LCR) criterion, under which credit risk is deemed to have not increased significantly if the exposure shows a low level of credit risk at the reporting date, essentially defined as a PD threshold at the reporting date equal to the investment grade threshold;

- the use of quantitative criteria based on rating/scoring systems, involving the analysis and comparison of the PD/rating at origination with the PD/rating at the reporting date. This identifies, on the basis of thresholds of significance defined in terms of the number of notches that a rating has changed, any significant increase in credit risk on the position.
- the use of qualitative staging criteria to identify the riskiest positions in the performing portfolio. These criteria have been defined independently of the use (or not) of the quantitative criteria referred to in the previous point and are based on the identification of objective evidence of impairment, such as the presence of forbearance measures, positions more than 30 days past due.

The staging methodology developed for the securities portfolio is applicable to the entire portfolio of debt securities outstanding at the reporting date for the various Group entities. Not included in the calculation of impairment, and therefore not subject to the staging mechanism, are shares, equity investments, units of collective investment undertakings, securities classified as held-for-trading and debt securities that do not pass the benchmark test and the SPPI test.

The approach adopted for the securities portfolio provides for the use of the principle of the low credit risk exemption, which allocates exposures with a conditional 12-month PD below the investment grade threshold to stage 1. Positions with a conditional 12-month PD above that threshold are subject to comparison of the PD at origination and the PD at the reporting date.

Group entities with a securities portfolio use the external ratings of an ECAI at the tranche level. For the purpose of assigning a rating to securities exposures at the reporting date, only ECAs with which a valid information-use agreement is in place are used.

Starting from the allocation of exposures in the different stages, the calculation of expected losses (ECL) is carried out, at the level of each position, on the basis of the estimated risk parameters (EAD, PD, LGD) using internal management models, performed in compliance with the requirements of the applicable accounting standard.

In particular, for the purpose of determining the probability of default (PD), the approach adopted for both the loan portfolio and the securities portfolio envisages:

- the transformation of the “through-the-cycle” PD into (or calculation of) the “point-in-time” (PIT) PD on the time horizon for the most recent historical observations;
- the inclusion of forward-looking scenarios through the application of multipliers representing macroeconomic forecasts to the PIT PD and the definition of a series of possible scenarios and the associated probability of occurrence that incorporate future macroeconomic conditions in the estimates;
- the transformation of the 12-month PD into a lifetime PD in order to estimate the PD term structure over the entire residual life of the loans.

Loss given default (LGD) is determined using the following approaches: i) a “block” approach, determined by the combination of parameters relating respectively to the pre-litigation phase (probability of reclassification as bad loans, exposure delta, performing LGD closure) and litigation (Loss given default); ii) a “single-span” approach based on the recovery process over the entire duration of the default cycle with specific reference to the technical forms of “consumer loans” and “leases”.

With regard to the securities portfolio, the unconditioned LGD measures are the same for both stage 1 and stage 2 exposures. In particular, an unconditioned LGD measure of 45% is used, subsequently subjected to forward-looking conditioning, consistent with the scenarios and probabilities of occurrence used to condition the PD, as discussed below.

Exposure at Default (EAD) is calculated on the basis of the amortized cost schedules of the individual relationships for both loans and debt securities. For exposures relating to margins, EAD is determined by applying the internal EAD (Exposure at Default) model which allows for the estimation, for some identified customer segments (companies, producer households and private individuals), of a specific Credit Conversion Factor (CCF) instead of using the regulatory coefficients (which are however applied for other counterparty segments).

For the purposes of calculating ECL under IFRS 9, the risk parameters are estimated from a forward-looking perspective through conditioning to macroeconomic scenarios. The approach adopted consists in the use of forecast values for the exogenous macroeconomic variables in the satellite models estimated internally and the associated conditioning approach for each forecast year. In order to reflect the different forward-looking riskiness of the positions assessed in the ECL estimates, those satellite models are differentiated, in particular the PD, by type of counterparty, sector of economic activity and geographical area (if relevant); for the LGD parameter, by segment, presence/absence of guarantee and bad debt vintage through the use of a panel data approach. To

determine the macroeconomic conditioning measures to be applied in the calculation, three types of scenarios are used.

In particular, the following scenarios are considered with probabilities of occurrence defined in accordance with the indications provided by the reference provider (Prometeia):

- best case with a probability of occurrence equal to 20%;
- baseline cast with a probability of occurrence equal to 50%;
- plausible worst case with probability of occurrence equal to 30%.

At the closure of the financial statements at December 31, 2025, the calculation of the IFRS 9 ECL of the Group's performing credit exposures included implementation of the following:

- the updates of the LGD model, through the quantification and application of specific Margins of Conservatism (MoC), following the recommendations formulated by the Supervisory authority in the OSI-IFRS9 context and the results of the backtesting activity by the Validation unit;
- interventions on the Group's lending processes and procedures aimed at: i) ensuring the availability of the same customer financial information and related reclassification within the Group, thus ensuring the homogeneity of creditworthiness assessments and ii) ensuring that the watchlist classification for common customers is aligned within the Group;
- the updates of the overlay component applied to the calculation of ECL, in order to add an additional degree of prudence in the light of the uncertainty of the macroeconomic environment as well as to the integration of C&E expectations on credit risk as provided for in the 2025 planning.

In conjunction with the above-mentioned interventions, and in line with the provisions of IFRS 9, adjustments have been implemented regarding the ordinary process of updating the PD Point in Time (PiT) parameter with the latest available risk data.

Starting from the close of December 2022, the Group has also planned the introduction of post-model adjustments (overlays) in order to incorporate even greater prudence for specific sub-portfolios that could prove riskier by the occurrence of unexpected events deviating from the likely macroeconomic environment.

In line with the ongoing update and evaluation of the overlay measures in place, the scope of application was reviewed with reference to both the results of backtesting carried out by the Validation unit and the most recent developments in the macroeconomic context.

In light of the results of the above analyses, the following decisions were made:

- the complete removal of the "private individual with variable rate mortgages without cap" cluster. This cluster was already the object of intervention in the December 2024 financial statements, with the exception of positions with higher ratings. The macroeconomic environment resolved with the easing of interest rates and backtesting analyses highlighted an overestimation of PD relative to default rates, both overall and for each rating class;
- the "construction and real estate" cluster was confirmed; despite the slow recovery, the sector is still below the expansion threshold and the risk arising from the context of uncertainty may not have yet fully manifested itself. That said, backtesting analyses currently still highlight an overall overestimation of PD compared with default rates;
- in respect of the "Automotive" cluster, the recovery in car demand (-20% compared to pre-COVID) is expected to remain weak in the future, given the persistent high level of economic and financial uncertainty. However, backtesting analysis also revealed no underestimation issues. Therefore, the cluster is confirmed;
- the "Tariffs" cluster was introduced from June 2025. Although no specific backtesting analysis has been carried out due to its recent introduction, the macroeconomic analysis highlights that the "Tariffs", together with the appreciation of euro against the dollar (which is also a consequence of tariffs), undermine the price competitiveness of European goods in the USA, causing a negative impact on exports and manufacturing.

A last measure relates to the climate overlay. Since December 2024, the climate component was assessed through parameter adjustments (in-model adjustments) using the models estimated to address the Supervisory Authority's expectations in the C&E area. In particular, in addition to model already in place, that is:

- acute physical risk, in respect of the LGD component of mortgages and

- the transition risk (climate-related/environmental) with impacts on both the PD (business segment) and LGD (mortgage loans on all segments), from December 31, 2025, the model for acute physical risk includes the parameter PD (business segment).

With the aim of incorporating transition risk in the PD parameter, the prospective balance sheet method has been implemented for the corporate segment. This approach considers:

- econometric models aimed at establishing a relationship between the items of the balance sheet and a set of macroeconomic variables in order to project the balance sheets;
- definition of a climate/environmental cost component, that companies could bear to adapt to a more sustainable economy, taking into account the economic macrosector of the companies.

Once the most relevant balance sheet items have been projected, they are subjected to conditioning through the climate/environmental cost, defined as a summary of: i) green investments, ii) cost of CO₂ (GHG emissions estimated internally), iii) cost of energy and iv) expenditure for biodiversity. It should be noted that the explicit inclusion of this last factor extends the proposed modelling to the environmental risks sector. Through appropriate statistical integration, the climate/environmental shock quantified on the Balance Sheet Score is propagated to the other scores that make up the Corporate Rating Model in order to define a prospective PD parameter that includes transition risk.

In order to integrate acute physical risks into the PD parameter, defined in accordance with the Group's materiality analysis (Acute Physical Risk - Flooding and Landslide) and taking into account the relevant drivers considered within the 2022 climate stress test exercise (Drought), the methodological framework of the prospective balance sheet method already used for the inclusion of the transition risk was used. This framework, outlined for the business segment, leverages the transmission channel represented by the counterparty's balance sheet, to which a stress is applied proportional to the materiality of the acute physical risk being examined with respect to the counterparty's geographical location and sector of activity. The underlying idea is that the business segment is impacted by acute physical risks in terms of lower solvency due to a decrease in revenue resulting from the extreme event. More specifically, the stress applied to the counterparties' balance sheets takes the form of a haircut on revenue, defined as the percentage of revenue eroded by the occurrence of the acute physical event.

With reference to the C&E component on the LGD parameter, the scope of the estimate of acute physical risks concerns: floods, landslides and fires. The transmission channel of these risks on the LGD component is constituted by the possible impact on the value of the property used as collateral for a mortgage loan. The methodology allows to jointly evaluate the probability that an acute physical event occurs (Hazard) and the potential damage that the property may suffer from the occurrence of such event (Vulnerability), thus defining a haircut value to be applied to the value of the property to determine a value adjustment with an increase in the LTV (Loan to Value) parameter and consequently of the LGD. The methodological approach, common to the three adverse events mentioned above, has the geolocation of the property as its main driver.

Also as regards the calculation of the transition risk impact on the LGD parameter, the methodology is implemented on loans secured by real estate collateral. In particular, it considers only properties with an EPC (energy performance contract), assuming a depreciation rate of the asset deriving from an energy class lower than the target class for 2050 as foreseen by the Paris Agreement. This methodology, consistent with the physical risks framework, defines the haircut to be applied to determine the value adjustment of the property based on the derivation of an opportunity cost, obtained as a comparison between the cost to maintain a property in its energy class and the cost to comply with energy transition requirements.

Finally, as part of the conditioning of the IFRS 9 risk parameters, the ordinary updating of the macroeconomic scenarios was applied in accordance with the most update of those scenarios (September 2025).

2.4 CREDIT RISK MITIGATION TECHNIQUES

As required by Regulation (EU) no. 575/2013 on prudential requirements for credit institutions and investment firms (CRR), the Group is strongly committed to compliance with all the requirements for the appropriate application of credit risk mitigation (CRM) techniques in accordance with the standardized approach for the calculation of capital requirements both for internal management and regulatory purposes.

The Parent Company has developed specific Group guidelines to support the appropriate use of guarantees and credit risk mitigation techniques for Credit Risk Mitigation (CRM) purposes. Specifically, at Group level the following categories of guarantees eligible for CRM purposes have been identified:

- secured financial guarantees;
- real estate mortgages and property lease transactions involving properties that have the characteristics required by law;
- unsecured guarantees.

Unsecured guarantees eligible for CRM purposes consist of all forms of credit protection provided by the entities (providers) specified in Article 201 of the CRR (central governments, central banks, international organizations, public sector entities, regional governments and local authorities, multilateral development banks, supervised intermediaries). Accordingly, guarantees issued by natural persons or legal entities not included in the list indicated in the legislation do not fall within the risk mitigation techniques for calculating capital requirements, but are not excluded from the Group's catalog of guarantees, which comprises not only the guarantees eligible for CRM purposes, but also guarantees not eligible for CRM purposes, as mentioned above.

Credit risk mitigation techniques may include guarantees provided by collective loan guarantee consortia in accordance with applicable regulations in the presence of suitable counter-guarantees (for example the Central Guarantee Fund for SMEs) for the portion they secure.

The Group has adopted procedures to ensure adequate compliance over time with the general and specific requirements required for CRM techniques. The general requirements, adopted by the Group, which are intended to ensure legal certainty and the effectiveness of the guarantees, mainly concern:

- the binding nature of the legal commitment between the parties and its enforceability in court;
- the effectiveness of credit protection arrangements which must be legally effective and enforceable in all relevant jurisdictions;
- the effectiveness of the credit protection arrangement also in addressing all the risks related to that arrangement;
- the timeliness with which the guarantee may be liquidated in the event of default;

These procedures must be valid and applied by all Group companies in order to avoid possible inconsistencies in the assessment. Checks shall be carried out in relation to the current legal value of the documentation submitted, the impact of any changes in the regulatory framework and the consequent initiatives to be taken. Risks related to the ineffectiveness, reduction or termination of the protection ("residual risks") as well as valuation and potential concentration risks in respect of specific counterparties.

The Group has defined specific internal policies and procedures to ensure that the acquired collateral can be classified as CRM eligible. In particular, the following conditions must be met:

- the real estate that guarantees the exposure satisfies any of the following conditions:
 - the asset has been fully completed;
 - the real estate is a forest or agricultural land;
 - the loan is in favor of a natural person and the property is a residential property under construction or land on which the construction of a residential property is planned, and such project has been lawfully approved by all the relevant authorities, as the case may be, and if any of the following conditions are met:
 - (i) the property has no more than four dwelling units and will be the primary residence of the borrower and the loan to that natural person does not indirectly finance ADC exposures;
 - (ii) a central government, regional government or local authority or public sector body is involved and/or has the legal power and capacity to ensure that the property under construction will be completed within a reasonable timeframe and is required or has made a legally binding commitment to complete it where construction would not otherwise be completed within a reasonable timeframe.
- the exposure is secured by a first-ranking mortgage on the property or the bank holds the first-ranking mortgage and any other sequentially lower-ranking mortgages on that property;
- the value of the property does not depend significantly on the debtor's creditworthiness;
- all information required at the time of assuming the exposure and for monitoring purposes is adequately documented, including that concerning the debtor's repayment capacity and the valuation of the property.

3. IMPAIRED CREDIT EXPOSURES

3.1 MANAGEMENT STRATEGIES AND POLICIES

According to the EBA definition, non-performing exposures satisfy either or both of the following criteria:

- material exposures which are more than 90 days past due;
- the debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past due.

Impaired exposures are classified by increasing degree of severity in the following three categories:

- impaired past due and or overlimit exposures: exposures continuously past due or overlimit by more than 90 days in an amount exceeding the materiality thresholds (a relative materiality threshold equal to 1% of the entire exposure and an absolute materiality threshold of €100 or €500 for retail or corporate counterparties respectively);
- unlikely to pay (UTP) exposures: on- and off-balance sheet exposures for which the institution considers that the obligor is unlikely, without recourse to actions such as realizing security, to pay its credit obligations (principal and/or interest);
- default: on- and off-balance sheet exposures to an obligor in a state of insolvency (even if not declared by a court) or a substantially comparable situation, regardless of any expected loss.

Credit exposures that have been granted a forbearance measure¹²⁸ by the Bank in the event that the customer is in or close to a situation of financial difficulty in meeting its payment obligations (“troubled debt”) are defined such as “forbearance exposures”.

In identifying forborne exposures, the regulations require a transaction-by-transaction approach, regardless of their classification (impaired past due and/or overlimit exposures, unlikely to pay exposures or defaults): although the state of financial difficulty must be ascertained at level of the debtor, only the exposures referred to the latter that have actually been granted forbearance measures must be classified as forborne.

These classification rules are further supplemented by that established in IFRS 9, according to which credit exposures must be allocated to three stages (for more details, see the previous discussion). Among impaired exposures, allocation to stage “3” is underscored, which occurs when the customer’s status changes to “non-performing”.

For the purpose of identifying non-performing exposures, the Group:

- has operational arrangements under which, depending on the intervention to be undertaken, positions can be managed using a centralized approach by the competent Parent Company functions, a decentralized approach by the individual Group companies or a collaborative approach between the Parent Company and Group companies;
- applies a unified and harmonized definition of NPLs in all Group companies, consistent with the applicable regulatory provisions;
- considers legal and financial connections between counterparties and adopts a group perspective in identifying the exposure of a debtor as impaired (default propagation).

Within this approach, the individual Group companies transpose into their own rules the principles and rules established in Group policies for the management and recovery of troubled exposures and NPEs in line with the specific features of the territory in which they operate, their size, their business model and the related organizational structure.

The strategy for managing non-performing exposures is set by the Parent Company and is subject to approval and monitoring by its Board of Directors. Specifically, the Parent Company:

- defines the objectives in terms of reducing expected NPE levels at Group level;

¹²⁸ In general, a forbearance measure means an operation by which the creditor, applying principles of economic rationality, grants forbearance to the borrower in consideration of the borrower’s financial difficulties. This concession takes the form of the creditor’s waiver of certain contractually defined rights which translates into an immediate or deferred benefit - of a financial or economic nature - for the debtor.

- establishes, with the support of the Group companies, the objectives for the individual companies and the related management strategies.

The implementation of the strategy is supported by the Parent Company through the delivery of specialized support services, the provision of tools to facilitate the uniform management of impaired positions and a Group operational plan, which is also approved by the Parent Company's Board of Directors.

In order to ensure the quality of the management of non-performing exposures by the specified personnel, all Group companies have developed a system for measuring the performance of senior management and the organizational structures dedicated to management of non-performing exposures. In particular, in accordance with the principle of proportionality, the individual Group companies define their own performance evaluation and monitoring systems in line with Group policy, based on a number of quantitative and qualitative factors, of which the following list provides a few examples:

- developments in the stock of gross and net non-performing exposures, deviation from the objectives of the Group's Strategic Plan;
- the effectiveness of forbearance measures;
- the performance of cure process;
- the total amount recovered on the loan portfolio with a focus on collections, liquidations and asset sales;
- the reduction of arrears and the improvement of portfolio quality;
- the aging of positions by recovery management phases (or portfolio classification);
- the regular performance of agreed restructuring plans;
- the application of writeoffs.

The management of NPEs envisages the following categories of management strategies:

- short- or long-term management actions to support business continuity with the objective of returning positions to performing status or amicable recovery of the exposure;
- legal action, to be adopted for severely impaired positions for which litigation is undertaken to recover the credit, as the state of crisis appears to be deep-rooted and irreversible;
- active portfolio reduction, to be applied to impaired positions that are considered unrecoverable.

Extraordinary NPE portfolio management strategies include the transfer of individual files or selected portions of the portfolio.

3.2 WRITEOFFS

The Group writes off impaired positions, meaning the derecognition from the financial statements of a loan, or part of a loan, and the consequent recognition of a loss, when it is ascertained that the exposure cannot be collected or it is uneconomic to continue any associated recovery activities under way. It may occur before the legal action to recover the financial assets are completed and does not necessarily entail waiver of the bank's right to the asset. A writeoff may be total, and therefore regard the entire amount of a financial, or partial (in all those cases in which the claim recognized is smaller than the carrying amount, for example in insolvency proceedings). The amount of the writeoff must always take account of any expenses, including legal costs, accrued and not yet invoiced at the time of analysis.

A writeoff involves:

- the reversal of total writedowns against the gross value of the financial asset;
- for any part exceeding total writedowns, the impairment loss on the financial asset is recognized directly in profit or loss.

Any recoveries from collection after the recognition of the writeoff are recognized in profit or loss as writebacks.

Writeoffs recognized for unrecoverability refer to cases in which the Bank is in possession of documentation certifying the significant probability that the loan may not be recovered, in whole or in part. Specifically, the irrecoverable status of the loan must be attested to by certain and specific circumstances, such as:

- the obligor, co-obligors and/or connected guarantors are untraceable or destitute;
- there has been no recovery from enforcement of guarantees or collateral and seizures;
- the period of limitations has passed;
- insolvency proceedings have been closed with incomplete restitution for the bank, in the absence of further guarantees that could be enforced;
- it is impossible to take further action in consideration of the overall financial position and income situation of the obligors and co-obligors (guarantors included);
- all legal or out-of-court actions have, following a careful examination of updated documentation (by way of partial example, commercial information, title searches, searches, etc.), already been carried out or are deemed inappropriate;
- bad loans with a residual balance after partial repayment in settlement performed in accordance with the procedures and time limits provided for by the resolution approved by the competent bodies;
- amounts from the redetermination of the credit claim.

Writeoffs recognized because further action would be uneconomic occur when it is recognized, and can be demonstrated, that the costs related to the continuation of loan recovery actions (for example: legal, administrative and other costs) would exceed the value of the financial asset that is expected to be recovered.

3.3 FINANCIAL ASSETS PURCHASED OR ORIGINATED CREDIT-IMPAIRED

Financial assets purchased or originated credit impaired ("POCI") are credit exposures that are impaired upon initial recognition.

Such exposures may arise both from the purchase of impaired credit exposures from third parties or from the restructuring of impaired exposures that involved the grant of new financing that is significant in absolute or relative terms in proportion to the amount of the original exposure.

These exposures are subject to management, measurement and control in accordance with the principles discussed in the previous section of the consolidated notes to the financial statements. In particular, the expected credit losses recorded at initial recognition in the carrying amount of the instrument are reviewed periodically based on the processes described in the preceding sections.

The expected loss for these exposures is always calculated over their lifetime and the exposures are conventionally reported under stage 3, or stage 2 if, following an improvement in the credit quality of the counterparty since initial recognition, the assets are performing.

Such assets are never classified under stage 1 since the expected credit loss must be calculated on a lifetime basis.

4. FINANCIAL ASSETS SUBJECT TO COMMERCIAL RENEGOTIATIONS AND EXPOSURES GRANTED FORBEARANCE MEASURES

The classification of exposures into "impaired past due and/or overlimit" exposures, "unlikely-to-pay" exposures or "bad loans" also provides for the identification – for both performing and non-performing portfolios - of "forborne" exposures. These credit exposures are subject to a forbearance measure granted to a customer who is already facing a situation of financial difficulty in meeting their payment commitments ("troubled debt"), or is about to do so, and which would not have been granted if that customer had not found themselves in such a situation. This classification holds regardless of whether the counterparty is past due, overlimit or classified as in default. To identify an exposure as forborne, both of the following conditions must be verified:

- the existence of the financial difficulties that the obligor is facing or is about to face. The assessment of financial difficulty is based on the obligor, which comprises all natural and legal persons belonging to their group (group of connected customers): the assessment therefore also extends to these latter persons in order to verify whether situations of difficulty at the group level may compromise the obligor's ability to meet their obligations. The assessment of financial difficulty is performed without taking account of the guarantees issued by the obligor or third parties. The Group's IT applications report the presence or absence

of financial difficulty faced by the counterparty with specific disclosures on the company IT systems used in the classification process;

- the exposure is the subject of a forbearance measure (renegotiation of the contractual conditions and/or of a repayment or refinancing plan, etc.) granted with the prime objective of enabling non-performing borrowers to return to performing status or to prevent performing borrowers from entering non-performing status. Forbearance measures should always seek to return the exposure to a situation of sustainable repayment.

The Group defines forbearance measures as:

- contract modifications granted in favor of a debtor solely in consideration of the debtor's financial difficulties and not solely on the basis of commercial grounds/practice;
- the grant of total or partial refinancing to a debtor in financial difficulties in order to enable the debtor to repay an existing obligation to the bank; this case also includes additional finance operations aimed at the completion-optimization of an existing obligation to the bank;
- contract modifications that can be requested by a debtor under the terms of a contract already agreed in the knowledge that the debtor is experiencing financial difficulties (embedded forbearance clauses).

The attribution of "forborne" to a credit exposure does not represent an additional classification status to those currently provided for in supervisory regulations and the internal rules of the Group to which reference is made for those purposes. Forborne status must be associated with the individual exposure. Accordingly, a forborne exposure can be classified as performing forborne or non-performing forborne depending on the status of the counterparty to which these exposures are attributable.

Forbearance measures cannot be granted to customers with credit exposures classified as bad loans or bank counterparties.

Performing exposures are classified as forborne non-performing in the following cases:

- a concession measure is granted and at the time of the resolution the level of severity of the financial difficulty of the counterparty is assessed as such as to lead to a non-performing classification;
- the concession measure implies a diminished financial obligation higher than 1% pursuant to the new DoD guidelines;
- the concession measure implies a diminished financial obligation lower than 1%, but the manager, following an in-depth analysis regarding the classification as non performing (so-called "UTP assessment") identifies the conditions for the classification as non-performing, also on the basis of the presence of:
 - a repayment plan for the measure that provides for the payment of a large lump sum at the end of the plan;
 - an irregular repayment plan with significantly lower payments at the beginning of the plan;
 - exposures to the debtor that have been subject to distressed restructuring more than once;
 - a significant grace period at the beginning of the repayment plan.

Performing forborne exposures are classified as non-performing in the following cases:

- a performing counterparty, not coming from a previous forborne non-performing classification, which is granted a second forbearance measure and is found to be past due and/or in excess of 30 days, based on the assessment of the function responsible for the classification;
- the counterparty to whom the third measure of forbearance is granted on the same relationship;
- a performing counterparty, coming from a previous forborne non-performing classification, which is granted a second forbearance measure and/or is found to be past due and/or in excess of 30 days;
- a counterparty classified as past due during the probation period.

QUANTITATIVE DISCLOSURES**A. CREDIT QUALITY****A.1 - IMPAIRED AND PERFORMING CREDIT EXPOSURES: STOCKS, WRITEDOWNS, CHANGES AND DISTRIBUTION BY SECTOR****A.1.1 - PRUDENTIAL CONSOLIDATION - DISTRIBUTION OF FINANCIAL ASSETS BY TIME PAST DUE (CARRYING AMOUNT)**

	Stage 1			Stage 2			Stage 3			Purchased or originated credit-impaired		
	Up to 30 days	From 30 to 90 days	More than 90 days	Up to 30 days	From 30 to 90 days	More than 90 days	Up to 30 days	From 30 to 90 days	More than 90 days	Up to 30 days	From 30 to 90 days	More than 90 days
1. Financial assets measured at amortized cost	455,677	1,004	1,220	377,226	163,553	24,048	47,109	57,243	290,977	-	-	377
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	11	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-	-	-	777	-	-	-
Total 31/12/2025	455,677	1,004	1,220	377,226	163,553	24,048	47,109	57,243	291,765	-	-	377
Total 31/12/2024	478,981	4,691	6,462	438,532	198,007	25,136	59,396	74,059	397,604	-	-	725

A.1.2 - PRUDENTIAL CONSOLIDATION - FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND GUARANTEES ISSUED: DEVELOPMENTS IN TOTAL WRITEDOWNS AND TOTAL PROVISIONS

	Total writedowns																	
	Stage 1						Stage 2						Stage 3					
	Demand claims on banks and central banks	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual writedowns	of which: collective writedowns	Demand claims on banks and central banks	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual writedowns	of which: collective writedowns	Demand claims on banks and central banks	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual writedowns	of which: collective writedowns
Opening balance	219	270,653	2,847	-	4,431	269,286	1,586	588,050	2,934	677	11,554	582,693	-	2,142,182	42	29,947	2,079,126	93,055
Increases in financial assets purchased or originated	-	68,131	1,370	-	-	69,501	66	69,661	1,184	-	-	70,910	-	121,840	-	-	121,731	108
Derecognition other than write-offs	(9)	(40,962)	(1,268)	-	-	(42,240)	(779)	(70,532)	(741)	-	(157)	(71,881)	-	(563,360)	(230)	-	(494,978)	(68,612)
Net writedowns/writebacks for credit risk	(12)	(49,287)	(680)	-	-	(49,980)	331	(98,868)	(1,085)	-	(801)	(98,836)	-	398,395	-	(28,490)	320,021	49,884
Contractual modifications without derecognition	-	38	-	-	-	38	-	41	-	-	-	41	-	10	-	-	10	-
Change in estimation method	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognized directly through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	(156,003)	-	-	(151,880)	(4,123)
Other changes	(20)	2,124	(18)	-	(21)	1,956	-	(303)	(384)	-	(952)	(734)	-	2,792	188	-	3,802	(831)
Closing balance	178	250,697	2,250	-	4,410	248,561	1,203	488,049	1,908	677	9,644	482,189	-	1,945,855	-	1,456	1,877,832	69,482
Recoveries from collection on written-off financial assets	-	-	-	-	-	-	-	4	-	-	-	4	-	24,056	-	-	23,787	270
Write-offs recognized directly through profit or loss	-	(17)	-	-	(17)	-	-	(147)	-	-	-	(147)	-	(66,995)	-	-	(66,995)	-

	Total writedowns					Total provisions for commitments to disburse funds and financial guarantees issued				Total
	Financial assets purchased or originated credit impaired									
	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual writedowns	of which: collective writedowns	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and financial guarantees purchased or originated credit impaired	
Opening balance	6,892	-	-	6,868	23	127,454	48,115	92,634	-	3,315,231
Increases in financial assets purchased or originated	X	X	X	X	X	22,519	9,721	29,160	-	323,651
Derecognition other than write-offs	(778)	-	-	(778)	-	(681)	-	-	-	(679,341)
Net writedowns/writebacks for credit risk	45	-	-	34	11	(79,615)	(17,471)	(35,226)	-	88,036
Contractual modifications without derecognition	-	-	-	-	-	(466)	1,810	-	-	1,433
Change in estimation method	-	-	-	-	-	-	-	-	-	-
Writeoffs not recognized directly through profit or loss	-	-	-	-	-	-	-	-	-	(156,003)
Other changes	(331)	-	-	(331)	-	(5,317)	(207)	(598)	-	(2,074)
Closing balance	5,826	-	-	5,792	34	63,893	41,967	85,971	-	2,889,930
Recoveries from collection on written-off financial assets	2	-	-	2	-	-	-	-	-	24,062
Write-offs recognized directly through profit or loss	-	-	-	-	-	-	-	-	-	(67,158)

A.1.3 - PRUDENTIAL CONSOLIDATION - FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED: TRANSFERS BETWEEN CREDIT RISK STAGES (GROSS AND NOMINAL VALUES)

	Gross exposure/nominal value					
	Transfers between stage 1 and stage 2		Transfers between stage 2 and stage 3		Transfers between stage 1 and stage 3	
	From stage 1 to stage 2	From stage 2 to stage 1	From stage 2 to stage 3	From stage 3 to stage 2	From stage 1 to stage 3	From stage 3 to stage 1
1. Financial assets measured at amortized cost	3,715,442	3,102,730	913,920	184,832	372,946	29,812
2. Financial assets measured at fair value through other comprehensive income	13,080	4,596	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees issued	940,572	737,596	25,850	11,653	60,643	5,680
Total 31/12/2025	4,669,094	3,844,922	939,770	196,485	433,589	35,492
Total 31/12/2024	5,684,894	3,598,755	564,494	218,732	433,749	31,282

The following table reports loans outstanding at the reporting date that were granted within the scope of public guarantee mechanisms established in response to the COVID-19 emergency. The table reports changes in risk staging during the year. The new lending includes, inter alia, financial assets recognized following the grant of forbearance measures that involved a refinancing with derecognition of the original assets and recognition of a new loan, or a restructuring of multiple liabilities with the recognition of a new loan.

LOANS INVOLVED IN COVID-19 SUPPORT MEASURES: TRANSFERS BETWEEN CREDIT RISK STAGES (GROSS VALUES)

	Gross exposures					
	Transfers between stage 1 and stage 2		Transfers between stage 2 and stage 3		Transfers between stage 1 and stage 3	
	From stage 1 to stage 2	From stage 2 to stage 1	From stage 2 to stage 3	From stage 3 to stage 2	From stage 1 to stage 3	From stage 3 to stage 1
Loans measured at amortized cost	128,038	156,554	34,877	3,721	21,466	695
Loans measured at fair value through other comprehensive income	-	-	-	-	-	-
Total 31/12/2025	128,038	156,554	34,877	3,721	21,466	695

A.1.4 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO BANKS: GROSS AND NET VALUES

	Gross exposures					Total writedowns and total provisions					Net exposures	Total partial write-offs*
		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
A. On-balance-sheet exposures												
A.1 Demand	880,463	831,923	48,540	-	-	1,257	54	1,203	-	-	879,206	-
a) Impaired	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	880,463	831,923	48,540	X	-	1,257	54	1,203	X	-	879,206	-
A.2 Other	3,988,589	3,886,848	97,252	-	-	6,994	2,609	4,385	-	-	3,981,594	-
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Impaired past due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past due exposures	1	1	-	X	-	-	-	-	X	-	-	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing assets	3,988,588	3,886,848	97,252	X	-	6,994	2,609	4,385	X	-	3,981,594	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	4,869,052	4,718,771	145,792	-	-	8,251	2,663	5,588	-	-	4,860,800	-
B. Off-balance-sheet exposures												
a) Impaired	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	1,787,235	470,577	36,085	X	-	5,464	4,951	501	X	-	1,781,771	-
Total (B)	1,787,235	470,577	36,085	-	-	5,464	4,951	501	-	-	1,781,771	-
Total (A+B)	6,656,287	5,189,348	181,877	-	-	13,716	7,614	6,090	-	-	6,642,571	-

*Value to be reported for information purposes

A.1.5 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS: GROSS AND NET VALUES

	Gross exposure					Total writedowns and total provisions					Net exposure	Total partial write-offs *
		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
A. On-balance-sheet exposures												
a) Bad loans	756,588	X	-	753,633	2,953	685,675	X	-	683,099	2,576	70,913	402,088
- of which: forborne exposures	172,901	X	-	172,901	-	156,469	X	-	156,469	-	16,431	85,286
b) Unlikely to pay	1,950,395	X	-	1,947,013	3,240	1,142,488	X	-	1,139,271	3,216	807,907	8,731
- of which: forborne exposures	568,296	X	-	565,323	2,974	418,843	X	-	415,893	2,950	149,453	6,797
c) Impaired past due exposures	256,220	X	-	256,220	-	124,084	X	-	124,084	-	132,137	-
- of which: forborne exposures	6,371	X	-	6,371	-	2,985	X	-	2,985	-	3,387	-
d) Performing past due exposures	1,084,914	461,054	623,848	X	-	62,165	3,144	59,021	X	-	1,022,749	-
- of which: forborne exposures	69,647	-	69,647	X	-	7,784	-	7,784	X	-	61,863	-
e) Other performing assets	150,727,597	142,084,555	7,630,517	X	2,092	673,779	247,174	426,570	X	34	150,053,817	12
- of which: forborne exposures	813,273	245	812,702	X	325	50,542	-	50,509	X	33	762,731	-
Total (A)	154,775,714	142,545,609	8,254,365	2,956,866	8,285	2,688,191	250,318	485,591	1,946,454	5,826	152,087,523	410,831
B. Off-balance sheet exposures												
a) Impaired	227,365	X	-	227,365	-	85,971	X	-	85,971	-	141,394	-
b) Performing	29,857,606	27,475,951	1,913,702	X	-	100,396	58,245	39,803	X	-	29,757,210	-
Total (B)	30,084,971	27,475,951	1,913,702	227,365	-	186,366	58,245	39,803	85,971	-	29,898,605	-
Total (A+B)	184,860,685	170,021,560	10,168,067	3,184,231	8,285	2,874,558	308,563	525,394	2,032,425	5,826	181,986,127	410,831

*Value to be reported for information purposes

The following table reports loans outstanding at the reporting date that were granted within the scope of public guarantee mechanisms established in response to the COVID-19 emergency. The table reports changes in risk staging during the year. The new lending includes, inter alia, financial assets recognized following the grant of forbearance measures that involved a refinancing with derecognition of the original assets and recognition of a new loan, or a restructuring of multiple liabilities with the recognition of a new loan.

LOANS INVOLVED IN COVID-19 SUPPORT MEASURES: GROSS AND NET VALUES

	Gross exposure				Purchased or originated credit-impaired	Total writedowns and total provisions				Net exposure	Total partial write-offs*
	Stage 1	Stage 2	Stage 3			Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		
Bad loans	319	-	-	319	-	269	-	-	269	-	47
Unlikely to pay	89,506	-	-	89,506	-	55,941	-	-	55,941	-	-
Impaired past due exposures	15,217	-	-	15,217	-	6,776	-	-	6,776	-	-
Performing past-due exposures	33,868	7,855	26,013	-	-	838	13	825	-	-	-
Other performing assets	2,414,818	2,112,987	301,757	-	-	7,405	3,421	3,984	-	-	-
Total	2,553,727	2,120,842	327,770	105,041	-	71,229	3,434	4,809	62,986	-	2,482,498

* Value to be reported for information purposes

A.1.6 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET CREDIT EXPOSURES TO BANKS: CHANGES IN GROSS IMPAIRED POSITIONS

There are no such positions as of the reporting date.

A.1.6 BIS - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET CREDIT EXPOSURES TO BANKS: CHANGES IN GROSS FORBORNE EXPOSURES BY CREDIT QUALITY

There are no such positions as of the reporting date.

A.1.7 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS: CHANGES IN GROSS IMPAIRED POSITIONS

	Bad loans	Unlikely to pay	Impaired past-due
A. Opening gross exposure	863,951	1,783,153	322,670
- of which: exposures assigned but not derecognized	-	-	-
B. Increases	598,805	1,435,757	237,648
B.1 from performing exposures	157,391	1,147,453	197,500
B.2 from purchased or originated impaired financial assets	180	-	-
B.3 from other categories of impaired exposures	341,198	115,794	873
B.4 contractual modifications without derecognition	-	32	-
B.5 other increases	100,036	172,477	39,275
C. Decreases	706,169	1,268,515	304,097
C.1 to performing exposures	66	155,397	51,054
C.2 writeoffs	173,072	14,028	247
C.3 collections	309,628	474,249	90,112
C.4 realization from disposal	78,588	159,859	1,517
C.5 losses on disposals	23,968	38,174	498
C.6 to other categories of impaired exposures	3	298,872	158,990
C.7 contractual modifications without derecognition	-	-	-
C.8 other decreases	120,844	127,936	1,678
D. Closing gross exposure	756,588	1,950,395	256,220
- of which: exposures assigned but not derecognized	617	3,327	5,615

A.1.7 BIS - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS: CHANGES IN GROSS FORBORNE EXPOSURES BY CREDIT QUALITY

	Impaired forborne exposures	Performing forborne exposures
A. Opening gross exposure	965,454	1,036,727
- of which: exposures assigned but not derecognized	14,481	8,299
B. Increases	295,373	430,831
B.1 from non-forborne performing exposures	55,680	224,733
B.2 from forborne performing exposures	98,519	X
B.3 from forborne exposures non-performing	X	101,640
B.4 from non-forborne non-performing exposures	68,424	1,200
B.5 other increases	72,750	103,259
C. Decreases	513,259	584,639
C.1 to non-forborne performing exposures	X	294,273
C.2 to forborne performing exposures	101,640	X
C.3 to forborne exposures non-performing	X	98,519
C.4 writeoffs	25,784	-
C.5 collections	209,572	169,112
C.6 realization from disposal	19,843	-
C.7 losses on disposals	10,491	-
C.8 other decreases	145,930	22,734
D. Closing gross exposure	747,568	882,920
- of which: exposures assigned but not derecognized	24,366	20,301

A.1.8 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET IMPAIRED CREDIT EXPOSURES TO BANKS: CHANGE IN TOTAL ADJUSTMENTS

There are no such positions as of the reporting date.

A.1.9 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET IMPAIRED CREDIT EXPOSURES TO CUSTOMERS: CHANGE IN TOTAL ADJUSTMENTS

	Bad loans		Unlikely to pay		Impaired past due exposures	
	Total	of which: forborne exposures	Total	of which: forborne exposures	Total	of which: forborne exposures
A. Total opening adjustments	760,063	172,822	1,262,194	538,603	155,924	6,858
- of which: exposures assigned but not derecognized	-	-	-	-	-	-
B. Increases	534,623	94,602	731,714	177,736	104,666	4,398
B.1 writedowns of purchased or originated credit-impaired assets	160	X	-	X	-	X
B.2 other writedowns	281,869	44,571	613,174	145,724	93,414	2,209
B.3 losses on disposal	6,435	27	9,923	117	498	-
B.4 from other categories of impaired positions	220,312	44,526	55,374	5,370	2,641	1,610
B.5 contractual modifications without derecognition	-	-	10	-	-	-
B.6 other increases	25,847	5,478	53,232	26,525	8,114	578
C. Decreases	609,011	110,955	851,421	297,496	136,506	8,271
C.1 writebacks from valuations	75,425	11,703	65,065	27,670	7,679	269
C.2 writebacks from collections	195,148	37,193	196,979	78,097	16,644	486
C.3 gains on disposal	44,017	4,743	68,896	8,341	107	-
C.4 writeoffs	173,071	22,241	14,028	3,541	247	3
C.5 to other categories of impaired positions	1,622	1,619	203,622	45,701	73,083	4,185
C.6 contractual modifications without derecognition	-	-	34	-	-	-
C.7 other decreases	119,727	33,455	302,797	134,145	38,746	3,327
D. Total closing adjustments	685,675	156,469	1,142,487	418,843	124,084	2,985
- of which: exposures assigned but not derecognized	567	14	2,748	574	3,099	10

A.2 - CLASSIFICATION OF EXPOSURES ON THE BASIS OF EXTERNAL AND INTERNAL RATINGS**A.2.1 - PRUDENTIAL CONSOLIDATION - DISTRIBUTION OF FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED BY EXTERNAL RATING GRADES (GROSS VALUES)**

	External rating grades						Not rated	Total
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Financial assets measured at amortized cost	1,159,758	3,605,304	42,971,823	389,442	14,514	426,424	102,243,910	150,811,175
- Stage 1	1,159,663	3,557,403	42,909,047	371,147	14,514	-	91,517,653	139,529,427
- Stage 2	95	47,901	62,776	18,295	-	6,305	8,184,317	8,319,687
- Stage 3	-	-	-	-	-	420,119	2,536,891	2,957,010
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	5,049	5,049
B. Financial assets measured at fair value through other comprehensive income	355,414	718,802	5,375,151	152,977	7,646	1,142	325,555	6,936,687
- Stage 1	355,414	718,802	5,362,249	141,083	7,271	-	317,570	6,902,388
- Stage 2	-	-	12,904	11,894	375	1,142	7,974	34,288
- Stage 3	-	-	-	-	-	-	11	11
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
C. Financial assets held for sale	-	-	-	-	-	-	1,377	1,377
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	1,377	1,377
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
Total (A+B+C)	1,515,172	4,324,106	48,346,976	542,418	22,160	427,565	102,570,842	157,749,239
D. Commitments to disburse funds and financial guarantees issued	5	385,449	144,107	25,726	184	-	29,653,446	30,208,917
- Stage 1	5	377,827	131,466	23,852	168	-	27,437,863	27,971,181
- Stage 2	-	7,622	12,641	1,874	16	-	1,988,218	2,010,371
- Stage 3	-	-	-	-	-	-	227,365	227,365
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
Total (D)	5	385,449	144,107	25,726	184	-	29,653,446	30,208,918
Total (A+B+C+D)	1,515,177	4,709,555	48,491,083	568,145	22,344	427,565	132,224,287	187,958,156

A.2.2 - PRUDENTIAL CONSOLIDATION - DISTRIBUTION OF FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED BY INTERNAL RATING GRADES (GROSS VALUES)

	Internal rating grades							
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7	Class 8
A. Financial assets measured at amortized cost	1,124,019	5,117,182	20,159,834	21,869,012	11,129,839	8,735,742	11,853,636	1,137,450
- Stage 1	1,119,437	5,093,954	19,954,412	21,452,611	10,590,377	8,118,457	9,587,497	435,300
- Stage 2	4,582	23,228	205,253	415,884	538,595	617,160	2,258,310	697,141
- Stage 3	-	-	169	517	867	125	7,680	5,009
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	149	-
B. Financial assets measured at fair value through other comprehensive income	4,765	106,158	2,038	-	-	-	-	-
- Stage 1	4,765	106,158	2,038	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
C. Financial assets held for sale	-	-	-	-	-	-	-	-
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
Total (A+B+C)	1,128,784	5,223,340	20,161,872	21,869,012	11,129,839	8,735,742	11,853,636	1,137,450
D. Commitments to disburse funds and financial guarantees issued	342,018	517,647	1,033,763	8,863,870	4,343,940	3,128,157	3,167,499	234,469
- Stage 1	341,244	514,755	999,276	8,744,112	4,225,156	2,970,821	2,719,831	130,795
- Stage 2	774	2,892	34,487	119,428	118,783	157,176	447,411	103,662
- Stage 3	-	-	-	330	-	160	257	12
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
Total (D)	342,018	517,647	1,033,763	8,863,870	4,343,940	3,128,157	3,167,499	234,469
Total (A+B+C+D)	1,470,803	5,740,986	21,195,635	30,732,883	15,473,779	11,863,899	15,021,135	1,371,919

	Internal rating grades						Not rated	Total (A+B+C+D)
	Class 9	Class 10	Class 11	Class 12	Class 13	Class 14		
A. Financial assets measured at amortized cost	630,114	333,407	190,959	111,705	-	-	68,418,277	150,811,175
- Stage 1	99,185	5,785	417	2,308	-	-	63,069,687	139,529,427
- Stage 2	530,500	323,218	190,530	107,656	-	-	2,407,632	8,319,688
- Stage 3	429	4,229	12	1,740	-	-	2,936,233	2,957,010
- Purchased or originated credit-impaired assets	-	176	-	-	-	-	4,724	5,049
B. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	6,823,726	6,936,687
- Stage 1	-	-	-	-	-	-	6,789,427	6,902,388
- Stage 2	-	-	-	-	-	-	34,288	34,288
- Stage 3	-	-	-	-	-	-	11	11
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
C. Financial assets held for sale	-	-	-	-	-	-	1,377	1,377
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	1,377	1,377
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
Total (A+B+C)	630,114	333,407	190,959	111,705	-	-	75,243,379	157,749,239
D. Commitments to disburse funds and financial guarantees issued	95,571	21,888	11,274	10,855	-	-	8,437,967	30,208,917
- Stage 1	35,852	4,792	217	3,945	-	-	7,280,386	27,971,182
- Stage 2	59,704	17,088	11,057	6,891	-	-	931,017	2,010,371
- Stage 3	15	9	-	19	-	-	226,563	227,365
- Purchased or originated credit-impaired assets	-	-	-	-	-	-	-	-
Total (D)	95,571	21,888	11,274	10,855	-	-	8,437,967	30,208,917
Total (A+B+C+D)	725,685	355,296	202,233	122,560	-	-	83,681,346	187,958,156

A.3 - DISTRIBUTION OF SECURED CREDIT EXPOSURES BY TYPE OF GUARANTEE**A.3.1 - PRUDENTIAL CONSOLIDATION – ON- AND OFF-BALANCE SHEET SECURED CREDIT EXPOSURES TO BANKS**

	Gross exposure	Net exposure	Unsecured guarantees											Total (1)+(2)		
			Collateral (1)					(2)								
								Credit derivatives				Guarantees				
			Property - Mortgages	Property – Finance leases	Securities	Other collateral	CLN	Other derivatives			Banks	Other financial companies	Other		Government entities	
								Central counterparties	Banks	Other financial companies						Other
1. Secured on-balance-sheet credit exposures:	91,672	88,892	1,846	-	83,014	205	-	-	-	-	-	-	71	-	3,713	88,849
1.1 fully secured	91,478	88,778	1,846	-	83,014	205	-	-	-	-	-	-	71	-	3,642	88,778
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 partially secured	194	114	-	-	-	-	-	-	-	-	-	-	-	-	71	71
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Secured off-balance-sheet credit exposures:	93,514	93,185	-	-	87,273	-	-	-	-	-	-	2,304	-	964	1,506	92,047
2.1 fully secured	88,637	88,331	-	-	86,663	-	-	-	-	-	-	1,474	-	194	-	88,331
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 partially secured	4,877	4,854	-	-	610	-	-	-	-	-	-	830	-	770	1,506	3,716
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.3.2 - PRUDENTIAL CONSOLIDATION – ON- AND OFF-BALANCE SHEET SECURED CREDIT EXPOSURES TO CUSTOMERS

	Gross exposure	Net exposure	Collateral				Unsecured guarantees								Total (1)+(2)	
			(1)				(2)									
			Property-Mortgages	Property – Finance leases	Securities	Other collateral	Credit derivatives					Guarantees				
							CLN	Other derivatives				Government entities	Banks	Other financial companies		Other
								Central counterparties	Banks	Other financial companies	Other					
1. Secured on-balance-sheet credit exposures:	85,805,532	83,601,983	52,211,063	1,673,182	2,984,594	3,612,917	-	-	-	-	-	11,495,849	707,908	482,398	7,992,007	81,159,918
1.1 fully secured	78,336,350	76,400,797	51,790,794	1,610,336	2,873,736	3,427,303	-	-	-	-	-	7,676,915	488,845	365,009	7,733,223	75,966,160
- of which: impaired	2,256,540	811,615	301,489	22,580	1,166	21,559	-	-	-	-	-	419,678	4,724	6,886	33,470	811,552
1.2 partially secured	7,469,182	7,201,186	420,269	62,846	110,858	185,614	-	-	-	-	-	3,818,934	219,064	117,390	258,785	5,193,758
- of which: impaired	365,556	142,857	4,231	-	353	801	-	-	-	-	-	122,771	3,171	2,835	2,549	136,711
2. Secured off-balance-sheet credit exposures:	13,751,996	13,659,689	1,256,124	9,718	2,629,817	534,672	-	-	-	-	-	864,160	61,215	88,003	7,100,197	12,543,906
2.1 fully secured	11,599,157	11,522,935	974,719	7,755	2,573,467	440,392	-	-	-	-	-	531,664	42,677	69,004	6,779,309	11,418,987
- of which: impaired	95,024	58,971	4,572	-	366	3,411	-	-	-	-	-	9,328	28	1,565	39,693	58,963
2.2 partially secured	2,152,839	2,136,754	281,406	1,963	56,350	94,280	-	-	-	-	-	332,496	18,538	18,999	320,888	1,124,919
- of which: impaired	23,242	15,558	-	-	47	1,348	-	-	-	-	-	6,569	-	451	5,079	13,493

A.4 - PRUDENTIAL CONSOLIDATION - FINANCIAL AND NON-FINANCIAL ASSETS OBTAINED THROUGH ENFORCEMENT OF GUARANTEES RECEIVED

	Derecognized credit exposure	Gross value	Total writedowns	Carrying amount	
				of which obtained during the year	
A. Property, plant and equipment	74,815	82,847	27,544	55,302	3,437
A.1. Used in operations	651	1,482	259	1,223	-
A.2. Investment property	36,427	39,106	10,496	28,610	3,197
A.3. Inventories	37,737	42,259	16,790	25,469	240
B. Equity and debt securities	-	-	-	-	-
C. Other assets	-	-	-	-	-
D. Non-current assets and disposal groups held for sale	7,484	7,471	1,129	6,342	82
D.1. Property, plant and equipment	7,484	7,471	1,129	6,342	82
D.2. Other assets	-	-	-	-	-
Total 31/12/2025	82,299	90,318	28,673	61,644	3,519
Total 31/12/2024	85,334	91,099	26,287	64,812	1,516

B. DISTRIBUTION AND CONCENTRATION OF CREDIT EXPOSURES**B.1 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS BY SECTOR**

	Government entities		Financial companies		Financial companies (of which: insurance undertakings)	
	Net exposure	Total writedowns	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance sheet exposures						
A.1 Bad loans	1	16	9	2,066	-	-
- of which: forborne exposures	-	-	-	356	-	-
A.2 Unlikely to pay	718	1,746	401,797	40,228	-	-
- of which: forborne exposures	240	248	760	1,990	-	-
A.3 Impaired past due exposures	51	108	375	217	-	-
- of which: forborne exposures	-	-	3	1	-	-
A.4 Performing exposures	52,793,445	12,206	7,725,453	120,891	729,218	1,061
- of which: forborne exposures	1,738	45	2,533	21	-	-
Total (A)	52,794,215	14,076	8,127,634	163,401	729,218	1,061
B. Off-balance sheet exposures						
B.1 Impaired exposures	1,280	191	3,685	368	-	-
B.2 Performing exposures	1,688,870	1,767	3,628,813	5,636	188,364	517
Total (B)	1,690,150	1,958	3,632,498	6,004	188,364	517
Total (A+B) 31/12/2025	54,484,365	16,034	11,760,132	169,405	917,582	1,578
Total (A+B) 31/12/2024	52,934,206	13,486	8,752,212	141,564	1,287,087	2,414

	Non-financial companies		Households	
	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance sheet exposures				
A.1 Bad loans	50,545	477,149	20,357	206,444
- of which: forborne exposures	11,680	108,427	4,751	47,686
A.2 Unlikely to pay	245,309	700,781	160,083	399,733
- of which: forborne exposures	79,855	250,685	68,598	165,920
A.3 Impaired past due exposures	61,320	54,131	70,390	69,628
- of which: forborne exposures	1,032	1,098	2,352	1,885
A.4 Performing exposures	42,929,631	392,912	47,628,038	209,935
- of which: forborne exposures	450,545	37,222	369,776	21,038
Total (A)	43,286,806	1,624,973	47,878,868	885,740
B. Off-balance sheet exposures				
B.1 Impaired exposures	126,338	77,453	10,091	7,958
B.2 Performing exposures	21,344,158	75,788	3,095,307	17,204
Total (B)	21,470,496	153,241	3,105,398	25,162
Total (A+B) 31/12/2025	64,757,302	1,778,214	50,984,266	910,903
Total (A+B) 31/12/2024	63,373,382	1,988,463	48,651,945	1,083,161

B.2 PRUDENTIAL CONSOLIDATION – ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS BY GEOGRAPHICAL AREA

	Italy		Other European countries		America		
	Net exposure	Total writedowns	Net exposure	Total writedowns	Net exposure	Total writedowns	
A. On-balance sheet exposures							
A.1 Bad loans	70,858	684,959	50	542	5	148	
A.2 Unlikely to pay	807,540	1,138,591	276	1,193	43	330	
A.3 Impaired past due exposures	128,708	123,491	3,252	314	137	276	
A.4 Performing exposures	144,255,319	731,278	6,264,715	3,632	238,821	538	
Total A	145,262,426	2,678,318	6,268,293	5,681	239,005	1,292	
B. Off-balance sheet exposures							
B.1 Impaired exposures	138,957	85,966	27	5	-	-	
B.2 Performing exposures	29,483,325	96,225	161,976	788	105,751	3,291	
Total (B)	29,622,282	182,191	162,003	793	105,751	3,291	
Total (A+B)	31/12/2025	174,884,708	2,860,509	6,430,296	344,756	4,583	
Total (A+B)	31/12/2024	168,849,631	3,210,023	3,423,576	11,811	1,877	
	Asia		Rest of the world				
	Net exposure	Total writedowns	Net exposure	Total writedowns			
A. On-balance sheet exposures							
A.1 Bad loans	-	26	-	-	-	-	
A.2 Unlikely to pay	48	2,362	-	-	-	11	
A.3 Impaired past due exposures	-	1	39	-	-	2	
A.4 Performing exposures	22,683	182	295,029	-	-	315	
Total A	22,731	2,571	295,068	328			
B. Off-balance sheet exposures							
B.1 Impaired exposures	2,410	-	-	-	-	-	
B.2 Performing exposures	1,014	-	5,082	92			
Total (B)	3,424	-	5,082	92			
Total (A+B)	31/12/2025	26,155	2,571	300,150	420		
Total (A+B)	31/12/2024	18,618	2,483	1,282,238	480		

B.3 - PRUDENTIAL CONSOLIDATION - ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO BANKS BY GEOGRAPHICAL AREA

	Italy		Other European countries		America	
	Net exposure	Total writedowns	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance sheet exposures						
A.1 Bad loans	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-
A.3 Impaired past due exposures	-	-	-	-	-	-
A.4 Performing exposures	4,292,564	4,339	403,642	376	23,746	3,283
Total (A)	4,292,564	4,339	403,642	376	23,746	3,283
B. Off-balance sheet exposures						
B.1 Impaired exposures	-	-	-	-	-	-
B.2 Performing exposures	1,315,003	4,824	228,821	2	1,768	-
Total (B)	1,315,003	4,824	228,821	2	1,768	-
Total (A+B) 31/12/2025	5,607,567	9,163	632,463	378	25,514	3,283
Total (A+B) 31/12/2024	7,214,366	79,152	522,371	774	29,091	6,645

	Asia		Rest of the world	
	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance sheet exposures				
A.1 Bad loans	-	-	-	-
A.2 Unlikely to pay	-	-	-	-
A.3 Impaired past due exposures	-	-	-	-
A.4 Performing exposures	957	-	139,893	253
Total (A)	957	-	139,893	253
B. Off-balance sheet exposures				
B.1 Impaired exposures	-	-	-	-
B.2 Performing exposures	5,424	46	5,692	592
Total (B)	5,424	46	5,692	592
Total (A+B) 31/12/2025	6,381	46	145,585	845
Total (A+B) 31/12/2024	5,244	21	130,523	294

B.4 LARGE EXPOSURES

The rules governing the concentration of exposures define a large exposure as one to a customer or group of connected customers that (regardless of the weighted position) is equal to or greater than 10% of the eligible capital of the reporting entity. In addition, at the consolidated level, reporting entities must report:

- the ten largest exposures to exposures to government agencies and the ten largest exposures to unregulated entities operating in the financial sector;
- exposures equal to or greater than €300 million but less than 10% of the entity's Tier 1 capital.

The following reports exposures associated with individual positions or groups of connected customers included in the report of large exposures.

The following represents the situation at December 31, 2025:

- value of exposure: €111,712million;
- weighted value: €4,271 million;
- number of positions: 35.

C. SECURITIZATIONS

QUALITATIVE DISCLOSURES

In accordance with the definitions provided for in prudential regulations, the Group operates in the securitization market as both an originator, through the assignment of loans to special purpose vehicles (SPVs) for the issue of notes in its own securitizations, and an investor, subscribing the notes issued by third parties in their securitizations.

Own securitizations can be broken down as follows:

- securitization transactions whose notes are placed in whole or in part on the market and originated in order to generate economic benefits from the optimization of the loan portfolio, the diversification of funding sources, the reduction of their cost and the alignment of the natural maturities of assets with those of liabilities (securitizations in the strict sense);
- securitization transactions whose notes are retained entirely by the originator and are intended to diversify and leverage available funding tools, through the transformation of the assigned loans into refinancable securities (self-securitizations). Self-securitization transactions are part of the more general policy of strengthening the Group's liquidity position and do not form part of securitizations in the strict sense since they do not transfer risks outside the Group. For this reason, qualitative information and numerical data on these operations are not included in this section, in accordance with the Bank of Italy instructions contained in Circular 262/2005.

OWN SECURITIZATIONS

The following provides disclosures on own securitizations carried out by the Group and still outstanding at the reporting date, distinguishing between operations carried out during the year and those carried out in previous years.

OWN SECURITIZATIONS CARRIED OUT DURING THE YEAR

No securitizations were carried out during the year.

OWN SECURITIZATIONS CARRIED OUT IN PREVIOUS YEARS

"GACS I" SECURITIZATION

In June 2018, the Group undertook the first securitization involving non-performing loans that qualified for the State guarantee mechanism for the liabilities issued (the so-called "GACS" mechanism) pursuant to Decree Law 18 of February 14, 2016, with a view to reducing Bank's the stock of bad loans and, consequently, improve the company risk profile.

The transaction saw Iccrea Banca participate as promoter and joint arranger (together with JP Morgan Securities Limited) and 23 other banks (including 21 mutual banks, BCC Leasing and Banca Sviluppo) as assignors of the same number of portfolios of non-performing unsecured and mortgage loans, mainly secured by first mortgages, with a total carrying amount of €1,046 billion.

The exposures were assigned to a special purpose securitization vehicle denominated "BCC NPLs 2018 Srl", with the simultaneous grant of a servicing contract by the latter to a third-party servicer independent of the assignors.

As part of the transaction, the special purpose vehicle acquired the portfolio from the assignor banks, financing the purchase by issuing (on July 10, 2018) asset-backed securities not listed on any regulated market with a total nominal value of about €323.86 million, divided into the following classes:

- €282 million of senior notes, corresponding to 26.95% of the value of the assigned loans, which have been assigned an investment grade rating of Baa3 by Moody's and BBB- by Scope Rating, subscribed by the assignors in proportion to the exposures assigned;
- €31.4 million of mezzanine notes, corresponding to 3% of the value of the assigned loans, which have been assigned a rating of Caa2 by Moody's and B+ by Scope Rating, which were sold, together with the junior

notes and with the exception of highlighted below, to qualified investors without any connection, interest or participation with the assignors;

- €10.46 million of junior notes, corresponding to 1% of the value of the assigned loans, not rated.

In order to meet the requirement to retain a net economic interest of 5% in the transaction, the assignors have undertaken to retain a holding of at least 5% of the nominal value of each tranche of notes issued as part of the securitization (the “vertical slice” approach): in this regard, on July 10, 2018 the assignor banks sold approximately 95% of the mezzanine and junior notes to Good Hill Partners, which subscribed:

- 94.96% of the principal amount of the mezzanine notes at the issue date, equal to €29.8 million at a price equal to 33.063% of the relative principal amount, i.e. €9.8 million; and
- 95% of the principal amount of the junior notes at the issue date, equal to €9.9 million at a price equal to 1.006% of the relative principal amount, i.e. €99.9 thousand.

The following table shows the positions held by the Group in respect of the securitization at the reporting date.

Class	Nominal amount (€/million)	Carrying amount (€/million)
Class A	145.9	136.7
Class B	1.6	-
Class C	0.5	-
Limited recourse loan	7.4	1.3

The securitization was structured to possess the characteristics envisaged by the regulations so that the senior notes would be eligible for the State guarantee, in view of the deconsolidation by the assignors of the transferred loan portfolio, in accordance with IAS/IFRS. The State guarantee was issued with a measure dated September 7, 2018.

During 2025, the senior notes were classified in stage 3 with application of the lifetime valuation metric for the determination of impairment.

“GACS II” SECURITIZATION

In December 2018, the Group undertook the second securitization involving non-performing loans that qualified for the State guarantee mechanism for the liabilities issued (the so-called “GACS” mechanism) pursuant to Decree Law 18 of February 14, 2016, with a view to reducing Bank’s the stock of bad loans and, consequently, ensure that the company’s exposure to risk was contained within sustainable limits.

The transaction involved multiple portfolios of unsecured and mortgage loans to debtors classified as defaulted, with an average expected life of 5 years and an estimated maturity of July 2032 (on the basis of the business plan prepared by Italfondinario SpA). As part of the operation, on December 27, 2018 the assignor banks submitted a preliminary application to the Ministry for the Economy and Finance (MEF) for admission to the State guarantee mechanism for the liabilities issued (the so-called “GACS” mechanism) pursuant to Decree Law 18 of February 14, 2016.

The assigned portfolio consists of loans classified as bad loans at the assignment date (December 7, 2018), originated by 73 banks (71 mutual banks, Banca Sviluppo and BCC Leasing), with a total value of over €2 billion in terms of gross carrying amount, with the establishment of a securitization involving:

- the issue of notes by the SPV with the simultaneous subscription of the senior notes and approximately 5% of the mezzanine and junior notes by the assignors and the subscription of about 95% of the mezzanine and junior notes by an institutional investor independent of the assignors and Iccrea Banca, JP Morgan Securities Plc, with the simultaneous payment of the purchase price. The senior notes were assigned an external rating on December 20, 2018 by two rating agencies;
- the derecognition of the assigned loans on December 20, 2018. The assignment of the non-performing loans produced financial effects as from March 31, 2018. Collections between April 1, 2018, inclusive, and the assignment date of the portfolio, inclusive (December 7, 2018) were transferred to the SPV.

More specifically, a securitization vehicle specifically set up pursuant to Law 130 of April 30, 1999 denominated “BCC NPLs 2018-2 Srl” purchased the portfolio from the banks on December 7, 2018 financing its purchase by issuing asset-backed securities not listed on any regulated market with a total nominal value of about €558.17 million, as

indicated below:

- €478 million of senior Class A Asset Backed Floating Rate Notes due July 2042, granted an investment grade rating of BBB (low) by DBRS Ratings Limited and BBB by Scope Rating, subscribed by the assignors in proportion to the exposures assigned;
- €60.13 million of mezzanine Class B Asset Backed Floating Rate Notes due July 2042, with a CCC rating by DBRS Ratings Limited and B + by Scope Rating;
- €20.04 million of junior Class J Asset Backed Floating Rate and Variable Return Notes securities, unrated.

In order to meet the requirement to retain a net economic interest of 5% in the transaction, the assignors have undertaken to retain a holding of at least 5% of the nominal value of each tranche of notes issued as part of the securitization (the “vertical slice” approach).

In this regard, on December 20, 2018 the mezzanine and junior tranches were sold to J.P. Morgan Securities Plc, which subscribed:

- 94.52% of the principal amount of the mezzanine notes at the issue date, equal to €56.8 million at a price equal to 11.309% of the relative principal amount (corresponding to a subscription price of €6.4 million); and
- 94.58% of the principal amount of the junior notes at the issue date, equal to €18.9 million at a price equal to 0.998% of the relative principal amount (corresponding to a subscription price of €189 thousand).

The following table shows the positions held by the Group in respect of the securitization at the reporting date.

Class	Nominal amount (€/million)	Carrying amount (€/million)
Class A	282.0	258.1
Class B	3.3	0.2
Class C	1.0	-
Limited recourse loan	8.6	4.3

As noted previously, the securitization was structured to possess the characteristics so that the senior notes would be eligible for the State guarantee, in view of the deconsolidation by the assignors of the transferred loan portfolio, in accordance with IAS/IFRS. The State guarantee was issued with a measure dated March 5, 2019.

During 2025, the senior notes were classified in stage 3 with application of the lifetime valuation metric for the determination of impairment.

“GACS III” SECURITIZATION

In December 2019, a securitization was completed (the third of its kind for the Group) involving multiple portfolios of receivables in respect of mortgage loans or unsecured loans to debtors classified as defaulted. As part of the operation, on January 10, 2020, the assignor banks submitted to the Ministry for the Economy and Finance (MEF) a preliminary application for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS” – Guarantee of Securitization of Bad loans) pursuant to Decree Law 18 of February 14, 2016, ratified with Law 49 of April 8, 2016, subsequently implemented with the MEF Decree of August 3, 2016, the MEF Decree of November 21, 2017 and the MEF Decree of October 10, 2018.

The transaction was carried out with the aim of reducing the stock of bad loans, partly in response to the need to achieve the objectives set by the ECB for Iccrea Cooperative Banking Group, thereby decreasing their impact on total assets and, consequently, improving the company risk profile. The securitization mechanism and the State guarantee on the senior class of notes made it possible to obtain a higher sale value than in an ordinary market operation and contained the impacts of the disposal.

More specifically, the transaction involved the disposal of a portfolio of loans identified “en bloc” classified as bad loans at the date of sale, originated by Iccrea Banca, BCC Leasing, Banca Sviluppo and 65 mutual banks belonging to the Group with total value of over €1.3 billion in terms of gross carrying amount, through a securitization carried out in the following phases:

- the assignment without recourse, on December 2, 2019, of the portfolio to the securitization vehicle BCC NPLS 2019 (hereinafter the “SPV”) established pursuant to Law 130 of April 30, 1999 as amended;

- the payment of the consideration for the assignment by the SPV, financed through the issue of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, in the total nominal value of about €421.2 million, divided into the classes indicated below:
 - €355 million of senior Class A Asset Backed Floating Rate Notes, maturing in January 2044, rated Baa2, BBB + and BBB respectively by Moody's Investor Services, Scope Rating AG and DBRS Ratings Limited;
 - €53 million of mezzanine Class B Asset Backed Floating Rate Notes, maturing in January 2044, rated B3, B- and CCC respectively by Moody's Investor Services, Scope Rating AG and DBRS Ratings Limited;
 - €13.2 million of junior Class J Asset Backed Floating Rate and Variable Return Notes, maturing in January 2044 and not rated.

In order to meet the requirement to retain a net economic interest of 5% in the transaction, as referred to in Article 6 of Regulation (EU) No. 2017/2402 of the European Parliament and of the Council of December 12, 2017, laying down a general framework for securitization and creating a specific framework for simple, transparent and standardized securitizations, the assignor banks have subscribed - and will undertake to retain for the entire duration of the securitization - at least 5% of the nominal value of each tranche of notes issued in the transaction (the "vertical slice" approach). The remainder of the mezzanine and junior notes were subscribed by a third-party investor independent of the assignors and the Parent Company, Iccrea Banca, with the simultaneous payment of the purchase price.

The non-performing loans were derecognized by each of the assignors following the sale of the mezzanine and junior tranches to Bracebridge Capital LLC, which took place on December 19, 2019 for both tranches. More specifically, Bracebridge Capital LLC subscribed (i) 94.57% of the principal of the mezzanine notes, equal on the issue date to €50.1 million at a price equal to 51.26% of the principal amount and (ii) 94.57% of the principal of the junior notes, equal on the issue date to €12.5 million.

The following table summarizes the amount and annual rates of the notes issued.

Class	Nominal amount (€/million)	Carrying amount (€/million)
Class A	190.4	175.2
Class B	2.9	0.2
Class C	0.7	-
Limited recourse loan	5.9	5.0

As noted previously, the securitization was structured to possess the characteristics envisaged by the regulations mentioned earlier so that the senior notes would be eligible for the State guarantee, in view of the deconsolidation by the assignors of the transferred loan portfolio, in accordance with IAS/IFRS. The State guarantee was issued with a measure dated March 25, 2020.

During 2025, the senior notes were classified in stage 2 with application of the lifetime valuation metric for the determination of impairment.

"GACS IV" SECURITIZATION

In November 2020 a securitization was completed (the fourth of its kind for the Group) involving multiple portfolios of receivables in respect of mortgage loans or unsecured loans to debtors classified as defaulted. As part of the operation, on December 22, 2020, the assignor banks submitted to the Ministry for the Economy and Finance (MEF) a preliminary application for admission to the State Guarantee Scheme on the liabilities issued (so-called "GACS" – Guarantee of Securitizations of Bad Loans) pursuant to Decree Law 18 of February 14, 2016, ratified with Law 49 of April 8, 2016, subsequently implemented with the MEF Decree of August 3, 2016, the MEF Decree of November 21, 2017 and the MEF Decree of October 10, 2018 and subsequently amended by Law 41 of May 20, 2019 ratifying Decree Law 22 of March 25, 2019 with amendments.

The transaction was carried out with the aim of reducing the stock of bad loans, thereby decreasing their impact on total assets and, consequently, improving the company risk profile. The securitization mechanism and the State guarantee on the senior class of notes made it possible to obtain a higher sale value than in an ordinary market operation and contained the impacts of the disposal.

More specifically, the transaction involved the disposal of a portfolio of loans identified "en bloc" classified as bad loans at the date of sale, originated by Iccrea Banca, Banca Sviluppato, BCC Leasing, BCC Financing, and 84 mutual

banks belonging to the Group as well as 2 banks not belonging to the ICBG (Banca Ifis and Banca Popolare Valconca) with total value of over €2.3 billion in terms of gross carrying amount, through a securitization carried out in the following phases:

- the assignment without recourse, on November 18, 2020, of the portfolio to the securitization vehicle BCC NPLS 2020 (hereinafter the “SPV”) established pursuant to Law 130 of April 30, 1999 as amended;
- the payment of the consideration for the assignment by the SPV, financed through the issue of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, in the total nominal value of about €585 million, divided into the classes indicated below:
 - €520 million of Senior Notes, maturing in January 2045, rated Baa2 and BBB respectively by Moody's Italia Srl and Scope Rating AG;
 - €41 million of Mezzanine Notes, maturing in January 2045, rated Caa2 and CC respectively by Moody's Italia Srl and Scope Rating AG;
 - €24 million of Junior Notes, maturing in January 2045, and not rated.

In order to meet the requirement to retain a net economic interest of 5% in the transaction, as referred to in Article 6 of Regulation (EU) No. 2017/2402 of the European Parliament and of the Council of December 12, 2017, laying down a general framework for securitization and creating a specific framework for simple, transparent and standardized securitizations and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) no. 1060/2009 and (EU) no. 648/2012, the assignor banks have subscribed - and will undertake to retain for the entire duration of the securitization - at least 5% of the nominal value of each tranche of notes issued in the transaction (the “vertical slice” approach). The remainder of the mezzanine and junior notes were subscribed by a third-party investor independent of the assignors.

The non-performing loans were derecognized by each of the assignors following the sale of the mezzanine and junior tranches to Bracebridge Capital LLC, which took place on November 30, 2020 for both tranches. More specifically, Bracebridge Capital LLC subscribed (i) 94.40% of the principal of the mezzanine notes, equal on the issue date to €38.7 million at a price equal to 44.51% of the principal amount and (ii) 94.40% of the principal of the junior notes, equal on the issue date to over €22.6 million at a price equal to 0.042% of the principal amount.

The following table shows the positions held by the Group in respect of the securitization at the reporting date.

Class	Nominal amount (€/million)	Carrying amount (€/million)
Class A	208.2	201.1
Class B	2.0	1.2
Class C	1.2	-
Limited recourse loan	7.0	7.0

As noted previously, the securitization was structured to possess the characteristics so that the senior notes would be eligible for the State guarantee, in view of the deconsolidation by the assignors of the transferred loan portfolio, in accordance with IAS/IFRS. The State guarantee was issued with a measure dated April 21, 2021.

“GACS V” SECURITIZATION

In November 2021 a multi-originator securitization was completed (the fifth of its kind for the Group) with the presentation to the Ministry for the Economy and Finance (MEF) of a preliminary application for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS”) pursuant to Decree Law 18 of February 14, 2016, ratified with Law 49 of April 8, 2016, subsequently implemented with the MEF Decree of August 3, 2016, the MEF Decree of November 21, 2017 and the MEF Decree of October 10, 2018 and subsequently amended by Law 41 of May 20, 2019 ratifying Decree Law 22 of March 25, 2019 with amendments and the extension decree of the MEF of July 15, 2021.

The operation involved Iccrea Banca (participating as assignor, promotor and joint arranger), BCC Leasing, BCC Financing and 71 other mutual banks belonging to the ICBG and three banks not belonging to the Group (Banca Ifis, Cassa di Risparmio di Asti and Guber Banca) in the sale pursuant to Law 130 of April 30, 1999 of the same number of portfolios of unsecured loans and mortgage loans, mainly backed by first mortgages, classified as bad loans at the date of sale, and receivables in respect of finance leases due to debtors classified as bad loans for a total of about €1.3 billion at the date of the transaction took financial effect, to a specifically established securitization

vehicle company called “BCC NPLs 2021 Srl”, which simultaneously granted a management engagement to a third-party servicer independent of the ICBG.

The transaction was carried out with the aim of reducing the stock of bad loans, thereby decreasing their impact on total assets and, consequently, improving the company risk profile.

On November 16, 2021, the SPV purchased the il portfolio from the assignor banks, financed through the issue of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, in the total nominal value of €336.5 million, divided into the classes indicated below:

- €284 million of Senior Notes, maturing in January 2046, rated Baa2, BBB and BBB respectively by Moody's Italia Srl, Scope Ratings and ARC Ratings;
- €39.5 million of Mezzanine Notes, maturing in January 2046, rated Caa2, CCC and CCC+ respectively by Moody's Italia Srl e Scope Ratings e ARC Ratings;
- €13 million of Junior Notes, maturing in January 2046 and not rated.

The securities are not listed on a regulated market.

In order to meet the requirement to retain a net economic interest of 5% in the transaction, as referred to in Article 6 of Regulation (EU) No. 2017/2402 of the European Parliament and of the Council of December 12, 2017, laying down a general framework for securitization and creating a specific framework for simple, transparent and standardized securitizations and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) no. 1060/2009 and (EU) no. 648/2012, the assignor banks have subscribed - and will undertake to retain for the entire duration of the securitization - at least 5% of the nominal value of each tranche of notes issued in the transaction (the “vertical slice” approach). The remainder of the mezzanine and junior notes were subscribed by a third-party investor independent of the assignors.

The derecognition of the bad loans took place following the sale of the mezzanine and junior tranches to a third-party non-ICBG investor, which, as noted, took place for both tranches on November 29, 2021. The investor subscribed (i) 94.38% of the principal of the mezzanine notes on the issue date at a price equal to 27.85% of the relative principal amount and (ii) 94.38% of the principal of the junior notes on the issue date at a price equal to 0.08% of the relative principal amount

The following table shows the positions held by the Group in respect of the securitization at the reporting date.

Class	Nominal amount (€/million)	Carrying amount (€/million)
Class A	106.5	98.7
Class B	1.8	0.9
Class C	0.5	-
Limited recourse loan	6.2	6.2

The transaction is structured in such a way so that the senior notes can benefit from the State guarantee referred to earlier, pending the deconsolidation by the assignor banks of the loans involved in the transaction in accordance with the IAS/IFRS. In order to obtain admission to the state guarantee scheme, Iccrea Banca – under a specific delegation from the assignor banks – submitted an application to the MEF on December 24, 2021.

“GACS VI” SECURITIZATION

In May 2022 a multi-originator securitization of bad loans was completed with the presentation to the Ministry for the Economy and Finance (MEF) a preliminary application for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS”) pursuant to Decree Law 18 of February 14, 2016, ratified with Law 49 of April 8, 2016, subsequently implemented with the MEF Decree of August 3, 2016, the MEF Decree of November 21, 2017 and the MEF Decree of October 10, 2018 and subsequently amended by Law 41 of May 20, 2019 ratifying Decree Law 22 of March 25, 2019 with amendments and the extension decree of the MEF of July 15, 2021.

The operation involved Iccrea Banca (participating as assignor, promotor and joint arranger), BCC Leasing, Banca Sviluppo, BCC Financing and 63 other mutual banks belonging to the ICBG and three banks not belonging to the Group (Banca Valsabbina, Banca di Credito Popolare and Cassa di Risparmio di Asti) in the sale pursuant to Law 130 of April 30, 1999 of the same number of portfolios of unsecured loans and mortgage loans, mainly backed by first mortgages, classified as bad loans at the date of sale, and receivables in respect of finance leases due to debtors

classified as bad loans for a total of about €644.5 million at the date of the transaction took financial effect, to a specifically established securitization vehicle company called “BCC NPLs 2022 Srl”, which simultaneously granted a management engagement to a third-party servicer independent of the ICBG.

The transaction was carried out with the aim of reducing the stock of bad loans, thereby decreasing their impact on total assets and, consequently, improving the company risk profile. The securitization mechanism and the State guarantee on the senior class of notes made it possible to obtain a higher sale value than in an ordinary market operation and contained the impacts of the disposal.

On May 2, 2022, the SPV purchased the il portfolio from the assignor banks, financed through the issue of asset-backed securities, pursuant to the combined provisions of Articles 1 and 5 of Law 130, in the total nominal value of €168 million, divided into the classes indicated:

- €142 million of senior notes, maturing in January 2047, rated Baa1 (sf) and BBB (sf) respectively by Moody's Italia Srl and ARC Ratings;
- €19.5 million of mezzanine notes, maturing in January 2047, not rated;
- €6.5 million of junior notes, maturing in January 2047, not rated.

The securities are not listed on a regulated market.

In order to meet the requirement to retain a net economic interest of 5% in the transaction, as referred to in Article 6 of Regulation (EU) No. 2017/2402 of the European Parliament and of the Council of December 12, 2017, laying down a general framework for securitization and creating a specific framework for simple, transparent and standardized securitizations and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) no. 1060/2009 and (EU) no. 648/2012, the assignor banks have subscribed - and will undertake to retain for the entire duration of the securitization - at least 5% of the nominal value of each tranche of notes issued in the transaction (the “vertical slice” approach). The remainder of the mezzanine and junior notes were subscribed by a third-party investor independent of the assignors.

The following table shows the positions held by the Group in respect of the securitization at the reporting date.

Class	Nominal amount (€/million)	Carrying amount (€/million)
Class A	76.8	76.8
Class B	1.0	0.4
Class C	0.3	-
Limited recourse loan	2.6	2.6

The transaction is structured in such a way so that the senior notes can benefit from the State guarantee referred to earlier, pending the deconsolidation by the assignor banks of the loans involved in the transaction in accordance with the IAS/IFRS. In order to obtain admission to the state guarantee scheme, Iccrea Banca – under a specific delegation from the assignor banks – submitted an application to the MEF on May 6, 2022. The guarantee was issued with a measure of June 10, 2022.

NEPAL SRL SECURITIZATION

In 2019 BCC di San Giorgio Quinto Valle Agno, now BCC Veneta, carried out a non-recourse assignment of non-performing loans, represented by mortgage and other loans to the securitization vehicle “Nepal Srl”, established pursuant to Law 130 of April 30, 1999 as amended.

The operation was carried out to reduce the stock of bad loans as a percentage of total assets, consequently improving the company risk profile.

The transaction involved the disposal of a portfolio of non-performing loans originated by BCC di San Giorgio Quinto Valle Agno and 18 other banks not belonging to the Group with a total value of about €734 million in terms of gross carrying amount, of which about €32.6 million were assigned by BCC di San Giorgio Quinto Valle Agno.

As part of the transaction, the SPV acquired the portfolio from the assignor banks, financing part of the purchase by issuing asset-backed securities not listed on any regulated market with a total nominal value of about €181.1 million, divided into the classes indicated below:

- €126.6 million of senior Class A Asset Backed Floating Rate Notes, maturing in 2037;

- €54.5 million of junior Class B Asset Backed Floating Rate and Variable Return Notes, maturing in 2037; and the remainder by paying about €75.7 million to the assignor banks, of which €51.8 million deriving from the subscription of 95% of the junior securities by third-party investors and €23.9 million from the liquid assets of the SPV connected with recovery activities performed by the securitization's servicer.

As part of the securitization:

- the assignor banks subscribed 100% of the Class A notes and 5% of the Class B notes;
- the SPV entered into a servicing agreement with Guber Banca SpA, which is responsible for: (i) the management, administration, recovery and collection of loans; and (ii) certain reporting activities relating to the loans;
- (i) an interest cash reserve was established to support payments to the subscribers of the Senior notes in the applicable order of priority until a trigger event occurs and (ii) a recovery expenses cash reserve was set up to pay all costs and expenses incurred in debt collection activities.

With regard to the accounting treatment of the transaction, the securitization meets the requirements for derecognition of the loans since following the sale of 95% of the junior tranche to Guber Banca SpA, Varde Partners, Inc and Barclays Bank Plc, substantially all the risks and rewards connected with the exposures have been transferred. Paragraph 3.2.12 of IFRS 9 states that on derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in profit or loss for the year.

Consequently, at the conclusion of the operation, the bank:

- derecognized the loans involved in the assignment at the time the placement of the junior tranches on the market was settled;
- recognized in the income statement under the item "Gain (loss) on the disposal or repurchase of financial assets measured at amortized cost" the overall capital loss determined as the difference between the gross aggregate value at the date of assignment of the loans, less writedowns and inclusive of any collections on the loans attributable to the SPV at the assignment date (equal to about €32.6 million) and the consideration received (equal to about €9.3 million);
- recognized the notes subscribed in its balance sheet, for a value of more than €5.7 million in senior notes, €126 thousand in junior notes.

At the reporting date, the exposure of Banca di Verona e Vicenza to the securitization was represented by junior notes with a carrying amount of €38 thousand.

LEONE SPV SECURITIZATION

In December 2018, BCC di Milano carried out a non-recourse assignment of a portfolio of non-performing loans, of which €25.8 million in loans classified as bad loans and €1.9 million in loans classified as unlikely to pay as at the assignment date.

The operation was carried out with the aim of reducing the bank's stock of non-performing loans and improving its risk profile.

The exposures were assigned to a securitization vehicle specially created in accordance with Law 130 of April 30, 1999 denominated "Leone SPV Srl". BCC di Milano does not hold an interest in the vehicle nor do its employees hold positions as corporate officers.

The sale price of the loan portfolio was set at €20.9 million. The special purpose vehicle financed the purchase of the loans by issuing asset-backed securities divided into two classes:

- senior notes in the amount of €12.6 million, maturing July 2030 and paying interest half-yearly;
- junior notes in the amount of €8.4 million, maturing July 2030 and paying interest half-yearly.

With regard to the accounting treatment of the transaction, the securitization meets the requirements for derecognition of the loans since substantially all the risks and rewards connected with the exposures have been transferred.

At the reporting date, the exposure of BCC di Milano to the securitization was represented by senior notes with

carrying amount of €1.9 million and junior notes with a carrying amount of about €184 thousand.

MARMAROLE SPV SECURITIZATION

In 2018, a securitization transaction was completed pursuant to Law 130 of April 30, 1999, with the participation of three mutual banks (BCC Ravennate – Riviera Banca (formerly RiminiBanca) and BCC Agrobresciano) and 8 other banks not belonging to the ICBG as assignors of the same number of portfolios of unsecured and mortgage loans, with a total carrying amount of €568.3 million.

The portfolios were purchased by a special purpose vehicle set up pursuant to Law 130, denominated “Marmarole SPV Srl”. The SPV financed the purchase of the loans by issuing the following classes of securities:

- €113.9 million of senior Class A Asset Backed Notes, maturing June 2031;
- €48.8 million of junior Class B Asset Backed Notes securities, maturing June 2031.

The securities have not been rated and are not listed on any regulated market.

On February 28, 2018, the senior notes and 5% of the junior notes were subscribed by the assignor banks in proportion to the price received by each for the sale of the related portfolio and the remaining junior notes were subscribed by an unrelated institutional investor.

With regard to the accounting treatment of the transaction, the securitization meets the requirements for derecognition of the loans since substantially all the risks and rewards connected with the exposures have been transferred.

At the reporting date, the exposure of the Group banks to the securitization was represented by senior notes with a carrying amount of €6.3 million and junior notes with a carrying amount of about €563 thousand.

SPV PROJECT 1714 SECURITIZATION

In December 2018, in line with its NPL reduction targets, Banca Alpi Marittime completed the securitization of a portfolio of loans classified as non-performing with a total gross value of €109.7 million.

The exposures were assigned to a securitization vehicle specially created in accordance with Law 130/99 denominated “SPV Project 1714” which financed the purchase by issuing asset-backed securities divided into two classes:

- €17.2 million of senior notes;
- €11.4 million of junior notes.

Both classes of securities are unrated. The senior notes were subscribed by the bank, while the junior notes were placed with institutional investors.

The bank retained a 5% share of the loans for retention purposes in order to maintain the required net economic interest in the securitization.

With regard to the accounting treatment of the transaction, the securitization meets the requirements for derecognition of the loans in view of the structure of the operation and the fact that substantially all the risks and rewards connected with the exposures have been transferred.

At the reporting date, the exposure of Banca Alpi Marittime to the securitization was represented by senior notes with a carrying amount of €4.3 million.

THIRD-PARTY SECURITIZATIONS

The Group holds securities in respect of securitizations carried out by third parties in the total amount of €29.3 million.

The main exposures to third-party securitizations include, with a carrying amount of €9.8 million, senior unrated notes issued by the vehicle company Lucrezia Securitization Srl as part of the interventions of the Institutional Guarantee Fund for the resolution of crises at banks subjected to extraordinary administration procedures by the supervisory authorities (Bank of Italy). These notes are reported among the assets of the Group's balance sheet under "Financial assets measured at amortized cost". The assets underlying these notes securities consist of impaired loans, largely secured in full by real estate.

The Group does not act as a servicer for third-party securitizations and does not hold any interest in the related Special Purpose Vehicles.

With regard to the details of the transactions in which the Group operates as an investor, please see table "C.4 Prudential consolidation - Unconsolidated special purpose securitization vehicles", which among other things reports the Group's exposure to this type of vehicle.

QUANTITATIVE DISCLOSURES**C.1 - PRUDENTIAL CONSOLIDATION - EXPOSURES IN RESPECT OF MAIN OWN SECURITIZATIONS BY TYPE OF SECURITIZED ASSETS AND TYPE OF EXPOSURE**

	On-balance-sheet exposures			Guarantees issued			Credit lines		
	Senior	Mezzanine	Junior	Senior	Mezzanine	Junior	Senior	Mezzanine	Junior
	Carrying amount	Writedowns/writebacks	Carrying amount	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure

Securitization transactions with on-balance-sheet exposures, guarantees and other forms of credit enhancement as underlying assets are reported in the table.

In particular, the “Loans” sub-item includes the exposure for the limited-recourse loans granted by the Parent Company to the securitization vehicles of the GACS transactions. Writedowns/writebacks refer to 2025 only.

C.2 - PRUDENTIAL CONSOLIDATION - EXPOSURES IN RESPECT OF MAIN THIRD-PARTY SECURITIZATIONS BY TYPE OF SECURITIZED ASSETS AND TYPE OF EXPOSURE

	On-balance-sheet exposures						Guarantees issued			Credit lines				
	Senior		Mezzanine		Junior	Senior		Mezzanine	Junior	Senior		Mezzanine	Junior	
	Carrying amount	Writedowns/writebacks	Carrying amount	Writedowns/writebacks	Carrying amount	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks
Non-performing receivables	18,374	(888)	300											
Performing receivables	10,636	13	-											

The table reports the exposures assumed by the Group in respect of third-party securitizations. Writedowns/writebacks refer to 2025 only.

C.3 - PRUDENTIAL CONSOLIDATION - INVOLVEMENT IN SPECIAL PURPOSE SECURITIZATION VEHICLES

The Group does not have an involvement in securitization vehicles. The following table reports information on the vehicle companies used by the Group to carry out its own securitizations.

	Registered office	Consolidation	Assets			Liabilities		
			Loans	Debt securities	Other	Senior	Mezzanine	Junior
1. BCC NPLS 2018 S.r.l.	Conegliano, Via V. Alfieri 1	no	37,068			145,930	18,253	3,983
2. BCC NPLS 2018-2 S.r.l.	Conegliano, Via V. Alfieri 1	no	105,899			282,025	30,440	8,996
3. BCC NPLS 2019 S.r.l.	Conegliano, Via V. Alfieri 1	no	85,934			190,381	33,634	3,305
4. BCC NPLS 2020 S.r.l.	Conegliano, Via V. Alfieri 1	no	145,154			235,050	22,098	4,067
5. BCC NPLS 2021 S.r.l.	Conegliano, Via V. Alfieri 1	no	104,575			126,507	18,216	3,299
6. BCC NPLS 2022 S.r.l.	Conegliano, Via V. Alfieri 1	no	47,295			84,828	4,137	
7. Marmarole SPV S.r.l.	Conegliano, Via V. Alfieri 1	no	21,429			28,700	-	48,850
8. SPV Project 1714 S.r.l.	Milan, Via Pestalozza 12/14	no	12,895			4,357		11,440
9. Leone SPV S.r.l.	Milan, Via San Prospero 4	no	16,429			9,428		7,737
10. Nepal S.r.l.	Milan, Via San Prospero 4	no	1,415					42,351

C.4 - PRUDENTIAL CONSOLIDATION - UNCONSOLIDATED SPECIAL PURPOSE SECURITIZATION VEHICLES

	Accounting classification of assets	Total assets	Accounting classification of liabilities	Total liabilities	Net carrying amount	Maximum loss exposure	Difference between loss exposure and carrying amount
		(A)		(B)	(C=A-B)	(D)	(E=D-C)
A. Own securitizations with full derecognition of assigned assets							
BCC NPLS 2018 S.r.l.	AC	137,972			137,972	137,972	
BCC NPLS 2018-2 S.r.l.	AC	262,374			262,374	262,374	
	MFV	153			153	153	
BCC NPLS 2019 S.r.l.	AC	180,291			180,291	180,291	
	MFV	139			139	139	
BCC NPLS 2020 S.r.l.	AC	208,111			208,111	208,111	
	MFV	1,229			1,229	1,229	
BCC NPLS 2021 S.r.l.	AC	104,950			104,950	104,950	
	MFV	950			950	950	
BCC NPLS 2022 S.r.l.	AC	79,428			79,428	79,428	
	MFV	406			406	406	
Marmarole SPV S.r.l.	AC	6,263			6,263	6,263	
	MFV	563			563	563	
SPV Project 1714 S.r.l.	AC	4,347			4,347	4,347	
Leone SPV S.r.l.	AC	1,865			1,865	1,865	
	MFV	184			184	184	
Nepal S.r.l.	MFV	38			38	38	
B. Own securitizations with no derecognition of assigned assets							
C. Third-party securitizations							
Lucrezia Securitisation S.r.l. – Padovana/Irpinia	AC	4,550			4,550	4,550	
Lucrezia Securitisation S.r.l. - Crediveneto	AC	4,082			4,082	4,082	
Lucrezia Securitisation S.r.l. - Teramo	AC	1,157			1,157	1,157	
Eridano II SPV S.r.l.	AC	10,150			10,150	10,150	
Borghese Uno S.r.l.	AC	7,282			7,282	7,282	
Viveracqua Hydrobond S.r.l.	MFV	486			486	486	
Belvedere SPV S.r.l.	AC	1,603			1,603	1,603	

(*) AC= financial assets measured at amortized cost; MFV = financial assets mandatorily measured at fair value; PFAC = financial liabilities measured at amortized cost

C.5 - PRUDENTIAL CONSOLIDATION - SERVICER ACTIVITIES - OWN SECURITIZATIONS: COLLECTIONS ON SECURITIZED ASSETS AND REDEMPTION OF SECURITIES ISSUED BY SECURITIZATION VEHICLE

At December 31, 2025 the Group did not perform servicer activities for own securitizations in which the assigned assets had been derecognized pursuant to IFRS 9.

C.6 - PRUDENTIAL CONSOLIDATION - CONSOLIDATED SPECIAL PURPOSE SECURITIZATION VEHICLES

There were no consolidated special purpose securitization vehicles at the reporting date.

D. DISPOSALS**A. FINANCIAL ASSETS ASSIGNED BUT NOT FULLY DERECOGNIZED****QUALITATIVE DISCLOSURES**

The operations mainly regard the use of government securities holdings for short- and medium-term repurchase transactions and receivables from customers assigned in the Group's securitization of its own assets.

QUANTITATIVE DISCLOSURES**D.1 - PRUDENTIAL CONSOLIDATION - FINANCIAL ASSETS ASSIGNED BUT FULLY RECOGNIZED AND ASSOCIATED FINANCIAL LIABILITIES: CARRYING AMOUNTS**

	Financial assets assigned but fully recognized				Associated financial liabilities		
	Carrying amount	of which: securitized	of which: with sale and repurchase agreement	of which impaired	Carrying amount	of which securitized	of which: with sale and repurchase agreement
A. Financial assets held for trading	-	-	-	X	-	-	-
1. Debt securities	-	-	-	X	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated as at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	25,558	-	25,558	-	24,846	-	24,846
1. Debt securities	25,558	-	25,558	-	24,846	-	24,846
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortized cost	11,579,411	-	11,579,346	-	11,800,491	66	11,800,426
1. Debt securities	11,579,346	-	11,579,346	-	11,800,426	-	11,800,426
2. Loans	66	-	-	-	66	66	-
Total 31/12/2025	11,604,969	-	11,604,904	-	11,825,337	66	11,825,272
Total 31/12/2024	10,731,531	-	10,730,483	-	10,751,558	166	10,750,522

D.2 - PRUDENTIAL CONSOLIDATION - FINANCIAL ASSETS ASSIGNED AND PARTIALLY RECOGNIZED AND ASSOCIATED FINANCIAL LIABILITIES: CARRYING AMOUNTS

The table has not been completed because there were no such positions at the reporting date.

D.3 - PRUDENTIAL CONSOLIDATION - DISPOSALS INVOLVING LIABILITIES WITH RECOURSE ONLY ON ASSIGNED ASSETS NOT FULLY DERECOGNIZED: FAIR VALUE

	Fully recognized	Partially recognized	Total 31/12/2025	Total 31/12/2024
A. Financial assets held for trading	-	-	-	-
1. Debt securities	-	-	-	-
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
4. Derivatives	-	-	-	-
B. Other financial assets mandatorily measured at fair value	-	-	-	-
1. Debt securities	-	-	-	-
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
C. Financial assets designated at fair value	-	-	-	-
1. Debts securities	-	-	-	-
2. Loans	-	-	-	-
D. Financial assets at fair value through other comprehensive income	-	-	-	-
1. Debt securities	-	-	-	-
2. Equity securities	-	-	-	-
3. Loans	-	-	-	-
E. Financial assets measured at amortized cost (fair value)	66	-	66	166
1. Debts securities	-	-	-	-
2. Loans	66	-	66	166
Total financial assets	66	-	66	166
Total associated financial liabilities	-	-	X	X
Net value 31/12/2025	66	-	66	-
Net value 31/12/2024	166	-	-	166

B. FINANCIAL ASSETS ASSIGNED AND FULLY DERECOGNIZED WITH RECOGNITION OF CONTINUING INVOLVEMENT

At the reporting date, there are no transactions for the assignment of fully derecognized financial assets with the recognition of continuing involvement.

C. FINANCIAL ASSETS ASSIGNED AND FULLY DERECOGNIZED

QUALITATIVE AND QUANTITATIVE DISCLOSURES

As at December 31, 2025, the Group held shares in investment funds acquired as part of multi-originator assignments of loan portfolios.

Information on the transactions carried out by certain Group banks following the establishment of the ICBG is reported below.

ALBA 2 FUND DISPOSAL

In December 2019, Banca CRAS, now Banca Centro Toscana-Umbria, completed the assignment of a portfolio of impaired loans secured by first mortgages to a restricted Italian alternative closed-end real estate investment fund called ALBA 2 and managed by Blue SGR SpA.

At the assignment date the net value of the loans came to more than €1.5 million, with a total gross carrying amount of €1.8 million.

The purpose of the Fund is the collective investment of capital primarily in real property, property rights and/or equity interests in real-estate companies, in addition to the professional management and development of the Fund's assets. More specifically, the Fund Rules provide for investment in real property, property rights and/or equity interests in real-estate companies, units of real estate CIUs, including foreign CIUs, as well as other real estate assets provided for by applicable legislation, in an amount of not less than two-third of the total value of the assets held. The Fund may reduce the typical investment share to a minimum of 51% where no less than 20% of its assets are invested in financial instruments representing securitizations involving real property, property rights or loans secured by mortgages. No more than one third of the Fund's assets may be invested in financial instruments listed and unlisted on regulated markets other than those already referred to above, units of Italian and/or foreign CIUs and bank deposits, financial instruments representing securitizations involving real property, property rights or loans secured by mortgages as well as loans and securities representing loans, including those connected with the disinvestment of listed or unlisted non-performing mortgage loans, asset-backed securities and other assets for which a market exists and which have a value that can be determined with certainty at least every six months. As regards investment in loans in particular, the Fund may invest in loans or portfolios of impaired loans sold by banks or financial companies primarily originating in respect of medium and long-term exposures secured by mortgages on real property as well as other loans connected with and/or accessory to the above loans, even if not secured by mortgages. In compliance with the provisions of current legislation, investment in loans is permitted provided that such loans have a term not exceeding the duration of the Fund.

At the end of 2020, BCC di Caravaggio completed another assignment of impaired loans secured by first mortgages to ALBA 2. The gross carrying amount of the loans came to more than €5.1 million.

Against the assignment of the assets, each bank subscribed units of the fund. At December 31, 2025 the value of the units subscribed by the Group, including assignments carried out by another three mutual banks prior to the establishment of the Group, came to a total €13.8 million.

CLESSIDRA RESTRUCTURING FUND DISPOSAL

At the end of September 2019, BCC Credito Padano and Banca Cremasca e Mantovana completed the assignment of a portfolio of impaired loans to a restricted Italian alternative closed-end real estate investment fund called Clessidra Restructuring Fund and managed by Clessidra SGR SpA.

At the assignment date the net value of the loans came to about €3.7 million, with a total gross carrying amount of €6.7 million.

The purpose of the Fund is to increase the value of its assets, through investment and capital appreciation transactions primarily at medium and long term mainly involving the purchase and/or subscription and/or assignment and/or the sale, directly or indirectly, of loans, financing and, under certain conditions, other instruments. As regards investment in loans, the Fund Rules establish that the Fund may invest in impaired loans or portfolios of loans with a term not exceeding the duration of the Fund, originating mainly in respect of

medium/long-term exposures secured by mortgages, as well as other loans connected with and/or accessory to the above loans, even if not listed.

Following the assignment of the loans, the Bank subscribed units of the Fund, recognizing through profit or loss the difference between the aggregate gross value at the date of assignment of the loans, net of writedowns at the same date and including any collections on the loans pertaining to the Fund, and the fair value of the units received.

At the reporting date, the value of the units of Fondo Clessidra subscribed by the Group came to a total €2.3 million.

ARES 1 FUND DISPOSAL

In March 2019, BCC di Pisa e Fornacette completed the assignment of a portfolio of impaired loans secured by first mortgages and unsecured loans to a restricted Italian alternative closed-end investment fund called ARES 1 and managed by Namira SGR p.a.

At the assignment date the net value of the loans came to €4.6 million, with a total gross carrying amount of about €23 million.

The main purpose of the Fund is the investment and management of loans acquired through contributions and other assets acquired following collection actions on loans or through purchases from subscribers or third parties, including on an ancillary and residual basis, pursuant to the provisions indicated below. On an ancillary and residual basis, in addition investing in the loans the Fund can help diversify its assets and/or to meet treasury and liquidity needs by investing its own resources up to a limit of one-third of the total Fund assets in: (i) financial instruments traded on a regulated market; (ii) financial instruments not traded on a regulated market; (iii) shares or units of collective investment undertakings, including foreign entities, traded or not traded on a regulated market, including those promoted or managed by the SGR or by other entities belonging to the SGR's group. Following recovery procedures involving the acquisition of real property assets, the SGR, in implementing the purpose of the Fund, may invest up to one-third of the total Fund assets (i) real property of various types and uses, (ii) equity interests, both direct and indirect, in real estate companies and holding companies of real estate companies, listed and unlisted; and (iii) real property rights.

Following the assignment of the assets indicated above, BCC di Pisa e Fornacette subscribed units in the Fund, recognizing through profit or loss the difference between the aggregate gross value at the date of assignment of the loans, net of writedowns at the same date and including any collections on the loans pertaining to the Fund, and the fair value of the units received, as determined in accordance with IFRS 13.

At the reporting date the value of the units of Fondo ARES 1 subscribed by the bank, including one of the two pools from the BCC Pisa e Fornacette demerger, is €2.6 million.

P&G CREDIT MANAGEMENT UNO FUND DISPOSAL

In November 2019, BCC di Pisa e Fornacette completed the assignment of a portfolio of impaired loans secured by first mortgages and unsecured loans to a restricted Italian alternative closed-end real estate investment fund called P&G Credit Management Uno managed by P&G SGR SpA.

At the assignment date the net value of the loans came to €2.7 million, with a total gross carrying amount of about €13.3 million.

The main purpose of the Fund is the investment and management of loans acquired through contributions and other assets acquired following collection actions on loans or through purchases from subscribers or third parties, including on an ancillary and residual basis, pursuant to the provisions indicated below. On an ancillary and residual basis, in addition investing in the loans the Fund can help diversify its assets and/or to meet treasury and liquidity needs by investing its own resources up to a limit of one-third of the total Fund assets in: (i) financial instruments traded on a regulated market; (ii) financial instruments not traded on a regulated market; (iii) shares or units of collective investment undertakings, including foreign entities, traded or not traded on a regulated market, including those promoted or managed by the SGR or by other entities belonging to the SGR's group. Following recovery procedures involving the acquisition of real property assets, the SGR, in implementing the purpose of the Fund, may invest up to one-third of the total Fund assets (i) real property of various types and uses, (ii) equity interests, both direct and indirect, in real estate companies and holding companies of real estate companies, listed and unlisted; and (iii) real property rights.

Following the assignment of the assets, BCC di Pisa e Fornacette subscribed units of the fund.

At the reporting date the value of the units of Fondo P&G Credit Management Uno subscribed by Banca di Pescia e Cascina, including one of the two pools from the BCC Pisa e Fornacette demerger, is €2.4 million.

CLESSIDRA CREDIT RECOVERY FUND DISPOSAL (FORMERLY VALUE ITALY CREDIT 1 AND VALUE ITALY CREDIT 2)

In January 2020, BCC di Pisa e Fornacette completed the assignment a portfolio of impaired loans secured in part by first mortgages and in part unsecured to two restricted Italian alternative closed-end real estate investment funds called Value of Italy Credit 1 and Value of Italy Credit 2 managed by Clessidra Capital Credit SGR SpA. The assignment to the Value Italy Credit 1 Fund involved loans classified as unlikely to pay with a gross value at the assignment date of €3.8 million and a net value of over €2 million. In exchange for the assignment of the assets, the Bank subscribed units in the Fund in the total amount of €2.4 million, recognizing a gain of €303 thousand through profit or loss, corresponding to the difference between the aggregate gross value at the date of assignment of the loans, net of writedowns at the same date and including any collections on the loans pertaining to the Fund at the assignment date, and the fair value of the units received, as determined in accordance with IFRS 13.

The gross value of the loans assigned to Value Italy Credit 2 Fund came to €11.8 million, with a net value of €4.2 million net of value adjustments. In exchange for the assignment of the assets indicated above, the Bank subscribed units in the Fund, recognizing the difference between the aggregate gross value at the date of assignment of the loans, net of writedowns at the same date and including any collections on the loans pertaining to the Fund at the assignment date, and the fair value of the units received, as determined in accordance with IFRS 13.

In 2024, following the completion of the merger of the alternative closed-end investment funds “Fondo Value Italy Credit 1”, “Fondo Value Italy Credit 2” and four other funds managed by Clessidra Capital Credit SGR into the restricted alternative closed-end investment fund “Clessidra Credit Recovery Fund”, the bank subscribed 4,047,263.715 shares of the fund resulting from the merger.

At the reporting date the value of the Clessidra Credit Recovery Fund subscribed by Banco Fiorentino e Banca di Pescia e Cascina, including the two pools from the BCC Pisa e Fornacette demerger, is €3.2 million.

KEYSTONE FUND DISPOSAL

During 2022, BCC di Fano, BCC Magna Grecia (formerly Banca 2021), Banca Centro, Banca Cremasca e Mantovana and BCC Romagnolo completed the assignment of impaired exposures in respect of loans secured by mortgages or unsecured classified primarily as unlikely to pay or bad loans, to Keystone, a restricted Italian alternative closed-end investment fund reserved to professional investors established for this purpose by Krialos SGR SpA. At the assignment date, the gross carrying amount of the assigned loans came to €31.45 million.

The purpose of the Fund is the collective investment of the capital raised in order to generate income, through the professional management of the Fund, from investment operations and the allocation and distribution of the net management gains, including following the disinvestment from the investments made.

The disposal is part of a broader operation involving eight other Italian leading banking groups.

As part of “Project Libra”, in 2024 the Group carried out three other assignments operations, by BCC Roma, Cassa Rurale e Artigiana di Binasco and BCC di Busto Garolfo e Buguggiate. The completion of the “seventh wave” of investment in the fund, concluded in November 2024, involved the transfer of three single name positions. The gross book value of the assigned portfolio is €14.5 million, with a net book value of approximately €11.1 million.

The transfer of the credits to the Fund was carried out through non-recourse “en bloc” assignments with the concomitant subscription by the assignors of the Fund units, issued in amounts corresponding to the consideration for the assignment of the loans and the payment of the units by offsetting the Fund’s liability to the relevant assignor. The loans were assigned by each participating bank in different percentages with respect to the total value of the Fund and with respect to the type of guarantee present. The sale of the loans is unconditional and there are no repurchase options or guarantees issued that could limit the losses of the Fund.

At the reporting date, the carrying amount of the units of the Keystone Fund subscribed by the Group came to a total of about €20 million.

ILLIMITY CREDIT & CORPORATE TURNAROUND DISPOSAL

On April 1, 2021, Iccrea Banca, BCC Ravennate Forlivese e Imolese, Chiantibanca and Iccrea BancalImpresa completed the assignment of unlikely-to-pay (UTP) loans to the Illimity Credit & Corporate Turnaround Fund, a restricted Italian alternative closed-end investment fund, receiving units of the fund, which is managed by Illimity SGR, in exchange. Subsequently, the Group participated in a second closing on October 21, 2021, with the assignment of loans by Iccrea BancalImpresa, Riviera Banca and Credito Padano.

A third assignment was completed in April 2022 by Chiantibanca for €1.55 million.

In March 2023, Banca di Credito Cooperativo di Alba, Langhe, Roero e del Canavese completed a further assignment of unlikely-to-pay (UTP) loans to the Illimity Credit & Corporate Turnaround Fund. At the assignment date, the gross carrying amount and net carrying amount of the loans assigned by the bank came to €7.2 million and €2 million, respectively.

In 2024, another assignment operation of UTP positions to the *Illimity Credit & Corporate Turnaround* fund was finalized, within the Flowers project, involving Iccrea Banca, BCC Cantù, BCC Cremasca e Credito Padano. The assignment regarded non-performing loans for a gross book value of €14.5 million against units of a fund managed by Illimity Sgr. The net book value is €10.6 million.

The disposals are part of a broader operation involving Italy's leading banking groups. The structure of the transaction provided for the non-recourse assignment to the fund of a portfolio of UTP loans due from companies. The positions were sold directly to the fund, with the exception of the establishment of a securitization structure without tranching for the lease receivables sold by BCC Leasing in order to enable the transfer of ownership of the leased assets. Against the assignment of the loans, each bank subscribed class A units of the fund in proportion to the value of the loans assigned by the bank.

As of December 31, 2025, the Fund is composed of three segments: the Accelerated, Core, and PLG segments. Each segment has an autonomous, distinct, and separate asset class for all purposes from that of the other segments, as well as from the assets of the manager and each investor.

As per the Fund Rules, the Accelerated segment issued 4 classes of units which are entitled to the rights summarized below:

- “A Units” (Initial “Crediti”): exclusively subscribed by professional investors in exchange for the transfers and/or assignment of loans and/or financial instruments and/or through cash payments, without prejudice to the possibility of carrying out compensations;
- “A1 Units” (Subsequent “Crediti” and, jointly with the Initial Crediti units, “Crediti”): exclusively subscribed in exchange for the transfers and/or assignment of loans and/or financial instruments and/or through cash payments for any adjustments provided for by the Rules;
- “B Units” (“Finanza”): subscribed by Professional Investors against cash payments;
- “C Units”: reserved to the asset manager and the members of the Fund Management Team.

The Core and PLG segments provide for the issue of the following 4 (four) classes, to which apply the rights indicated in the Fund Rules:

- “A” or “Crediti”;
- “B” or “Finanza”;
- “C1”;
- “C2”.

At the reporting date, the value of the units of the Illimity Credit & Corporate Turnaround Fund subscribed by the Group against the assignments came to a total €33.6 million.

BACK2BONIS DISPOSAL

On December 3, 2021, Iccrea Banca and the Cassa Rurale ed Artigiana di Binasco, with their participation in Wave 4 of the Cuvée Project, completed the sale of unlikely-to-pay (UTP) loans with the subscription of the units of a restricted Italian alternative closed-end securities investment fund called Back2Bonis, managed by Prelios SGR

SpA. The fund, established in 2019 by the Prelios Group and AMCO, works to create a multi-originator platform to manage UTP positions, consisting of loans and credit lines granted to companies operating in the real estate sector or to real estate funds.

The operation took the form of i) the sale without recourse of a portfolio of UTP loans owed to companies operating in the real estate sector or to real estate funds to a securitization vehicle pursuant to Law 130/99 called Ampre Srl (ii) the subscription of the securities issued by the securitization vehicle by the Back2Bonis fund and (iii) subscription of the Fund units against the loans being assigned.

As part of the transaction, which saw the participation of leading Italian banking groups:

- Iccrea Banca assigned a portfolio consisting of 3 positions with a gross carrying amount of €8.5 million and subscribed 9.1 units with a nominal value of €4.3 million (€467 thousand per unit),
- CRA Binasco assigned a portfolio of 11 positions with a gross carrying amount of €39.2 million and subscribed 42.7 units with a nominal value of €19.9 million.

Within the broader scope of the overall derisking operation denominated Quantum, in December 2023 a second assignment for consideration and without recourse was completed of loan portfolios mainly classified as unlikely to pay to the SPV 130 securitization vehicle established pursuant to Law 130 of April 30, 1999. The loans were assigned in full by the vehicle to the Back2Bonis Fund.

In exchange for the assignment of loans to the vehicle, the assignor banks subscribed units of the fund, which in turn subscribed the Notes issued by SPV 130 to offset the Fund's receivables due from the latter as a result of the assignments.

At the reporting date, the value of the units of Fondo Back2Bonis subscribed by the Group in respect of the two assignments came to a total €14.8 million.

ILLIMITY REAL ESTATE CREDIT FUND DISPOSAL

On August 8, 2022 Iccrea Banca and BCC Leasing completed the assignment of unlikely to pay (UTP) and bad loans to the Illimity Real Estate Credit Fund, a restricted Italian alternative closed-end securities investment fund, receiving units of the Fund, which is managed by Illimity SGR, in exchange. The Fund focuses on high-risk UTP and NPL exposures and in general receivables in respect of companies active in the real estate and energy sectors. The assignment took place through a securitization structure, with the participation of a lease company for lease assets and leases assigned by BCC Leasing. In 2022 the Group assigned receivables and lease assets with a total gross book value of €42.6 million.

On December 21, 2023, Cassa Rurale e Artigiana di Cantù undertook a securitization involving the non-recourse assignment of a portfolio of UTP loans to iREC SPV Srl, a securitization vehicle established pursuant to Law 130 of April 30, 1999. The receivable claimed by the Bank from the SPV following this assignment was fully transferred to the Illimity Real Estate Credit Fund in exchange for units in the same issued in an amount equal to the carrying amount of the assigned loans. The transfer of the loans to the Fund was then finalized with the subscription by the assignor bank of the Fund units and settlement of the same by offsetting the Fund's receivable against the receivable of the relevant assignor. At the date of assignment, the gross and net book value of the loans assigned by Cassa Rurale e Artigiana di Cantù came to €2.1 million and €0.1 million respectively.

In 2024 two further assignment operations were finalized: the disposal on September 30, 2024 by Iccrea Banca, Cassa Rurale e Artigiana di Cantù, Banca TEMA and Banca delle Terre Venete of four loans classified as unlikely-to-pay positions within the *"Flowers project"*, with a total *gross book value* of about €15.6 million and a net book value of about €6.3 million; the disposal of two positions by Cassa Rurale e Artigiana di Cantù, within the *"Olympia project"* finalized in December 2024. The loans were classified as UTP and fully written off, and had a total gross book value of about €2 million.

At December 31, 2025, the units of the Illimity Real Estate Credit Fund subscribed by the Group came to a total €26.4 million.

ELEUTERIA FUND DISPOSAL

On October 31, 2023, Cassa Rurale e Artigiana di Binasco undertook a securitization involving the non-recourse

assignment of a portfolio of mainly UTP loans to Eudaimonia SPV Srl, a securitization vehicle pursuant to Law 130/99. The Bank's claim on the SPV for the assignment was transferred in full to the Eleuteria Fund in exchange for units issued by the latter in an amount equal to the claim. At the date of assignment, the gross and net book value of the assigned loans came to €4.5 million and €2.1 million respectively.

As part of the "Olympia" project, finalized during December 2024, the disposal of 2 UTP positions by transfer to the Eleuteria Fund was carried out by BCC Cagliari, with a gross book value of approximately €2 million and a net book value of €1.2 million.

On June 19, 2025, the assignment transaction "Pausylipon" was finalized, involving the disposal of a portfolio of BCC Leasing SpA receivables arising from financial leasing contracts classified as non-performing and UTP, together with the related legal relationships (assets and liabilities) and the underlying assets (real estate and capital goods). The assignment of the portfolio, with a total gross book value of €59.7 million, was carried out as part of a securitization transaction defined pursuant to Law No. 130 of April 30, 1999, which provided for the transfer of receivables arising from leasing contracts to "Aristotele SPV S.r.l.", a securitization vehicle operating pursuant to Law No. 130, as well as the transfer of the assets and related legal relationships component to "Aristotele LeaseCo 2 S.r.l."

As part of the multi-originator operation "Project Athena", on December 9, 2025 the disposal by 4 mutual banks (Emil Banca, BCC di Binasco, Banca del Piceno and Banca d'Alba) of receivables relating to 4 positions classified as bad debts was completed.

The assignments of loans to the Fund took place in concomitance with the subscription by the assignor banks of Fund units with settlement of the same through the offsetting of the respective claims.

Fondo Eleuteria, established and managed by Prelios SGR SpA, is a restricted Italian alternative closed-end securities investment fund reserved for professional investors. The purpose of the Fund is the collective investment of the capital raised in order to generate income, through the professional management of the Fund, from investment operations and the allocation and distribution of the net management gains among the participants, including following the disinvestment from the investments made. The Fund provides for the issue of a single class unit bearing the same administrative and property rights for all unitholders.

At December 31, 2025, the value of the units subscribed in the Eleuteria Fund came to €33 million.

UTP ITALIA FUND - COMPARTO CREDITI DISPOSAL

As part of the broader "MIBLE" derisking operation, the transfer of impaired loans represented by bad loans and UTPs was completed in the first quarter of 2023, largely relating to households and small economic operators, mainly mortgages backed by residential and commercial guarantees to the "UTP Italia – Comparto Crediti" Fund, a restricted Italian alternative closed-end investment fund for professional investors. The manager of the fund, which already includes leading national banking groups and which is inspired by the principles of ethical management with a back to performing recovery approach, is Sagitta SGR, while Intrum plays the role of servicer and Zenith Service acts as master servicer.

The transaction consisted of two assignments:

- in February 2023, the first assignment was completed with a portfolio of individual loans amounting to about 102.8 million, involving 39 mutual banks and the Parent Company Iccrea Banca;
- in September 2023, the second assignment was completed by the Parent Company Iccrea Banca and 26 mutual banks in the total amount of €33.5 million.

The Fund has two segments: (a) "Fondo UTP ITALIA - Comparto Crediti" and (b) "Fondo UTP ITALIA – Comparto Nuova Finanza". Each segment issues a single class of unit, namely the "Comparto Crediti" units and the "Comparto Nuova Finanza" units.

Against the assignment of the loans, the participating banks subscribed units of the Fund. At December 31, 2025 the units in Fondo UTP ITALIA - Comparto Crediti subscribed by the Group came to a total €48 million.

The above assignments led to the full derecognition of the assigned loans by the assignor banks, as the assignment transferred substantially all the risks and rewards connected with ownership of the assets transferred to the assignee. Similarly, the requirements for the application of IFRS 10 and for the consequent consolidation of the funds do not obtain, despite being exposed to the variable returns deriving from the activities of the fund, since

the banks do not have the power or the ability to determine or affect the investment strategies of the fund, a power that the governance arrangements established with the fund rules attribute solely to the asset management company.

The fund units are classified under “Financial assets mandatorily measured at fair value through profit or loss”, since their nature and contractual characteristics mean they do not pass the SPPI test. In compliance with the applicable accounting standards and the policies, criteria and methods defined by the Group, the value of the units was modified to take account of the liquidity adjustment. For further information, please see Part A “Accounting Policies” of these notes to the consolidated financial statements.

The investment in the funds presents a level of risk related to the intrinsic characteristics of the underlying real estate product. The risk profile of the funds is determined using a scoring assessment method, which considers the qualitative and quantitative elements of the risk factors described below:

- market risk, represented by the risk that the value of the fund units will decrease as a result of fluctuations in the value of the assets in which the Fund's resources are invested (for example, due to the effect of price developments over time in relation to the type of properties and the geographical area in which they are located);
- liquidity risk, consisting in the risk that the fund will be unable (due in part to the low liquidity and the variable valuations of the real estate assets) to meet its commitments in respect of its creditors and investors due to the insufficiency of its funds with respect to liabilities or to the less than optimal balance between readily liquidable assets and enforceable liabilities;
- concentration risk, deriving from an excessive exposure to individual real estate initiatives, individual counterparties, entities belonging to the same economic sector or located in the same geographical area;
- counterparty risk, represented by the risk that the counterparty in one of the transactions will default before final settlement of the cash flows of the transaction, thus affecting the performance of the assets in which the funds invest;
- interest rate risk, represented by the risk of changes in interest rates that could impact loan agreements and any derivative contracts, in particular with regard to interest expense and the differences that the funds are required to pay to credit institutions;
- other risks, such as, but not limited to: changes in the legislative framework, failure to obtain the necessary authorizations, delays or interruptions in the execution of the contracted works, unexpected environmental charges, exceptional events not covered by insurance policies, legal or tax disputes, other operational risks related to the management of the assets or risks related to the use of leverage as governed by the fund rules.

As regards procedures for monitoring these risks, the Group uses the management tools they use for other investments in their portfolio and verifies that the operations as a whole are managed in accordance with the law and the fund rules, based on the reports that the asset management companies periodically submit to subscribers.

D. TRANSACTIONS IN COVERED BONDS

COVERED BOND 1 PROGRAM

With regard to covered bonds, in 2025 three additional assignments of the covered bond program, started in 2021, were completed, giving the Group an additional medium-long term funding channel. The program, the first in the cooperative banking industry in Italy, involves Iccrea Banca as the issuer of covered bonds and a number of affiliated banks as assignors and servicers of a portfolio of primary credit quality mortgages pledged to secure the bonds issued.

The Program aims at providing investors with a secured product that can be used to improve their medium/long-term financial profile. Given the evolution of the financial markets, it is part of a broader strategy aimed at: (i) contain funding costs, thanks to considerable attractiveness of covered bonds as instruments issued directly by a bank whose repayment is also secured by a segregated asset pool (in this case, residential mortgage loans). Thanks to their ability, in the event of bankruptcy of the issuing bank, to recover their position against specially segregated high quality assets, the holders of covered bonds are willing to accept a lower return than that they would demand for similar unsecured bonds;(ii) diversify funding sources on the international market as well and (iii) lengthen the

average maturity of debt.

The Program, allowing the Group to enter a new market characterized by particular complexity, both operational and legal, was based on a governance and control process entrusted to the responsibility of Iccrea Banca (which also plays a management role and coordination, centralizing the management and control activities of the cover pool, the role of master servicer and test calculation agent) and is based on offer documentation submitted to the approval of the Commission de Surveillance du Secteur Financier (CSSF) of the Grand Duchy of Luxembourg. With the approval of the Program, Iccrea Banca can issue Covered Bonds in the amount of up to €10 billion over a period of 10 years.

The structuring of the Group's covered bond program involved the implementation of the following activities:

- an assignment by a number of mutual banks, including the Bank to a specially formed SPV called Iccrea Covered Bond Srl of a portfolio of loans held by the assignor banks, which will represent the segregated assets pursuant to and for the purposes of the provisions of Law 130 on securitizations. The program permits additional assignments of loans, which will form part of the segregated assets, both by the initial assignor banks and by any additional affiliated banks;
- the grant to the SPV by the assignor banks of a subordinated loan to provide the SPV with the resources to purchase the loans being assigned;
- the issue by the SPV of an autonomous, irrevocable and unconditional first demand guarantee (the covered bond guarantee) to the exclusive benefit of the investors holding the covered bonds and senior creditors of the program (the guarantee provides for limited recourse against the assets in the cover pool held by the SPV, which performs the role of Guarantor);
- the issue by Iccrea of the covered bonds and the proportional transfer of the liquidity raised to the assignor banks.

At the reporting date, a total of nine assignments were carried out. More specifically:

- on June 28, 2021, the first portfolio was sold to Iccrea Covered Bond Srl, for a total nominal amount of €674 million by eight initial assignor banks;
- on June 7, 2022, the second portfolio was sold, for a total nominal amount of €697 million by eight assignor banks, of which three already participating in the Program;
- on January 26, 2023, the third portfolio was sold, for a total nominal amount of €498.3 million by eight assignor banks, of which six already participating in the Program;
- on August 10, 2023, the fourth portfolio was sold, for a total nominal amount of €877.5 million by 14 assignor banks, of which nine already participating in the Program;
- on February 20, 2024, the fifth portfolio was sold, for a total nominal amount of €832 million by 11 assignor banks, of which nine already participating in the Program;
- on May 15, 2024, the sixth portfolio was sold, for a total nominal amount of €987.8 million by 16 assignor banks, of which twelve already participating in the Program;
- on March 12, 2025, the seventh portfolio was sold to Iccrea Covered Bond srl, for a total nominal amount of €1.78 billion by 22 assignor banks, of which 17 already participating in the Program;
- on July 17 2025, the eighth portfolio was sold to Iccrea Covered Bond srl, for a total nominal amount of €231.4 million by 14 assignor banks, of which 13 already participating in the Program;
- on November 19, 2025 the ninth portfolio was sold to Iccrea Covered Bond srl, for a total nomina amount of €422.5 million by 25 assignor banks, already participating in the Program.

The table below shows the participation of the individual assignor banks in the Program at December 31, 2025.

Bank name	€/million
CREDITO COOP.VO ROMAGNOLO - BCC DI CESENA E GATTEO - S.C.	38.4
EMIL BANCA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	678.0
BANCA CENTRO-CREDITO COOPERATIVO TOSCANA-UMBRIA SOC.COOPERATIVA	188.3
BANCA DELLA MARCA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	172.9
CREDITO COOPERATIVO FRIULI (ABBREVIATO CREDIFRIULI) - SOCIETA' COOPERATIVA	279.2
BANCA DI CREDITO COOPERATIVO DELLA CALABRIA ULTERIORE - SOCIETA' COOPERATIVA	25.6
BANCA CENTROPADANA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	128.0
BANCO FIORENTINO - MUGELLO IMPRUNETA SIGNA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	95.9
BANCA DI CREDITO COOPERATIVO DI ROMA - SOCIETA' COOPERATIVA	1,401.6
BANCA DI PESCIA E CASCINA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	24.3
BANCA DI CREDITO COOPERATIVO DI BELLEGRA SOCIETA' COOPERATIVA	32.0
CASSA RURALE ED ARTIGIANA DI BINASCO - CREDITO COOPERATIVO SOCIETA' COOPERATIVA	76.8
BANCA DI CREDITO COOPERATIVO DI BUSTO GAROLFO E BUGUGGIATE -SOCIETA' COOPERATIVA	224.0
CREDITO COOPERATIVO DI CARAVAGGIO ADDA E CREMASCO - CASSA RURALE - SOCIETA' COOPERATIVA	70.4
BANCA DI CREDITO COOPERATIVO DI TERRA D'OTRANTO - SOCIETA' COOPERATIVA	38.4
BANCA ALPI MARITTIME CREDITO COOPERATIVO CARRU' - SOCIETA' COOPERATIVA PER AZIONI	179.3
BANCA DI CREDITO COOPERATIVO DI MILANO - SOCIETA' COOPERATIVA	358.5
CREDITO PADANO BANCA DI CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	96.1
BANCA DEL PICENO CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	38.4
BANCA DI CREDITO COOPERATIVO DELL'OGGIO E DEL SERIO - SOCIETA' COOPERATIVA	51.3
BCC DI ALBA, LANGHE, ROERO E DEL CANAVESE S.C.	128.1
CREDITO COOPERATIVO RAVENNATE, FORLIVESE E IMOLESE SOCIETA' COOPERATIVA	563.2
CHIANTIBANCA - CREDITO COOPERATIVO S.C.	176.6
BANCA DI CREDITO COOPERATIVO DI PRATOLA PELIGNA (L'AQUILA) -SOCIETA' COOPERATIVA	19.2
CENTROMARCA BANCA - CREDITO COOPERATIVO DI TREVISO E VENEZIA, SOCIETA' COOPERATIVA PER AZIONI	57.6
BCC VENETA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	124.2
TERRE ETRUSCHE DI VALDICHIANA E DI MAREMMA - CREDITO COOPERATIVO- S.C.	172.9
BANCA DI CREDITO COOPERATIVO VENEZIA GIULIA SOCIETA' COOPERATIVA	167.9
BANCA ALTA TOSCANA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	32.0
BANCA DON RIZZO - CREDITO COOPERATIVO DELLA SICILIA OCCIDENTALE - SOCIETA' COOPERATIVA	44.8
BANCA DI CREDITO COOPERATIVO DEI COLLI ALBANI - SOCIETA' COOPERATIVA	57.6
BANCA DI CREDITO COOPERATIVO TERRA DI LAVORO - S. VINCENZO DE' PAOLI SOCIETA' COOPERATIVA PER AZIONI	19.2
RIVIERABANCA - CREDITO COOPERATIVO DI RIMINI E GRADARA - SOCIETA' COOPERATIVA	63.9
Total Cover Pool	5,824.6

During the year two new issues were made plus three TAP operations on issues made under the program. as reported below:

	€/million	Rating Moody's	Maturity	Issue date	Maturity date	Coupon
Issue I	500	Aa2	7 year	23/09/2021	23/09/2028	0.0001
Issue II	500	Aa2	5.5 year	12/07/2023	12/01/2029	0.03875
Issue II - TAP	150	Aa2	5.5 year	09/08/2023	12/01/2029	0.03875
Issue III	500	Aa2	4 year	08/11/2023	08/11/2027	0.04
Issue III - 1° TAP	100	Aa2	4 year	30/11/2023	08/11/2027	0.04
Issue IV	500	Aa2	8 year	04/03/2024	04/03/2032	0.035
Issue V	200	Aa2	7 year	07/03/2024	07/03/2031	0.03433
Issue VI	750	Aa2	10 year	05/06/2024	05/06/2034	0.035
Issue III - 2° TAP	100	Aa2	4 year	16/09/2024	08/11/2027	0.04
Issue VII	150	Aa2	7 year	12/12/2024	12/12/2031	0.02846
Issue IV - 1° TAP	100	Aa2	7 year	03/03/2025	04/03/2032	0.035
Issue VIII	600	Aa2	5.5 year	07/05/2025	07/11/2030	0.02625
Issue VI - 1° TAP	75	Aa2	9.1 year	12/05/2025	05/06/2034	0.035
Issue IX	75	Aa2	15 year	16/07/2025	16/07/2040	0.0365
Issue VIII - 1° TAP	250	Aa2	5 year	05/09/2025	07/11/2030	0.02625

COVERED BOND 2 - RETAINED

With regard to covered bonds, in 2025 three additional assignments of the covered bond 2 retained program, were completed. This second multi-originator program, started in 2024, involves Iccrea Banca as the issuer of covered bonds used in refinancing operations to improve the Group's counterbalancing capacity. The cover pool consists of both residential and commercial mortgages.

The Program is based on a governance and control process entrusted to the responsibility of Iccrea Banca (which also plays a management role and coordination, centralizing the management and control activities of the cover pool, the role of master servicer and test calculation agent). The issue was authorized by Consob and listed on the Mercato Obbligazionario Telematico. With the approval of the Program, Iccrea Banca can issue Covered Bonds in the amount of up to €5 billion.

The structuring of the Group's *retained* covered bond program involved:

- the assignment by a number of mutual banks to a specially formed SPV called Iccrea Covered Bond 2 Srl of a portfolio of loans held by the assignor banks, which will represent the segregated assets pursuant to and for the purposes of the provisions of Law 130 on securitizations. The program permits additional assignments of loans, which will form part of the segregated assets, both by the initial assignor banks and by any additional affiliated banks;
- the grant to the SPV by the assignor banks of a subordinated loan to provide the SPV with the resources to purchase the loans being assigned;
- the issue by the SPV of an autonomous, irrevocable and unconditional first demand guarantee (the covered bond guarantee) to the exclusive benefit of the investors holding the covered bonds and senior creditors of the program (the guarantee provides for limited recourse against the assets in the cover pool held by the SPV, which performs the role of Guarantor);
- the issue by Iccrea of the covered bonds and the opening of a dedicated credit line, through which the mutual banks can access funding.

At the reporting date, a total of four assignments were carried out. More specifically:

- on November 20, 2024 the first portfolio was sold to Iccrea Covered Bond 2 Srl, for a total nominal amount of €1.2 billion by 17 initial assignor banks;
- on June 17, 2025 the second portfolio was sold to Iccrea Covered Bond 2 Srl, for a total nominal amount of €64.6 million by 13 assignor banks, already participating in the Program;
- on September 18, 2025 the third portfolio was sold to Iccrea Covered Bond 2 Srl, for a total nominal amount of €45.4 million by 14 assignor banks, already participating in the Program;

- on November 17, 2025 a fourth portfolio was sold to Iccrea Covered Bond 2 Srl, for a total nominal amount of €60.1 million by 13 assignor banks, already participating in the Program.

The table below details the participation of the individual assignor banks in the Program at December 31, 2025.

Bank name	€/million
CREDITO COOP.VO ROMAGNOLO - BCC DI CESENA E GATTEO - S.C.	46.8
EMIL BANCA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	66.1
BANCA DELLA MARCA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	110.8
CREDITO COOPERATIVO FRIULI (ABBREVIATO CREDIFRIULI) - SOCIETA' COOPERATIVA	58.2
BANCA CENTROPADANA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	58.4
BANCA DI CREDITO COOPERATIVO DI ROMA - SOCIETA' COOPERATIVA	133.8
BANCA DI CREDITO COOPERATIVO DI BELLEGRA SOCIETA' COOPERATIVA	14.0
CASSA RURALE ED ARTIGIANA DI BINASCO - CREDITO COOPERATIVO SOCIETA' COOPERATIVA	13.9
BANCA DI CREDITO COOPERATIVO DI BUSTO GAROLFO E BUGUGGIATE -SOCIETA' COOPERATIVA	14.2
BANCA ALPI MARITTIME CREDITO COOPERATIVO CARRU' - SOCIETA' COOPERATIVA PER AZIONI	75.2
BANCA DI CREDITO COOPERATIVO DI MILANO - SOCIETA' COOPERATIVA	50.1
CREDITO PADANO BANCA DI CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	63.6
CREDITO COOPERATIVO RAVENNATE, FORLIVESE E IMOLESE SOCIETA' COOPERATIVA	307.6
BCC VENETA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	71.0
TERRE ETRUSCHE DI VALDICHIANA E DI MAREMMA - CREDITO COOPERATIVO- S.C.	51.7
BANCA DI CREDITO COOPERATIVO VENEZIA GIULIA SOCIETA' COOPERATIVA	13.6
RIVIERABANCA - CREDITO COOPERATIVO DI RIMINI E GRADARA - SOCIETA' COOPERATIVA	60.2
Total Cover Pool	1,209.2

No further issues were carried out in 2025. The characteristics of the first issue carried out on November 26, 2024, following the first sale are detailed below.

	€/million	Maturity	Issue date	Maturity date	Rating	Rate
Issue I	750	5 years	26/11/2024	26/11/2029	Aa2 Moody's	2.75% gross

As regards the accounting treatment of the operations:

- the assigned loans continue to be recognized by the assignor banks under item 40 b) "Financial assets measured at amortized cost: loans to customers", under the sub-item "medium/long-term loans", as the assignors retain the risks and rewards associated with the ownership of the assigned loans. The amount granted by the transferors to the SPV is not recognized as a separate item, as it is offset by the debt to the vehicle connected with the initial transfer price. This loan is therefore not subject to assessment for credit risk purposes, as the risk is entirely reflected in the valuation of the assigned loans, which continue to be recognized in the financial statements of the assignors;
- the value of the loans changes on the basis of events affecting them (account movements and valuations). Loan payments collected by assignors (who also act as servicers) are paid daily to the vehicle on the "collection account" and accounted for by the assignors as follows: (i) the collection of the principal amount from the borrower is recognized against a decrease in the receivable from the same borrower; (ii) the payment of the principal amount to the vehicle is recognized against the recognition of a receivable from the vehicle which is closed at the time of repayment of the subordinated loan;
- the interest collected from the borrower is recognized under item 10 of the income statement "Interest income: loans to customers" (interest on loans continues to be recognized on an accruals basis through the allocation of amounts accruing);
- the payment of interest to the vehicle is recognized against the recognition of a receivable from the vehicle which is closed at the time of collection of interest on the subordinated loan;
- Iccrea Covered Bond Srl and Iccrea Covered Bond 2, owned by Iccrea Banca, are recognized under item 70 "Equity investments";
- the covered bonds issued are recognized in liabilities under item 10 c) "Financial liabilities measured at amortized cost: securities issued" and the related interest expense is recognized on an accruals basis.

In order to enable the assignee company to fulfill the obligations of the guarantee granted, Iccrea Banca uses appropriate asset and liability management techniques to ensure the overall balance between the cash flows generated by the assigned assets and the payments due in respect of the covered bonds issued and other transaction costs.

The program has been structured in accordance with applicable laws and regulations, which permit the issue of covered bonds on the condition of compliance with certain capital requirements for the assignor and issuing banks.

The structure of the Iccrea Banca program is subject to stringent regulatory constraints and provides for continuous oversight by the CFO and CRO areas, as well as monitoring by the Internal Audit function and an external auditor (Deloitte & Touche) in the role of Asset Monitor. In particular, the measures concern:

- audits of the quality and integrity of the assigned assets, in particular the estimated value of the properties to which the mortgages are attached. Action may consist of instructions to the assignor banks to carry out repurchases, make additions or conduct new sales of supplementary assets;
- audits of the maintenance of the correct relationship between the covered bonds issued and the assets transferred as collateral (cover pool);
- audits of compliance with the transfer limits and portfolio supplementation procedures consistent with risk objectives and tolerance thresholds specified in the RAF.

Information on the nature of the risks associated with maintaining the Covered Bond Programs is provided below:

- portfolio supplementation risks: the contractual documentation provides for an obligation to supplement the portfolio in order to comply with the tests required by applicable legislation. Failure to comply with these tests would represent an issuer event of default, with the consequent activation of the guarantee issued by the SPV. This risk is mitigated by the control mechanisms described above;
- risks relating to cross-collateralization: the participation of the mutual banks - as assignor banks within the program - means that they compete, *pari passu* with each other as subordinated creditors of the vehicle and, above all, assume the obligation for compliance with regulatory tests and maintaining the quality and integrity of the assets pledged as collateral for the covered bonds. This implies that the limitation of the liability of each assignor bank to the portion of the portfolio transferred to the SPV and the connection of the portfolio supplementation obligations of each assignor bank if the quality of its portfolio should deteriorate only has contractual force between the assignor banks, but is not in any way enforceable against the vehicle and the investors. In order to minimize these consequences, the contractual documentation envisages a coordinating role in the management of the portfolio aimed at limiting the possible impact of a sudden deterioration in the quality of the cover pool;
- liability under the Framework Servicing Agreement: under the provisions of this agreement, the SPVs grant (i) the role of Master Servicer to Iccrea Banca and (ii) the role of Servicer to the banks, which thus act as the entities responsible for collections on the loans each has assigned to the SPVs. The liability risk of Iccrea Banca as Master Servicer is therefore limited to the fulfillment of the obligations undertaken by the latter pursuant to the Framework Servicing Agreement and does not extend to the actions of the servicers, who are in turn directly liable to the SPVs on an individual basis. Iccrea Banca also assumes the role of entity responsible for verifying the compliance of operations with the law and the prospectus pursuant to Law 130. The Program also provides that each assignor bank shall undertake to handle, on behalf of the SPVs, the administration, collection and enforcement of the loans in its portion of the portfolio. Under the provisions of this agreement, the SPVs grant (i) the role of Master Servicer to Iccrea Banca and (ii) the role of Servicer to the banks, which thus act as the entities responsible for collections on the loans each has assigned to the SPVs. The liability risk of Iccrea Banca as Master Servicer is therefore limited to the fulfillment of the obligations undertaken by the latter pursuant to the Framework Servicing Agreement and does not extend to the actions of the servicers, who are in turn directly liable to the SPVs on an individual basis.

E. PRUDENTIAL CONSOLIDATION – MODELS FOR MEASURING CREDIT RISK

The section has not been completed because the Group does not use internal portfolio models for measuring its exposure to credit risk.

1.2 MARKET RISKS

1.2.1 INTEREST RATE RISK AND PRICE RISK – SUPERVISORY TRADING BOOK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS

The term trading book refers to the portfolio consisting of positions intentionally held for subsequent short-term disposal and/or taken on to benefit from short-term differences between purchase and sales prices, or other changes in prices or interest rates. In general, the supervisory trading book is represented by the positions held under an “other” business model, namely “held for sale”, i.e. the portfolio including debt and equity securities, units in collective investment undertakings and derivatives held for trading purposes.

B. MANAGEMENT AND MEASUREMENT OF INTEREST RATE RISK AND PRICE RISK

GOVERNANCE AND ORGANIZATIONAL MODEL

The Parent Company is responsible for the management, coordination and control of market risk management within the entire Iccrea Mutual Banking Group in compliance with the principles of sound and prudent management.

As provided for under the Cohesion Contract, the Parent Company defines market risk management policies, in accordance with the strategic planning and definition of the RAF.

This role is performed through the issue of specific policies and directives and the definition and application of specific governance mechanisms that govern the various stages (definition, approval, monitoring and reporting) that characterize the management of market risks.

RISK MANAGEMENT PROCESSES

Identification of risks

Operations in financial market, especially positions in the trading book, expose the Bank to market risks and other subcategories of risk. The identification of risks is mainly carried out in the process of specifying and updating risk models and metrics for market risks, and involves the following activities:

- the specification and updating of risk metrics, i.e. the evolution by the Risk Management department of measurement and monitoring methods on the basis of developments in markets, regulations and best practice;
- the approval process, conducted before the start of operations in a new financial instrument and the associated definition of the procedures for measuring fair value and risks.

Risk measurement and assessment

Risk Management is the main actor in the processes for development and using measurement models and metrics for market risk.

Updates of the models and metrics are identified by Risk Management in the performance of its duties, including analysis of regulatory requirements, market best practices and input from the business units involved (Finance in particular).

For the purpose of calculating capital requirements for market risks, the Parent Company uses the standardized approach, in compliance with the relevant supervisory measures.

At the operational level, internal models are used for measurement purposes. The measurement metrics used for operational purposes to measure market risk can be classified as follows:

- probabilistic metrics:
 - Value at Risk (VaR) approach, which represents the main metric owing to its uniformity, consistency and transparency in relation to finance operations;
- deterministic metrics:
 - level metrics (such as, for example, notional amounts and mark to market values), which represent an immediately applicable solution;
 - analysis of sensitivity and Greeks, which are an essential complement to VaR indicators owing to their capacity to capture sensitivity and the direction of financial positions in response to changes in the identified risk factors;
 - stress testing and scenario analysis, which complete the analysis of the overall risk profile, capturing changes due to specified developments in the underlying risk factors (worst case scenarios);
 - loss, which represents the negative financial performance in a specified period of time of both closed and open positions.

Probabilistic metrics

Value at Risk (VaR)

An approach based on historical simulations is used to calculate VaR, (with a sample period of 3 years, confidence level of 99% and holding period of 1 day). The model currently covers the following risk factors:

- interest rates;
- inflation rates;
- exchange rates;
- stocks and stock indices;
- interest rate volatility;
- stock price volatility.

The current model can calculate VaR both for more detailed portfolios and for larger aggregates, permitting considerable granularity in the analysis, control and management of risk profiles and the effects of diversification. The possibility for calculating VaR at multiple levels of synthesis (consistent with the operating strategies of the portfolios and the organizational hierarchy of Finance) and the ability of the model to decompose VaR into different risk determinants make it possible to create an effective system of comparable cross-risk and cross-business limits.

Deterministic metrics

Sensitivity and Greeks of options

Sensitivity measures the risk associated with changes in the theoretical value of a financial position in response to changes in a defined amount of the associated risk factors. It captures the breadth and direction of the change in the form of multiples or monetary changes in the theoretical value without explicit assumptions about the holding period or correlations between risk factors. The main sensitivity indicators currently used are:

- PV01: the change in market value in response to a change of 1 basis point in the zero-coupon yield curve;
- Vega01: a change of 1 percentage point in implied volatilities on interest rates;
- IL01 (sensitivity to inflation): the change in market value in response to a change of 1 basis point in the forward inflation rate curve;
- Vega (sensitivity to inflation): a change of 1 percentage point in implied volatilities on forward inflation rates;
- CR01: a change of 1 basis point in credit spreads;
- Delta: the ratio between the expected change in the price of options and a small change in the prices of the underlying financial assets;

- Delta1%: the change in market value in response to a change of 1% in equity prices;
- Delta Cash Equivalent: the product of the value of the underlying financial asset and the delta;
- Vega1%: the change in market value in response to a change of 1% in the implied volatility of equity prices/indices;
- Correlation sensitivity: the change in the market value in response to a 10% change in implied correlations.

Level metrics

The nominal position (or equivalent) is a risk indicator based on the assumption that there is a direct relationship between the size of a financial position and the risk profile.

The nominal position (or equivalent) is determined through the identification of:

- the notional value;
- the market value;
- the conversion of the position in one or more instruments into a benchmark position (the equivalent position);
- the FX open position.

The approach is characterized by extensive use of ceilings in terms of notional/mark-to-market amounts as they represent the value of the assets recognized in the financial statements. These metrics are used to monitor exposures to issuer/sector/country risk for the purpose of analyzing the concentration of exposures.

Stress test and scenarios

Stress tests measure the change in the value of instruments or portfolios in response to unexpected (i.e. extreme) changes in the intensity or correlation of risk factors. Scenario analyses measure the change in the value of instruments or portfolios in response to changes in risk factors in circumstances that reflect actual past situations or expectations of future developments in market variables.

Stress tests and scenario analysis are carried out by measuring the change in the theoretical value of positions in response to changes in the risk factors. The change can be calculated both through the use of linear sensitivity relationships (e.g. deltas) and through the revaluation of positions by applying the specified variations to the risk factors.

Loss

Loss is a risk metric representing the negative financial performance achieved on closed and open positions over a specified period of time.

Loss is determined by identifying, with the specified time interval:

- the component of realized profits and losses;
- the component of latent (unrealized) profits and losses calculated using the mark-to-market/mark-to-model value of open positions.

Loss is equal to the algebraic sum of the two components indicated above, if negative.

In determining loss, foreign currency positions still open are measured at the ECB end-of-day exchange rate.

The metric makes it possible to measure losses connected with the general risk profile of outstanding positions and the management of the portfolio, identifying any deterioration in the profitability of financial operations.

It is helpful in monitoring the performance of the portfolio, given the risk profile assumed, when:

- more sophisticated measurement systems are not present;

- it is impossible to capture all risk factors;
- timely control and management of limits is required.

RISK PREVENTION AND ATTENUATION

Risk Management conducts backtesting of operational measurement models on an ongoing basis. The effectiveness of the calculation model is monitored daily through backtesting, which by comparing the forecast VaR with the corresponding profit or loss shines light on the capacity of the model to accurately capture the variability of the revaluation of the trading positions statistically. This approach makes it possible to:

- strengthen the effectiveness of the dialogue between Risk Management and the front office;
- enhance awareness of the actual performance dynamics of the portfolios;
- break down and interpret the sources and causes of daily changes in P&L;
- identify and monitor any risk factors that are not fully captured by the calculation models adopted.

In addition to the backtesting noted earlier, the effective management of market risks is ensured using a comprehensive system of limits, which is a key tool for the management, control and attenuation of risks. The development of this system, which is a key element of the Risk Management Framework, took account of the nature, objectives and operational complexity of the Group.

The overall system of market risk indicators comprises indicators included in and governed by the RAS and more strictly operational indicators set out in the risk governance policies.

The controls established to manage market risks break down into:

- Level I controls, which are intended to ensure the correct registration and maintenance of transactions over time;
- Level II controls, which are intended to measure, monitor and report the market risk profile and ensure the correct activation of escalation mechanisms;
- Level III controls (Internal Audit), which are intended to verify compliance with rules and procedures as well as internal and external regulations.

Risk management and mitigation activities are governed by a set of codified and formalized rules that envisage:

- the activities and actions that must be performed in each operating and business segment in order to manage developments in risks;
- the adoption of measures to manage any irregularities;
- the actions to be taken in the event the risk objectives, tolerances or limits specified in the Risk Appetite Statement are breached;
- the actions to be taken in the event the limits specified in the risk policies are breached.

MONITORING AND REPORTING

The controls performed by Risk Management seek to monitor the Bank's exposure to market risks on a daily basis, in order to prepare reporting to be sent to the competent units and to monitor/verify the implementation of escalation mechanisms by the trading desks involved if the specified limits are breached. Control activities are based on the assessment and measurement of the risk profile compared with the risk indicators and represents a key control element that regards both the monitoring of specific indicators and verifying and analyzing any breaches of risk appetite and/or risk limit thresholds.

These activities therefore perform an "ex post" control function in relation to the continuous monitoring of all indicators that signal breaches of assigned risk levels, but they also serve an "ex ante" function in signaling the approach of risk profiles towards the threshold/limit/risk propensity levels. Therefore, the effectiveness of monitoring compliance with limits is an instrumental part of:

- the timely identification of risk profile developments that might compromise achievement of the risk targets/tolerances established in determining the RAS/risk limits;

- the prompt activation of recovery plans in response to specified conditions on the basis of the “magnitude” of the over-limit position.

The market risk control and monitoring activities are governed within a set of internal regulations defining the roles and responsibilities of the various actors involved in the process.

At the operational level, communication between operational units and Risk Management occurs on a daily basis through extensive discussion of risk developments, increasing awareness of the risks assumed (in line with defined profit targets) and thereby facilitating the definition of appropriate management decisions.

An additional level of communication is embodied in the reporting system, which represents a decision support tool to provide the various organizational units involved with adequate and timely information on both the strategic and operational levels. The content, level of detail and frequency of the reporting are determined in accordance with the goals and roles assigned to the different recipients so as to ensure easy consultation, immediate perception of the situation and a comprehensive understanding of developments.

In particular, Risk Management performs codified and formalized monitoring and reporting activities within the Risk Appetite Framework and the Risk Policies, with the preparation of periodic reporting to provide appropriate disclosure to the management functions, senior management and the Board of Directors.

QUANTITATIVE DISCLOSURES**1. SUPERVISORY TRADING BOOK: DISTRIBUTION BY RESIDUAL MATURITY (REPRICING DATE) OF ON-BALANCE-SHEET FINANCIAL ASSETS AND LIABILITIES AND FINANCIAL DERIVATIVES**

This table has not been completed since an analysis of interest rate and price risk sensitivity has been provided.

2. SUPERVISORY TRADING BOOK: DISTRIBUTION OF EXPOSURES IN EQUITY SECURITIES AND EQUITY INDICES BY MAIN COUNTRIES OF LISTING

This table has not been completed since an analysis of interest rate and price risk sensitivity has been provided.

3. SUPERVISORY TRADING BOOK: INTERNAL MODELS AND OTHER SENSITIVITY ANALYSIS METHODOLOGIES

With regard to market risks on the trading book, which are managed at the Group level by Iccrea Banca, a risk tolerance of €14 million in 1-day VaR with a 99% confidence level has been established. In 2025 the indicator never breached the limits at the full book level.

The average VaR of the trading book was equal to €0.58 million, with a minimum of €0.21 million and a maximum of €1.23 million (on October 16, 2025).

At December 31, 2025 the VaR was €0.49 million.

Daily VaR Trading Book	Notional (in €/million) at 31/12/2025	VaR	
		Limit	Risk Profile
ICBG	5,684	14	0.49

The table below shows the sensitivity values per risk factor at December 31, 2023, which correspond to the change in the market value of the trading book as the risk factors change (see the section “Deterministic metrics, Sensitivity and Greeks of options”).

	Sensitivity Value (in €)	Notes
Interest rates	31,267	Sensitivity for 1 bp change
Inflation rates	11,253	
Credit spread	-4,581	
Equity	18,490	Sensitivity calculated on a 1% change in the stock/stock index

1.2.2 INTEREST RATE RISK AND PRICE RISK – BANKING BOOK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF INTEREST RATE RISK AND PRICE RISK

GOVERNANCE AND ORGANIZATIONAL MODEL

The Parent Company is responsible for the management, coordination and control of interest rate risk management for the banking book within the entire Iccrea Cooperative Banking Group in compliance with the principles of sound and prudent management.

As provided for under the Cohesion Contract, the Parent Company defines interest rate risk management policies, in accordance with the strategic planning and definition of the RAF.

This role is performed through the issue of specific policies and directives and the definition and application of specific governance mechanisms that govern the various stages (definition, approval, monitoring and reporting) that characterize the management of interest rate risk on the banking book.

RISK MANAGEMENT PROCESSES

Identification of risks

The interest rate risk on the banking book is the risk originated by differences in the maturities and in the timing of the repricing of interest rates on the assets and liabilities in the banking book. In the presence of these differences, fluctuations in interest rates give rise to both a short-term change in expected profit, through the impact on net interest income, and a long-term impact on the economic value of shareholders' equity, through the change in the market value of assets and liabilities.

Based on the composition of the current banking book and expected developments envisaged in strategic and operational planning, the Group identifies sources of interest rate risk to which it is exposed, classifying them in the following risk sub-categories: the risk associated with fluctuations in risk-free rates (IRRBB – Interest Rate Risk on Banking Book) deriving from mismatches in maturities (for fixed-rate positions) and repricing dates (for variable-rate positions), or changes in the slope or shape of the yield curve (yield curve risk), basis risk, option risk and changes in credit spreads (CSRBB - Credit Spread Risk on Banking Book).

Risk measurement and assessment

The measurement of interest rate risk on the banking book is based on the current earnings approach and the economic value approach and is carried out for the purpose of:

- continuous monitoring of the risk profile by controlling the overall system of indicators that characterize the IRRBB and CSRBB Framework and the various "additional metrics" that have been defined;
- performing stress testing, which provides for the estimation of the impact of severe but plausible adverse market scenarios on the banking book.

The risk exposure is measured using a static or dynamic approach depending on the assessment approach adopted:

- economic value approach: this seeks to assess the impact of possible adverse changes in interest rates and/or credit spreads on the economic value of the banking book (economic value of equity), construed as the present value of the expected cash flows of assets, liabilities and off-balance sheet positions within the scope of analysis. Under this perspective, the analysis is conducted using a static "gone concern" approach, in which we assume the run-off of positions at maturity, without any replacement or renewal, or using a dynamic approach, developing projections for new operations that are consistent with the assumptions defined during strategic planning;

- earnings approach: this seeks to assess the potential effects of adverse interest rate variations on the profitability of the banking book, i.e. net interest income, and on fair value changes recognized through profit or loss or OCI. In this perspective, the analysis is conducted using a dynamic “going-concern” approach, with a “constant balance sheet” view, assuming that positions are rolled over at maturity so as to leave the size and composition of the balance sheet unchanged, or a “dynamic balance sheet” view, developing projections for new business that are consistent with the hypotheses defined in strategic planning.

Specific models are adopted in both cases that ensure adequate quantification of the risk associated with positions that exhibit repricing behavior that differs from the contractual profile.

The metrics adopted in the economic value approach to measure the sensitivity of the economic value of the banking book (ΔEVE – EVE sensitivity) are based on a full evaluation approach. The change in the expected value of the banking book is calculated using an approach that involves the discounting of the cash flows of items in the book in a base scenario with no interest rate variations and one with interest rate variations. The overall metric can be broken down by time bucket in order to identify the distribution of risk over time (“bucket sensitivity”).

In determining EVE, equity must be excluded from the calculation in order to measure the potential change in value of free capital following changes in the yield curves.

The metrics used in the current earnings approach are based on a full evaluation approach:

- NII sensitivity: metric aimed at measuring interest margin sensitivities; the potential impact on net interest income of potential changes in risk-free rates and/or credit spreads is calculated using a method that provides for the comparison, for a selected time horizon, between expected net interest income in the case of a change in interest rates and expected net interest income in a baseline scenario with no such changes;
- Earnings at Risk: a metric aimed at measuring the loss of profitability due to changes in interest rates and/or credit spreads, considering, in addition to the impact on net interest income, the effects on changes in the fair value of the instruments recognized (depending on their accounting treatment) in profit or loss or directly in equity. The measurement scenarios applied to interest rates are intended to monitor the risk categories to which the Bank may be exposed. Each can be associated with internally developed or regulatory scenarios.

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- gap risk: in order to monitor this category of risk, parallel and non-parallel shocks of the risk-free yield curves are used in order to assess the impact on economic value and net interest income. In addition to the scenarios envisaged for regulatory purposes, in the standard outlier test, internally defined scenarios are used based on prudential assessments and historical analyses of observed changes in rates;
- basis risk: the analysis provides for the segmentation of the banking book based on the market parameters to which the items involved are indexed and the analysis of the time series of basis spreads with respect to the pivot rate (€STR) for the purpose of determining the size of the shocks to be applied to each;
- option risk: the analysis includes a preliminary identification of the automatic/behavioral option components in the assets and liabilities of the Bank’s banking book and the subsequent:
- historical analysis of the observed changes in volatility, to determine the magnitude of the shocks to be applied for the purpose of quantifying the automatic option risk;
- verification of the impact of interest rate shocks on the behavioral model parameters, for the purpose of quantifying the behavioral option risk.
- CSRB: internally defined scenarios are used based on prudential assessments and historical analyses of the observed changes in credit spreads.

In order to monitor risk limits, parallel and non-parallel shock scenarios are adopted. To monitor the additional metrics subject to reporting requirements, scenarios involving shocks to the yield curves are also envisaged in addition to those adopted as a reference for the determination of risk limits. As part of stress testing, further scenarios are used on periodic basis to signal potential areas of weakness in the presence of particular market conditions.

Risk prevention and attenuation

Interest rate risk is managed using a comprehensive system of limits, which is a key tool in the management, control and attenuation of risks within the IRRBB and CSRBB Frameworks, taking account of the nature, objectives and complexity of Group operations.

The system of limits (EWS, RAS and Risk Limits) is defined by the Parent Company in accordance with its management and coordination role and implemented through a cascading process with the subsidiaries (where applicable), in line with the risk management model adopted.

In addition to the above system of limits, a comprehensive system of arrangements and controls contributes to defining the overall control model set out and formalized in the associated policy.

The controls established to manage interest rate risk on the banking book break down as follows:

- Level I controls, which are intended to ensure the correct registration and maintenance of transactions over time;
- Level II controls, which are intended to measure, monitor and report the interest rate risk profile and activate escalation mechanisms;
- Level III controls (Internal Audit), which are intended to verify compliance with rules and procedures as well as internal and external regulations.

Monitoring and reporting

The controls, carried out by Risk Management, are aimed at monitoring the Bank's exposure to interest rate risk in order to prepare reporting to be sent to the competent units and to trigger escalation mechanisms with the collaboration of the operating units involved if the specified limits are breached. Control activities are based on the assessment and measurement of the risk profile compared with the risk indicators provided for by the risk governance framework. The effectiveness of monitoring compliance with limits is an instrumental part of:

- the timely identification of risk profile developments that might compromise achievement of the risk limits established;
- the prompt activation of recovery plans in response to specified conditions on the basis of the "magnitude" of the over-limit position.

The interest rate risk control and monitoring activities are performed within the framework of a set of internal regulations. At the operational level, communication between operational units and Risk Management occurs on a daily basis through extensive discussion of risk developments, increasing awareness of the risks assumed (in line with defined profit targets) and thereby facilitating the definition of appropriate management decisions.

An additional level of communication is embodied in the reporting system, which represents a decision support tool to provide the various organizational units involved with adequate and timely information on both the strategic and operational levels. The contents, level of detail and frequency of the reporting are determined in accordance with the goals and roles assigned to the different recipients so as to ensure easy consultation, immediate perception of the situation and a comprehensive understanding of developments.

More specifically, the Risk Management function performs monitoring and reporting activities that are codified and formalized within the Risk Appetite Framework and the risk policies, preparing periodic reports and providing appropriate disclosure to the operating units, top management and the Board of Directors.

Stress test framework

In order to assess the potential impact of market tensions on the profitability and economic value of the banking book, stress test simulations are also conducted in addition to specific measurements of the exposure to risk.

The stress tests are intended to measure the extent to which the exposure to interest rate risk on the banking book could worsen in especially adverse market conditions.

The scenarios used in measuring the exposure to the different sources of risk and in analyzing stress tests are based on both regulatory shocks and, where the regulatory scenarios are not considered fully representative of especially adverse conditions, shocks defined internally.

In accordance with regulatory provisions, the Group develops scenarios characterized by larger movements in yield curves than the shocks applied for the continuous monitoring of the IRRBB and CSRBB in order to test the vulnerabilities of the banking book in the presence of stress conditions.

In line with the applicable regulatory guidelines, the Group has adopted various types of mutually complementary analyses where appropriate:

- sensitivity analysis: analysis of the exposure to the IRRBB and the CSRBB with respect to the marginal impact of different types of shocks, considered separately or jointly, relating to one or more risk factors;
- reverse stress testing: analysis consisting in identifying one or more stress scenarios whose impact leads to a pre-established result identified ex-ante. The reverse stress testing makes it possible to investigate, using a recursive analysis process, the size and probability of occurrence of the events that lead to this result;
- scenario analysis: analysis consisting in the assessment of the Group's ability to cope with a potential increase in its exposure to IRRBB and CSRBB based on a combination of shocks associated with one or more risk factors in accordance with specific evolutionary stress dynamics.

Depending on the purpose of the analysis, the time horizon of the stress exercise, the speed of propagation of shocks and the approach to be adopted for the projection of operations (static/dynamic) are defined.

For each of the risk categories identified it is possible to define the associated risk factor(s), understood as an exogenous variable whose shock can have a negative impact on the economic value of the banking book and/or on the associated net interest income, in terms of smaller-than-expected loss or profit. In this perspective, the identification of risk factors is a preliminary phase in the definition of the shocks associated with stress scenarios.

All the stress scenarios adopted are generally calibrated using the historical simulation approach, based on prudential percentiles of the empirical distributions associated with the various risk parameters, using expert-based adjustments where appropriate in order to integrate forward-looking elements that are not present in the available historical data. To these scenarios, we add "purely" historical scenarios (i.e. without calculating a percentile of the historical empirical distribution), scenarios defined on a judgmental basis and scenarios provided by external sources (e.g. EBA Stress Test scenario).

QUANTITATIVE DISCLOSURES**1. BANKING BOOK: DISTRIBUTION OF FINANCIAL ASSETS AND LIABILITIES BY RESIDUAL MATURITY (REPRICING DATE)**

This table has not been completed since an analysis of interest rate and price risk sensitivity has been provided.

2. BANKING BOOK: INTERNAL MODELS AND OTHER SENSITIVITY ANALYSIS METHODOLOGIES

The interest rate risk on the banking book used for management purposes with regard to sensitivity indicators for economic value and net interest income at December 31, 2025 is reported below.

€/million	Scenario	
	-100 bp	+100 bp
Impact on economic value	+328	-203
Impact on net interest income	-258	+440

1.2.3 EXCHANGE RATE RISK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF EXCHANGE RATE RISK

The exchange rate risk management strategy (the FX risk factor) is based on the analysis of market developments and the different currencies in which operations are denominated.

The strategy is differentiated in accordance with the type of operations:

- for major currencies (hard currencies), operators, based on the analysis of economic, macroeconomic and money management data, manage operations both to optimize existing positions and generate a profit;
- for minor currencies (local currencies), exchange rate risk is managed with a view to the total minimization of risks, except in unusual macroeconomic situations, by reducing exposures exceeding the thresholds defined with market operations of the opposite sign.

Trading is carried out on the foreign exchange and foreign exchange derivatives markets both through spot trading and through the management of short/medium-term forward positions (outright operations). The strategy of the desk is therefore aimed at intraday/multiday transactions in order to generate profit from movements in the spot foreign exchange market. Forex swaps are used to engage in forward operations, based on expectations for interest rates and exchange rates, so as to generate a profit from maintaining open short/medium-term positions in foreign currency. Based on its own analyses, the desk also seeks to improve its profitability by taking positions in options on exchange rates.

All operations are based on techniques and methods defined and agreed at the desk level, based on operating limits assigned to the managers and operational staff that are consistent with the provisions of the risk policies.

B. HEDGING EXCHANGE RATE RISK

Operations are mainly concentrated in major currencies. The Bank adopts a system of daily operating limits on the overall foreign exchange exposure, as well as the net foreign exchange positions in respect of individual currencies. The overall limit is segmented into partial ceilings on the basis of the importance of the various currencies.

QUANTITATIVE DISCLOSURES

1. DISTRIBUTION BY CURRENCY OF ASSETS, LIABILITIES AND DERIVATIVES

	Currencies					
	US dollars	Pounds sterling	Yen	Canadian dollars	Swiss francs	Other currencies
A. Financial assets	187,113	6,814	1,068	1,483	9,974	8,448
A.1 Debt securities	4,093	509				1,203
A.2 Equity securities	36,675	4,423				677
A.3 Loans to banks	63,850	1,853	650	1,162	1,208	6,531
A.4 Loans to customers	82,494	28	417	321	8,767	36
A.5 Other financial assets						
B. Other assets	12,154	5,132	1,238	1,863	6,466	1,866
C. Financial liabilities	252,209	11,188	1,251	4,219	14,327	3,737
C.1 Due to banks	40,974	12	6	3	11	855
C.2 Due to customers	211,235	11,176	1,245	4,216	14,316	2,882
C.3 Debt securities						
C.4 Other financial liabilities						
D. Other liabilities	778				21	4
E. Financial derivatives						
- Options						
+ Long position	1,645					
+ Short positions	3,141					
- Other derivatives						
+ Long positions	467,348	2,515	200	3,762	416	4,327
+ Short positions	402,446	1,556	1,352	2,082	1,273	9,821
Total assets	668,260	14,461	2,506	7,108	16,856	14,641
Total liabilities	658,575	12,744	2,604	6,301	15,621	13,562
Difference (+/-)	9,685	1,717	(98)	808	1,235	1,079

2. INTERNAL MODELS AND OTHER SENSITIVITY ANALYSIS METHODS

There is no information to report.

1.3 DERIVATIVES AND HEDGING POLICIES

1.3.1 FINANCIAL DERIVATIVES HELD FOR TRADING

A. FINANCIAL DERIVATIVES

A.1 FINANCIAL DERIVATIVES HELD FOR TRADING: END-PERIOD NOTIONAL VALUES

i	Total 31/12/2025				Total 31/12/2024			
	Central counterparties	Over the counter		Organized markets	Central counterparties	Over the counter		Organized markets Without central counterparties
		Without central counterparties				Without central counterparties		
		Covered by netting agreements	Not covered by netting agreements			Covered by netting agreements	Not covered by netting agreements	
1. Debt securities and interest rates	2,304,097	485,384	977,267	-	2,134,883	1,369,198	1,098,552	-
a) Options	-	398,805	262,894	-	-	260,236	253,720	-
b) Swaps	1,032,509	61,479	714,373	-	1,684,883	1,068,762	844,832	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	17,100	-	-	-	40,200	-	-
e) Other	1,271,588	8,000	-	-	450,000	-	-	-
2. Equity securities and equity indices	-	42,967	-	-	-	1,050	-	-
a) Options	-	42,967	-	-	-	1,050	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Foreign currencies and gold	-	870,789	4,973	-	-	507,425	1,023,419	-
a) Options	-	20,783	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	850,006	4,973	-	-	507,425	1,023,419	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	-	-	-	-	-	-	-
5. Other underlyings	-	-	-	-	-	-	-	-
Total	2,304,097	1,399,140	982,240	-	2,134,883	1,877,673	2,121,971	-

A.2 FINANCIAL DERIVATIVES HELD FOR TRADING: GROSS POSITIVE AND NEGATIVE FAIR VALUE – BREAKDOWN BY PRODUCT

	31/12/2025				31/12/2024			
	Central counterparties	Over the counter		Organized markets	Central counterparties	Over the counter		Organized markets
		Without central counterparties				Without central counterparties		
		Covered by netting agreements	Not covered by netting agreements			Covered by netting agreements	Not covered by netting agreements	
1. Positive fair value								
a) Options	-	11,368	34	-	-	3,681	169	-
b) Interest rate swaps	38,332	3,363	3,458	-	48,523	12,961	6,088	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	3,224	32	-	-	1,991	4,483	-
f) Futures	-	59	-	-	-	354	-	-
g) Other	6,877	-	-	-	1,215	-	-	-
Total	45,210	18,014	3,525	-	49,738	18,988	10,739	-
2. Negative fair value								
a) Options	-	703	4,774	-	-	266	5,112	-
b) Interest rate swaps	12,253	17,569	16,930	-	36,914	20,947	24,574	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	3,323	16	-	-	2,714	1,881	-
f) Futures	-	2	-	-	-	11	-	-
g) Other	1,288	152	-	-	275	-	-	-
Total	13,541	21,748	21,720	-	37,188	23,937	31,566	-

A.3 OVER-THE-COUNTER FINANCIAL DERIVATIVES HELD FOR TRADING: NOTIONAL VALUES, GROSS POSITIVE AND NEGATIVE FAIR VALUES BY COUNTERPARTY

	Central counterparties	Banks	Other financial companies	Other
Contracts not covered by netting agreements				
1) Debt securities and interest rates				
- notional value	X	506	26,682	950,078
- positive fair value	X	38	140	3,315
- negative fair value	X	-	62	21,642
2) Equity securities and equity indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Foreign currencies and gold				
- notional value	X	-	-	4,973
- positive fair value	X	-	-	32
- negative fair value	X	-	-	16
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other assets				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts covered by netting agreements				
1) Debt securities and interest rates				
- notional value	2,304,097	473,537	11,847	-
- positive fair value	45,210	11,172	74	-
- negative fair value	13,541	17,778	599	-
2) Equity securities and equity indices				
- notional value	-	42,967	-	-
- positive fair value	-	3,469	-	-
- negative fair value	-	12	-	-
3) Foreign currencies and gold				
- notional value	-	554,023	316,766	-
- positive fair value	-	3,299	-	-
- negative fair value	-	937	2,422	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other assets				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 RESIDUAL LIFE OF OVER-THE-COUNTER FINANCIAL DERIVATIVES: NOTIONAL VALUES

	Up to 1 year	More than 1 year and up to 5 years	More than 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	-	-	3,766,748	3,766,748
A.2 Financial derivatives on equity securities and equity indices	26,846	16,121	-	42,967
A.3 Financial derivatives on exchange rates and gold	872,132	3,630	-	875,763
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	898,978	19,751	3,766,747	4,685,477
Total 31/12/2024	3,545,514	129,941	2,459,072	6,134,527

B. CREDIT DERIVATIVES

The section has not been completed because there were no such positions as of the reporting date.

1.3.2 HEDGE ACCOUNTING

QUALITATIVE DISCLOSURES

For the purposes of hedge accounting, the Group applies the provisions contained in IAS 39 since at the time of initial application of IFRS 9 it elected the option provided for in paragraph 7.2.21 of that standard to continue to apply in full the rules of IAS 39 for all types of hedging (micro and macro).

The hedge contracts are transacted on the basis of the provisions of specific company policies and mainly used to manage interest rate risk on the banking book arising from the normal business operations of the individual banks and the Parent Company, pursuing the objective of reducing the risk profile within the limits of the Risk Appetite Framework as defined and quantified by their respective competent bodies. These limits concern the exposure of the Group both in terms of net interest income sensitivity and economic value sensitivity.

In particular, all the hedges established by the affiliated banks with the Parent Company with respect to which the latter enters into an identical and opposite position in derivatives with the market are represented in the same way at the consolidated level: hedges originally established by the affiliated banks regard portfolios of loans to customers, securities holdings and, to a marginal extent, bonds in issue. On the other hand, transactions involving the hedging of loans to customers or securities of a minor nature (mainly by notional amount) between the affiliated banks and the Parent Company, provide for the latter to manage the consequent risk position on a “synthetic” basis, which is reported in the consolidated financial statements through the designation of generic fair value hedges established in respect of interest rate risk. The life cycle of a hedge accounting relationship starts with the so-called “designation” phase. With the designation of the hedging relationship, the company identifies the instruments through which it intends to implement the hedging strategy, as defined by the manager of the risk being hedged and in compliance with the principles established in the Group Hedge Accounting Policy, which defines the methods of measuring effectiveness by type of hedge.

Once a hedging relationship has been designated, it must be demonstrated that the hedge is highly effective in offsetting fair value changes attributable to the hedged risk or stabilizing the cash flows attributable to the hedged risk during the period for which the hedge is designated.

The effectiveness of the hedge is demonstrated at the inception date and measured at the periodic reporting dates (March 31, June 30, September 30 and December 31).

The effectiveness of the hedge is measured by conducting so-called effectiveness tests (prospective and retrospective) based on both qualitative and quantitative methods, complying with the criterion of continuity. A hedging relationship is considered effective if at each measurement date both tests (prospective and retrospective) are passed. The failure of the effectiveness test(s) should result in the discontinuance of the hedging relationship, i.e. the termination of hedge accounting.

With regard to the benchmark rate reform introduced with the Benchmarks Regulation (BMR - Regulation no. 2016/1011/EU), please note that the Group's hedging derivatives are mainly indexed to Euribor, whose calculation methodology was revised in 2019 in order to permit its use even after the reform. More specifically, in order to ensure the rate is compliant with the BMR, the EMMI - European Money Markets Institute - has implemented the transition to a new “hybrid” calculation methodology for Euribor that continues to represent the actual cost of funding for the contributing European banks and is always available and accessible. Consequently, hedges linked to the Euribor are not considered to be impacted by the reform.

A. FAIR VALUE HEDGING

Fair value hedging is used to immunize changes in the fair value, attributable to the different risk factors, of financial assets and liabilities or portions of them, of groups of assets/liabilities, of irrevocable commitments and portfolios of financial assets and liabilities.

The Group adopts both specific hedges (micro fair value hedges) and generic hedges (macro fair value hedges). These hedges therefore apply both to well-identified financial instruments (government securities – both fixed rate and indexed to European and Italian inflation – bond issues, loans and other financing) and to portfolios of fixed-rate and variable-rate financial instruments (government securities, corporate debt securities, performing loans and bonds).

Within the scope of micro fair value hedging, hedges are mainly used for securities holdings and bonds issued,

while macro hedging is applied to portfolios of both fixed- and floating-rate loans, and the only macro hedge applied to a portfolio of debt securities – classified as FVOCI under the HTCS business model – expired in 2025.

The main types of derivatives used are represented by plain or structured interest rate swaps (IRS), and asset and yield swaps (ASW) entered into with third parties to ensure compliance with the requirement to externalize risk, which is necessary to qualify for hedge accounting at the consolidated level, in compliance with the provisions of paragraph 73 of IAS 39. These derivatives are not listed on regulated markets, but are traded on OTC markets.

The effects of designating the hedging relationship begin at the inception of the hedge with the identification of the portion and the type of hedged risk, the hedging strategy and the hedging instrument in accordance with the principles the Group has established concerning the methodology used to assess the effectiveness of the hedging relationship.

B. CASH FLOW HEDGING

Cash flow hedging seeks to hedge the exposure to the variability of future cash flows attributable to particular risks associated with balance sheet items or highly probable forecast transactions or to hedge exchange rate risk.

The Group adopts specific hedges of assets (micro cash flow hedge) represented by fixed-rate, variable rate (CCTs) and euro inflation-linked government securities and hedges of portfolios (macro cash flow hedging) of floating-rate loans.

C. HEDGING OF INVESTMENTS IN FOREIGN OPERATIONS

In 2025, the Group did not undertake hedging of exchange rate risk on foreign currency transactions.

D. HEDGING INSTRUMENTS

Designated hedging transactions, with formal documentation identifying the relationship between the hedged instrument and the hedging instrument, are considered effective if at inception and for the entire duration of the hedging relationship changes in the fair value or the cash flows of the hedged instrument are almost completely offset by changes in the fair value or cash flows of the hedging derivative. The effectiveness of the hedge depends on the extent to which the changes in the fair value of the hedged instrument or the related expected cash flows are offset by those of the hedging instrument. Therefore, effectiveness is quantified by comparing the aforementioned changes, taking account of the intent pursued by the company at the time the hedge was established.

A hedge is effective when the changes in the fair value (or cash flows) of the hedging instrument almost entirely, i.e. within the specified limits, offset the changes in the hedged instrument for the risk being hedged.

Effectiveness is assessed at each annual or interim reporting date using:

- prospective tests aimed at demonstrating that changes in the fair value or cash flows of the hedging instrument attributable to the hedged risk will be such as to offset changes in the fair value or cash flows of the hedged item. They are performed adopting both qualitative (Critical Term Match) and quantitative methods (“cumulative scenario method” or “linear regression method with curve simulation”);
- retrospective tests aimed at measuring the actual effectiveness of the hedging relationship between the date of designation and the test date, determining the deviation of hedging relationships from the result that would be achieved with a perfect hedge. These tests are performed using quantitative methods, i.e. the dollar offset method and the volatility risk reduction method.

The main causes of ineffectiveness are attributable to the following:

- a misalignment between the notional of the derivative and the nominal of the hedged instrument at the time of the initial designation or generated subsequently, as in the case of partial repayments or full extinguishment of loans or the repurchase of bonds;
- the approach of the expiry of the transaction.

The ineffectiveness of the hedge is recognized promptly for the purposes of:

- determining the impact on profit or loss;
- assessing the possibility of continuing to apply hedge accounting rules.

If the assessments do not confirm the effectiveness of the hedge, the relationship considered terminated as of the last date in which the relationship was shown to be effective. This date coincides with the beginning of the period in which the effectiveness test was failed. However, if the event or the circumstances that led to the hedging relationship no longer meeting the criteria for effectiveness are identified and it is shown that the hedge was effective before the event or change in the circumstances occurred, hedge accounting is discontinued from the date of the event or change in those circumstances. The hedging derivative, if not extinguished, may be designated as a hedging instrument in another relationship that meets the relevant or be reclassified as a trading instrument.

The Group does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

E. HEDGED ITEMS

At the Group level, hedged items designated as being in a hedge accounting relationship using micro and macro hedges are mainly government securities, bond issues of the Parent Company and loans to customers in the form of residential mortgages and leases.

These hedges are both total and partial and the hedged risk is mainly interest rate risk.

Debt securities held

These are hedged using micro fair value hedge, macro fair value hedge and micro cash flow hedge, involving IRSs and ASWs. In fair value hedges, interest rate and inflation risk are hedged for the duration of the obligation, while in cash flow hedges, as discussed above, the risk of changes in flows or the sale price of the underlying instrument is hedged. The effectiveness tests are carried out using the dollar offset method for retrospective assessment and the cumulative scenario method for prospective assessment.

Debt securities issued

The Group currently has active micro fair value hedging relationships for fixed-rate funding, using IRSs as hedging instruments. Interest rate risk is hedged for the life of the obligation.

Fixed-rate loans

The Group has designated micro fair value hedges and macro fair value hedges for interest-rate loans to customers, mainly using amortizing IRSs as hedging instruments. The interest rate risk is hedged for the entire term of the hedged item. For micro-type hedges, the effectiveness tests are carried out using the dollar-offset method for retrospective assessment and the cumulative scenario method for prospective assessment. For macro hedges of loans, the capacity of the portfolio subject to designation is verified with respect to the notional amount outstanding at the reporting date of the corresponding hedging derivative. Having passed this first test, effectiveness is then quantified both retrospectively and prospectively by applying the dollar offset method. For macro hedges of leases, the criterion of the lower between the nominal value of the hedged item and the notional of the hedging derivative is adopted for the purpose of measuring the change in the fair value of the hedged item, performing the retrospective effectiveness test by applying volatility risk reduction method.

Variable-rate loans

The Group has designated micro fair value hedges, macro fair value hedges and macro cash flow hedges for variable-rate loans to customers, using caps, floors or collars or IRS with an amortizing notional as hedging instruments. The hedged risk is the risk of a rise (decrease) in rates above (below) the strike of the implicit caps (floors) as well as the probability that the benchmark rate is greater (lower) or approaches the strike rate itself. The hedged rate is the contractually determined strike rate for the individual loans granted by the Bank. The identity

of the individual loans making up the hedged portfolio in terms of strike rate level compared with Euribor flat (net of the spread), indexing parameter, date of observation of the indexing parameter, frequency of the individual caplet (frequency of repayments of the amortization plan) is a necessary condition. As regards macro cash flow hedges, the hedged risk is the risk of variability arising from the redefinition of cash flows of variable rate mortgage portfolios, a risk managed by means of IRS with an amortizing notional. The risk of variation of cash flows is reduced by structuring the portfolios with hedged items and hedging instruments with uniform contractual characteristics, mainly in terms of indexation rate and frequency of payments. For micro hedges, the effectiveness tests are carried out using the dollar offsetting method for the retrospective profile and the cumulative scenario for the prospective profile. For macro hedges of loans, the capacity of the designated portfolio is checked first of all with respect to the notional value, at the reporting date, of the corresponding hedge derivative and therefore, after passing this first test, effectiveness is quantified retrospectively and prospectively by applying the dollar offsetting method.

QUANTITATIVE DISCLOSURES

A. FINANCIAL HEDGING DERIVATIVES

A.1 FINANCIAL HEDGING DERIVATIVES: END-PERIOD NOTIONAL VALUES

	Total 31/12/2025				Total 31/12/2024			
	Over the counter			Organized markets	Over the counter			Organized markets
	Central counterparties	Without central counterparties			Central counterparties	Central counterparties		
		Covered by netting agreements	Not covered by netting agreements			Covered by netting agreements	Not covered by netting agreements	
1. Debt securities and interest rates	12,590,147	11,229,299	-	-	10,893,162	9,727,645	-	-
a) Options	-	459,793	-	-	-	492,487	-	-
b) Swaps	12,555,147	10,769,505	-	-	10,893,162	9,235,158	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	35,000	-	-	-	-	-	-	-
2. Equity securities and equity indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Foreign currencies and gold	-	684	28,612	-	-	-	31,343	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	684	28,612	-	-	-	31,343	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	-	-	-	-	-	-	-
5. Other underlyings	-	-	-	-	-	-	-	-
Total	12,590,147	11,229,982	28,612	-	10,893,162	9,727,645	31,343	

A.2 FINANCIAL HEDGING DERIVATIVES: GROSS POSITIVE AND NEGATIVE FAIR VALUE - BREAKDOWN BY PRODUCT

	Positive and negative fair value								Change in value used to calculate hedge effectiveness	
	Total 31/12/2025				Total 31/12/2024				Total 31/12/2025	Total 31/12/2024
	Over the counter			Organized markets	Over the counter			Organized markets		
	Central counterparties	Without central counterparties			Central counterparties	Central counterparties				
		Covered by netting agreements	Not covered by netting agreements			Covered by netting agreements	Not covered by netting agreements			
Positive fair value										
a) Options	-	502	-	-	-	4,842	-	-	-	-
b) Interest rate swaps	820,417	294,007	-	-	728,573	122,176	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	6	464	-	-	-	502	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	144	-	-	-	-	-	-	-	-	-
Total	820,561	294,515	464	-	728,573	127,018	502	-	-	-
Negative fair value										
a) Options	-	3,127	-	-	-	802	-	-	-	-
b) Interest rate swaps	43,740	241,625	-	-	131,033	242,971	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	372	-	-	-	598	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	43,740	244,752	372	-	131,033	243,773	598	-	-	-

A.3 OVER-THE-COUNTER FINANCIAL HEDGING DERIVATIVES: NOTIONAL VALUES, GROSS POSITIVE AND NEGATIVE FAIR VALUES BY COUNTERPARTY

	Central counterparties	Banks	Other financial companies	Other
Contracts not covered by netting agreements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equity securities and equity indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Foreign currencies and gold				
- notional value	X	-	-	28,612
- positive fair value	X	-	-	464
- negative fair value	X	-	-	372
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other assets				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts covered by netting agreements				
1) Debt securities and interest rates				
- notional value	12,590,147	9,625,186	1,604,048	64
- positive fair value	820,561	229,026	65,483	-
- negative fair value	43,740	191,884	52,867	-
2) Equity securities and equity indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Foreign currencies and gold				
- notional value	-	684	-	-
- positive fair value	-	6	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other assets				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 RESIDUAL LIFE OF OVER-THE-COUNTER FINANCIAL DERIVATIVES: NOTIONAL VALUES

	up to 1 year	more than 1 year and up to 5 years	more than 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	660,385	9,751,446	13,407,614	23,819,445
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3 Financial derivatives on exchange rates and gold	26,510	2,785	-	29,296
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	686,895	9,754,232	13,407,614	23,848,741
Total 31/12/2024	4,944,559	6,614,339	9,093,252	20,652,150

B. CREDIT HEDGING DERIVATIVES

The section has not been completed because there are no such positions.

C. NON-DERIVATIVE HEDGING INSTRUMENTS

The section has not been completed because there are no such positions.

D. HEDGED ITEMS

Although the Group has made use of the exception envisaged by IFRS 9, consisting in the possibility of continuing to apply the provisions governing hedging of IAS 39, the information on the hedged instruments required in this section is provided below.

D.1 FAIR VALUE HEDGES

	Micro hedges: carrying amount	Micro hedges net positions: carrying amount of assets and liabilities (before offsetting)	Micro hedges			Macro hedges: carrying amount
			Cumulative value of fair value changes of the hedged instruments	Termination of hedge: cumulative value of residual changes in fair value	Change in value used to calculate hedge ineffectiveness	
A. ASSETS						
1. Financial assets measured a fair value through other comprehensive income – hedges of:	690,324	-	8,694	-	-	-
1.1 Debt securities and interest rates	690,324	-	8,694	-	-	X
1.2 Equity securities and equity indices	-	-	-	-	-	X
1.3 Foreign currencies and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Other assets	-	-	-	-	-	X
2. Financial assets measured at amortized cost – hedges of:	10,655,097	-	986,200	-	-	7,753,243
2.1 Debt securities and interest rates	10,655,097	-	986,200	-	-	X
2.2 Equity securities and equity indices	-	-	-	-	-	X
2.3 Foreign currencies and gold	-	-	-	-	-	X
2.4 Loans	-	-	-	-	-	X
2.5 Other assets	-	-	-	-	-	X
Total 31/12/2025	11,345,421	-	994,894	-	-	7,753,243
Total 31/12/2024	9,105,796	-	646,002	-	-	5,943,629
B. LIABILITIES						
1. Financial liabilities measured at amortized cost – hedges of:	2,269,771	-	144	-	-	-
1.1 Debt securities and interest rates	2,269,771	-	144	-	-	X
1.2 Foreign currencies and gold	-	-	-	-	-	X
1.3 Other assets	-	-	-	-	-	X
Total 31/12/2025	2,269,771	-	144	-	-	-
Total 31/12/2024	2,718,596	-	(28,479)	-	-	-

D.2 CASH FLOW HEDGES AND HEDGES OF INVESTMENTS IN FOREIGN OPERATIONS

	Change in value used to calculate hedge ineffectiveness	Hedge reserves	Termination of hedge: residual cumulative value of hedge reserves
A. CASH FLOW HEDGES			
1. Assets	(8,386)	9,974	-
1.1 Debt securities and interest rates	(8,386)	9,974	-
1.2 Equity securities and equity indices	-	-	-
1.3 Foreign currencies and gold	-	-	-
1.4 Loans	-	-	-
1.5 Other	-	-	-
2. Liabilities	(68)	(54)	-
2.1 Debt securities and interest rates	(68)	(54)	-
2.2 Foreign currencies and gold	-	-	-
2.3 Other	-	-	-
Total A 31/12/2025	(8,453)	9,920	-
Total A 31/12/2024	3,658	17,999	-
B. HEDGES OF INVESTMENTS IN FOREIGN OPERATIONS			
	X	-	-
Total A+B 31/12/2025	(8,453)	9,920	-
Total A+B 31/12/2024	3,658	17,999	-

E. EFFECTS OF HEDGING TRANSACTIONS IN EQUITY

The section has not been completed because the Group has made use of the exception envisaged by IFRS 9, consisting in the possibility of continuing to apply the provisions governing hedging of IAS 39.

1.3.3 OTHER INFORMATION ON TRADING AND HEDGING DERIVATIVES**A. FINANCIAL AND CREDIT DERIVATIVES****A.1 OVER-THE-COUNTER FINANCIAL AND CREDIT DERIVATIVES: NET FAIR VALUE BY COUNTERPARTY**

	Central counterparties	Banks	Other financial companies	Other
A. Financial derivatives				
1) Debt securities and interest rates				
- notional value	11,051,115	-	-	-
- positive fair value	808,489	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and equity indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Foreign currencies and gold				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
B. Credit derivatives				
1) Purchases of protection				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Sales of protection				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

The table shows the values resulting from the offsetting carried out for derivatives whose netting agreements meet the criteria set in IAS32 paragraph 42.

1.4 LIQUIDITY RISK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF LIQUIDITY RISK

GOVERNANCE AND ORGANIZATIONAL MODEL

The Parent Company is responsible for the management, coordination and control of liquidity risk management within the entire Iccrea Cooperative Banking Group in compliance with the principles of sound and prudent management.

In exercising this role, the Parent Company determines the governance model and mechanisms that govern the various stages involved in the management of liquidity and oversight of the associated risks, as well as interactions between business and control units in order to ensure an appropriate level of liquidity at the consolidated and individual levels at the intraday, short and medium/long-term time horizons.

As provided for by the Cohesion Contract, the Parent Company also defines liquidity risk management policies, in accordance with the strategic planning and definition of the RAF.

RISK MANAGEMENT PROCESSES

Liquidity risk is identified and monitored at the consolidated and individual levels using the operational and structural maturity ladder (in order to identify possible negative liquidity gaps in relation to specified maturity structure) and the overall liquidity indicator system (RAS, risk limits, and monitoring indicators), designed to quickly identify potential strains.

The process of revising the methodologies, the different assumptions underlying the measurements and the thresholds/limits set for liquidity indicators, carried out at least annually, enables the alignment of the overall Liquidity Risk Framework and the indicator system with specific developments in the Group and market conditions.

Identification of risks

The liquidity risk identification phase can be broken down by the length of the observation horizon:

- operational liquidity – divided into two complementary levels:
 - intraday and very short-term liquidity: monitored on a daily basis in order to identify sources of risk that impact the Bank's ability to promptly balance very short-term cash inflows and outflows and maintain a volume of liquidity sufficient to ensure compliance with the liquidity coverage ratio (LCR) requirement;
 - short-term liquidity: identification of sources of risk that impact the Bank's ability to meet its expected and unexpected payment obligations over a short-term horizon (up to 12 months);
- structural liquidity - identification of structural mismatches between assets and liabilities maturing at more than 1 year and integration with short-term liquidity management as well as planning of actions and preventing the future creation of short-term liquidity shortfalls.

The Group's liquidity profile, and therefore its exposure to liquidity risk, is closely related to the business model adopted, the composition of the balance sheet - in terms of assets, liabilities and off-balance sheet items - as well as the related maturity profile.

The process of identifying and classifying the risk factors connected with the operational and structural liquidity profiles seeks to define the elements that, in terms of risk exposure, could trigger a deterioration in the Group's liquidity position when endogenous and/or exogenous stress events occur.

Liquidity risk can be generated by various factors both internal and external to the Group. The sources of liquidity risk can therefore be divided into the following macro-categories:

- endogenous: represented by adverse events specific to the Bank (e.g. a deterioration in the Bank's credit standing and loss of confidence by creditors);
- exogenous: when the origin of the risk is attributable to adverse events that cannot be directly controlled by the Bank (political crises, financial crises, catastrophic events, etc.) that give rise to liquidity tensions in the markets;
- combinations of the previous factors.

Measurement of risks

Measuring liquidity risk involves the activities performed to observe and quantify on a comprehensive, accurate and timely basis the exposure to such risk over the selected observation horizon.

Measuring the exposure to liquidity risk is based on an assessment of expected cash inflows and outflows – and the consequent deficits or surpluses – in the various residual maturity bands that make up the maturity ladder, in order to:

- monitor the risk profile in “business as usual” conditions, overseeing the overall system of indicators that characterize the Liquidity Risk Framework;
- execute stress testing, which involves the determination of the liquidity position in severe but plausible adverse scenarios, assessing the impact at the consolidated and individual levels.

The risk position is measured with the use of models and specific indicators developed either internally or established in regulations.

The analysis of the maturity profiles depends substantially on assumptions about the future cash flows associated with the various assets and liabilities, both on-balance-sheet and off-balance-sheet, which take account of the economic maturities of the balance sheet elements rather than contractual dates, without neglecting the application of reasonable prudence criteria.

The risk position is measured using static and dynamic approaches, in line with the provisions of the company budget/strategic plan concerning the assets, liabilities and equity items in the financial statements, as well as off-balance-sheet transactions.

On the basis of the desired time horizon, the Group develops two maturity curves: operational and structural.

The operational maturity ladder is used to monitor the short-term liquidity position and is determined both in a business-as-usual scenario and in a stress scenario by applying prudential run-offs to contractual cash flows generated by assets and liabilities and to the margins of credit lines.

The intraday liquidity position is measured with metrics aimed at monitoring the maximum use of liquidity on an intraday basis, the reserves available at the beginning of each business day to meet liquidity requirements, gross payments sent and received and “time-specific” obligations.

The treasury position is measured on a daily basis by quantifying the liquidity reserves (i.e. counterbalancing capacity, or CBC) and using them to cover any possible negative liquidity balance over the reference time horizon.

This system for monitoring Group operational liquidity makes it possible to monitor:

- management of access to the payments system (operational liquidity management);
- management of the liquidity outflow profile;
- the size and degree of use of liquidity reserves (analysis and active management of the maturity ladder);
- the active management of collateral (cash-collateral management, i.e. refinanceable securities and bank loans);
- the integration of short-term liquidity management actions with structural liquidity requirements.

The structural maturity ladder is used to monitor the overall liquidity position at the consolidated and individual levels at medium/long-term. It is determined by applying prudential run-offs to contractual cash flows generated by assets and liabilities and to the margins of credit lines. The projection of cash inflows and outflows at the various time bands in the ladder is carried out using two distinct approaches in relation to the purpose of the analysis:

- the first approach identifies cash flows based on the contractual maturities of the items considered;

- the second approach is based on the adoption of behavioral assumptions, with specific regard to the modeling of demand items and margins on the credit lines granted in both a business-as-usual scenario and in a stress scenario.

This tool is essential for obtaining a view of Group funding requirements and an understanding of the liquidity risk associated with execution of the funding plan, thereby preventing the emergence of future liquidity strains. In addition, the structural maturity ladder makes it possible to control:

- the management of maturity transformation in accordance with the guidelines established by management;
- support for the funding decisions in the funding plan.

Risk prevention and attenuation

Liquidity risk is managed using a comprehensive system of limits, which is a key tool in the management, control and attenuation of risks within the Liquidity Risk Framework. The definition of this system took account of the nature, objectives and complexity of operations.

The system of limits (EWS, RAS and risk limits) is defined by the Parent Company consistent with its policy-setting and coordination role and subsequently deployed in accordance with a structured cascading process to the subsidiaries (where applicable) consistent with the liquidity risk management model adopted.

The system of limits is also accompanied by a comprehensive system of systems and controls that contribute to defining the overall control model set out and formalized in the associated policy.

The controls established to manage liquidity risk break down as follows:

- Level I controls, which are intended to ensure the correct registration and maintenance of transactions over time;
- Level II controls, which are intended to measure, monitor and report the liquidity profile and activate escalation mechanisms;
- Level III controls (Internal Audit), which are intended to verify compliance with rules and procedures as well as internal and external regulations.

Monitoring and reporting

Second-level controls, which are performed by Risk Management, are intended to monitor the exposure to liquidity risk in order to prepare reports for transmission to the competent units and to initiate the escalation mechanisms, in collaboration with the management functions, should the specified limits be exceeded. Control activities are based on the assessment and measurement of the positioning of the risk indicators established by the Risk Governance framework. The effectiveness of monitoring compliance with limits is an instrumental part of:

- the timely identification of risk profile developments that might compromise achievement of the established risk limits;
- the prompt activation of recovery plans in response to specified conditions on the basis of the “magnitude” of the over-limit position.

Liquidity risk control and monitoring activities are carried out within the internal self-regulatory framework. At an operational level, communication between the management functions and Risk Management takes place daily through in-depth discussions on risk developments that increase awareness of the profiles of the risks assumed (in accordance with the specified profitability objectives), thus facilitating the definition of appropriate management decisions.

An additional level of communication is embodied in the reporting system, which represents a decision support tool to provide the various organizational units involved with adequate and timely information on both the strategic and operational levels. The content, level of detail and frequency of the reporting are determined in accordance with the goals and roles assigned to the different recipients so as to ensure easy consultation, immediate perception of the situation and a comprehensive understanding of developments.

In particular, Risk Management performs codified and formalized monitoring and reporting activities within the Risk Appetite Framework and the Risk Policies, with the preparation of periodic reporting to provide appropriate

disclosure to the management functions, senior management and the Board of Directors.

Stress test framework

The Group's liquidity position is monitored in the normal course of business and under stress conditions. For the latter, a stress test framework has been defined on the basis of the indicators that characterize the Liquidity Risk Framework.

The stress test analyses are used to measure the degree to which the liquidity position can deteriorate in the event of especially adverse market conditions, thereby enabling verification of its robustness.

Accordingly, the objectives of the stress testing are:

- to verify the capacity to cope with unexpected liquidity crises in the first period in which they occur, before activating initiatives to modify the structure of assets or liabilities;
- to assess vulnerabilities in the liquidity profile, evaluating possible connections between the various risk categories as part of the periodic monitoring process;
- to calibrate the specific risk thresholds for the RAS and Risk Limit indicators for operational and structural liquidity, verifying whether the level of existing limits enables the maintenance of a level of liquidity that ensures that any coverage actions do not compromise the Group's business strategies;
- to identify, in preparing the recovery plan, scenarios that would compromise the survival of the Group if appropriate recovery actions were not taken;
- to test the effectiveness of mitigation actions taken within the Contingency Funding & Recovery Plan and recovery actions provided for in the "near-default" scenarios to be taken in adverse situations in order to limit the Group's exposure to liquidity risk;
- to verify the feasibility of the funding plan, taking due account of the findings of the stress analysis.

In accordance with regulatory provisions, the Group develops scenarios characterized by stress scenarios associated with the occurrence of systemic or idiosyncratic events in order to test potential liquidity vulnerabilities.

In line with the applicable regulatory guidelines, the Group has adopted various types of mutually complementary analyses:

- sensitivity analysis: analysis of liquidity position to the marginal impact of different types of shocks, considered separately or jointly, relating to one or more risk factors;
- scenario analysis: analysis consisting in the assessment of the Bank's ability to cope with a potential deterioration in its liquidity profile based on a combination of shocks associated with one or more risk factors in accordance with specific evolutionary stress dynamics;
- reverse stress testing: analysis consisting in identifying one or more stress scenarios whose impact leads to a pre-established result identified ex-ante. The reverse stress testing makes it possible to investigate, using a recursive analysis process, the size and probability of occurrence of the events that lead to this result.

Depending on the purpose of the analysis, the time horizon of the stress exercise, the speed of propagation of shocks and the approach to be adopted for the projection of operations (static/dynamic) are defined.

The types of stress test that characterize the framework provide for the occurrence of severe but plausible events (scenarios) that can be classified into three categories:

- stress scenarios caused by a systemic event, i.e. an event (or combination of events) reflecting specific macroeconomic variables whose occurrence generates/involves adverse consequences for the entire financial system and/or the real economy and therefore for the Iccrea Cooperative Banking Group;
- stress scenarios caused by specific events (idiosyncratic), i.e. an event (or combination of events) whose occurrence generates/involves highly adverse consequences for the Iccrea Cooperative Banking Group. In defining those events, a specific analysis was conducted, considering the specific organizational, operational and risk features that distinguish the Group;
- stress scenarios generated by a combination of specific and systemic events, i.e. the occurrence of combined events within the same scenario.

The underlying methodological approach for the construction of the systemic and idiosyncratic stress scenarios envisages the identification of the individual types of liquidity risk and the funding/lending items affected by those

risks, so as to estimated inflows and outflows for the purpose of highlighting liquidity gaps and verifying the stability of the risk indicators and the ability of the Group to cope with any liquidity strains.

For each scenario, the Group has incorporated shocks generated by the main risk variables, which have been identified on the basis of a logic consistent with the overall stress test framework, enabling the association of specific levels of propagation and the related impact on the indicators.

For example, systemic events considered in constructing the scenarios include:

- a financial market shock that involves a significant change in the level of interest rates;
- a systemic shock that involves a drastic reduction in access to the money market;
- a liquidity squeeze on the interbank market;
- a recession;
- the default of systemically important counterparties.

Idiosyncratic events considered in constructing scenarios include:

- outflows of liquidity caused by substantial withdrawals of deposits by counterparties;
- the occurrence of reputational events that make it difficult to renew funding sources;
- adverse movements in the prices of asset to which the bank is most exposed;
- significant loan losses.

In determining and constructing combined stress scenarios, the framework provides for a targeted combination of systemic and idiosyncratic events in order to increase the severity of the stress exercises.

QUANTITATIVE DISCLOSURES

1. DISTRIBUTION OF FINANCIAL ASSETS AND LIABILITIES BY RESIDUAL MATURITY

EURO

	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified maturity
A. On-balance-sheet assets	9,491,493	2,907,603	712,573	1,995,966	5,863,365	6,971,839	9,857,764	53,812,237	69,224,953	1,521,922
A.1 Government securities	13	2,914	307,308	165,652	816,745	2,467,483	1,810,252	21,960,221	23,975,478	1
A.2 Other debt securities	8,141	1,721	28,104	76,761	68,269	155,732	376,696	2,400,798	2,948,084	164
A.3 Units in collective investment undertakings	413,428	-	-	-	-	-	-	-	-	-
A.4 Loans	9,069,910	2,902,968	377,161	1,753,553	4,978,351	4,348,624	7,670,817	29,451,217	42,301,391	1,521,757
- banks	883,457	802	-	13,060	21,538	115	2,550	26,510	64,256	1,521,757
- customers	8,186,453	2,902,166	377,161	1,740,493	4,956,813	4,348,509	7,668,267	29,424,707	42,237,135	-
B. On-balance-sheet liabilities	114,383,518	7,273,492	280,063	430,980	2,465,207	3,975,880	2,455,023	10,904,183	3,458,896	-
B.1 Deposits and current accounts	113,804,965	30,238	43,825	115,059	237,438	300,109	316,249	366,437	3,267	-
- banks	1,066,872	9,939	-	-	-	-	-	2,990	-	-
- customers	112,738,093	20,299	43,825	115,059	237,438	300,109	316,249	363,446	3,267	-
B.2 Debt securities	74,791	57,842	114,637	297,994	759,908	966,572	1,824,744	9,199,966	2,164,305	-
B.3 Other liabilities	503,763	7,185,411	121,601	17,928	1,467,862	2,709,200	314,030	1,337,780	1,291,324	-
C. Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	-	197,247	268,968	323,984	51,066	37,058	21,896	2,767	19,188	-
- short positions	28	4,524	54,507	334,150	65,111	34,695	20,766	69,444	399,420	-
C.2 Financial derivatives without exchange of principal										
- long positions	2,245,378	80	1,977	3,678	29,251	48,534	88,300	-	-	-
- short positions	1,430,066	106	881	5,065	8,831	31,452	28,607	-	-	-
C.3 Deposits and loans to receive										
- long positions	-	7,550,295	-	-	284,227	3,414,649	1,984,110	1,405,044	-	-
- short positions	-	1,241,979	49,938	44,897	2,395,953	5,974,083	2,534,470	2,397,006	-	-
C.4 Irrevocable commitments to disburse funds										
- long positions	281,540	2,446,731	11,314	14,255	414,198	64,715	104,610	668,001	2,280,887	-
- short positions	3,838,059	2,442,118	260	-	10	-	5,407	476	328	-
C.5 Financial guarantees issued	11,363	-	-	-	-	-	99	2,977	30,993	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

OTHER CURRENCIES

	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified maturity
A. On-balance-sheet assets	46,999	35,033	7,090	14,430	54,609	7,389	1,884	9,562	1,769	-
A.1 Government securities	10	-	-	12	2,318	4	28	1,288	1,167	-
A.2 Other debt securities	48	-	2	-	1	54	13	823	31	-
A.3 Units in collective investment undertakings	1,351	-	-	-	-	-	-	-	-	-
A.4 Loans	45,590	35,033	7,088	14,417	52,290	7,331	1,843	7,451	571	-
- banks	37,163	34,093	213	394	255	706	1,155	4,584	58	-
- customers	8,427	940	6,876	14,023	52,034	6,625	688	2,867	513	-
B. On-balance-sheet liabilities	272,968	191	-	66	9,719	3,688	350	89	181	-
B.1 Deposits and current accounts	236,188	11	-	42	9,599	3,082	105	-	-	-
- banks	4,097	-	-	-	-	-	-	-	-	-
- customers	232,091	11	-	42	9,599	3,082	105	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	36,781	180	-	24	120	606	245	89	181	-
C. Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	27	4,198	54,256	331,819	47,907	35,241	1,492	3,752	-	-
- short positions	-	8,582	9,388	321,544	33,963	37,418	4,855	2,785	-	-
C.2 Financial derivatives without exchange of principal										
- long positions	360	-	-	-	-	-	-	-	-	-
- short positions	204	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- long positions	-	-	-	-	-	507	-	-	-	-
- short positions	507	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

DISCLOSURES ON SELF-SECURITIZATIONS

At the reporting date, a self-securitization was in place denominated “Crediper Consumer”, in which at the end of 2018, BCC CreditoConsumo sold a portfolio of performing loans deriving from personal loan contracts with a total value of €650 million to the securitization vehicle Crediper Consumer Srl. The transaction involved the participation of Iccrea Banca as arranger.

As part of the transaction, the SPV issued two classes of notes listed on the Irish Stock Exchange:

- €520 million of Class A notes, corresponding to 80% of the value of the loans sold, which have been assigned an investment grade rating of AA by DBRS Ratings Limited and AA- by Fitch;
- €140.5 million of Class B notes.

All the securities were subscribed by the originator and the Class A notes were used as underlying assets for refinancing operations with the European Central Bank.

SOVEREIGN EXPOSURE DISCLOSURES

The Group's exposure to sovereign entities¹²⁹ at December 31, 2025 has a total book value of €52,794 million, represented by €51,458 million in debt securities and €1,336 million in financing.

99.1% of debt exposures is concentrated in eight countries, including Italy, accounting for 88% of the total exposure, with €45,316 million.

The remaining 0.9% of total sovereign exposure, equal to €444 million, includes debt securities from 26 other countries (including: Portugal for €36 million, Hungary for €30 million, Luxembourg for €20 million) as well as securities issued by supranational organization such as the European Union, the European Financial Stability Facility and the European Stability Mechanism for €242 million.

Sovereign debt exposures broken down by counterparty and portfolio

€/thousand

	At 31/12/2025		
	CARRYING AMOUNT	NOMINAL AMOUNT	FAIR VALUE
ITALY	45,316,160	44,649,728	45,469,133
Financial assets held for trading	6,578	6,781	6,578
Financial assets designated at fair value	94,163	94,500	94,163
Financial assets measured at fair value through comprehensive income	4,716,617	4,664,137	4,716,617
Financial assets measured at amortized cost	40,498,802	39,884,310	40,651,775
FRANCE	2,670,675	2,798,252	2,687,787
Financial assets designated at fair value	34,178	35,000	34,178
Financial assets measured at fair value through comprehensive income	421,587	429,312	421,587
Financial assets measured at amortized cost	2,214,911	2,333,940	2,232,023
SPAIN	1,630,366	1,630,760	1,642,437
Financial assets designated at fair value	89,452	91,000	89,452
Financial assets measured at fair value through comprehensive income	348,494	344,365	348,494
Financial assets measured at amortized cost	1,192,420	1,195,395	1,204,492
GERMANY	598,513	609,498	598,578
Financial assets held for trading	2,341	2,300	2,341
Financial assets designated at fair value	29,596	29,500	29,596
Financial assets measured at fair value through comprehensive income	96,236	95,991	96,236
Financial assets measured at amortized cost	470,340	481,707	470,405
AUSTRIA	433,455	429,785	433,631
Financial assets designated at fair value	39,523	40,000	39,523
Financial assets measured at fair value through comprehensive income	86,757	85,550	86,757
Financial assets measured at amortized cost	307,176	304,235	307,352
BELGIUM	259,565	266,050	258,511
Financial assets designated at fair value	35,431	35,500	35,431
Financial assets measured at fair value through comprehensive income	46,347	47,150	46,347
Financial assets measured at amortized cost	177,786	183,400	176,732
ROMANIA	66,729	69,289	68,198
Financial assets held for trading	1,518	1,500	1,518
Financial assets measured at fair value through comprehensive income	21,448	21,025	21,448
Financial assets measured at amortized cost	43,764	46,764	45,233
IRELAND	38,912	41,000	39,090
Financial assets measured at fair value through comprehensive income	953	1,000	953
Financial assets measured at amortized cost	37,959	40,000	38,137
OTHER	443,999	464,675	445,943
Financial assets held for trading	2,922	3,428	2,922
Financial assets designated at fair value	9,718	10,000	9,718
Financial assets mandatorily measured at fair value	1	30	1
Financial assets measured at fair value through comprehensive income	99,483	104,802	99,483
Financial assets measured at amortized cost	331,876	346,414	333,820
TOTAL	51,458,373	50,959,037	51,643,309

¹²⁹ Sovereign exposures include bonds issued by central and local governments and government agencies as well as loans to them.

The table below shows the classification of debt securities in the banking book and their incidence in the related class.

Exposures to sovereign debt securities broken down by financial asset portfolio (banking book)

	31/12/2025		
	FINANCIAL ASSETS DESIGNATED AT FAIR VALUE	FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH COMPREHENSIVE INCOME	FINANCIAL ASSETS MEASURED AT AMORTIZED COST
Carrying amount	332,060	5,837,921	45,275,032
% in portfolio	99.8%	78.4%	30.6%

1.5 OPERATIONAL RISKS

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF OPERATIONAL RISKS

Operational risk means the risk of losses caused by the inadequacy or malfunction of procedures, human resources and internal systems or the occurrence of external events. For example, such losses include those caused by fraud, human error, operational interruptions, system unavailability, breach of contract and natural disasters.

In view of the operations that characterize the Iccrea Cooperative Banking Group, the various types of operational risk to which the Iccrea Group is structurally exposed include IT risk and reputational risk. This is associated with the banking activities carried out with the public and financial and institutional counterparties, as well as the numerous national and international regulations to which the Group is subject.

Within the regulatory framework, the deregulation and the globalization of financial and payment services, together with the progressive refinement of the financial technology supporting transactions, are making the activities of the entities belonging to the Group, and thus the associated operational risk engendered by ordinary operations, increasingly complex. The increased complexity of the Group with the arrival of the affiliated banks as well as the growing use of highly automated technology under way in the Group can, in the absence of modifications of the control system, transform the risk of manual errors and data processing errors into the risk of significant system malfunctions, given the increasing recourse to integrated IT infrastructure and applications.

In addition, the growing use of electronic money and electronic or on-line payments generates other potential risks (for example, internal and external fraud, system security, customer data processing and IT and cyber risks) whose comprehensive mastery and mitigation, both upstream and in terms of response and containment, represents a strategic and enabling factor in the development of the business and a prerequisite for ensuring compliance with regulatory and payment-circuit requirements.

In addition, the presence of banks and financial companies in the Group, delivering services on a mass scale (both within the Group and to firms and the public) makes it necessary to ensure an appropriate structure and constant evolution of the system of internal controls and constant attention to preventing the risk of rules violations, incurring administrative penalties, etc.

GOVERNANCE AND ORGANIZATIONAL MODEL

The organizational model of the Risk Management function, adopted since the launch of the Iccrea Cooperative Banking Group, has undergone development and progressive evolution with a view – among other things – to optimizing the dissemination of risk management directives to the affiliated banks and overseeing the performance of their Risk Management function's activities.

With regard to current Group governance arrangements for the internal control system, the Risk Committee of the Board of Directors of the Parent Company provides support to that Board with regard to risks and the internal control system, including aspects concerning the frameworks for the management of operational and IT risks.

In particular, the Risk Committee:

- supports activities to verify the correct implementation of Group strategies, compliance with policies for the governance and management of operational and IT risk, requesting any appropriate technical analyses and acquiring the necessary documentation for the evaluation of management and mitigation actions for the risks involved;
- conducts a preliminary review of the annual activity programs and reports of the operational and IT Risk Management unit submitted to the Board of Directors;
- expresses its assessment, prior to approval by the Board of Directors, of Group policies on operational and IT risks.

OPERATIONAL RISK MANAGEMENT POLICIES

Consistent with the risk management process, the Operational, ICT & Security Risk Management frameworks are structured into the following phases:

- identification of risks (knowledge): a set of activities directed at identifying operational and IT risks by assessing the factors that drive their dynamics, taking account of the dual perspective of events that have already occurred (i.e. operational loss and incident data) and potential risk (assessed through the collection of business expert opinion);
- evaluation/measurement of identified risks (awareness): a set of activities for assessing/measuring Group operational and IT risks;
- risk prevention and attenuation (strategy): a set of activities for the ex-ante identification of the possible ways of preventing and mitigating unfavorable developments in the dynamics of operational and IT risks. Definition of actions to prevent the occurrence of unfavorable events and mitigate the effects of the manifestation of events connected with operational and IT, and the implementation of measures to ensure that possible risk scenarios underlying operations evolved within the tolerated risk appetite levels defined for specific operating or business segments;
- monitoring and reporting (tracking and control): a set of activities to monitor the Group's risk profile and deliver comprehensive reporting to provide timely, accurate and appropriate support to the decision-making process underlying "Risk Prevention and Mitigation" and "Risk Management and Mitigation";
- risk management and mitigation (reaction and proactivity): a set of activities and actions to support the management of operational and IT risks, implement actions to prevent the occurrence of adverse events and to attenuate the effects of events related to risks, and to constantly monitor the results of the activities performed. This phase concerns the management of operational and IT risks subsequent to the preventive measures taken in the strategic assumption of risk, responding to developments (operating losses or changes in the risk profile) that impact the level of risk determined ex ante.

The operational assessment framework outlined above also includes legal risk and is integrated with that for assessing IT risk (IT Risk Management Framework), in line with the relevant regulations. The monitoring and control of operational and IT risks is characterized by activities that involve both business functions and control functions in their respective areas of responsibility. The Risk Management function prepares the necessary reporting in this area, bringing it to the attention of the various internal users (Board bodies, senior management, operating units).

IDENTIFICATION, MEASUREMENT AND ASSESSMENT OF RISKS

For the purpose of calculating capital requirements for operational risk, the Iccrea Cooperative Banking Group has mainly used until December 31, 2024 the Basic Indicator Approach (BIA),¹³⁰ which provides for the application of a fixed percentage (15%) to the average of the last three observations of the "relevant indicator" determined in accordance with the provisions of the CRR.

As of 2025, with the entry into force of the CRR3, the calculation of capital requirements for operational risk is based on the Standardized Measurement Approach (SMA), which provides for the application of an increasing marginal coefficient to the average of the last three observations of the "Business Indicator", determined in accordance with the provisions of the CRR.

Following the creation of the Iccrea Cooperative Banking Group, the components of the operational and IT & security risk management frameworks have been adopted by the companies in the direct scope of the Group and by the affiliated banks.

The methodological aspects underlying the management framework and the related procedures for application to the Group companies were formalized and first approved at the end of 2019, and updated in the following years, as part of specific Group Policies (Operational Risk Management Framework, IT Risk Management Framework, Loss Data Collection, Operational Risk Self-Assessment – OR-SA - and IT Risk Self-Assessment – IT-RA), which are currently adopted by all Group companies. In 2025, further activities leading up to the development of the application system to support operational and IT risk management activities continued.

¹³⁰ One affiliated bank adopts the Traditional Standardized Approach (TSA).

The loss data collection process has currently been adopted by all the Group companies that contribute, with a specified frequency, to the collection of historical events and losses through the Group application solution, which is available to both the companies within the direct scope of the Group and the affiliated banks.

As regards the assessment processes for operational risks (OR-SA) and IT risk (IT-RA), the identification and assessment of prospective risks have been conducted on the basis of a specified work plan for certain companies within the direct scope and for the affiliated banks. As regards IT risk, the annual information IT risk profile and security assessment was completed in March 2025 which involved IT services and components managed by BCC Sistemi Informatici, BCC Sinergia and Iccrea Banca.

In addition, during 2025 consistent with efforts the previous year and in step with the evolution of the management framework and the release of applications, the informational and training effort for the Operational and ICT & Security Risk Management framework continued, with specific attention being paid to operating approaches and support applications.

The Non-financial Risk Management function also supported the collection of operational loss events at the Group level for QIS and COREP regulatory reporting purposes, and made a contribution in its areas of expertise to the stress testing provided for in the ICAAP.

RISK PREVENTION AND ATTENUATION

The units involved in operations perform first-level controls to assess and report any irregularities associated with operational and IT issues.

Second-level control units oversee the appropriateness and effectiveness of the organizational and management arrangements taken to address operational and IT risk within the Group's internal control systems. These include the Operational and IT Risks, Compliance and Anti-Money-Laundering units both of the Parent Company and the individual subsidiaries and affiliated banks. These units are active in planning the system and, above all, in verifying its ongoing operation, assessing its adequacy and effectiveness in managing internal and external risks.

Third-level controls are performed by Internal Audit, which identifies violations of procedures and regulations as well as periodically assesses the control system's overall completeness, adequacy, functionality (in terms of efficiency and effectiveness) and reliability in relation to the nature and intensity of risks.

The locus of the strategic and operational management of credit risk is the Group's Risk Appetite Statement, through a system of monitoring thresholds and limits (tolerance and capacity), with compliance ensured by the monitoring and control activities of the competent units.

The Group RAS sets out the main indicators of operational and IT risk at the level of the individual legal entities, (namely maximum operational loss, results of risk assessment activities), integrated with specific indicators relating to the ICT and security risk profile (for example, Vulnerability Management Ratio, Third Party Cloud Ratio).

MONITORING AND REPORTING

The monitoring and control of operational and IT risks is characterized by activities that involve both business functions and control functions in their respective areas of responsibility. In particular, these activities are governed by the unified management framework described earlier and defined within the applicable policies.

In this area, the Risk Management function prepares the necessary periodic reporting, bringing it to the attention of the various internal structures involved (Board of Directors, senior management, operating units).

RISK MANAGEMENT AND MITIGATION

Operational and IT risk management and mitigation activities are governed by a set of codified and formalized rules that include:

- the activities and actions that must be performed in each operating and business segment in order to manage developments in the risks assumed;
- the adoption of a set of measures for managing the problems found as part of the risk assessment framework;

- the actions to be taken in the event of breaches of monitoring thresholds or risk tolerances and the risk limits set out in the Risk Appetite Statement;
- the actions to be taken in the event of breaches of the limits defined in risk policies.

QUANTITATIVE DISCLOSURES

As part of the amendments to the prudential framework introduced by Regulation (EU) 1623/2024 (so-called CRR 3), the rules for calculating the capital requirement for operational risk have been revised.

With CRR3, capital requirements for operational risk must be determined with a single standardised approach that is mainly based on the Business Indicator Component (BIC).

The BIC is calculated in accordance with Article 313 of the CRR3 by multiplying the Business Indicator (BI) by marginal coefficients.

The BI is calculated in accordance with article 314 and 315 of the CRR and comprises three components: the interest, leases and dividend component (ILDC), the services component (SC) and the financial component (FC).

The marginal coefficients as provided for in article 313 increase with the size of BI, as shown in the table below:

BUCKET	BI RANGE (€/billion)	α COEFFICIENT
1	≤ 1	12%
2	1 < BI ≤ 30	15%
3	> 30	18%

In particular, the Group's BIC is equal to €804.5 million for a total RWA from Operational Risk of €10.06 billion.

BUSINESS INDICATOR (€/thousand)	5,563,475
Interest, leases and dividend component	3,629,929
Services component	1,827,455
Financial component	106,091
Capital requirements (BIC)	804,521
RWA Operational risk	10,056,516

SECTION 3 - RISKS OF INSURANCE UNDERTAKINGS

No information to report.

SECTION 4 - RISKS OF OTHER ENTITIES

The scale of the risks to which “Other entities” are exposed is not material. Accordingly, this section has not been prepared.

PART F - INFORMATION ON CONSOLIDATED CAPITAL

SECTION 1 - CONSOLIDATED CAPITAL

A. QUALITATIVE DISCLOSURES

The Group's strategic priorities include monitoring the amount and dynamics of its capital. Capital constitutes the first bulwark against the risks associated with operations and the main reference parameter for assessments of the Group's solvency by supervisory authorities and investors. It contributes positively to the formation of operating income, funds the Group's technical and financial fixed assets and supports dimensional growth, representing a decisive element in the development phases.

Managing capital adequacy at the consolidated and individual levels involves defining the scale and optimal combination of different capital instruments, in compliance with regulatory constraints and consistent with the risk profile assumed by the Group.

The notion of capital adopted by the Group in its assessments is the "own funds" aggregate as established with Regulation (EU) No. 575/2013 (CRR), broken down into the three components of Common Equity Tier 1 (CET 1), Tier 1 and Tier 2. The capital thus defined, the main resource for supporting corporate risks according to prudential supervisory regulations, is the best foundation for the effective management of risk, both from a strategic and operational standpoint, as it is a financial resource capable of absorbing the possible losses produced by the Group's exposure to all the risks it has assumed.

Current and forward-looking capital adequacy is therefore monitored in two spheres:

- regulatory capital to cover Pillar I risks;
- total internal capital to cover Pillar II risks, for ICAAP purposes.

In the evolutionary sizing of the Group's own funds, the specific policies for allocating the net profit of the affiliated banks play an important role, seeking to support the constant strengthening of reserves. In compliance with the specific sector regulations, these banks allocate a large majority of their net profits to indivisible reserves. Capital adequacy compliance is pursued not only through careful policies for the distribution of the available component of profits but also through the prudent management of investments, in particular loans, in line with risk represented by counterparties and the related capital requirements, and with plans for strengthening capitalization based on the expansion of the shareholder base and the issue by the Parent Company of subordinated liabilities or additional equity instruments eligible for inclusion in the relevant own funds aggregates.

More specifically, in order to constant maintain its capital adequacy, the Group has deployed processes and tools to determine the level of internal capital adequate to face any type of risk assumed, as part of an assessment of the current, prospective and "stressed" exposure that takes account of corporate strategies, growth objectives and developments in the reference context.

A careful assessment of the compatibility of projections is carried out annually as part of the process of setting budget targets. Depending on the expected developments in balance sheet and income statement aggregates, any necessary initiatives are taken at this stage to ensure financial balance and the availability of financial resources consistent with the strategic and development objectives of the individual entity and the Group as a whole.

Compliance with supervisory requirements and the consequent adequacy of capital is verified on a quarterly basis. The aspects subject to verification are mainly the ratios connected with the Group's financial structure (loans, impaired exposures, non-current assets, total assets) and the degree of risk coverage.

Additional specific analyses for the purpose of the preventive assessment of capital adequacy are carried out when necessary prior to extraordinary operations such as mergers and acquisitions, or the sale of assets.

The minimum capital requirements are those established by applicable supervisory regulations (Article 92 of the CRR), according to which the Common Equity Tier 1 ratio must be at least 4.5% of total risk weighted assets ("CET1 capital ratio"), Tier 1 capital must represent at least 6% of total risk weighted assets ("Tier 1 capital ratio") and total own funds must be at least 8% of total weighted assets ("Total capital ratio").

In addition, the competent supervisory authorities periodically issue a specific decision regarding the capital requirements that the Group must comply with following the prudential review and evaluation process ("SREP") conducted pursuant to Article 97 et seq. of Directive 2013/36/EU (CRD IV).

In particular, Article 97 of the CRD IV establishes that the competent authorities shall periodically review the

arrangements, strategies, processes and mechanisms that groups and supervised banks implement to face the risks to which they are exposed. With the SREP, the competent authorities therefore review and evaluate the process of determining capital adequacy conducted internally by the Group, analyze its risk profile individually and from an aggregate perspective, including under stress conditions, and assess its contribution to systemic risk; assess the corporate governance system, the operation of corporate bodies, the organizational structure and the internal control system; and verifies compliance with all prudential rules.

With regard to the outcome of the Supervisory Review and Evaluation Process (SREP), on December 10, 2024, the supervisory authorities notified Iccrea Banca of results of the SREP decision, which establishes the prudential requirements to be respected at the consolidated level with effect from January 1, 2025 (broken down into own funds requirements and qualitative requirements). With this decision, the supervisory authorities established consolidated own funds requirements for 2025:

- an additional Pillar 2 requirement (P2R) of 2.52% (of which 2 bps for the NPE P2R which could be lowered by the end of the year subject to certain conditions) of which a minimum 56.25% to be held in the form of Common Equity Tier 1, CET1) and 75% in the form of Tier 1 capital;
- a recommendation for Pillar 2 Guidance (P2G) of 1.25%, which should consist entirely of Common Equity Tier 1 capital and held in addition to the Overall Capital Requirement (OCR).

In April 2024 the Bank of Italy decided to apply to all authorized banks and banking groups in Italy, at individual and consolidated level, a Systemic Risk Buffer (SyRB), of 1%. The target rate of 1% was reached gradually, with a first buffer of 0.5% of the relevant exposures by December 31, 2024 and the remaining 0.5% by June 30, 2025. At December 31, 2025 the requirement to be applied is 1%.

On November 22, 2024, the Parent Company received the decision from the Bank of Italy which confirms again for 2025 the Iccrea Cooperative Banking Group as an Other Systemically Important Institution (O-SII) authorized in Italy. Following the analyses performed for the purposes of calibrating the O-SII buffer, the Bank of Italy assigned the Group an O-SII requirement of 0.25% for 2025.

Given the above, for 2025 the Iccrea Cooperative Banking Group is therefore required to meet:

- a Total SREP Capital Requirement (TSCR) of 10.52%;
- an OCR of 14.09%;
- a Target Requirement (including P2G) of 15.34%.

With regard to the Group's affiliated banks, the SREP decision did not impose own funds requirements to be met on an individual basis. Therefore, in order to comply with the aforementioned consolidated requirements, mechanisms have been provided for their allocation at individual level within the main risk governance processes (i.e. RAF, EWS), compatibly with the capital resources of each affiliated bank, thus ensuring that the Group's strategies and capital constraints are also reflected at the individual level.

For more information on the outcome of the SREP decision concerning prudential requirements at the consolidated level with effect from January 1, 2026, please see Report on Operations.

B. QUANTITATIVE DISCLOSURES

B.1 CONSOLIDATED EQUITY: BREAKDOWN BY PRODUCT OF ENTITY

The table reports the components of shareholders' equity at carrying amount, adding the Group's equity to that pertaining to non-controlling interests, broken down by the type of consolidated entity. More specifically:

- the column, "Prudential consolidation" reports the amount resulting from consolidation of the companies belonging to the banking group, gross of the financial effects of any transactions that may have been performed with other companies included within the scope of consolidation; fully-consolidated subsidiaries, other than those in the "Banking Group", are measured using the equity method here;
- the column "Other entities" reports the amounts resulting from consolidation, including financial effects deriving from transactions carried out with companies that are part of the banking group;
- the column "Consolidation eliminations and adjustments" shows the adjustments necessary to obtain the figures reported in the financial statements.

	Prudential consolidation	Insurance undertakings	Other entities	Consolidation eliminations and adjustments	Total
1. Share capital	2,292,245	-	-	-	2,292,245
2. Share premium reserve	157,580	-	-	-	157,580
3. Reserves	14,401,923	-	-	-	14,401,923
4. Equity instruments	30,139	-	-	-	30,139
5. (Treasury shares)	(1,393,479)	-	-	-	(1,393,479)
6. Valuation reserves:	248,207	-	-	-	248,207
- Equity securities designated as at fair value through other comprehensive income	21,409	-	-	-	21,409
- Hedges of equity securities designated as at fair value through other comprehensive income	-	-	-	-	-
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	(1,496)	-	-	-	(1,496)
- Property, plant and equipment	-	-	-	-	-
- Intangible assets	-	-	-	-	-
- Hedging of investments in foreign operations	-	-	-	-	-
- Cash flow hedges	9,920	-	-	-	9,920
- Hedging instruments [undesignated elements]	-	-	-	-	-
- Foreign exchange differences	-	-	-	-	-
- Non-current assets held for sale	-	-	-	-	-
- Financial liabilities designated as at fair value through profit or loss (change in own credit rating)	(143)	-	-	-	(143)
- Actuarial gains (losses) on defined benefit plans	(35,457)	-	-	-	(35,457)
- Share of valuation reserves of equity investments accounted for using equity method	376	-	-	-	376
- Special revaluation laws	253,597	-	-	-	253,597
7. Net profit (loss) for the period (+/-)	1,931,831	-	-	-	1,931,831
Total	17,668,446	-	-	-	17,668,446

B.2 VALUATION RESERVES FOR FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: COMPOSITION

	Prudential consolidation		Insurance undertakings		Other entities		Consolidation eliminations and adjustments		Total	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	62,287	63,783	-	-	-	-	-	-	62,287	63,783
2. Equity securities	29,726	8,317	-	-	-	-	-	-	29,726	8,317
3. Loans	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	92,013	72,099	-	-	-	-	-	-	92,013	72,099
Total 31/12/2024	69,141	108,747	-	-	-	-	-	-	69,141	108,747

B.3 VALUATION RESERVES FOR FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: CHANGE FOR THE PERIOD

	Debt securities	Equity securities	Loans
1. Opening balance	(48,172)	8,565	-
2. Increases	65,809	17,045	-
2.1 Fair value gains	56,173	14,136	-
2.2 Writedowns for credit risk	2,504	X	-
2.3 Reversal to income statement of negative reserves: from realization	6,626	X	-
2.4 Transfers to other components of shareholders' equity (equity securities)	-	2,680	-
2.5 Other changes	505	229	-
3. Decreases	19,133	4,201	-
3.1 Fair value losses	8,366	2,877	-
3.2 Writebacks for credit risk	1,817	-	-
3.3 Reversal to income statement of positive reserves: from realization	8,825	X	-
3.4 Transfers to other components of shareholders' equity (equity securities)	-	746	-
3.5 Other changes	125	578	-
4. Closing balance	(1,496)	21,409	-

B.4 VALUATION RESERVES FOR DEFINED-BENEFIT PLANS: CHANGE FOR THE PERIOD

Valuation reserves for defined-benefit plans were a negative €35.5 million at the end of 2025. The following table reports changes in the period as a result of changes in financial assumptions and the time value effect.

	31/12/2025
1. Opening balance	(38,863)
2. Increases	5,412
2.1 Actuarial gains from changes in financial assumptions	4,168
2.2 Actuarial gains from changes in demographic assumptions	270
2.3 Actuarial gains from experience adjustments	707
2.4 Other increases	267
3. Decreases	(400)
3.1 Actuarial losses from changes in financial assumptions	(35)
3.2 Actuarial losses from changes in demographic assumptions	-
3.3 Actuarial losses from experience adjustments	(226)
3.4 Other decreases	(138)
4. Tax effect	(1,606)
5. Closing balance	(35,457)

SECTION 2 – OWN FUNDS AND CAPITAL RATIOS

See the disclosures on own funds and capital adequacy in the Third Pillar disclosures.

PART G - BUSINESS COMBINATIONS

SECTION 1 – TRANSACTIONS CARRIED OUT DURING THE YEAR

No business combinations involving the acquisition of control pursuant to IFRS 3 were carried out in 2025.

For corporate reorganization purposes, the following mergers of mutual banks were carried out in 2025 that did not involve the acquisition of control pursuant to IFRS 3 and therefore had no impact on the consolidated financial statements. In compliance with the accounting practices for such transactions, these operations were accounted for on an unchanged values basis and regarded:

- the merger of Cassa Rurale - Banca di Credito Cooperativo di Treviglio into Banca di Credito Cooperativo di Carate Brianza - Società Cooperativa giving rise to, with effect from April 1, 2025, BCC di Carate Brianza e Treviglio;
- the partial non proportional demerger of Banca di Pisa e Fornacette Credito Cooperativo providing for the merger:
 - of a pool of 10 branches into Banco Fiorentino – Mugello Impruneta Signa – Credito Cooperativo, with legal effect as from February 17, 2025;
 - of a pool of 4 branches into Banca di Pescia e Cascina Credito Cooperativo – Società Cooperativa, with legal effect as from February 24, 2025;
- the merger of Banca Sviluppo SpA into the Parent Company Iccrea Banca, with legal effect as from October 1, 2025.

SECTION 2 – TRANSACTIONS AFTER THE CLOSE OF THE PERIOD

In October 2025, the ECB authorized the merger of Banca di Credito Cooperativo di Nettuno into Banca di Credito Cooperativo dei Colli Albani, with legal effect from January 1, 2026.

Note also the extraordinary operation involving the sale of the business unit ICT Security by BCC Sistemi Informatici to the Parent Company Iccrea Banca on December 29, 2025, with legal effect from January 1, 2026.

These transactions will have no impact on the consolidated financial statements as they are carried out for mere corporate reorganization purposes and are accounted for on an unchanged values basis.

SECTION 3 – RETROSPECTIVE ADJUSTMENTS

The section has not been completed because there were no such positions as of the reporting date.

PART H - TRANSACTIONS WITH RELATED PARTIES

1. INFORMATION ON THE REMUNERATION OF KEY MANAGEMENT PERSONNEL

The following table provides information on the remuneration paid in 2025 to key management personnel as required by IAS 24.

Key management personnel are managers who have the power and responsibility, directly or indirectly, for the planning, management and control of the Group's activities, including the directors, the auditors, the general management, the financial reporting officer, the heads of control and area corporate functions.

	Total 31/12/2025				
	Short term benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
Key management personnel	12,905	509	2,098	-	-

"Short term benefits" includes wages and salaries, benefits and compensation relating to variable incentive systems.

"Post-employment benefits" include payments to supplementary pension funds and provisions for severance pay.

"Other long-term benefits" include the deferred component of compensation relating to variable incentive systems and loyalty bonuses.

2. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

For the purposes of the preparation of these disclosures, pursuant to IAS 24 a related party is a person or entity who is related to the entity preparing the financial statements.

In application of that standard, the related parties of the Group include:

- unconsolidated subsidiaries;
- associated companies and their subsidiaries;
- key management personnel of the Group;
- members of the immediate family of key management personnel and companies controlled, alone or jointly, by key management personnel or members of their immediate family;
- post-employment benefit plans for Group employees.

The Iccrea Cooperative Banking Group has adopted a document governing the principles and rules applicable to related party transactions in compliance with supervisory regulations contained in Circular no. 263/2006 of the Bank of Italy.

Transactions between the Group and corporate officers regard normal Group operations and were carried out, where applicable, applying the terms reserved for all employees. Transactions with subsidiaries not consolidated on a line-by-line basis and transactions with associated companies regarded ordinary operations within a multi-functional banking organization.

In compliance with supervisory regulations, all transactions carried out by Group companies with their related parties were carried out in compliance with the principles of substantive and procedural fairness, on terms analogous to those applied to transactions with independent non-Group counterparties. No unusual or atypical transactions were carried out by Group companies with related parties, nor were any such transactions carried out with other counterparties.

The following table summarizes transactions and their financial effects carried out in 2025 with the related parties of the Group other than fully consolidated intercompany transactions.

	Total 31/12/2025			
	Unconsolidated subsidiaries	Associated companies	Key management personnel	Other related parties
Financial assets	782,796	782,364	1,678	2,934
Total other assets	82	49,861	-	5
Financial liabilities	758,603	195,590	3,954	8,000
Total other liabilities	270	33,876	-	573
Commitments and financial guarantees issued	1,057	105,896	366	73
Commitments and financial guarantees received	-	-	1,328	5,425
Provisions for doubtful accounts	-	-	-	-

	Total 31/12/2025			
	Unconsolidated subsidiaries	Associated companies	Key management personnel	Other related parties
Interest income	5,694	17,169	29	81
Interest expense	(6,592)	(5,376)	(66)	(133)
Dividends	-	902	-	-
Fee and commission income	781	245,372	14	20
Fee and commission expense	(843)	(141,698)	-	-
Net gain (loss) on trading activities	-	(127)	-	-
Net gain (loss) on hedging activities	-	-	-	-
Other operating expenses/income	(1,941)	11,447	(312)	(3,031)
Writedowns/writebacks of impaired financial assets	-	-	-	-

During the period, the Group did not conduct any transactions classifiable as of “greater importance” on non-ordinary or non-market or standard terms and conditions.

Major transactions with unconsolidated subsidiaries and associated entities included: (i) loans to the vehicles Iccrea Covered Bond Srl and Iccrea Covered Bond 2 Srl attributable to the liquidity generated from collections on the loans underlying the securitization in the amount of €762 million and (ii) new loans to BCC Vita in the amount of €139.2 million and Numia Group SpA in the amount of €99.3 million.

PART I - SHARE-BASED PAYMENTS

The Iccrea Cooperative Banking Group has no payment agreements based on its own equity instruments in place.

PART L - OPERATING SEGMENTS

A. PRIMARY REPORTING BASIS

The companies within the Group mainly operate exclusively in the following segments:

- Institutional: business conducted with institutional counterparties (mutual banks, other banks and public institutions), such as payment services, financial intermediation (trading and capital markets), and foreign activities, as well as additional support services for affiliated banks. The segment includes the operations of the Parent Company Iccrea Banca, BCC Sistemi Informatici, BCC Gestione Crediti, BCC Sinergia and BCC Beni Immobili;
- Corporate: business focused mainly on financing small and medium-sized companies that are customers of the mutual banks. The segment includes the operations of BCC Leasing, BCC Rent&Lease, BCC Factoring and BCC Financing;
- Retail: mainly asset management activities on an individual and collective basis for retail customers (BCC Risparmio&Previdenza), consumer credit (BCC CreditoConsumo), the traditional banking activities of Banca Sviluppo and the bancassurance activities of BCC Servizi Assicurativi;
- Mutual banks: includes all of the mutual banks that have joined the Group and the associated Guarantee Scheme.

The following reports a summary income statement and key financial aggregates by business segment. The column reporting inter-segment transactions includes intercompany eliminations between the companies included in different segments.

A.1 DISTRIBUTION BY BUSINESS SEGMENT: INCOME STATEMENT

	CORPORATE	INSTITUTIONAL	RETAIL	MUTUAL BANKS	INTER-SEGMENT TRANSACTIONS	TOTAL
Net interest income	103,404	202,481	70,120	3,571,066	45,173	3,992,244
Net fee and commission income	8,938	88,608	110,054	1,308,336	(60,425)	1,455,511
Other financial expense and income	4,334	115,491	(82)	99,485	(70,766)	148,462
Gross income	116,676	406,580	180,092	4,978,887	(86,017)	5,596,218
Net value adjustments	2,625	(21,947)	(5,238)	(210,451)	-	(235,011)
Net gains (losses) on financial operations	119,301	384,633	174,854	4,768,436	(86,017)	5,361,207
Operating expenses	(69,158)	(232,991)	(72,844)	(2,737,909)	7,933	(3,104,969)
Other costs and revenues	80	(1,809)	(239)	(2,224)	7,830	3,638
Profit/(loss) from continuing operations before tax	50,223	149,833	101,771	2,028,303	(70,254)	2,259,876
Income tax for the period on continuing operations	(15,407)	(22,701)	(32,616)	(299,666)	(619)	(371,009)
Profit (loss) after tax on continuing operations	34,816	127,132	69,155	1,728,637	(70,873)	1,888,867
Profit/(loss) after tax on discontinued operations		42,965				42,965
Profit/(loss) for the period	34,816	170,097	69,155	1,728,637	(70,873)	1,931,831
Profit/(loss) for the period pertaining to non-controlling interests	-	340	-	-	-	340
Profit/(loss) for the period pertaining to shareholders of the Parent Company	34,817	169,757	69,155	1,728,634	(70,872)	1,931,491

A.2 DISTRIBUTION BY BUSINESS SEGMENT: BALANCE SHEET

	CORPORATE	INSTITUTIONAL	RETAIL	MUTUAL BANKS	INTER-SEGMENT TRANSACTIONS	TOTAL
Financial assets ¹³¹	280,787	16,116,930	10,627	47,671,360	(5,533,481)	58,546,222
Due from banks	42,782	18,002,311	187	11,605,935	(27,923,586)	1,727,630
Loans to customers	4,675,163	9,719,039	2,277,829	84,677,391	(3,447,370)	97,902,052
Due to banks	4,341,897	20,992,585	2,187,077	13,767,146	(38,851,929)	2,436,775
Due to customers	273,613	13,441,319	657	114,382,962	(164,876)	127,933,676
Securities and other financial liabilities ¹³²	25,394	9,714,431	-	10,028,498	(4,135,472)	15,632,851

B. SECONDARY REPORTING BASIS

As regards the secondary reporting basis, please note that the Group operates almost exclusively in Italy.

¹³¹ "Financial assets" include item 20 "Financial assets measured at fair value through profit or loss", item 30 "Financial assets measured at fair value through other comprehensive income", "Debt securities" under item 40 "Financial assets measured at amortized cost" and item 50 "Hedging derivatives".

¹³² "Securities and other financial liabilities" include securities issued included in item 10 "Financial liabilities measured at amortized cost", item 20 "Financial liabilities held for trading", item 30 "Financial liabilities designated as at fair value" and item 40" Hedging derivatives".

PART M - LEASE DISCLOSURES

SECTION 1 – LESSEE**QUALITATIVE DISCLOSURES**

At the reporting date, the Group had 3,208 lease/rental contracts falling within the scope of IFRS 16 as they refer to operating leases involving property, plant and equipment in the following classes of assets:

- capital equipment (printers and other office equipment, personal computers, servers, smartphones/tablets, cars and company vehicles, advanced ATMs, etc.);
- real estate, in particular the premises in which the branches operate and spaces for ATMs.

These assets are mainly intended for use in the normal operations of the company and for this reason they are mainly classified under assets held for use in operations. For more details on the recognition and measurement criteria involved, please see Part A “Accounting Policies” of these notes to the financial statements.

The rental contracts entered into by the Group normally provide for fixed payments for a specified period of time and, with the exception of property leases, do not envisage an extension option. Based on the foregoing, the effective term of the individual leases is taken into account for the purpose of accounting for the rights of use, while in cases in which an extension option is envisaged and its exercise is considered highly probable, the Group considers the contractual term inclusive of the extension period, unless factors or specific situations envisaged within the contract suggest a different assessment. This is because the properties in question are functional to the performance of the activities of the Group companies and non-exercise of the extension option is only considered in cases where impediments have arisen independently on the intentions of the companies themselves, i.e. the decision not to extend the lease was prompted by initially unforeseeable circumstances (e.g. changes of location, increase in lease payments, etc.).

If provided for by the lease agreement, the Group also does not consider early termination options unless factors or specific circumstances make it highly probable that the option will be exercised before the expiry of the lease (such as, for example, the impediments or the specific needs mentioned above).

QUANTITATIVE DISCLOSURES

For further quantitative information concerning the assets acquired by the Group through leases, please see the disclosures provided in the tables in the sections of the notes to the financial statements indicated below:

- part B, assets, section 9, as regards rights of use in respect of leased assets held at the reporting date;
- part B, liabilities, section 1, as regards lease liabilities outstanding at the reporting date;
- part C, section 1, as regards interest expense on leasing liabilities accrued during the year;
- part C, section 14, as regards depreciation of rights of use recognized during the year.

Note that in determining the depreciation rates to be applied to the rights of use in respect of assets acquired under leases, reference has been made to the contractual term of the underlying leases, also taking account any extension/termination options where the probability that they will be exercised is considered high, depending on the nature of the transaction (finance/operating lease) and the type of asset.

The details of the depreciation charges recognized in through profit or loss for the year are shown below, broken down by category of leased assets.

Depreciation	31/12/2025	31/12/2024
a) building	52,209	52,857
b) electronic systems	28,213	6,885
c) cars	5,630	4,734
d) other	521	286
Total	86,573	64,762

SECTION 2 – LESSOR

QUALITATIVE DISCLOSURES

Lease transactions undertaken by Group mutual banks as a lessor are negligible.

The contracts mainly regard the lease of commercial and residential properties.

The Group mainly enters into finance leases with customers and is active in the real estate, residential, equipment, vehicle and marine lease sectors.

Lease payments for the year are recognized in profit or loss under operating income.

For more details on the recognition and measurement criteria involved, please see Part A “Accounting Policies” of these notes to the financial statements.

QUANTITATIVE DISCLOSURES

1. INFORMATION IN THE BALANCE SHEET AND INCOME STATEMENT

For additional quantitative information on lease transactions carried out by the Group, please see the tables in the following sections:

- part B, Assets, section 4, as regards lease financing granted by the Group in relation to finance leases;
- part C, section 1, as regards interest income on the above lease financing accrued during the year;
- part C, section 16, as regards other income connected with the lease operations undertaken the Group as a lessor.

2. FINANCE LEASE

2.1 CLASSIFICATION BY MATURITY OF PAYMENTS TO BE RECEIVED AND RECONCILIATION WITH LEASE FINANCING RECOGNIZED UNDER ASSETS

	Total 31/12/2025	Total 31/12/2024
	Payment to be received for leases	Payment to be received for leases
Up to 1 year	876,439	854,014
From more than 1 year up to 2 years	732,853	705,959
From more than 2 years up to 3 years	580,213	565,015
From more than 3 years up to 4 years	415,641	425,959
From more than 4 years up to 5 years	256,406	282,821
From more than 5 years	558,086	670,872
Total payments to be received for leases	3,419,638	3,504,642
Reconciliation with financing	(964,880)	(977,351)
Financial income not accrued (-)	(435,623)	(427,649)
Unguaranteed residual value (-)	(529,257)	(549,703)
Lease financing	2,454,758	2,527,290

The balance of lease financing does not include past due principal and interest, exposures to terminated leases or writedowns on outstanding financing at the reporting date.

2.2 OTHER INFORMATION

No other information to report.

3. OPERATING LEASES

3.1 CLASSIFICATION BY MATURITY OF PAYMENTS TO BE RECEIVED

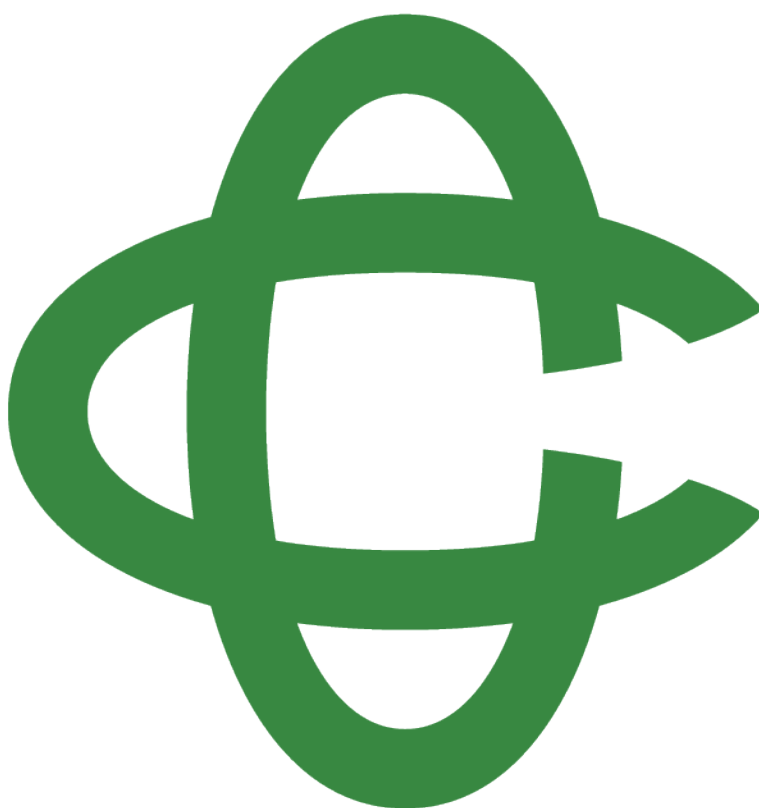
	Total	Total
	31/12/2025	31/12/2024
	Payment to be received for leases	Payment to be received for leases
Up to 1 year	3,917	3,507
From more than 1 year up to 2 years	3,327	3,145
From more than 2 years up to 3 years	2,753	2,475
From more than 3 years up to 4 years	2,385	1,733
From more than 4 years up to 5 years	1,938	1,187
From more than 5 years	1,935	1,236
Total	16,255	13,283

3.2 OTHER INFORMATION

No other information to report.

REPORT OF THE BOARD OF AUDITORS

REPORT OF THE BOARD OF AUDITORS
TO THE SHAREHOLDERS' MEETING
PURSUANT TO ARTICLE 2429,
PARAGRAPH 2, OF THE CIVIL CODE



REPORT OF THE BOARD OF AUDITORS

TO THE SHAREHOLDERS' MEETING PURSUANT TO ARTICLE 2429, PARAGRAPH 2, OF THE CIVIL CODE

Dear Shareholders,

In the year ended December 31, 2025, the Board of Auditors of Iccrea Banca SpA (hereinafter also the Parent Company) performed its oversight duties in accordance with the Italian Civil Code, Legislative Decree 385/1993 (the Consolidated Banking Act) and Legislative Decree 39/2010 as amended, the Articles of Association, the regulations issued by the supervisory authorities, and the rules of conduct for the Boards of Auditors of unlisted companies issued by the National Council of the Italian accounting profession, as applicable.

Appointment and activity of the Board of Auditors

The current Board of Auditors was appointed by the Iccrea Banca SpA Shareholders' Meeting on May 15, 2025, for a term ending on the date of the meeting called to approve the financial statements for the year ending at December 31, 2027. The Bank's Board of Auditors is also charged with performing the role of Supervisory Body pursuant to the provisions of Legislative Decree 231 of June 8, 2001, on the basis of the instructions contained in Bank of Italy Circular no. 285 of December 17, 2013, as amended.

During 2025, the Board of Auditors (or at least one of its members) participated in 147 meetings, breaking down as follows:

- 20 meetings of the Board of Directors;
- 21 meetings of the Executive Committee;
- 35 meetings of the Risk Committee;
- 16 meetings of the Remuneration Committee;
- 16 meetings of the Appointments Committee;
- 21 meetings of the CIBA Committee;
- 18 meetings of the ESG Committee.

During the year, the Board of Auditors met independently 61 times to perform the additional oversight duties pertaining to it and 18 times in its capacity as the 231/01 Supervisory Body.

The activities of the Bank and the Iccrea Cooperative Banking Group in 2025

The Report on Operations prepared by the directors provides extensive information on developments in the operations of the Parent Company and the Iccrea Cooperative Banking Group (hereinafter also ICBG), on key operational events during 2025, on the structural and operational characteristics of the ICBG, on the internal control system, on the prudential regulatory framework and on the main processes performed in this area and on events subsequent to the reporting date.

On March 26, 2026 the Board of Directors approved the 2026 – 2028 Strategic Plan, which specifies the performance and financial objectives that the ICBG intends to attain over the planning period in order to continue to improve its positioning with respect to market benchmarks, setting more ambitious objectives for the main ratios.

The 2026 – 2028 Strategic Plan incorporates the various sector plans (sustainability (ESG) – commercial – NPE strategy - funding - ICT - digital - data governance) built on the basis of methodological uniformity and integration with the other tools and processes that are also a constituent part of prudential supervision arrangements, such as the Recovery Plan, the Resolution Plan and MREL requirements, the RAS/RAF and the ICAAP/ILAAP.

As part of the progressive implementation of the "transformation" program involving the direct subsidiaries of Iccrea Banca SpA, which is intended to rationalize their structures and strengthen their commercial and income potential, the Report on Operations discusses a number of key events in 2025, which are summarized below.

In the **bancassurance** segment, developments launched in 2024 continued in 2025, both in the life segment, with BCC Vita and BNP Paribas Cardif SA, and in the non-life segment, with BCC Assicurazioni and Assimoco SpA, with the updating of the product offering and the strengthening of initiatives to support the distribution network, confirming the growth trends already recorded.

Furthermore, efforts continued to implement the bancassurance model defined in the Business Plan – aimed at developing the full commercial potential of the Group – with the centralization of the Group's insurance activities in BCC Servizi Assicurativi.

The new insurance partnerships, together with the reorganization of the "Bancassurance" sector described above, will allow the insurance offer of the affiliated banks to be standardized and to develop the full commercial potential, giving continuity to the commitment made by Iccrea Banca and BCC Servizi Assicurativi in promoting insurance products, as well as strengthening the synergies with the Group's "asset management" sector.

Demerger of the Cronos insurance portfolio (formerly Eurovita): In line with the original structure of the Eurovita transaction, following the corporate demerger of Cronos Vita Assicurazioni SpA, effective from October 1, 2025, Cronos was dissolved and the insurance assets were divided into five pools, transferred to the five shareholder insurance companies (Generali Italia SpA, Poste Vita SpA, Allianz SpA, Unipol Assicurazioni SpA, Fideuram Vita SpA). In this context, Unipol Assicurazioni SpA, a company of the Unipol Group, was the beneficiary of the pool comprising the entire portfolio of Cronos insurance policies brokered by the affiliated banks, operating under a regime of operational and contractual continuity of the agreements in place with Cronos.

As part of the **Operations Strategy project**, with the aim of creating a Single Back Office Hub within the Group and taking into account the economic benefits already obtained from previous operations, the process of centralizing the back office activities carried out by the affiliated banks in BCC Sinergia continued. More specifically, in 2025 the business units of Banca Centro – Credito Cooperativo Toscana - Umbria – S. C. and Banca delle Terre Venete Credito Cooperativo – S. C. were transferred to BCC Sinergia, with effect from February 1, 2025 and September 1, 2025, respectively.

Effective from December 1, 2025, the demerger of the "Back Office Finance and Contact Center" branch from BCC Risparmio&Previdenza Sgrpa to BCC Sinergia, both entirely held by Iccrea Banca SpA, has been completed to achieve economies of scale and scope and the progressive streamlining of processes and tools used in the Group in the management of mutual funds, pension funds, individual portfolios and support to mutual banks and their customers.

In line with the strategic objective of streamlining the Group's scope, in December 2024, the merger of **Banca Sviluppo** into Iccrea Banca was approved. On April 23, 2025 the transfer of the real estate pool of Banca Sviluppo to BCC Beni Immobili was finalized for a total €22.1 million and on November 22, 2025 the merger of Banca Sviluppo into Iccrea Banca was finalized.

As regards the Group e-money segment, the agreements between Iccrea Banca SpA, Banco BPM SpA and FSI SGR SpA established a strategic partnership aimed, starting from Numia, at the development of a new Italian and independent company in the digital payments sector (issuing and acquiring), with significant synergies between the partners.

As part of the partnership agreement, in August 2024 Iccrea Banca accepted a binding offer for the purchase of the entire investment in BCC POS, which was classified under "non-current assets and disposal groups held for sale" in Iccrea Banca SpA financial statements at December 31, 2024. The sale of the 100% interest in BCC POS to Numia was finalized on February 28, 2025, for a total €93.7 million (equal to a gross capital gain of €91.7 million). The transaction allows Numia to maximize commercial and offer synergies as well as operational ones that will be further strengthened by the described strategic partnership with Banco BPM SpA and FSI SGR SpA.

As part of the overall strategic evolution of the **ICT** sector, the Group chose Accenture as industrial partner for some application developments and for infrastructure services. In terms of application development, the partnership agreement with Accenture provides for the development of digital platforms, core systems and the Group data platform; in respect of infrastructure, the provision of the service by AFAST (Accenture group) which acquired the dedicated business unit of BCC SI on March 31, 2025 after receiving regulatory and legal authorizations. Moreover in 2025, the sale of ICT Security from BCC SI to Iccrea Banca SpA was approved, for a total €4.8 million, with a view to strengthening the Parent Company's offer of relevant IT services. The expected benefits of this sale include the definition and standard application of security guidelines at Group level, strategic and operational consistency among affiliated entities, strengthening of strategic and regulatory control and increased monitoring of technological and risk aspects. The sale of BCC SI to the Parent is effective as from January 1, 2026.

On March 26, 2025 the Parent Company finalized the acquisition of all the interests held by the affiliated mutual banks, Banca Sviluppo and BCC Financing in **CBI Scpa Società Benefit**, for a total €1.6 million. The company is owned by approximately 400 banks and other intermediaries, and develops an ecosystem of innovative infrastructures and services in the world of digital payments, open banking and open finance. After the finalization of the acquisition, Iccrea Banca SpA holds a total interest in CBI Scpa Società Benefit of 8.05%. As envisaged in the 2025-2028 Strategic Plan, in March 2025 the company's Shareholders' Meeting approved a capital increase of €24 million, ending on May 19, 2025. Iccrea Banca SpA joined the operation by subscribing new shares for a total €0.84 million, thus increasing its interest to 8.52%.

In line with the strategic objective of streamlining the Group operations, an agreement was finalized in June for transferring the business segment of **BCC Financing SpA** offering secretarial and administrative services to the Friuli Venezia Giulia Autonomous Region to FVG Plus SpA, a company in which the Region holds an indirect interest through Friulia SpA. The transfer of the business segment took effect on December 1, 2025.

In light of the performance achieved by **BCC Leasing** in the last few years, and the capital endowment well above minimum requirements, BCC Leasing did not consider it necessary to proceed with the conversion of the future capital increase payment made by Iccrea Banca in 2022 into a capital increase and refunded the amount of €70 million to the Parent Company in December 2025.

During 2025, the following **mergers between mutual banks** were finalized:

- the partial non-proportional demerger of the banking operations of **Banca di Pisa e Fornacette CC.** with the assignment of the related pools (each consisting of assets, liabilities and equity, customers and partners) to Banco Fiorentino - Mugello Impruneta Signa – C.C. with legal effect as from February 17, 2025 and Banca di Pescia e Cascina CC. with legal effect as from February 24 2025;
- the merger of Cassa Rurale - Banca di Credito Cooperativo di Treviglio into **Banca di Credito Cooperativo di Carate Brianza – SC.** with legal effect as from June 9, 2025.

Moreover, on October 21, 2025 the ECB authorized the merger of Banca di Credito Cooperativo di Nettuno S.C. into **Banca di Credito Cooperativo dei Colli Albani S.C.** with legal effect as from February 23, 2026. In December the request for a merger of Confidi Sardegna Scpa and Unifidi Sardegna Scpa into **Banca di Credito Cooperativo di Arborea** was submitted to the ECB with the aim of creating a regional hub characterized by a strong potential for development, high level local knowledge and a significant capital base to support local economies and continue to ensure strong customer satisfaction.

Actions within the scope of the Guarantee Scheme

The capital support interventions performed by the Parent Company in 2025 and the previous periods, through the cross Guarantee Scheme, are discussed in detail in the “Significant events during the period” section in the financial statements.

Internal control and risk management system

The structure and main components of the ICBG internal control system are based on the structure envisaged in supervisory regulations calling for three levels of control:

- first-level controls, performed by the corporate units responsible for the business/operating activities;
- second-level controls, performed by the Compliance (including the DPO), AML (Anti-Money Laundering) and Risk Management units;
- third-level controls, performed by Internal Audit.

Moreover, the figure of Financial Reporting Officer was introduced, pursuant to Law 262/2005, who is, among other things, responsible for overseeing the reliability of the corporate accounting documents and the financial reporting process in compliance with the provisions of art. 154-bis of the Consolidated Law on Financial intermediation and related implementing provisions.

The organizational arrangements adopted by the second- and third-level corporate control functions (CCF) is consistent with the specific characteristics of the ICBG and aimed at ensuring effective coverage of control activities both at the Parent Company and its direct subsidiaries and at the affiliated mutual banks. The organizational model of the control functions, which have been outsourced by the ICBG companies to the Parent Company, gives the Parent Company responsibility for the definition of strategies, processes and control methodologies, tools, and planning and reporting standards.

The most significant events include:

- the Bank of Italy Provision of August 1, 2023, amending the “Provisions on organization, procedures and internal controls to prevent the use of intermediaries for the purposes of money laundering and terrorist financing” of March 26, 2019 – introduced the figure of the Officer in charge of AML matters. Therefore, the Board of Auditors updated the Group Policy for the Governance and Management of the risk of money laundering and terrorist financing; integrated the duties of the Board of Directors of the Parent Company and the Board of Directors of the Group companies; introduced a refresher course, aimed at Directors and Auditors, concerning the governance measures for the management of money laundering risk, the duties of the corporate bodies and the new figure of the Officer in charge of AML matters, in line with the amended regulations. During the forthcoming meetings, the process of appointing AML representatives will come to completion with the renewals of the administrative bodies;
- during 2025, the Internal Control System project was completed, aimed at further fine-tuning the risk detection and control processes, to be guided via possible improvements of the operating model, also with the development of IT and control automation solutions, using emerging technologies while preserving the overall effectiveness acquired over time by the system. The Board of Statutory Auditors has followed the evolution of this project, which envisages several initiatives for each CCF, including, most notably, a more risk-based approach to operations, also with the use of IT tools, and greater coordination between the various CCFs, both in planning and implementation. With particular regard to the production of integrated reporting - to make it increasingly responsive to the needs of the decision-making and supervisory bodies - amendments to the internal regulations were approved in March 2026. More specifically, planned actions include: i) a full synchronization of the consolidated forward-looking planning and final reporting processes of the individual CCF with the other strategic Group processes, and ii) greater synchronization and streamlining of the current periodic reporting. Activities and changes required by the project are expected to be completed during 2026.

In exercising its supervisory duties on the adequacy of the Internal Control System (hereinafter ICS), the Board of Auditors regularly exchanged information with the CCFs during the year, including through direct participation in the meetings of the Board Committees and the Board of Directors and through receipt of information flows generated by those units for the corporate bodies (and the Supervisory Body), governed by specific rules, as well as in specific meetings with those units.

The Board of Auditors has therefore ascertained the overall substantial qualitative and quantitative adequacy of each CCF for the fulfillment of its functions and for the purposes of completing the activities planned or emerged during the financial year.

In line with its core activities, the Supervisory Body will continue to perform its task of supervising the adequacy of the Bank's organizational structure, paying particular attention to the role of the CCF, as well as their independence.

The Parent Company, Iccrea Banca

With regard to the Parent Company, Iccrea Banca, the results of the monitoring and assessment activities of the control functions found, in brief:

- for **Compliance**, an average “medium” exposure to residual compliance risk, in line with 2024, as assessed on the basis of the potential risks and the existing control arrangements in relation to the individual regulations governing this area. The assessment of

compliance of regulatory arrangements and processes under the 2025 audit plan, while exclusively positive, nevertheless found a number of specific regulatory areas requiring improvement;

- for the **DPO** function, the residual risk after the audit was “medium”, in line with 2024, as assessed on the basis of the potential risks and the control measures currently in force in relation to the individual regulations within the scope of competence. The audit was conducted in accordance with the 2025 plan and, although expressing exclusively positive results, nevertheless highlighted the need for improvement interventions aimed at increasing the effectiveness and efficiency of the process being audited and the related controls. The results of the DPO Annual Report will be presented to the Board of Directors at the end of April;
- for **AML**, the self-assessment exercise – conducted on the basis of the method recommended in supervisory regulations and applied by the function – found a “non-significant” residual risk, in line with 2024. The activities conducted by the Anti-Money Laundering function over the course of the year produced a final overall assessment of “partially satisfactory” at December 31, 2025;
- for **Risk Management**, the continuous and structured management and reporting of the risks included within the function’s scope of responsibility, with periodic quantitative and qualitative reporting at a variety of frequencies, did not reveal any significant issues concerning the main risk exposures (credit, liquidity, market, interest rate, ICT);
- for **Internal Audit**, the 2025 Audit Plan envisaged numerous audits in the different areas of “governance”, “market” and “support” in which the taxonomy of Group processes is structured. The audit findings were largely favorable, with limited areas for improvement in all three macro-areas analyzed.

The Board of Auditors, based on the assessments conducted by the CCFs on Iccrea Banca SpA showing concerns on certain organizational aspects of control arrangements or compliance issues regarding procedural systems, such as regulatory compliance, verified the resolution of the irregularities (or, where in progress, the actions taken by the competent operational functions) and monitored the implementation of the related intervention plans.

The Cooperative Banking Group

With regard to the larger population of the mutual banks and the companies within the direct scope, the findings of the oversight activity of the corporate control functions in the various areas for which they are responsible were generally positive, with limited instances of non-compliance with external, regulatory or Group regulations. In these situations, it is the prerogative of the control functions to assess the need to activate the specific indicators of the early warning classification system (EWS) for the affiliated banks, leading to a change in their status, with a consequent reduction in the degree of management independence of the individual bank and the issue of binding instructions.

With regard to the **Compliance function**, the methods adopted and the results acquired from the individual affiliated banks and direct scope companies, and the preliminary documentation for the 2025 Plan indicated that the Group’s average exposure to compliance risk was “medium”, in line with 2024. The control measures adopted are, as a whole, adequate and effective in proportion to the different risk exposures of the regulatory areas applicable to the Group, while highlighting the need to make certain adjustments to the regulatory and IT system to ensure compliance with changes in the applicable regulations. The findings of the system and operational audits performed during the year were largely positive. The results of the Annual Report will be presented to the Board of Directors at the end of April. That documentation indicates that the 100% of the Audit Plan was completed, with 470 audits, of which only 7 audit actions of affiliated banks issued negative findings (medium-high risk).

In compliance with the Group’s annual plan for 2025, the **Data Protection Officer (DPO)** function performed its planned advisory and support activities, as well as conducting a new cycle of system and operational audits **for all the direct scope companies and 36 affiliated mutual banks**. The audit activities have found the situation to be positive while identifying certain areas for improvements, which were accompanied by a remedial action plan. Following the activities and audits performed, the ICBG DPO found that the organizational arrangements required by the regulations had been correctly implemented at the ICBG level. The results of the consolidated Annual Report will be presented to the Board of Directors at the end of April.

With regard to the assessment of **AML arrangements** and the activity of the second-level function responsible for this area, in 2025 work continued on strengthening both the general and specific controls that can be activated in response to the different situations of the individual entities and applicable regulations. Work also continued on the planned evolution of IT applications to support AML processes and the training of members of the AML function and bank operators, in particular with reference to the new role of the AML representative. On the basis of the audits performed during the year at each legal entity to ensure compliance with the applicable regulatory framework governing anti-money laundering operations, the final summary assessment (equal to the average of the summary assessments provided by each affiliated mutual bank and the companies within the direct scope) as at December 31, was “**partially satisfactory**”, in line with the results of 2024. The Report of the AML function shows that the **four** affiliated banks, which last year posted partially satisfactory results with a number of issues in specific areas, have overcome these critical issues.

At a consolidated level, the report assessed the level of residual risk to be “**low**” for 2025, with no changes compared to 2024.

The activity of the **Risk Management** function was especially intense. During 2025 the evolutionary activities concerning the Group’s main Risk Governance frameworks were completed (credit risk, interest rate risk and credit spread risk on the banking book, operational risk and IT risk), both with regard to the methodological component and the supporting application platforms. Activities to strengthen the management of climate-related and environmental risks continued, and initiatives in the areas of Data Governance and the RDARR validation framework were implemented, in line with the 2025-2027 Data Governance Plan. In 2025 the Risk Management Function also participated in a stress test exercise (EBA EU-wide & ECB SSM), reporting positive results in terms of impact and capital resilience. Furthermore, important ordinary activities were carried out, especially related to the projections of risk variables to support the planning process of the Group and Group

companies, as well as the activities connected with issuing the opinions for transactions of greater importance (TGI). The function was also engaged in the maintenance of the methodological framework for the Group's risk governance processes (RAF/RAS, ICAAP and ILAAP, EWS) and in managing those processes and producing final outputs, in agreement and collaboration with the company functions responsible for the risk areas examined. The Report on Group Risk, at December 31, 2025, shows that the Group's positioning at the end of 2025 is in line with previous quarters and consistent with the Risk Strategy defined in the RAS 2025-2027. Considering the dynamic context and the significant changes in the regulatory framework for certain risk categories, the Risk Management Function continued in 2025 (and will continue in 2026) the development and strengthening of the Risk Management system, with particular reference to:

- credit risks, continuing the process of strengthening credit risk models;
- IRRBB and CSRBB risk, continuing the strengthening process;
- IT and security risks, with the consolidation of the TIBER/TLPT and Threat Intelligence area and the strengthening of the ICT & Security risk assessment methodologies as well as the adaptation of the infrastructure/application in the cyber risk management area;
- climate-related and environmental risks, continuing the integration of C&E factors into risk measurement and assessment systems, with a view to aligning with the EBA GL on ESG risks and the EBA GL on climate-environmental scenario analyses, also in view of future regulatory stress testing exercises.

The Board of Auditors will continue to monitor the progress of these projects.

The activity performed in 2025 by the **Internal Audit** with all the legal entities saw the execution of 1,133 audits, with total coverage of the 2025 Audit Plan and the performance of a further 99 extraordinary audits (96 related to the plans of the affiliated banks, 2 the Parent Company, 1 BCC Risparmio & Previdenza Sgrpa). As usual, the audits concerned governance, business and support processes (the latter area also including the ICT component) of the banks/companies and their distribution network. With regard to the composition of the process audits, the Plan dedicated a significant portion to meeting "mandatory" needs, which were accompanied by "consolidated" audits (with an identical "scope of work" for different ICBG entities) and mainly "risk-based" assessments. **Unfavorable outcomes** of the audit activity **were few**. With regard to the issues found, the associated corrective actions to resolve the problems identified were addressed. The consolidated annual report of the Internal Audit Function will be presented to the Board of Directors of the Parent Company at the end of April.

In accordance with applicable supervisory regulation, the Internal Audit function produced the Unified Group Report on essential or important functions outsourced outside the Group for 2025. The Report shows that the Group is equipped with a governance system, a regulatory framework and support tools that are substantially adequate for the non-Group outsourced important functions, with limited areas for improvement. The Board of Auditors, as required by the Bank Supervisory Provisions (Bank of Italy Circular 285 of December 17, 2013 – 42nd update - Part Three – Other prudential supervisory provisions; Chapter 6 – Cooperative Banking Group; Section II – Composition of the cooperative banking group and requirements of the parent company) has examined the aforementioned document and formulated its remarks without highlighting any critical issues on the subject of the Unified Report on the controls carried out on Critical ICT Services and on the essential or important functions outsourced outside the Iccrea Cooperative Banking Group.

Regarding the internal whistleblowing system, implementation of the Group's new application system for managing reports pursuant to Legislative Decree No. 24/2023 is underway. This platform will replace the application and procedures currently in use.

The Parent Company's Whistleblowing Committee is responsible for receiving, reviewing, and evaluating reports, while the Head of Internal Audit is responsible for annual reporting on the whistleblowing system and the reports received. In this regard, the Board of Auditors, also considering the small number of reports received in recent years, has reiterated its recommendation to implement specific awareness-raising and training initiatives aimed at encouraging its use as an important tool for preventing unlawful conduct.

In light of the supervisory activities carried out in 2025, the information flows received from the Corporate Control Functions, the results of internal and external audits, the analyses and evidence acquired, and the outcomes of contacts with the Supervisory Authorities, the Board of Auditors believes that, within its scope of competence, the Internal Control and Risk Management System of the Iccrea Group is overall adequate, effective, and consistent with the complexity, risk profile, and size of the Group, suitable for ensuring sound and prudent management and safeguarding the Group's financial and reputational stability. Some areas for operational and IT improvement remain, and are the object of plans approved by the competent Bodies and further supervision during 2026.

Oversight of the adequacy of the organizational structure

As part of the oversight of the organizational adequacy, the Board of Auditors - during the meetings of the Risk Committee and the Board of Directors – was able to ascertain the consistent updating and supplementation of the Risk Governance Policies, the Rules, the General Process Rules relating both to the internal processes of the Parent Company and the main operating processes of the affiliated banks and the direct scope companies, in line with the ICBG objective to maintain the Group's rule set. Other sources included operational communications and circulars addressing more specialized issues, which are transmitted on an ongoing basis to the affiliated banks and the ICBG companies.

As regards the performance of specific studies and assessments of the appropriateness of organizational structures, the Board of Auditors - in compliance with supervisory instructions – continued in 2025 to monitor the corporate control functions with regard to changes to organizational and methodological arrangements, the adequate staffing of the units, the update of methods, operating rules and control instruments, audit support systems and on the training of personnel and managers.

Activity planning for 2026 provides for the coverage of modest resource shortfalls where they should emerge in specific organizational analyses. As regards the second and third-level corporate control functions in general, the Board of Auditors monitored the update and achievement of the specified targets following an analysis of associated staffing requirements, taking account of the structural complexity of the ICBG and its gradual development, its governance mechanisms, and the ever greater legislative and regulatory pressure, which make it necessary both to periodically reassess staffing requirements to ensure the complete and timely fulfillment of the institutional duties of the functions.

The Board of Auditors examined the action plans for 2026 submitted by the control functions for the ICBG and approved by the Board of Directors of the Parent Company. These plans – implemented using criteria that consider external regulatory constraints, risk-based logic and the need to cover business processes – will require a significant effort over and above ordinary levels of commitment, which will be audited in 2026.

With regard to the adequacy of the organizational structure of the Parent Company, Iccrea Banca SpA, the Board of Auditors - with the support of the Chief Operating Officer's unit - periodically conducts an analysis of the reorganization measures in progress in order to produce a general assessment of the adequacy of the solutions adopted or proposed, especially in relation to the demanding guidance and coordination duties of the Parent Company. In this respect, the provision of guidance and support to the affiliated banks requires a constant effort on the part of the units of the Parent Company (whether operational or control functions), calling for periodic assessments and monitoring of adequacy and effectiveness. In 2024, targeted interventions to rationalize and strengthen the main area of the Parent Company were implemented and additional actions were planned for 2025, in view of the role played in the direction and coordination of the affiliated banks and the companies within the direct consolidation scope.

Below are some considerations on specific areas of interest.

Artificial Intelligence Program

The Board of Auditors, based on the insights discussed in the sessions dedicated to the Group's Artificial Intelligence ("AI") Program, noted that the timelines, guidelines, and implementation path defined by the Group are overall consistent with the provisions of the European Regulation on Artificial Intelligence (AI Act).

More specifically, the Board noted that the Group has progressively defined and implemented a structured AI governance framework, based on principles, roles, processes, and tools designed to ensure full compliance with the AI Act throughout the entire lifecycle of AI systems. This framework has resulted, among other things, in the issuance of a Group Directive on Artificial Intelligence, as well as the forthcoming definition of a Group Artificial Intelligence Policy, intended to serve as the formal framework for the responsible, controlled, and compliant use of Artificial Intelligence solutions.

The Board also noted that all AI use cases, both operational and under development, are recorded in a centralized repository, classified according to the risk categories established by the AI Act, and do not include uses attributable to prohibited AI practices. The Group has also launched specific initiatives to strengthen its risk control and mitigation mechanisms, including the progressive integration of AI risks into Risk Management frameworks and IT and ICT security controls, and the launch of security initiatives aimed at strengthening the application and infrastructure security of AI systems and preventing emerging risks.

The Board also noted that the topic of Artificial Intelligence has received specific attention within the Internal Control System, through the inclusion of dedicated AI Systems audits in the Audit Plan, as well as through vertical analysis on the models most relevant to the Group.

Finally, in accordance with the AI Act's literacy requirements, the Board noted the launch and consolidation of a comprehensive training and awareness program on artificial intelligence, aimed at employees, control functions, and company representatives. The program aims to ensure an adequate level of awareness regarding the responsibilities and safeguards necessary for the correct and compliant use of AI systems.

Overall, the Board of Statutory Auditors notes that the approach adopted by Group on artificial intelligence appears structured and progressive, consistent with the European regulatory framework. This does not exclude the need to continue strengthening controls and continuously adapting the governance model, also taking into account regulatory developments and Supervisory expectations.

ESG factors in business processes

The Board of Auditors underlines that, based on activities conducted and information flows received in 2025 – also thanks to greater involvement at all levels of the organization - it is possible to note the commitment of the Parent Company to ensure the progressive implementation of the strategic initiatives in environmental, social and governance matters defined in the plan period.

From this perspective, the Board of Auditors monitored the evolution of the organizational model adopted by the Parent Company during 2025 –also by attending ESG Committee meetings. This evolution aimed to contribute to the dissemination of more integrated and cross-functional governance, facilitating synergistic coordination between the various corporate structures to foster more mature and informed ESG management.

The strength of ESG governance was also reflected in a systematic review of the overall monitoring and reporting approach, which allowed the complexity of the projects undertaken to be brought together into a single, consistent vision, harmonizing the strategic initiatives of the Sustainability Plan with the activities to ensure ongoing alignment with regulatory developments and supervisory expectations, taking a long-term perspective when defining the sustainability strategy.

The consolidation of internal relationships, combined with the streamlining of information flows, has enabled the definition of a more robust management model, with the aim of transforming sustainability into a structural pillar of the Group's competitiveness and identity.

In light of the above, the Board of Auditors will continue to oversee the implementation of the activities defined in the Group's overall ESG Transformation Program, with a particular focus on initiatives to comply with the EBA Guidelines on ESG risk management, which—in addition to consolidating and expanding the practices already introduced by the Supervisory Authorities on climate and environmental risks—extend the concept of risk integration into strategic processes, internal regulatory frameworks, and risk management systems, including social and governance aspects.

Digital Operational Resilience Act (DORA) and Information and Communication Technology

Also with a view to the in-depth analyses of the Risk Committee, the Board of Auditors notes that the activities envisaged by the Action Plan to adapt to the new requirements and standards introduced by Regulation (EE) 2022/2554 – Digital Operational Resilience Act (DORA) have been completed in line with the envisaged time frames. The Board of Auditors also noted that, during 2025, the Group continued to consolidate the regulatory, organizational, and operational measures introduced in previous years, also by strengthening the main areas of governance of digital operational resilience.

The Board of Auditors also noted that, in order to ensure the effective implementation and ongoing monitoring of the identified technological and operational measures, further risk strengthening and mitigation initiatives have been defined, included in the Digital Operational Resilience Strategy, approved by the competent bodies and subject to periodic updates.

In continuity with previous periods, the Board of Auditors has reserved specific attention to the Group's Information and Communication Technology system and its overall evolution, as an essential element in supporting business and control activities. In this respect, the Board has examined periodic reporting and planning required by external and internal applicable regulations area, with a particular focus on Business Continuity and Disaster Recovery issues.

In 2025, also in consideration of the operating context and the outcomes of control and monitoring activities, the Board of Auditors paid particular attention to the assessment of risks associated with IT security, in order to ascertain the adoption by the Bank of adequate and effective organizational and technical measures, as well as the consistency and adequacy of information flows from the competent functions, in line with the recommendations formulated by the Supervisory Authorities.

Overall, the Board of Statutory Auditors noted that the DORA compliance process is characterized by a structured and progressive approach, consistent with the Group's risk profile and aimed at maintaining adequate levels of digital operational resilience over time.

2025-2027 Data Governance Plan

During 2025, the implementation of the 2025 – 2027 Data Governance Plan began, along with other planned projects that contribute to the broader overall program. The progress of activities was reported to the Board of Directors - also by the Director responsible for Data Governance - and highlighted the completion, with no critical issues, of all the Plan activities scheduled by 2025. Based on the analyses carried out and the contents and documentation provided, the Board of Auditors noted that the 2025-2027 Data Governance Plan is progressing and consolidating the Group's Data Governance framework with the modern Data Governance approach needed to support corporate decision-making processes, strengthen consistency with the Supervisory Authority's expectations, specifically measured by the improvement of the indicators assessing the level of compliance with the applicable BCBS239 principles.

The Google Cloud Platform project aims to advance the technological evolution of the Data Platform, and is the cornerstone of the Group's Data Governance strategy; the Board of Auditors noted that activities are continuing in line with planning, as also noted for other initiatives with a Data Governance impact.

The Board of Statutory Auditors continues to monitor the implementation of the plan and any further related activities.

Corporate Governance

The governance mechanisms of Iccrea Banca and the ICBG, as delineated by the Group's body of rules, contain significant special features and complexities deriving from the legal-formal structure of the ICBG, from the choices concerning the design of governance arrangements laid out in special legislation and supervisory regulations, from the special functions carried out by the Parent Company in performance of its mission of providing management and coordination guidance for the affiliated banks. The Board of Auditors participated closely in the activity of the corporate bodies of the Parent Company, consisting of the body with strategic supervision and management functions (the Board of Directors), the Executive Committee, and the five Board Committees providing advice, preliminary assessments and recommendations to the Board of Directors (the Appointments Committee, the Remuneration Committee, the Risk Committee, the Affiliated Bank Control and Intervention Committee and the ESG Committee).

Where necessary, the Board of Auditors reports to the Board of Directors on the main activities carried out and the consequent recommendations. Thanks to its participation in the meetings of the corporate bodies, the Board received the information flows provided for by the corporate rules.

Self-assessment and optimal composition of the Board of Auditors

In compliance with the provisions of the Bank of Italy Circular 285/2013 (Part One, Title IV, Chapter 1, Section VI) and the Policy on the Self-assessment of the Bodies of the Group's Banks and Asset Management Companies, the Board of Auditors of Iccrea Banca carried out its own assessment of the size, composition and functioning of the body, with reference to the 2025 financial year, the first year of its term. The self-assessment exercise was completed on April 17, 2026.

The Board of Auditors expressed an opinion of the substantial adequacy of its composition in terms of competence, experience and gender diversity, also identifying improvement areas for the organizational, operational and methodological profiles for carrying out its supervisory activities. In this respect, the Board has been provided with a digital document flow management tool for streamlining the supervisory activities of the Board of Auditors improving the organization of meetings, activities to be carried out, follow-ups and the approval process of the minutes.

With regard to training, the Board of Auditors has participated in the continuous training meetings organized by the Parent Company, which allowed for an ever greater understanding of the Bank and Group's business sectors, company dynamics and their evolution, as well as the relevant regulatory and self-regulatory framework. The auditors have however reserved the right to integrate, even individually, this path with targeted training on topics relevant to the performance of their control duties.

The Parent Company's Management and Coordination Activities

Given that the Parent Company performs management and coordination activities for the affiliated banks on the basis of a Cohesion Contract that ensures the existence of a situation of control, as defined by the international accounting standards adopted by the European Union, pursuant to Article 37-bis of Legislative Decree 385/1993, the Board of Auditors continued to monitor issues associated with the management and coordination activities of the Parent Company. In particular, the Board oversaw the various initiatives launched or implemented by the Board of Directors in this area.

In view of the fact that Group policies establish the principles, general rules and operating and functioning model governing a given matter, establishing the main roles and responsibilities of the corporate functions involved both within the Parent Company and the other Group companies, the Board of Auditors found that the boards of directors of the Group companies involved have executed the resolutions necessary to implement the Group policies approved in 2025 by the Board of Directors of the Parent Company. These Group policies enable the unified and coordinated definition and application of the operating and functioning model in the interest of the Group.

During 2025, progress was made for the simplification and streamlining of the process of issuing the GBCI's internal regulations. More specifically, the Parent Company's activities focused on three areas: i) in-person training for mutual banks organizations to improve the use of tools and features for acquiring and customizing secondary regulations; ii) streamlining the Operating Process Rules (NOP) and their content, to improve their accessibility; iii) progressive reduction of activities to be performed during the implementation phase of the NOP model.

Relations with the supervisory authorities and prudential supervision

Supervisory review and evaluation process (SREP)

Following preliminary discussions in the second part of 2025, on October 28, 2025, the supervisory authorities notified Iccrea Banca of the results of the SREP decision, which establishes the prudential requirements to be respected at the consolidated level (broken down into own funds requirements and qualitative requirements), as from January 1, 2026. With this decision, replacing the previous SREP decision, the supervisory authorities established consolidated own funds requirements for 2026:

- an additional Pillar 2 requirement (P2R) of 2.25% of which a minimum of 56.25% to be held in the form of Common Equity Tier 1 (CET1) and 75% in the form of Tier 1 capital;
- a recommendation for Pillar 2 Guidance (P2G) of 1% consisting entirely of Common Equity Tier 1 capital and held in addition to the Overall Capital Requirement (OCR).

As in previous decisions, the SREP decision did not impose own funds requirements to be met on an individual basis the Group's affiliated banks.

Through participation in the meetings of the Board Committees and of the Board of Directors, as well as information exchanges with the control functions and the Supervisory Authority Relations unit, the Board of Auditors monitored the response to the issues highlighted in the SREP letter, constantly monitoring the resolution of those issues

The state of progress of this process, as with all requests formulated by the supervisory authorities, was subject to periodic reporting.

On October 22, 2025, the Bank of Italy issued a decision confirming for 2026 the identification of the ICBG as an "Other Systemically Important Institution" ('O-SII') authorized in Italy. Following the analyses carried out for calibrating the O-SII buffer, the Bank of Italy assigned the Group the O-SII requirement of 0.25% for 2026.

ICAAP and ILAAP

As regards ICAAP and ILAAP, the Board of Auditors oversaw compliance with regulatory requirements, participating in the work of the Risk Committee, noting the structure and content of the related documents, the information provided on the state of progress of the processes, the results, and improvement measures implemented in compliance with the instructions of banking supervisors.

In the examination of the ICAAP conducted jointly with the Risk Committee, it took note of the outcome of the self-assessment process on the adequacy of the ICAAP/ILAAP framework and the risk management processes, which showed a condition of overall adequacy of the ICAAP and ILAAP system and the related underlying processes, with the identification of certain improvement areas which are consistent with the adaptation plans defined by the functions involved, also taking into account the indications and recommendations received from the ECB Joint Supervisory Team.

The Board of Auditors also noted that, in line with the previous year and with the implementation of the 2026 ICAAP & ILAAP framework, a specific audit was performed on the overall process, in conjunction with the activities whose positive outcomes were formalized in a specific Report of the Internal Audit Function that integrates the overall set of documents.

Therefore, the Board of Auditors was able to assess the ICBG's ICAAP/ILAAP process as adequate, and note that the corporate bodies, each according to their own competences, have a full understanding of the capital adequacy and the liquidity risk governance and management system, risk factors and vulnerabilities, data and parameters used, the results of the ICAAP/ILAAP processes and the consistency between these and the strategic plans of the Banking Group. The Board of Auditors also considered that the Report is complete and exhaustive, and that the Group's regulatory and control framework - in charge of the ICAAP/ILAAP risk management process - and the related governance system model, are adequate to mitigate the related (current and prospective) regulatory and operational risks.

The Board of Auditors will monitor the implementation of the improvement measures that emerged during the self-assessment and in the Internal Audit Function report.

Finally, the overall ICAAP/ILAAP Package was sent to the Supervisory Authority, also completed by a note from the Board of Auditors reporting the details and the outcome of the assessment it carried out.

Recovery Plan

The preparation and finalization of the Recovery Plan in December 2025 was as usual the outcome of discussions with the ECB Joint Supervisory Team.

The Board of Auditors found that both the indications regarding the areas of intervention highlighted by the ECB in the previous version of the Plan and the so-called "System Expectations" regarding Recovery Plans sent by the ECB to all Banking Groups in May 2025, have been duly taken into account by the Risk Management function and other competent functions.

In general, the Board of Auditors observed that, following the consistent suggestions for improvement and refinement coming from both the Supervisory Authorities and the Parent Company structures, the overall recovery system of the Group allows for the preparation of a robust and reliable recovery plan, outlining effective and timely strategies and actions to be undertaken in the event of significantly severe crisis scenarios that may impact the capital and liquidity profiles of the Group to restore situations of unbalance and ensure business continuity. In this respect, the Board of Auditors welcomes the results of the application of the third Dry Run exercise - conducted and completed in the second part of 2025 and focused on the plan phase relating to the implementation of recovery options and monitoring of effectiveness –which resulted in no elements of concern.

MREL

Directive 2014/59/EU on the recovery and resolution of banks (Banking Recovery Resolution Directive – BRRD) and its subsequent updates introduced the "MREL" (Minimum Requirement of Eligible Liabilities) requirement, which represents the minimum requirement of own funds and eligible liabilities with the aim of ensuring the proper functioning of the bail-in mechanism and guaranteeing the continuity of critical economic functions during and after a possible crisis.

In March 2026, Iccrea Banca SpA, as the Parent Company, received the decision of the Single Resolution Board (SRB) on the determination of the minimum requirement of own funds and eligible liabilities (MREL) and the subordination requirement, defined in terms of the overall amount of risk exposure (risk-weighted assets, RWA) and the measure of overall leverage exposure (Leverage Ratio Exposure, LRE), to be complied with, on a consolidated basis, at the level of its Group subject to resolution.

The consolidated final target for MREL (which the Parent Company complies with), to be met by January 1, 2026, is 26.03% of RWA (including the combined capital buffer requirement at December 31, 2025 of 3.59% of RWA) and 6.33% of LRE. The consolidated intermediate target for the subordination requirement, to be complied starting from January 1, 2022, is 21.11% of RWA (including the combined capital reserve requirement of 3.04% of RWA as of December 31, 2024) and 6.35% of LRE.

In order to comply with the above requirements, the general-hybrid approach adopted by the Single Resolution Board requires the following elements to be considered:

- Group Own Funds, calculated in accordance with the CRR (Capital Requirements Regulation - Regulation (EU) No. 575/2013 as amended);
- Eligible liabilities for the MREL requirement and the subordination requirement issued by the Parent Company (in its capacity as Group Resolution Entity) with residual maturity over one year.

At December 31, 2025, the Group complied with the consolidated intermediate target for:

- MREL with a surplus of about €2,614 million in terms of RWA (+3.93% of consolidated RWA) and of about €8,703 million in terms of LRE (+4.92% of consolidated LRE);
- the subordination requirement, with a surplus of about €5,313 million in terms of RWA (+8% of consolidated RWA) and about €6,412 million in terms of LRE (+3.62% of consolidated LRE).

Investigations and inspections

The following provides an update on the main inspection activities conducted by the supervisory authorities in the years prior to 2025.

In 2022, an on-site inspection (OSI) was conducted by the European Central Bank (ECB) concerning credit and counterparty risk in the area of asset quality of commercial real estate (CRE), with the aim of assessing compliance with and implementation of IFRS 9, as well as performing a credit quality review of selected portfolios and assessing credit risk processes. The final version of the Follow-up Letter containing the expectations of the supervisory authorities regarding the corrective actions to be taken was received on November 14, 2023, in response to which Iccrea Banca submitted on December 19, 2023 an action plan, the implementation of which was declared completed by the Bank on January 27, 2025, while the completion of activities was confirmed by the ECB in February 2026.

With regard to the so-called “deep-dive” on the issue of forbearance – begun in 2022 with a specific analysis of the adequacy of the policies, procedures and their implementation with forborne exposures, both in terms of risk management tools and accurate reporting and classification, on May 30, 2023 the Bank received a Follow-up Letter containing the recommendations formulated by the supervisory authorities. On July 3, 2023 the Parent Company formally submitted the remedial initiatives, the implementation of which was declared completed by the Bank on June 18, 2024, while the completion of activities was confirmed by the ECB in February 2025.

As regards the inspection conducted by Consob from October 20, 2022 to October 17, 2023 concerning procedural aspects relating to the provision of investment services, with particular regard to the “product governance” policy as well as the methods for performing regulatory compliance checks, on April 24, 2024 the Bank received a technical notice, in response to which Iccrea Banca sent an action plan, the implementation of which was declared completed by the Bank on September 26, 2025.

On March 10, 2023, the Bank of Italy completed its inspection to assess compliance with the legislation governing the **transparency** of transactions and fairness in customer relations pursuant to Articles 54, 68 and 128 of Legislative Decree 385/1993. The findings of the inspections were received on June 6, 2023, in response to which Iccrea Banca sent an action plan, currently being completed, in compliance with the defined deadlines.

On May 29, 2023, the European Central Bank completed an on-site inspection **regarding IT risk** in order to assess the management of IT operations, IT projects and IT security, including any complementary aspect relating to these issues. The final version of the Follow-up Letter containing the recommendations formulated by the supervisory authorities was received on November 10, 2023; the action plan of the Parent Company was submitted on December 8, 2023, the implementation of which was declared completed by the Bank on February 6, 2025, while the completion of activities was confirmed by the ECB in February 2026.

In May 2023, the Bank of Italy concluded its inspection to assess the cyber resilience of the payment system managed by BCC Sistemi Informatici, with respect to the “**Cyber Resilience Oversight Expectations**” (CROE). The findings of the assessment were received on November 30, 2023. The action plan was submitted on March 19, 2024, and was constantly monitored by the Supervisory Authority through periodic meetings and the documentation provided. The Bank of Italy declared the exercise completed on June 4, 2025.

An on-site inspection was carried out by the ECB from March 14, 2023 to June 9, 2023 regarding internal **governance and risk management**; the Follow-up letter was received on June 6, 2024, in response to which the consolidated Bank submitted an action plan on July 4, 2024, the implementation of which was declared completed by the Bank on June 26, 2025 while the completion of activities was confirmed by the ECB in September 2025.

An inspection was carried out by the Bank of Italy from June 5, 2023 to September 29, 2023 regarding **anti-money laundering**. The results of the inspection were received on December 18, 2023, in response to which the Bank submitted an action plan on February 12, 2024, the implementation of which was declared completed by the Bank on January 22, 2026.

An on-site inspection was conducted from June 6-8, 2023 by the Bank of Italy concerning the ‘**ABACO**’ system (acronym for “collateralized bank assets”), i.e. the procedures used to manage the bank loans pledged to guarantee the credit operations of the Eurosystem. The letter containing the results of the inspection was received on October 16, 2023, the action plan was submitted on November 14, 2023, the implementation of which was completed in April 2026.

An on-site inspection was conducted from September 25, 2023 to December 15, 2023 by the ECB concerning credit and counterparty risk, with the aim of assessing compliance with and implementation of **IFRS 9**, as well as performing a credit quality review of selected portfolios and assessing credit risk processes. The Follow-up Letter was received on November 22, 2024, in response to which Iccrea Banca submitted

on December 20, 2024 an action plan, the implementation of which was declared completed by the Bank on December 23, 2025, while the completion of activities was confirmed by the ECB in March 2026.

An on-site inspection ('OSI') was conducted by the ECB from October 7, 2024 to December 13, 2024 concerning interest rate risk in the banking book ('**IRRBB**') and credit spread risk in the banking book ('**CSRBB**'). The Follow-up Letter was received on October 23, 2025, in response to which the Bank submitted an action plan on November 28, 2025, currently being implemented.

A "deep dive" was conducted by the ECB between September and December 2024 on unlikely to pay loans (so-called '**UTP**'); the "final follow-up letter" was received on March 27, 2025, and the action plan was submitted on April 24, 2025 and is currently being implemented.

The following inspections were begun in 2025 and 2026:

- an on-site inspection carried out by the ECB from March 4, 2025 to June 12, 2025 concerning internal **governance and risk management**, in order to verify compliance with BCBS 239 principles with regard to risk data aggregation and risk reporting. The final Follow-up Letter was received on February 4, 2026 in response to which the Bank submitted an action plan on March 26, 2026 currently being implemented;
- an on-site inspection carried out by the ECB from September 20, 2025 to December 19, 2025 concerning "**profitability and business model**", for which the final report is pending;
- an on-site inspection started by the ECB on March 16, 2026 regarding "IT Risk", in respect of "**third-party risk management**", currently underway.

The Board of Auditors will continue to monitor the implementation of the remediation plans submitted to the Supervisory Authority.

Oversight of statutory audit activities, the independence of the statutory audit firm and the financial reporting process

The individual and consolidated financial statements of Iccrea Banca SpA at December 31, 2025 undergo statutory audit by the audit firm Forvis Mazars SpA, pursuant to Legislative Decree 39 of January 27, 2010 and in execution of the shareholders' resolution of May 28, 2021.

In its capacity as "Internal Control and Audit Committee", the Board of Auditors, pursuant to Legislative Decree no. 39/2010 and Regulation (EU) no. 537/2014, performed its oversight functions in this area, which primarily involved:

- monitoring the statutory audit of the separate and consolidated financial statements, implementing the usual exchange of information on the relevant issues and on the various aspects of its work;
- verifying and monitoring the independence of the audit firm Forvis Mazars SpA, in conjunction with the assessment of acceptability of proposals for non-audit engagements of Forvis Mazars SpA.

As regards the monitoring of the statutory audit of the separate and consolidated financial statements, the Board of Auditors met with the audit firm 13 times in 2025 and 6 times in the first months of 2026, to exchange information, acquiring other information concerning the approach and methods chosen with regard to:

- the interim financial statements at June 30, 2025, of both the Parent Company, Iccrea Banca, and the consolidation of the ICBG;
- both the separate financial statements of Iccrea Bank and the consolidated financial statements of the ICBG at December 31, 2025;
- the 2025 sustainability statement of the ICBG.

The Board of Auditors analyzed with the independent auditors the contents of the operational planning for the performance of the audit, the main components (timing, required resources and specialists), major accounting application issues, operating systems and processes (also with reference to the affiliated banks), materiality and significance thresholds. The Board of Auditors acquired information on the methodological system adopted by the audit firm, receiving updates on the progress of the audit engagement and on the main issues being examined by the audit firm.

The Board of Auditors provided summary reports on the main issues to the Board of Directors of Iccrea Banca, briefing the directors on the main themes addressed and any problems detected. We have no particular comments in this regard.

With regard to the activities concerning the pre-approval referred to in Regulation (EU) 537(2014), during 2025 the Board of Auditors oversaw proposals for non-audit engagements, requested by Iccrea Banca of the two audit firms of the ICBG (Forvis Mazars SpA and EY SpA) and entities of their networks, submitted by company units for specific needs originating in part with legislative and regulatory requirements. The requests - to be submitted for pre-approval by the "Internal Control and Audit Committee" of the individual public-interest entity (in Italian law Legislative Decree 39/2010 designates the board of auditors for this role) – underwent examination and analysis by the Board of Auditors, which, appropriate, issued its authorization.

The notes to the consolidated financial statements report the fees for 2025 paid to the firms engaged to perform the statutory audit of the accounts of the Iccrea Cooperative Banking Group.

During the period under review, the Board, again in light of the duties established by Legislative Decree 39/2010 in its capacity as the Internal Control and Audit Committee, maintained constant contacts with the Chief Financial Officer area of the Parent Company in order to acquire information on the financial reporting process of Iccrea Banca S.p.A., on its main constituent elements (processes, systems, resources) and on its functionality and effectiveness.

The Board of Auditors, in the presence of the CFO Area and representatives of Forvis Mazars SpA, also met with EY SpA, which carries out the statutory audit for the affiliated mutual banks, to exchange information.

From the information acquired, including that gained in discussions with the audit firm, no shortcomings in the administrative and accounting procedures of particular significance were reported with regard to the objective of providing an accurate representation of operational events in compliance with international accounting standards.

With regard to the statutory audit, the Board of Auditors, in compliance with the provisions of EU Regulation No. 537/2014, Legislative Decree 39/2010, and Ministerial Decree 261/2012, as well as the relevant CNDCEC rules of conduct, has carried out the activities for the identification of a Group sole auditor. See the documentation filed with the shareholders' meeting called to approve the financial statements at December 31, 2025 (Opinion on the consensual resolution and Reasoned proposal for the appointment of the audit firm).

Transactions with related parties

The Board took note of the periodic review by the Committee for Transactions with Related Parties - coinciding with the Affiliated Bank Interventions Committee – of transactions with related parties carried out by the Iccrea Cooperative Banking Group and related amounts at the end of the period. This examination did not reveal any issues that would require disclosure in this Report.

With regard to the ICBG, in compliance with the “Connected Persons” rules established under supervisory regulations, the Parent Company defined a specific policy governing this matter, disseminating it with a specific directive to all Group companies.

On November 27, 2025 the Board of Directors updated the Policy on the Management of Conflicts of Interest and Transactions with Connected Persons. As required by the Circular no. 285 of December 17 2013 of the Bank of Italy, the independent directors and the Board of Auditors have issued their opinion on the overall suitability of the procedures to achieve the objectives of the regulations on related parties transactions.

No transactions with connected persons were approved despite the negative opinion of the relevant Committee in the period. With regard to Transactions with related parties, during the financial year, no positions or transactions deriving from atypical or unusual transactions were reported, nor were any transactions of an “atypical or unusual” nature implemented that, due to their significance and relevance, could have given rise to doubts regarding the protection of the Group's assets.

Compliance and Internal Audit carry out periodic audits of the compliance of the regulatory and process arrangements in this area and the application of the policy at all the companies of the Banking Group. These audits did not find any issues that would require mention in this Report.

The draft financial statements report the information relating to transactions with related parties (Part H - Transactions with related parties), in compliance with the provisions of IAS 24 – Related Party Disclosures.

ICBG remuneration and incentive policies

The Board of Directors of Iccrea Banca SpA approved the “2026 ICBG Remuneration and Incentive Policies”, to be submitted to the Shareholders' Meeting, together with the “Standard document of remuneration and incentive policies for the affiliated banks” and the “Material risk takers identification process for the Parent Company, companies in the direct scope and associated outcomes”.

The update of the policies to be presented to the Shareholders' Meeting includes some amendments related to the standardization of the bonus pool adjustment mechanism for all staff, the maximum individual amount that may be granted in the event of early termination of employment or office of all staff and the possibility of defining a further maximum buffer of 20% of the Bonus Pool.

The Board of Auditors monitored this revision implemented by Iccrea Banca, focusing on compliance with the regulatory constraints concerning the configuration of the incentive system dedicated to the corporate control functions, to safeguard their independence and autonomy, operating – in these areas - in close collaboration with the Remuneration Committee and the Risk Committee.

With regard to the 2024 Internal Audit Report on Remuneration and Incentive Policies and Practices of Iccrea Banca, the analyses found that remuneration and incentive practices were generally compliant with the policies approved by the Board of Directors and the Shareholders' Meeting, as well as the applicable supervisory regulations.

Supervisory Body pursuant to Legislative Decree 231/2001

With specific regard to the functions of the Supervisory Body pursuant to Legislative Decree 231/2001, during the period under review the Board of Auditors monitored the functioning and observance of the Compliance Model pursuant to Legislative Decree 231/2001 (hereinafter, also “the Model”) by:

- receiving and analyzing the information flows envisaged by the Model;
- acquiring any relevant information from the verification activities of the control functions on the possible presence of cases falling within the criminal risk areas of Legislative Decree 231/01;

- adapting its regulations both to the new provisions on whistleblowing, and a number of changes related to the new secretarial function of the body;
- monitoring the project to update the Model (approved by the Board of Directors on November 27, 2025);
- carrying out independent supervisory activities;
- monitoring, through the acquisition of information and data, certain aspects deemed relevant for the purposes of Legislative Decree 231/2001, including: activities carried out by the Company to comply with the Health and Safety requirements pursuant to Legislative Decree 81/2008 and disclosures on the hiring of new resources;
- monitoring the improvement initiatives undertaken by the Company, which are intended to completely address the critical issues highlighted in the gap analysis for updating the Model;
- monitoring the information/training initiatives for disseminating knowledge and understanding of the Decree and the Model adopted by the Company;
- liaising, where necessary, with the supervisory bodies of certain companies within the direct scope (so as to ensure the circulation of information necessary for the performance of out the oversight activities of the Group bodies);
- promptly analyzing the reports received in order to identify any issues concerning the operation of the Model;
- monitoring the legislative developments amending Legislative Decree 231/2001 in the period covered by this Report.

In the period covered by the Report, based on the supervisory activities carried out, the information acquired, the analyses carried out and the discussions with the Company Control Functions, at the date of this Report no violations were contested nor did any censurable facts emerge in the conduct of top management and all other Company personnel pursuant to the Compliance Model or the Code of Ethics, as presented in the Report of the Supervisory Body submitted to the Board of Directors of Iccrea Banca at its meeting of April 9, 2026.

Regarding the adequacy and suitability of the Compliance Model, considering the overall evidence acquired, the Board has deemed that the Company's Organization, Management and Control Model is structurally adequate with respect to the main currently relevant crime risks and has an overall satisfactory level of implementation and effectiveness, considering the structure, operations and organization of the Company, without prejudice to the need to monitor developments and take the strengthening initiatives highlighted in the reporting period.

Opinions issued

During 2025 the Board of Auditors issued a favorable opinion:

- Remuneration of Directors holding specific positions pursuant to Art. 2389, paragraph 3, of the Italian Civil Code;
- Update of the Group Policy on the Management of Conflicts of Interest and Transactions with Connected Persons;
- Transaction with related parties classified as minor and significant.

Further information on the oversight activity of the Board of Auditors

In the light of the oversight activity performed in the period covered by this Report, we report that:

- the Board of Auditors is not aware of transactions carried out during the period under review in this report that did not comply with the principles of correct administration, that were authorized and executed in violation of law or the articles of association or were not performed in the interest of Iccrea Banca S.p.A., in conflict with the resolutions of the Shareholders' Meeting, or were manifestly imprudent or risky, lacking the necessary information in the event of the existence of interests of the directors or were such as to compromise the integrity of corporate assets;
- there were no atypical and/or unusual transactions carried out with third parties, related parties or group companies;
- no complaints were received by the Board of Auditors pursuant to Article 2408 of the Civil Code;
- following the checks performed, no omissions, censurable facts or significant irregularities were found that would merit mention in this report.

In the exercise of its functions, the Board of Auditors received information from the boards of auditors of the most important companies within the direct scope and that information did not report circumstances that would require mention in this Report.

In addition to the information already provided in this Report, during the year the Board of Auditors provided the reports required of it under applicable legislation and supervisory regulations for banks.

The Board of Auditors also declares that:

- it verified compliance with independence requirements on the part of the individual members of the Board of Auditors and that it both periodically and on a case-by-case basis took note of and assessed the notices received from its individual members regarding the number of other positions held/terminated and the related time commitment;
- it found that compliance with the integrity and experience requirements for corporate officers was appropriately assessed by the Board of Directors, as was the verification of other positions held for the purpose of the prohibition on interlocking officerships under Article 36 of Decree Law 201/2011 (ratified with amendments by Law 214/2011).

The close connection with the Boards of Auditors of the Group companies

The Supervisory Provisions of the Bank of Italy, also applicable to the ICBG, provide that the Board of Auditors of the Parent Company operates in "close coordination" with the control bodies of the Group companies. Since the establishment of the Group, the Board of Auditors of the

Parent Company has undertaken some initiatives aimed at focusing attention on the topics considered most sensitive from an integrated control perspective at Group level, as in the case of the "statutory audit", "anti-money laundering", the issuance of "covered bonds" (only for the mutual banks participating in the Program) and possible "conflicts of interest".

On March 5, 2025, a close coordination meeting was dedicated to discussing the topics of sustainability reporting and Anti-Money Laundering (also sharing a questionnaire on the supervisory activities in this area).

On December 3, 2025 a second close coordination meeting was dedicated to Anti-Money Laundering (in particular, review of the suspicious transaction reporting process and the EBA Guidelines on restrictive measures), sustainability reporting and selection procedure for the Group sole auditor. Regarding the selection of the Group's sole auditor, the boards of statutory auditors of the GBCI entities met again on February 26, 2026 to share the results of the selection process.

During 2025, a close coordination activity aimed at companies in the direct scope, regarding governance, internal control systems and business operations was also concluded.

The Board also met with the boards of statutory auditors of the Group entities that requested it, regarding specific issues on which an exchange of information was deemed appropriate.

Draft financial statements and Report on Operations

The Board of Auditors examined the company financial statements for the year ended December 31, 2025. As the Board is not charged with the statutory audit of the financial statements, we performed an overall summary check of the general layout of the financial statements and their general compliance with the law with regard to their formation and structure, and in this regard we have no particular observations to report. The Board of Auditors also monitored compliance with the procedural rules governing the preparation of the consolidated financial statements.

With regard to the activities carried out by the Financial Reporting Officer, the Board of Auditors noted that no significant deficiencies emerged that would compromise the assessment of the appropriateness and effective adoption of the administrative and accounting procedures or the true and fair representation of the financial position, performance and cash flows in the consolidated financial statements of the GBCI at December 31, 2025.

The Board of Auditors also declares it has examined the following reports prepared by Forvis Mazars SpA:

- the separate Audit Report issued on April 16, 2026, pursuant to art. 14 of Legislative Decree 39/2010 and art. 10 of Regulation (EU) 537/2014, from which the following emerges: *"In our opinion, the financial statements provide a true and fair view of the Company's financial position as of December 31, 2025, and of its performance and cash flows for the year then ended in accordance with the IFRS accounting principles issued by the International Accounting Standards Board and endorsed by the European Union and the measures issued in implementation of art. 43 of Legislative Decree 136/2015;*
- the consolidated Audit Report issued on April 16, 2026, pursuant to art. 14 of Legislative Decree 39/2010 and art. 10 of Regulation (EU) 537/2014 from which the following emerges: *"In our opinion, the consolidated financial statements provide a true and fair view of the Group's financial position as of December 31, 2025, and of its performance and cash flows for the year then ended in accordance with the IFRS accounting principles issued by the International Accounting Standards Board and endorsed by the European Union and the measures issued in implementation of art. 43 of Legislative Decree 136/2015";*
- the Additional Report issued on April 16, 2026, pursuant to art. 11 of the aforementioned Regulation, to the Board of Auditors in its capacity as Internal Control and Audit Committee. The report includes, among other information, the annual confirmation of independence, issued pursuant to art. 6 par. 2) letter a) of the Regulation. The Board of Auditors informed the management body of the audited entity of the outcome of the legal audit and sent the additional report referred to in article 11 of the European Regulation to that body.

Consolidated sustainability statement – Legislative Decree 125/2024

Acknowledging Legislative Decree 125/2024, the Board of Auditors oversaw the compliance with the provisions of that decree regarding the drafting of the consolidated sustainability statement, approved by the Board of Directors on March 26, 2026.

The Board held a number of meetings with the function responsible for drafting the sustainability statement and the representatives of the audit firm (Mazars) engaged pursuant to Legislative decree 39/2010 (Forvis Mazars SpA) and examined the documentation made available.

As regards the reporting scope, the consolidated sustainability statement at December 31, 2025, pursuant to art. 29-bis, paragraph. 7, of the CSRD, was prepared on a consolidated basis and presents the information relating to the ICBG for the period from January 1, 2025 to December 31, 2025. In accordance with the new regulatory framework, the composition of the Group and the accounting consolidation scope were taken into consideration in order to determine the scope of the consolidated sustainability statement and identify the companies that are relevant for understanding the Group's strategy and performance in relation to environmental, social and governance sustainability issues. Based on the analyses conducted on the affiliated banks and on the companies directly and indirectly owned by Iccrea Banca SpA, the reporting scope at December 31, 2025 is the same as the IAS/IFRS reporting scope used for the Group's consolidated financial statements.

As provided for by art. 7, paragraph 1a) of Decree 125/2024, the Group companies included in the consolidated sustainability statement have not prepared their own separate statement. There are no Group companies that are exempted from individual and consolidated reporting pursuant to other articles of the aforementioned decree.

The Report of the independent audit firm, Forvis Mazars SpA, issued on April 16, 2026 on the limited review of the consolidated sustainability statement pursuant to art. 14-bis of Legislative Decree 39/2010, reports that:

“On the basis of the information acquired, there is no evidence to suggest that:

- *the ICBG’s consolidated sustainability statement for the year ended December 31, 2025 has not been prepared in all significant aspects in compliance with the sustainability reporting standards adopted by the European Commission pursuant to Directive (UE) 2013/34/UE (European Sustainability Reporting Standards, hereinafter also “ESRS”);*
- *the information contained in the section “Disclosure pursuant to Article 8 of EU Regulation 2020/852 (EU Taxonomy Regulation)” of the consolidated sustainability statement has not been prepared in all significant aspects in compliance with art. 8 of Regulation (EU) 852 of June 18, 2020 (hereinafter also “Taxonomy Regulation”).*

Conclusions

The above reports on the audit of the separate financial statements and the consolidated financial statements of the Group indicate that both documents provide a true and fair view of the financial position of Iccrea Banca SpA and the ICBG at December 31, 2025, as well as the performance and cash flows for the year ended on that date, in accordance with the International Financial Reporting Standards endorsed by the European Union and the measures issued in implementation of Article 43 of Legislative Decree 136/2015.

Moreover, in the opinion of the auditor, the Report on Operations is consistent with the financial statements and the consolidated financial statements of the ICBG at December 31, 2025 and has been prepared in compliance with the law.

The statutory auditor, with whom we met periodically for the purpose of exchanging information, did not report any acts or facts deemed censurable or any irregularities to the Board of Auditors.

In view of all of the foregoing and the content of the reports drafted by the statutory auditor, the Board of Auditors, within the scope of its responsibilities, finds no impediment to the approval of the draft separate financial statements at December 31, 2025 of Iccrea Banca SpA and the allocation of the result for the year proposed by the Board of Directors.

Rome, April 21, 2026

The Board of Auditors

Barbara Zanardi (Chair)

Riccardo Andriolo

Claudia Capuano

CERTIFICATIONS

Certification of the Consolidated financial statements as at 31 December 2025 pursuant to Art.81-ter of Consob Regulation No.11971/99 and subsequent additions and amendments

- 1) The undersigned Giuseppe Maino, as Chief Executive Officer of Iccrea Banca S.p.A., and Marianna Di Prinzio, as the Manager responsible for preparing the company's financial reports of Iccrea Banca S.p.A., hereby certify, also in compliance with Art.154-*bis*, paragraphs 3 and 4, of Italian Legislative Decree No. 58 of 24 February 1998:
 - the adequacy in relation to the features of Iccrea Cooperative Banking Group, and
 - the actual application of the administrative and accounting procedures employed to draw up the Consolidated financial statements as at 31 December 2025.
- 2) The assessment of the adequacy of the administrative and accounting procedures employed to draw up the Consolidated financial statements as at 31 December 2025 is based on a model developed by Iccrea Banca S.p.A., in accordance with the "*Internal Control - Integrated Framework (CoSO)*", and the "*Control Objective for IT and Related Technologies (Cobit)*", which represent generally accepted international standards for internal control system and for financial reporting in particular.
- 3) The undersigned also certify that:
 - the Consolidated financial statements as at 31 December 2025:
 - a) were prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation (EC) No.1606/2002 of 19 July 2002;
 - b) correspond to the results of the accounting books and records;
 - c) are suitable to provide a fair and correct representation of the economic and financial situation of Iccrea Banca S.p.A. and of the group of companies included within the scope of consolidation;
 - the Report on operations includes a reliable analysis of the operating trend and results, as well as of the position of the Bank and of the group of companies included within the scope of consolidations, together with a description of the main risks and uncertainties they are exposed to.

Rome, 16 April 2026

Chief Executive Officer
Giuseppe Maino

**Manager responsible for preparing the
company's financial reports**
Marianna Di Prinzio

Certification of the Consolidated Sustainability Statement pursuant to Art. 81-ter, paragraph 1, of Consob Regulation No.11971/99 and subsequent additions and amendments

The undersigned Giuseppe Maino, as Chief Executive Officer and Marianna Di Prinzio as the Manager responsible for preparing the company's financial reports of Iccrea Banca S.p.A., hereby certify, pursuant to Art. 154-bis, paragraph 5-ter, of Italian Legislative Decree No. 58 of 24 February 1998, that the Consolidated Sustainability Statement included in the Report on operations has been prepared:

- in accordance with the reporting standards pursuant to Directive 2013/34/UE of the European Parliament and of the Council of 26 June 2013, and of Italian Legislative Decree No. 125 of 6 September 2024;
- with the specifications adopted in accordance with Article 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Rome, 16 April 2026

Chief Executive Officer
Giuseppe Maino

**Manager responsible for preparing the
company's financial reports**
Marianna Di Prinzio

REPORT OF THE AUDIT FIRM

Iccrea Banca S.p.A.

Independent auditor's report in accordance with article 14 of
Legislative Decree No. 39 of 27 January 2010 and article 10 of
Regulation (EU) No. 537/2014

(translation of the original report issued in Italian)*

Consolidated financial statements as of 31 December 2025

Independent auditor's report in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the Shareholders of Iccrea Banca S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Gruppo Bancario Cooperativo Iccrea (the "Group"), which comprise the consolidated balance sheet as of 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flows statement for the year then ended and the notes, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Company as of 31 December 2025, and of the consolidated result of its operations and consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as with the regulations issued to implement article 43 of Legislative Decree No. 136/15.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the section of this report titled *Auditor's responsibilities for the audit of the consolidated financial statements*. We are independent of Iccrea Banca S.p.A. (the "Company") pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Classification and valuation of financial loans to customers measured at amortized cost

For further information, please refer to the Explanatory Notes:

"Part A – Accounting policies" – Section A.2 paragraph 3. "Financial assets measured at amortized cost".

"Part B – Information on the balance sheet" - Section 4 "Financial assets measured at amortized cost".

"Part C – Information on the income statement": Section 8.1 "Net losses/recoveries for credit risk in respect of financial asset measured at amortized cost".

"Part E – Risk and risk management policies".

Description of the key audit matter	Audit procedures
Loans to customers measured at amortized cost, which are reported in item 40 b) of the balance sheet assets, as of 31 December 2025 amount to Euro 97.902 million, representing 58% of total assets. Their classification and evaluation provided by the directors is relevant for the audit in consideration of their significance, either with reference to the intrinsic complexity of the process of determining the expected losses and by the subjectivity in the formulation of the estimation processes, also in consideration of the uncertainty of the current macroeconomic context and the latest developments. Amongst the estimation factors, the following are of particular importance: - the criteria identified for significant increase in credit risk (SICR) for the allocation of credit portfolios to the homogeneous categories of risk (so-called "staging allocation"); - the determination of the parameters for the estimation of expected credit losses (ECL), including <i>forward-looking</i> factors for the determination of <i>Probability of Default</i> (PD), <i>Exposure at Default</i> (EAD) and <i>Loss Given Default</i> (LGD) classified in Stage 1 and Stage 2; - credit-impairment evidence leading to classification of loans as impaired in Stage 3; - the criteria and methods applied for estimating expected cash flows based on the assumptions regarding the recovery of non-performing loans. Also relevant are the derisking activities coordinated by the Parent Company through the disposal of impaired credit exposures.	In response to this key audit matter, the audit procedures performed included, among others: - updating the understanding of the internal control system, as well as internal procedures related to the monitoring of the quality of portfolio and the management of credit risk, as well as those related to the measurement of expected credit losses; - reviewing the proper implementation and operating effectiveness of the relevant controls for the purpose of credit classification and valuation process, including those related to IT application controls; - performing analytical procedures on the most significant changes in loans to customers compared to the prior year; - performing, on a sample basis, substantive procedures to validate the correct classification and measurement of credit exposures; - reviewing of the appropriate accounting treatment of disposals of non-performing loans carried out during the year; - verifying of the adequacy and compliance of the financial disclosure provided in the notes to the consolidated financial statements. The above procedures were also carried out with the support of our specialists in financial instruments valuation models and IT systems.

Responsibilities of the directors and board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as with the regulations issued to implement article 43 of Legislative Decree No. 136/15 and, according to the terms prescribed by law, for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and for the appropriateness of the use of the going concern assumption in the preparation of the consolidated financial statements, and for appropriate disclosure thereof. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless directors either intend to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, according to the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain a reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit performed in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of the audit in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures in response to those risks; we obtained sufficient and appropriate audit evidence on which to base our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- we obtained an understanding of the internal control relevant to the audit in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- we concluded on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Where a material uncertainty exists, we are required to draw attention, in our auditor's report, to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, subsequent events or conditions may cause the Group to cease to continue as a going concern;
- we evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in such a manner as to give a true and fair view.

- we obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated to those charged with governance, identified at an appropriate level as required by ISA Italia, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated to them any circumstances that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to those charged with governance, we identified those that were of most significance in the audit of the consolidated financial statements of the current period, and are therefore representing the key audit matters. We described these matters in our auditor's report.

[Additional disclosures required by article 10 of Regulation \(EU\) No. 537/2014](#)

On 28 May 2021, the shareholders of Iccrea Banca S.p.A. in general meeting engaged us to perform the statutory audit of the Company's and consolidated financial statements for the years ending 31 December 2021 to 31 December 2029.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in their capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

[Report on compliance with other laws and regulations](#)

[Opinions and statement in accordance with article 14, paragraph 2, letters e\), e-bis\) and e-ter\), of Legislative Decree No. 39/10](#)

The directors of Iccrea Banca S.p.A. are responsible for preparing a report on operations of Gruppo Bancario Cooperativo Iccrea as of 31 December 2025, including its consistency with the relevant consolidated financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;
- express an opinion on the compliance of the report on operations, excluding the section that includes the sustainability statement, with the law;
- issue a statement of any material misstatements in the report on operations.

In our opinion, the report on operations is consistent with the consolidated financial statements of Gruppo Bancario Cooperativo Iccrea as of 31 December 2025.

Furthermore, in our opinion, the report on operations, excluding the section that includes the sustainability statement, is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on the compliance with the law does not extend to the section relating to the sustainability statement. The conclusions on the compliance of that section with the standards governing its criteria of drafting and compliance of the disclosure requirements provided for in article 8 of Regulation (EU) 2020/852 are formulated by our in the report of attestation pursuant to article 14-bis of Legislative Decree 39/10.

Roma, 16 April 2026

Forvis Mazars S.p.A.

(signed on the original)

Olivier Rombaut
Partner - Registered auditor

() This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

Iccrea Banca S.p.A.

Independent auditor's report on the consolidated sustainability report in
accordance with article 14-bis of Legislative Decree No. 39 of 27
January 2010

(translation of the original report issued in Italian)*

Consolidated sustainability report as of 31 December 2025

Independent auditor's report on the consolidated sustainability report in accordance with article 14-bis of Legislative Decree No. 39 of 27 January 2010

To the shareholders of Iccrea Banca S.p.A.

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree No. 125 of 6 September 2024 (hereinafter also the "Decree"), we have undertaken a limited assurance engagement on the consolidated sustainability report of the Gruppo Bancario Cooperativo Iccrea (hereinafter also the "Group") for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability report of the Gruppo Bancario Cooperativo Iccrea for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE (*European Sustainability Reporting Standards*, hereinafter also the "ESRS");
- the information set out in paragraph "Disclosures pursuant to Article 8 of Regulation 2020/852 (EU Taxonomy Regulation)" of the consolidated sustainability report is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) No. 852 of 18 June 2020 (hereinafter also the "Taxonomy Regulation").

Basis of conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement.

Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under the Standard are further described in the Auditor's Responsibilities for the Limited Assurance Conclusion on the consolidated sustainability report section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability reporting under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Iccrea Banca S.p.A. for the consolidated sustainability report

The directors of Iccrea Banca S.p.A. are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability report in accordance with the provisions of the ESRS (hereinafter the “materiality assessment process”) and for describing those procedures in the paragraph “Double materiality” of the consolidated sustainability report.

The directors are also responsible for preparing the consolidated sustainability report, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph “Disclosures pursuant to Article 8 of Regulation 2020/852”.

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability report in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in preparation of the consolidated sustainability report

For the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the consolidated sustainability report, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

The disclosure provided by the Group about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Auditor’s responsibilities for the limited assurance conclusion on the consolidated sustainability report

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated sustainability report.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise;
- designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- directing, supervising and performing a limited assurance engagement on the consolidated sustainability report and assuming full responsibility for the conclusion on the consolidated sustainability report.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of the Group responsible for the preparation of the information presented in the consolidated sustainability report, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- understanding of the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;
- understanding of the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability report;
- understanding of the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Company in the materiality assessment process;
- identifying the disclosures where a material misstatement is likely to arise;
- definition and performing procedures, based on our professional judgement, to address the risks of material misstatement identified;
- understanding of the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability report;
- reconciliation of the information reported in the consolidated sustainability report with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;
- verification of the structure and presentation of disclosures included in the consolidated sustainability report in accordance with the ESRS;
- obtaining management's representation letter.

Rome, 16 April 2026

Forvis Mazars S.p.A.

(signed on the original)

Olivier Rombaut
Partner - Registered auditor

Francesca Bitozzi
Partner - Registered auditor

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COUNTRY BY COUNTRY REPORTING

LIST OF COMPANIES OF THE ICCREA COOPERATIVE BANKING GROUP BY COUNTRY OF ESTABLISHMENT AND NATURE OF ACTIVITY

COMPANY NAME	COUNTRY	NATURE OF THE ACTIVITY
Iccrea Banca SpA	Italy	BANKING
BCC di Bari e Taranto S.C.	Italy	BANKING
Banca dell'Elba - Credito Cooperativo S.C.	Italy	BANKING
Credito Cooperativo Mediocrati S.C.	Italy	BANKING
BCC Magna Grecia S.C.	Italy	BANKING
Credito Cooperativo Romagnolo - BCC di Cesena E Gatteo - S.C.	Italy	BANKING
Emil Banca - Credito Cooperativo S.C.	Italy	BANKING
Banca Cremasca e Mantovana - Credito Cooperativo S.C.	Italy	BANKING
Banca della Marca Credito Cooperativo S.C.	Italy	BANKING
Credito Cooperativo Friuli (CrediFriuli) S.C.	Italy	BANKING
BCC dell'Adriatico Teramano S.C.	Italy	BANKING
Banca di Credito Cooperativo della Calabria Ulteriore - Società Cooperativa.	Italy	BANKING
BCC di Cagliari S.C.	Italy	BANKING
Banca di Andria Di Credito Cooperativo S.C.	Italy	BANKING
BCC Agrigentino S.C.	Italy	BANKING
BCC di Napoli S.C.	Italy	BANKING
BCC di Putignano S.C.	Italy	BANKING
Banca di Ancona e Falconara Marittima Credito Cooperativo S.C.	Italy	BANKING
BCC di Montepaone S.C.	Italy	BANKING
BCC di Basciano S.C.	Italy	BANKING
BCC della Valle del Trigno S.C.	Italy	BANKING
Valpolicella Benaco Banca Credito Cooperativo S.C.	Italy	BANKING
Banca Veronese Credito Cooperativo di Concamarise S.C.	Italy	BANKING
Banca Centropadana Credito Cooperativo S.C.	Italy	BANKING
Banco Fiorentino - Mugello Impruneta Signa - Credito Cooperativo S.C.	Italy	BANKING
BCC di Roma S.C.	Italy	BANKING
BCC Brianza e Laghi S.C.	Italy	BANKING
BCC di Altofante e Caccamo S.C.	Italy	BANKING
Banca di Anghiari E Stia - Credito Cooperativo S.C.	Italy	BANKING
BCC di Avetrana S.C.	Italy	BANKING
BCC Pordenonese e Monsile S.C.	Italy	BANKING
Banca di Pescia e Cascina - Credito Cooperativo S.C.	Italy	BANKING
BCC di Arborea S.C.	Italy	BANKING
BCC Campania Centro - Cassa Rurale e Artigiana S.C.	Italy	BANKING
BCC di Bellegra S.C.	Italy	BANKING
Cassa Rurale e Artigiana di Binasco - Credito Cooperativo S.C.	Italy	BANKING
Banca delle Terre Venete Credito Cooperativo S.C.	Italy	BANKING
BCC di Busto Garolfo e Buguggiate S.C.	Italy	BANKING
Cassa Rurale e Artigiana di Cantù BCC S.C.	Italy	BANKING
BCC di Capaccio Paestum e Serino S.C.	Italy	BANKING
BCC Abruzzese - Cappelle Sul Tavo S.C.	Italy	BANKING
BCC del Basso Sebino S.C.	Italy	BANKING
BCC di Carate Brianza e Treviglio S.C.	Italy	BANKING
Credito Cooperativo Di Caravaggio Adda e Cremasco - Cassa Rurale S.C.	Italy	BANKING
BCC di Terra D'Otranto S.C.	Italy	BANKING
Banca Alpi Marittime Credito Cooperativo Carrù S.C.	Italy	BANKING
BCC di Venezia, Padova E Rovigo - Banca Annia S.C.	Italy	BANKING
BCC di Milano S.C.	Italy	BANKING
Credito Padano Banca di Credito Cooperativo S.C.	Italy	BANKING
Banca dei Sibillini - Credito Cooperativo Di Casavecchia S.C.	Italy	BANKING
Credito Cooperativo Valdarno Fiorentino Banca di Cascia S.C.	Italy	BANKING
Cassa Rurale e Artigiana di Castellana Grotte Credito Cooperativo S.C.	Italy	BANKING
BCC di Castiglione Messer Raimondo e Pianella S.C.	Italy	BANKING
Banca del Piceno Credito Cooperativo S.C.	Italy	BANKING
BCC dell'Oglio e Del Serio S.C.	Italy	BANKING

COMPANY NAME	COUNTRY	NATURE OF THE ACTIVITY
Banca della Valsassina Credito Cooperativo S.C.	Italy	BANKING
BCC di Fano S.C.	Italy	BANKING
BCC di Alba, Langhe, Roero e Del Canavese S.C.	Italy	BANKING
Credito Cooperativo Cassa Rurale Ed Artigiana Di Erchie S.C.	Italy	BANKING
Credito Cooperativo Ravennate, Forlivese E Imolese S.C.	Italy	BANKING
Banca di Filottrano - Credito Cooperativo di Filottrano e Camerano S.C.	Italy	BANKING
BCC di Gaudio Di Lavello S.C.	Italy	BANKING
Banca di Pisa e Fornacette Credito Cooperativo S.C.	Italy	BANKING
BCC di Gambatesa S.C.	Italy	BANKING
BCC Agrobresciano S.C.	Italy	BANKING
BCC Basilicata - Credito Cooperativo Di Laurenzana e Comuni Lucani S.C.	Italy	BANKING
BCC Valle Del Torto S.C.	Italy	BANKING
BCC di Leverano S.C.	Italy	BANKING
BCC di Canosa - Loconia S.C.	Italy	BANKING
BCC di Lezzeno S.C.	Italy	BANKING
Chiantibanca - Credito Cooperativo S.C.	Italy	BANKING
BCC del Garda - BCC Colli Morenici Del Garda S.C.	Italy	BANKING
BCC di Mozzanica S.C.	Italy	BANKING
BCC di Marina Di Ginosa S.C.	Italy	BANKING
BCC di Nettuno S.C.	Italy	BANKING
BCC del Metauro S.C.	Italy	BANKING
BCC di Ostra e Morro D'alba S.C.	Italy	BANKING
BCC di Ostra Vetere S.C.	Italy	BANKING
BCC di Ostuni S.C.	Italy	BANKING
BCC di Pachino S.C.	Italy	BANKING
Banca di Udine Credito Cooperativo S.C.	Italy	BANKING
Credito Cooperativo Cassa Rurale e Artigiana di Paliano S.C.	Italy	BANKING
Banca Versilia Lunigiana e Garfagnana - Credito Cooperativo S.C.	Italy	BANKING
BCC di Pergola e Corinaldo S.C.	Italy	BANKING
BCC Vicentino - Pojana Maggiore S.C.	Italy	BANKING
BCC di Pontassieve S.C.	Italy	BANKING
BCC di Pratola Peligna S.C.	Italy	BANKING
Centromarca Banca - Credito Cooperativo di Treviso e Venezia, S.C.	Italy	BANKING
BCC di Recanati e Colmurano S.C.	Italy	BANKING
Banca di Ripatransone e Del Fermano - Credito Cooperativo S.C.	Italy	BANKING
Cassa Rurale e Artigiana di Rivarolo Mantovano Credito Cooperativo S.C.	Italy	BANKING
BCC della Provincia Romana S.C.	Italy	BANKING
BCC Veneta - Credito Cooperativo S.C.	Italy	BANKING
Banca del Valdarno - Credito Cooperativo S.C.	Italy	BANKING
Banca di Pesaro Credito Cooperativo S.C.	Italy	BANKING
BCC di Santeramo In Colle S.C.	Italy	BANKING
Banca TEMA - Terre Etrusche di Valdichiana e di Maremma S.C.	Italy	BANKING
BCC di Scafati e Cetara S.C.	Italy	BANKING
BCC Appulo Lucana S.C.	Italy	BANKING
BCC di Staranzano e Villesse S.C.	Italy	BANKING
Banca Centro Credito Cooperativo Toscana - Umbria S.C.	Italy	BANKING
BCC di Triuggio e della Valle del Lambro S.C.	Italy	BANKING
BCC della Valle del Fitalia S.C.	Italy	BANKING
Banca Alta Toscana Credito Cooperativo S.C.	Italy	BANKING
BCC Bergamasca e Orobica S.C.	Italy	BANKING
Banca Don Rizzo - Credito Cooperativo della Sicilia Occidentale S.C.	Italy	BANKING
BCC dei Colli Albani S.C.	Italy	BANKING
BCC G. Toniolo di San Cataldo S.C.	Italy	BANKING
Banca San Francesco Credito Cooperativo S.C.	Italy	BANKING
BCC delle Madonie S.C.	Italy	BANKING
BCC Terra Di Lavoro - S. Vincenzo De' Paoli S.C.	Italy	BANKING
BCC degli Ulivi - Terra di Bari S.C.	Italy	BANKING
RivieraBanca Credito Cooperativo di Rimini e Gradara S.C.	Italy	BANKING

COUNTRY BY COUNTRY REPORTING

COMPANY NAME	COUNTRY	NATURE OF THE ACTIVITY
BCC di San Marco Dei Cavoti e Del Sannio - Calvi S.C.	Italy	BANKING
BCC Risparmio&Previdenza SGrpA	Italy	FINANCIAL
BCC Leasing SpA	Italy	BANKING
BCC Factoring SpA	Italy	FINANCIAL
BCC Financing SpA	Italy	BANKING
BCC Gestione Crediti SpA	Italy	NON-FINANCIAL
BCC Sinergia SpA	Italy	NON- FINANCIAL
BCC Beni Immobili S.r.l.	Italy	NON- FINANCIAL
BCC Rent&Lease SpA	Italy	FINANCIAL
BCC CreditoConsumo SpA	Italy	FINANCIAL
BCC Sistemi Informatici SpA	Italy	NON- FINANCIAL
BCC Servizi Assicurativi S.r.l.	Italy	NON- FINANCIAL

COUNTRY	NATURE OF THE ACTIVITY	GROSS INCOME (€/thousand)	PROFIT OR LOSS BEFORE INCOME TAX (€/thousand)	INCOME TAX (€/thousand)	NUMBER OF EMPLOYEES ON A FULL-TIME EQUIVALENT BASIS
ITALY	BANKING	5,453,890	2,259,797	(324,084)	20,579.6
	FINANCIAL	211,732	121,374	(38,938)	194.6
	NOT FINANCIAL	9,291	36,504	(10,031)	1,255.7
Total Group companies		5,674,913	2,417,675	(373,053)	22,029.9
Consolidation adjustments		(78,695)	(157,800)	2,044	
Total Iccrea Cooperative Banking Group		5,596,218	2,259,876	(371,009)	22,029.9

REPORT AND SEPARATE FINANCIAL
STATEMENTS OF THE PARENT COMPANY
ICCREA BANCA SPA

REPORT ON OPERATIONS OF THE PARENT COMPANY

1. DEVELOPMENTS IN PARENT COMPANY OPERATIONS AND THE MAIN ITEMS OF THE BALANCE SHEET AND INCOME STATEMENT

The following provides a summary description of the main items of the Parent Company's balance sheet and income statement at December 31, 2025. In order to permit a more immediate assessment of the items, the balance sheet and income statement schedules shown below are presented in a more summary format than those provided for by Circular 262/05 of the Bank of Italy.

BALANCE SHEET

Assets

€/thousand	31/12/2025	31/12/2024	Change	% change
Cash and cash equivalents	968,102	3,406,816	(2,438,714)	(71.6)
Financial assets measured at amortized cost – <i>Due from banks – Loans and securities</i>	20,861,857	21,355,847	(493,990)	(2.3)
Financial assets measured at amortized cost – <i>Due from customers – Loans</i>	9,931,011	8,968,108	962,904	10.7
Financial assets measured at amortized cost – <i>Due from customers – Securities</i>	10,350,239	10,590,506	(240,267)	(2.3)
Financial assets measured at fair value through profit or loss	1,910,013	1,644,108	265,905	16.2
Financial assets measured at fair value through other comprehensive income	1,141,925	1,220,887	(78,961)	(6.5)
Hedging derivatives	115,208	93,878	21,330	22.7
Equity investments	1,163,434	1,328,954	(165,521)	(12.5)
Other assets	602,715	632,144	(29,428)	(4.7)
Total interest-bearing assets	47,044,504	49,241,247	(2,196,744)	(4.5)
Other non-interest-bearing assets	178,127	129,151	48,976	37.9
Total assets	47,222,630	49,370,398	(2,147,768)	(4.4)

At December 31, 2025 total assets came €47.2 billion, down from €49.4 billion at December 2024, mainly reflecting:

- a decrease in cash and cash equivalent by €2.4 billion due to the decrease in: i) overnight deposits with the ECB (-€1.6 billion); ii) current accounts and demand deposits of the mutual banks (-€0.8 billion);
- essentially unchanged loans measured at amortized cost compared with the end of 2024, resulting from:
 - a decrease in the amounts due from banks (-€0.5 billion) primarily reflecting lower intercompany lending (-€0.3 billion) granted against collateral in the form of refinancable securities and lower in reserve requirements (-€0.1 billion);
 - an increase in lending to customers (+€0.7 billion) essentially attributable to an increase in repurchase agreements with central counterparties (+€1.3 billion) partly offset by a decrease in exposures in the “corporate” segment (-€0.2 billion).

The following provides a breakdown of amounts due from banks:

- loans to mutual banks in the amount of €15.9 billion, largely unchanged from 2024. These loans, secured by securities eligible for refinancing (pool collateral), came to about €8.5 billion while transactions connected with the covered bond program came to €4.6 billion;
- amounts due from other credit institutions for €4.9 billion, including €3.0 billion in intercompany lending.

€/thousand	31/12/2025	31/12/2024	Change	% change
Mutual banks	15,911,975	16,097,897	(185,922)	(1.2)
Other credit institutions	4,949,882	5,257,950	(308,068)	(5.9)
Due from banks	20,861,857	21,355,847	(493,990)	(2.3)

The following table provides a breakdown of impaired positions, with a decrease in exposures and an increase in coverage to 72.1% (+9.6% on 2024):

€/thousand	31/12/2025			
	Gross exposure	Impairment losses	Net exposure	% coverage
Bad loans	17,814	17,221	592	96.7
Unlikely to pay	88,537	61,745	26,793	69.7
Impaired past-due	5,701	1,863	3,837	32.7
Total 31/12/2025	112,052	80,829	31,222	72.1
Total 31/12/2024	115,795	72,401	43,394	62.5
Change	(3,743)	8,428	(12,172)	9.6

- Financial assets measured at fair value through profit or loss, as detailed in the table below, amounted to about €1.9 billion – up by €0.3 billion on the end of 2024 reflecting: i) an increase in the value of trading derivatives, partly offset by securities held at the reporting date (+€283.6 million, with a similar development in trading derivatives in liabilities); ii) a decrease in other financial assets mandatorily measured at fair value (-€26.2 million), mainly due to redemptions in the period and a decrease in the value of units in CIUs (-€24.1 million);

€/thousand	31/12/2025			
	Financial assets held for trading	Financial assets designated as at FV	Other financial assets mandatorily measured at FV	Total
Debt securities	9,317	355,135	6,103	370,555
Equity securities	1,139	-	46,367	47,506
Units of CIUs	1,408	-	326,906	328,314
Derivative instruments	1,163,639	-	-	1,163,639
Total 31/12/2025	1,175,502	355,135	379,376	1,910,013
Total 31/12/2024	891,898	346,666	405,545	1,644,108
Change	283,605	8,469	(26,169)	265,905

- Financial assets measured at fair value through other comprehensive income, held under the HTCS business model, came to €1.1 billion, a decrease of €79.0 million, attributable to debt securities (-€47.0 million) and equity securities (-€32.0 million) following the redemption by a number of mutual banks of AT1 bonds subscribed by the Parent Company;
- Equity investments decreased by €165.5 million, mainly reflecting the combined effect of: i) the merger of Banca Sviluppo with elimination of equity in the amount of €94.5 million; ii) return of capital exceeding capitalization requirements by BCC Leasing (-€70.0 million); iii) disposal of 100% of the interest held in BCC POS (-€2.0 million) as part of partnership agreements aimed at the overall reorganization of the e-money segment of the Group. In respect of shares pursuant to Art. 150-ter Silpa, note the repayment (authorized by the ECB) of shares in Banca Tema, Banca Centro and BCC Centropadana (totaling -€9.0 million), and the subscription of shares of the same kind issued by Banca di Pescaia e Cascina (+€10.0 million).

Liabilities

€/thousand	31/12/2025	31/12/2024	Change	% change
Financial liabilities measured at amortized cost – <i>Due to banks</i>	20,987,957	25,657,921	(4,669,963)	(18.2)
Financial liabilities measured at amortized cost – <i>Due to customers</i>	13,363,101	12,963,954	399,148	3.1
Financial liabilities measured at amortized cost – <i>Securities issued</i>	8,021,079	6,451,419	1,569,660	24.3
Financial liabilities held for trading	1,130,999	847,759	283,240	33.4
Financial liabilities designated as at fair value	461,029	385,075	75,954	19.7
Hedging derivatives	101,324	109,785	(8,461)	(7.7)
Other liabilities	503,718	460,163	43,556	9.5
Total interest-bearing liabilities	44,569,208	46,876,074	(2,306,866)	(4.9)
Other non-interest-bearing liabilities	146,309	167,558	(21,249)	(12.7)
Shareholders' equity	2,322,742	2,248,017	74,725	3.3
Profit for the period	184,371	78,749	105,622	134.1
Total liabilities	47,222,630	49,370,398	(2,147,768)	(4.4)

The decrease in liabilities compared with the end of 2024 is mainly attributable to the decrease of €2.3 billion in interest-bearing funding, which was the net effect of the following developments:

- a decrease in the amounts due to banks (-€4.7 billion) to about 21.0 billion, due to the lack of central banking financing at the reporting date (-€4.7 billion);
- an increase in amounts due to customers (+€0.4 billion), to €13.4 billion, essentially reflecting an increase in balances on current accounts and demand deposits;
- an increase in securities issued (+€1.6 billion) mainly due to new issues in the period (+€1.3 billion), connected to the covered bond program and to the first issue of a Green Bond Senior Preferred.

Amounts due to banks break down as follows:

- €18.6 billion in positions with the affiliated banks mainly in respect of demand and time deposits (€18.2 billion), of which €1.6 billion in mutual bank deposits to meet the reserve requirement, €4.2 billion in “tiered” deposits and €6.9 billion in amounts held on the daily settlement account;
- €2.4 billion in amounts due to other credit institutions, a decrease compared with the end of 2024 (-€4.2 billion), largely related to financing from the marginal lending facility with the ECB.

€/thousand	31/12/2025	31/12/2024	Change	% change
Mutual banks	18,561,933	19,068,145	(506,212)	(2.7)
Other credit institutions	2,426,024	6,589,776	(4,163,751)	(63.2)
Due to banks	20,987,957	25,657,921	(4,669,963)	(18.2)

Funding with customers amounted to €13.4 billion, a slight increase (+€0.4 billion) on December 31, 2024, mainly attributable to higher balances in current accounts and deposits (+€0.8 billion) and repurchase agreements with Central counterparties (+€0.2 billion), partly offset by the decrease in unsecured transactions with the Ministry for the Economy and Finance (-€0.6 billion).

€/thousand	31/12/2025	31/12/2024	Change	% change
Current accounts and deposits	1,809,829	1,006,972	802,858	79.7
Financing	11,200,669	11,654,596	(453,927)	(3.9)
Other payables	352,603	302,386	50,217	16.6
Due to customers	13,363,101	12,963,954	399,148	3.1

Equity

€/thousand	31/12/2025	31/12/2024	Change	% change
1. Capital	1,401,045	1,401,045	-	-
2. Share premium reserve	6,081	6,081	-	-
3. Reserves	860,134	784,115	76,020	9.7
4. Equity instruments	-	-	-	-
5. (Treasury shares)	-	-	-	-
6. Valuation reserves	55,481	56,776	(1,294)	(2.3)
Total	2,322,742	2,248,017	74,725	3.3

At December 31, 2025 the share capital of Iccrea Banca, represented by 27,125,759 ordinary shares with a par value of €51.65 each, was equal to €1.4 billion, unchanged from 2024. Shareholders' equity, excluding profit for the period, amounted to €2.3 billion, an increase of €74.7 million on December 31, 2024. The main changes reflect the allocation of 2024 profit (€78.7 million, of which €7.9 million to the legal reserve, €5.2 million to the own shares reserve and €65.7 million as retained earnings).

Income statement

€/thousand	31/12/2025	31/12/2024	Change	% change
Net interest income	207,728	196,552	11,175	5.7
Other gains/losses on financial transactions	29,167	12,286	16,881	137.4
Dividends	79,014	61,195	17,819	29.1
Net fee and commission income	80,887	73,177	7,710	10.5
Gross income	396,795	343,211	53,585	15.6
Personnel expenses	(237,046)	(256,736)	19,691	(7.7)
Other administrative expenses	(289,072)	(259,655)	(29,417)	11.3
Net adjustments of property, plant and equipment and intangible assets	(5,921)	(6,627)	707	(10.7)
Other operating expenses and income	265,091	250,865	14,226	5.7
Total operating expenses	(266,947)	(272,153)	5,206	(1.9)
Gross operating profit	129,848	71,057	58,791	82.7
Net provisions for risks and charges	(1,867)	(17,354)	15,486	(89.2)
Net losses/recoveries on impairment of loans and other financial transactions	(21,947)	(10,407)	(11,540)	110.9
Total provisions and adjustments	(23,814)	(27,760)	3,946	(14.2)
Profit/(loss) from equity investments	94,127	55,773	38,354	68.8
Profit/(loss) before tax	200,161	99,070	101,091	102.0
Income tax expense	(15,790)	(20,321)	4,531	(22.3)
Profit/(loss) after tax on discontinued operations	184,371	78,749	105,622	134.1

The year 2025 closed with a net profit of €184.4 million, compared with a net profit of €78.7 million in 2024. The main factors that contributed to the result for the period are described below:

- an increase – of €53.6 million – in gross income, to €396.8 million, reflecting:
 - an increase in net interest income (+€11.2 million), reflecting: i) a decrease in the cost of Repo funding (+€123.5 million), unsecured funding with the MEF (+€51.4 million) and balances on current accounts and other from other technical forms of funding (+€188.5 million). These factors were countered by ii) an increase in the cost of funding from bond issue in the period (-€32.3 million); iii) lower yields on securities – net of the effect associated with hedging derivatives (-€107.8 million, almost all of which are Italian government securities indexed to inflation); iv) lower interest on Repo transactions (-€77.8 million); v) medium/long-term loans (-€33.0 million); vi) lower margins on other technical forms of lending, including loans to mutual banks using pool collateral mechanisms and auctions (-€20.0 million); overnight deposits with the ECB (-€70.6 million) and other lending (-€10.8 million);
 - an increase in net commission income (+€7.7 million) mainly reflecting higher placement fees (+€2.1 million) and from collection and payment services (+€5.1 million);
 - an increase in other income/(loss) from financial operations (+€16.9 million) – to €29.2 million at the reporting date as detailed in the table below– reflecting the positive contribution from trading, mainly in

the derivatives segment (+€6.3 million); higher performance of the FVTPL mandatory portfolio (+€11.7 million) and the increase in gains from the disposal of securities held under the HTC and HTCS business models (+€5.0 million). Hedging generated a negative result (-€6.1 million);

€/thousand	31/12/2025	31/12/2024	Change	% change
Net gain (loss) on trading activities	28,147	21,861	6,286	28.8
Net gain (loss) on hedging activities	(3,783)	2,299	(6,083)	(264.5)
Net gain (loss) on the disposal or repurchase of:	20,008	15,054	4,954	32.9
a) financial assets measured at amortized cost	17,665	14,718	2,947	20.0
b) financial assets measured at fair value through other comprehensive income	2,534	695	1,839	264.6
c) financial liabilities	(190)	(358)	168	(47.0)
Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss	(15,205)	(26,929)	11,723	(43.5)
a) financial assets and liabilities measured at fair value	(1,437)	(5,546)	4,109	(74.1)
b) other financial assets mandatorily measured at fair value	(13,769)	(21,383)	7,614	(35.6)
Total "Other income/(loss) from financial operations"	29,167	12,286	16,881	137.4

- an increase in dividend income (+€17.8 million), to €79.0 million; of which €36.8 million from BCC Leasing, €25.8 million from BCC Risparmio & Previdenza, €3.5 million from BCC Sinergia and €10.6 million from the interest held in the Bank of Italy. In 2024, dividends from BCC Leasing came to €41.0 million, €6.3 million from Numia Group while the interest in held in the Bank of Italy is unchanged;
- the decrease of €5.2 million in operating expense, to €266.9 million reflecting:
 - the decrease in personnel expenses (-€19.7 million), mainly reflecting the recognition in 2024 of a provision of €25.7 million following the agreement on access to the extraordinary benefits of the Cooperative Banking Solidarity Fund for employees; on the other hand, the component related to wages and salaries increased following the renewal of the collective bargaining agreement;
 - an increase in other administrative expenses (+€29.4 million), mainly reflecting the increase in outsourcing and IT costs, in particular in the infrastructural component;
 - an increase in other operating expenses/income (+€14.2 million) mainly reflecting the repricing of a number of services;
- the decrease in net provisions for risks and charges (-€15.5 million) is attributable in the amount of €5.7 million to "other provisions for risks and charges" and in the amount of €9.8 million to commitments and guarantees issued subject to the impairment rules of IFRS 9 as detailed below;
- the increase in the cost of risk (see table below) with the recognition of writedowns on on-balance-sheet and off-balance-sheet exposures in the amount of €18.6 million, as net effect of writebacks on stage 1 and 2 exposures (€14.8 million) and writedowns on non-performing stage 3 exposures (€33.3 million);

€/thousand	31/12/2025	31/12/2024	Change	% change
A. On-balance sheet exposures				
Stage 1 and 2	11,640	3,023	8,617	285.1
Stage 3	(33,587)	(13,429)	(20,157)	150.1
B. Off-balance sheet exposures				
Stage 1 and 2	3,147	(5,377)	8,524	(158.5)
Stage 3	240	(1,047)	1,287	(122.9)
Total	(18,559)	(16,831)	(1,729)	10.3

- an increase in gains/loss on equity investments (+€38.4 million) to €94.1 million, reflecting the recognition of the gains on the disposal of 100% of the interest held in BCC POS (+€91.7 million) and the adjustment of the earn-out to Numia (+€2.4 million) as part of the partnership agreements aimed at the overall reorganization of the e-money segment of the Group. In 2024 the item included the gain from the disposal of 51% of BCC Vita (€18.5 million) and BCC Assicurazioni (€34.6 million) in the bancassurance segment.

2. REFERRALS TO OTHER PARTS OF THE FINANCIAL STATEMENTS

This separate Report on Operations only includes comments on developments in Parent Company operations. For all other information required under the provisions of law and regulations, reference should be made - in the context of the discussion of the specific issues – to the notes to these individual financial statements or to the consolidated financial statements and the related Report on Operations.

In particular, please see to the notes to these separate financial statements with regard to:

- information on the Bank's transactions with related parties, which are reported in Part H;
- information on financial and operational risks, which are discussed in Part E;
- information on capital, which is reported in Part F.

Readers should instead consult the Report on Operations in the consolidated financial statements with regard to:

- information on the main risks and uncertainties;
- events subsequent to the balance sheet date and the outlook for operations.

Finally, please consult the Report on Operations in the consolidated financial statements for more information on the main characteristics of the risk management and internal control systems with regard to the financial reporting process (Article 123-bis, paragraph 2, letter b) of the Consolidated Law on Financial Intermediation.

3. PROPOSED ALLOCATION OF PROFIT

With regard to the profit for the year, which amounts to €184,371,162, we propose the following allocation to the shareholders:

- €18,437,116 to the legal reserve (in accordance with the provisions of the articles of association);
- €125,787,923 to retained earnings;
- a maximum amount of €40,146,12 to dividends, equal to €1.48 for each of the 27,125,759 ordinary shares of the share capital. The dividend will be payable starting from May 18, 2026 to shareholders at May 11, 2026. Any treasury shares that the Bank may hold will not be entitled to dividends; the related amounts will be added to retained earnings.

SEPARATE FINANCIAL STATEMENTS

BALANCE SHEET

Assets	31/12/2025	31/12/2024
10. Cash and cash equivalents	968,102,164	3,406,816,117
20. Financial assets measured at fair value through profit or loss	1,910,012,606	1,644,108,018
a) financial assets held for trading	1,175,502,461	891,897,621
b) financial assets designated as at fair value	355,134,590	346,665,596
c) other financial assets mandatorily measured at fair value	379,375,555	405,544,800
30. Financial assets measured at fair value through other comprehensive income	1,141,925,373	1,220,886,601
40. Financial assets measured at amortized cost	41,143,107,011	40,914,460,961
a) due from banks	20,861,856,798	21,355,847,067
b) loans to customers	20,281,250,213	19,558,613,894
50. Hedging derivatives	115,207,544	93,877,912
60. Value adjustments of financial assets hedged generically (+/-)	-	(795,590)
70. Equity investments	1,163,433,722	1,326,954,327
80. Property, plant and equipment	92,446,360	90,247,881
90. Intangible assets	822,170	7,627
100. Tax assets	84,858,319	39,690,644
a) current	48,051,922	557,461
b) deferred	36,806,397	39,133,183
110. Non-current assets and disposal groups held for sale	-	2,000,000
120. Other assets	602,715,102	632,143,547
Total assets	47,222,630,371	49,370,398,046

Liabilities and shareholders' equity		31/12/2025	31/12/2024
10.	Financial liabilities measured at amortized cost	42,372,137,660	45,073,292,948
	a) due to banks	20,987,957,364	25,657,920,806
	b) due to customers	13,363,101,307	12,963,953,534
	c) securities issued	8,021,078,989	6,451,418,608
20.	Financial liabilities held for trading	1,130,999,294	847,758,907
30.	Financial liabilities designated as at fair value	461,028,842	385,074,577
40.	Hedging derivatives	101,323,684	109,784,659
60.	Tax liabilities	3,656,611	5,985,490
	a) current	-	1,258,411
	b) deferred	3,656,611	4,727,079
80.	Other liabilities	503,718,446	460,162,751
90.	Employee termination benefits	8,711,872	11,665,773
100.	Provisions for risks and charges:	133,940,309	149,906,498
	a) commitments and guarantees granted	29,337,998	32,581,668
	c) other provisions for risks and charges	104,602,311	117,324,830
110.	Valuation reserves	55,481,427	56,775,718
140.	Reserves	860,134,207	784,114,671
150.	Share premium reserve	6,081,405	6,081,405
160.	Share capital	1,401,045,452	1,401,045,452
180.	Net profit (loss) for the period (+/-)	184,371,162	78,749,197
Total liabilities and shareholders' equity		47,222,630,371	49,370,398,046

INCOME STATEMENT

	31/12/2025	31/12/2024
10. Interest and similar income	1,289,690,918	1,979,748,453
of which: interest income calculated using effective interest rate method	1,240,622,892	1,827,606,034
20. Interest and similar expense	(1,081,963,118)	(1,783,196,037)
30. Net interest income	207,727,800	196,552,416
40. Fee and commission income	698,580,102	664,970,349
50. Fee and commission expense	(617,693,123)	(591,793,407)
60. Net fee and commission income (expense)	80,886,979	73,176,942
70. Dividends and similar income	79,013,777	61,195,143
80. Net gain (loss) on trading activities	28,146,876	21,860,771
90. Net gain (loss) on hedging activities	(3,783,267)	2,299,475
100. Net gain (loss) on the disposal or repurchase of:	20,008,448	15,054,404
a) financial assets measured at amortized cost	17,664,559	14,717,836
b) financial assets measured at fair value through other comprehensive income	2,533,781	694,910
c) financial liabilities	(189,893)	(358,342)
110. Net gain (loss) on financial assets and liabilities measured at fair value through profit or loss	(15,205,427)	(26,928,637)
a) financial assets and liabilities designated as at fair value	(1,436,854)	(5,545,995)
b) other financial assets mandatorily measured at fair value	(13,768,573)	(21,382,642)
120. Gross income	396,795,185	343,210,513
130. Net losses/recoveries for credit risk in respect of:	(21,946,787)	(10,406,583)
a) financial assets measured at amortized cost	(23,062,009)	(10,408,446)
b) financial assets measured at fair value through other comprehensive income	1,115,222	1,862
150. Net income (loss) from financial operations	374,848,398	332,803,930
160. Administrative expenses:	(526,117,725)	(516,390,955)
a) personnel expenses	(237,045,546)	(256,736,172)
b) other administrative expenses	(289,072,179)	(259,654,783)
170. Net provisions for risks and charges	(1,867,444)	(17,353,563)
a) commitments and guarantees granted	3,387,375	(6,424,146)
b) net provisions for other risks and charges	(5,254,819)	(10,929,417)
180. Net adjustments of property plant and equipment	(5,899,676)	(6,387,538)
190. Net adjustments of intangible assets	(20,850)	(239,558)
200. Other operating expenses/income	265,091,189	250,864,763
210. Operating expenses	(268,814,507)	(289,506,851)
220. Profit (loss) from equity investments	94,127,000	55,772,689
260. Profit (loss) before tax on continuing operations	200,160,891	99,069,767
270. Income tax expense from continuing operations	(15,789,729)	(20,320,570)
280. Profit (loss) on continuing operations after tax	184,371,162	78,749,197
300. Profit (loss) for the period	184,371,162	78,749,197

STATEMENT OF COMPREHENSIVE INCOME

	31/12/2025	31/12/2024
10. Net profit (loss) for the period	184,371,162	78,749,197
Other comprehensive income net of taxes not recyclable to profit or loss	650,557	(10,556,240)
20. Equity securities designated as at fair value through other comprehensive income	654,165	(10,579,177)
30. Financial liabilities designated as at fair value through profit or loss (changes in own credit risk)	(143,242)	-
70. Defined benefit plans	139,635	22,938
Other comprehensive income net of taxes recyclable to profit or loss	(2,222,512)	15,867,480
120. Cash flow hedges	(5,989,210)	10,641,343
140. Financial assets (other than equity securities) measured at fair value through other comprehensive income	3,766,698	5,226,137
170. Total other comprehensive income net of taxes	(1,571,955)	5,311,241
180. Comprehensive income (item 10+170)	182,799,207	84,060,438

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT DECEMBER 31, 2025

	As at 31/12/2024	Change in opening balance	As at 1/1/2025	Allocation of net profit of previous year		Change in the period										Shareholders' equity at 31/12/2025
				Reserves	Dividends and other destinations	Change in reserves	Equity transactions						Comprehensive income at 31/12/2025			
							Issue of new shares	Purchase of treasury shares	Interim dividends	Extraordinary dividends	Change in equity	Derivatives on own shares		Stock options		
Share capital:																
a) ordinary shares	1,401,045,452	X	1,401,045,452	-	X	X	-	-	X	X	X	X	X	X	X 1,401,045,452	
b) other shares	-	X	-	-	X	X	-	-	X	X	X	X	X	X	X -	
Share premium reserve	6,081,405	X	6,081,405	-	X	-	-	X	X	X	X	X	X	X	X 6,081,405	
Reserves:																
a) earnings	784,114,671	-	784,114,671	78,749,197	X	(2,729,662)	-	-	X	-	X	X	X	X	X 860,134,207	
b) other	-	-	-	-	X	-	-	X	X	-	X	-	-	X	-	
Valuation reserves	56,775,718	-	56,775,718	-	X	277,664	X	X	X	X	X	X	X	(1,571,955)	55,481,427	
Equity instruments	-	X	-	X	X	X	X	X	X	X	-	X	X	X	-	
Treasury shares	-	X	-	X	X	X	-	-	X	X	X	X	X	X	-	
Net profit (loss) for the period	78,749,197	-	78,749,197	(78,749,197)	-	X	X	X	X	X	X	X	X	184,371,162	184,371,162	
Total shareholders' equity	2,326,766,444	-	2,326,766,444	-	-	(2,451,998)	-	-	-	-	-	-	-	182,799,207	2,507,113,653	

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY AT DECEMBER 31, 2024

	As at 31/12/2023	Change in opening balance	As at 1/1/2024	Allocation of net profit of previous year		Change in the period										Shareholders' equity at 31/12/2024
				Reserves	Dividends and other destinations	Change in reserves	Equity transactions							Comprehensive income at 31/12/2024		
							Issue of new shares	Purchase of treasury shares	Interim dividends	Extraordinary dividends	Change in equity instruments	Derivatives on own shares	Stock options			
Share capital:																
a) ordinary shares	1,401,045,452	X	1,401,045,452	-	X	X	-	-	X	X	X	X	X	X	X	1,401,045,452
b) other shares	-	X	-	-	X	X	-	-	X	X	X	X	X	X	X	-
Share premium reserve	6,081,405	X	6,081,405	-	X	-	-	X	X	X	X	X	X	X	X	6,081,405
Reserves:																
a) earnings	682,588,314	-	682,588,314	87,919,619	X	13,606,738	-	-	X	-	X	X	X	X	X	784,114,671
b) other	-	-	-	-	X	-	-	X	X	-	X	-	-	X	-	-
Valuation reserves	51,464,477	-	51,464,477	-	X	-	X	X	X	X	X	X	X	5,311,241	56,775,718	
Equity instruments	-	X	-	X	X	X	X	X	X	X	-	X	X	X	-	
Treasury shares	-	X	-	X	X	X	-	-	X	X	X	X	X	X	-	
Net profit (loss) for the period	87,919,619	-	87,919,619	(87,919,619)	-	X	X	X	X	X	X	X	X	78,749,197	78,749,197	
Total shareholders' equity	2,229,099,267	- 2,229,099,267	-	- 13,606,738	-	-	-	-	-	-	-	-	-	84,060,438	2,326,766,444	

STATEMENT OF CASH FLOWS: INDIRECT METHOD

	31/12/2025	31/12/2024
A. OPERATING ACTIVITIES		
1. Operations	(233,581,804)	295,918,506
- net profit (loss) for the period (+/-)	184,371,162	78,749,197
- gains (losses) on financial assets held for trading and on financial assets/liabilities at fair value through profit or loss (-/+)	14,850,339	37,968,903
- gains (losses) on hedging activities (-/+)	3,783,267	(2,299,476)
- net losses/recoveries on impairment (+/-)	21,946,788	10,406,584
- net adjustments of property plant and equipment and intangible assets (+/-)	5,920,526	6,627,096
- net provisions for risks and charges and other costs/revenues (+/-)	7,721,723	(11,807,185)
- taxes, duties and tax credits to be settled (+/-)	15,837,060	23,654,084
- other adjustments (+/-)	(488,012,669)	152,619,303
2. Net cash flows from/used in financial assets	(174,030,287)	8,038,348,820
- financial assets held for trading	(279,004,040)	261,805,046
- financial assets designated as at fair value	(5,290,413)	(7,029,169)
- other assets mandatorily measured at fair value	8,225,546	48,404,845
- financial assets measured at fair through other comprehensive income	84,502,850	602,271
- financial assets measured at amortized cost	(436,260,418)	7,671,896,297
- other assets	453,796,190	62,669,530
3. Net cash flows from/used in financial liabilities	(2,257,952,057)	(9,778,419,412)
- financial liabilities measured at amortized cost	(2,675,278,947)	(9,649,678,486)
- financial liabilities held for trading	283,427,581	(200,584,111)
- financial liabilities designated as at fair value	71,639,582	(10,772,861)
- other liabilities	62,259,727	82,616,046
Net cash flows from/used in operating activities (A)	(2,665,564,148)	(1,444,152,087)
B. INVESTING ACTIVITIES		
1. Cash flows from	242,440,669	229,726,637
- sale of equity investments	175,520,600	182,012,194
- dividends on equity investments	66,920,069	47,707,738
- sales of property, plant and equipment	-	6,705
2. Cash flows used in	(15,590,475)	(138,072,262)
- purchases of equity investments	(9,999,994)	(136,821,730)
- purchases of property plant and equipment	(4,755,087)	(1,250,533)
- purchases of intangible assets	(835,394)	-
Net cash flows from/used in investing activities (B)	226,850,194	91,654,374
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (D)=A+/-B+/-C	(2,438,713,954)	(1,352,497,712)

Key:

(+) generated

(-) used

RECONCILIATION

	31/12/2025	31/12/2024
Cash and cash equivalents at beginning of period	3,406,816,117	4,759,313,829
Net increase/decrease in cash and cash equivalents	(2,438,713,954)	(1,352,497,712)
Cash and cash equivalents at the end of the period	968,102,164	3,406,816,117

NOTES TO THE FINANCIAL STATEMENTS

PART A - ACCOUNTING POLICIES

A.1 – GENERAL INFORMATION

SECTION 1 – DECLARATION OF CONFORMITY WITH INTERNATIONAL ACCOUNTING STANDARDS

In compliance with the provisions of Legislative Decree 38 of February 28, 2005, the financial statements have been prepared in condensed form and in accordance with the recognition and measurement criteria of the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB), and the related interpretations of the International Financial Reporting Interpretations Committee (IFRS - IC), endorsed by the European Commission and in force as of the reporting date.

The IASs/IFRSs have also been applied in accordance with the “Conceptual Framework for Financial Reporting” (the Framework), with particular regard to the key principle of the prevalence of substance over form, as well as the concepts of relevance and materiality of information.

These financial statements have been prepared using the format and main schedules provided for in Circular no. 262 of December 22, 2005 – 8th update of November 17, 2022 – issued by the Bank of Italy in the exercise of the powers established by Article 43 of Legislative Decree 136/2015, as well as with the Communication of the Bank of Italy of March 14, 2023 - Supplement to the provisions of Circular no. 262 “Bank financial statements: formats and rules of preparation” concerning the impact of COVID-19 and the measures to support the economy.

The IASs/IFRSs applied in preparing the financial statements were those endorsed and in force at December 31, 2025.

The following table sets out the new international accounting standards and amendments to existing accounting standards, with the related endorsement regulations of the European Commission, that took effect that took effect, either on a mandatory basis or with the option of early adoption, as from January 1, 2025.

ENDORSEMENT REGULATION	IAS/IFRS AND SHORT DESCRIPTION	ENTRY INTO FORCE
2862/2024	Amendments to IAS 21 Effects of changes in exchange rates The amendments to IAS 21 require the provision of disclosures that enable users of financial statements to understand the impact of a non-exchangeable currency.	Annual reporting periods beginning on or after January 1, 2025.

The amendments and additions provided for in the endorsed regulation did not have a material impact on the financial position or performance of the Bank.

The following table reports new international accounting standards and amendments to existing standards issued by the IASB that have not yet entered force:

ENDORSEMENT REGULATION	IAS/IFRS AND SHORT DESCRIPTION	ENTRY INTO FORCE
1047/2025	Amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments The amendments primarily regard: - the derecognition of a financial liability settled through electronic transfer; - the classification of financial assets, with specific regard to those with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to adopt in the assessment of the SPPI test; - the disclosure requirements for investments in equity instruments designated as at FVOCI.	Annual reporting periods beginning on or after January 1, 2026.
1266/2025	Amendments to IFRS 9 and IFRS 7 Contracts referencing nature-dependent electricity The amendments include: - a clarification on the application of the “own use exception” to this type of contracts; - the criteria permitting hedge accounting if these contracts are used as hedging instruments; and, - new disclosure requirements to help users understand the effects of such contracts on the entity's cash flows and financial performance.	Annual reporting periods beginning on or after January 1, 2026.
1331/2025	Annual improvements to IFRS – Volume 11 The document includes clarifications, simplifications, corrections and changes aimed at	Annual reporting periods beginning

	improving the consistency of several IFRS Accounting Standards. The amended principles are: • IFRS 1 First-time Adoption of International Financial Reporting Standards; • IFRS 7 Financial Instruments: Disclosures and related guidance on the implementation of IFRS 7; • IFRS 9 Financial Instruments; • IFRS 10 Consolidated Financial Statements; • IAS 7 Statement of Cash Flows.	on January 1, 2026. Early application is permitted.
338/2026	IFRS 18 Presentation and Disclosure in Financial Statements IFRS 18 replaces IAS 1 Presentation of Financial Statements. IFRS 18 sets out specific principles for aggregating and disaggregating financial statement information and which of these must be provided in the schedules or in the notes. In particular: • it requires assets, liabilities, equity, income, expenses or cash flows to be classified into items based on shared characteristics and, otherwise, to disaggregate financial statement items if the disclosure resulting from the disaggregation is material; • it allows an item to be labeled as “other” only if a more informative label is not available. In the case of the aggregation of several material items, the entity shall use a label that describes the aggregated item as precisely as possible, for example, ‘other operating expenses’ or ‘other finance expenses’; • it requires the presentation of “additional line items” and “additional subtotals” (for example, after operating profit) when such items are necessary to provide a “useful structured summary” in the income statement”.	Annual reporting periods beginning on or after January 1, 2027
To be determined	IFRS 19 Subsidiaries without Public Accountability: Disclosures IFRS 19 permits entities that do not have public accountability and are subsidiaries of a parent company producing financial statements complying with the IFRS to apply IFRS with reduced disclosure requirements.	Annual reporting periods beginning on or after January 1, 2027
To be determined	Amendments to IAS 21 Effects of changes in exchange rates - Translation to a Hyperinflationary Presentation Currency The amendments define translation procedures in the event that the presentation currency is the currency of an hyperinflationary economy. The amendments may result in updates to IFRS 19 and IAS 29.	Annual reporting periods beginning on or after January 1, 2027

With regard to IFRS 18, the Bank is assessing the disclosure implications of the introduction of the new standard on its financial statements, also following the analysis of the new instructions for preparing bank financial statements that will be published by the Bank of Italy as an update of Circular 262/2005.

At December 31, 2025, the possible impact on the financial position and performance of the Bank of rules issued by the IASB that have not yet entered force is being assessed.

SECTION 2: GENERAL PREPARATION PRINCIPLES

The financial statements consist of the balance sheet, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows, the notes to the financial statements and associated comparative information, along with the Report on Operations and the performance and financial position of the Bank.

The accounts presented in the financial statements correspond to those in the company accounts.

In compliance with Article 5 of Legislative Decree 38/2005, the financial statements use the euro as the reporting currency. More specifically, the schedules for the balance sheet and income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows are drawn up in euros, while the explanatory notes, unless otherwise indicated, are drawn up in thousands of euros. For comparative purposes, the financial statements and, where required, the tables in the explanatory notes also report data for the previous period.

The financial statements have been prepared in accordance with the general principles set out in IAS 1 "Presentation of Financial Statements" and the accounting standards endorsed by the European Commission and described in Part A.2 of these explanatory notes, as well as the general assumptions set out in the Conceptual Framework for Financial Reporting issued by the IASB. No exceptions have been made in applying the IASs/IFRSs.

The financial statements also comply with the following general principles of preparation:

- accrual basis accounting;
- understandability of information;
- materiality of information (relevance);
- reliability of information (faithful representation; prevalence of economic substance over legal form; neutrality of information; completeness of information; prudence in estimation to avoid overestimating revenues/assets or underestimating costs/liabilities);
- comparability over time.

These interim financial statements have been prepared in accordance with the format and rules for the preparation of bank financial statements set out in Circular no. 262 of December 22, 2005 – 8th update - issued by the Bank of Italy in the exercise of the powers established by Article 43 of Legislative Decree 136/2015, as well as with the Communication of the Bank of Italy of March 14, 2023.¹³³

The preparation of the financial statements also considered the documents issued by the European Securities and Markets Authority (ESMA), to the extent applicable.

In particular, in October 2025, ESMA published the document "European common enforcement priorities for 2025 corporate reporting", noting some points of concern mainly relating to the ongoing wars in Ukraine and the Middle East and the consequently increasing trade tensions which have led to persistent volatility in energy and raw material prices, as well as complex changes in global trade patterns. ESMA therefore calls for providing specific information on the effects of geopolitical uncertainties, updating sensitivity analyses on asset and liability values where deemed necessary, judiciously assessing whether additional disclosures are necessary to enable users to understand the effect of geopolitical risks and uncertainties on financial position, cash flows, and financial performance, ensuring consistency between assumptions and information throughout the financial statements. Moreover, ESMA highlights the requirement to disclose any significant changes in financial risks (e.g. credit, liquidity, currency and other price risks) and impacts on the valuation of financial instruments in the scope of IFRS9 (counterparty risk); as specifically regards changes in interest rates and the impact on (re)financing, it highlights the requirement to provide the cross-reference to the sensitivity analysis provided in the notes to the financial statements, showing how profits or losses and equity would be affected by reasonably possible developments in interest rates.

In a previous version of the document published in October 2024, ESMA had confirmed the relevance of the supervisory priorities regarding climate issues, published from 2021, for the annual financial statements and underlined the importance of consistency and connection between the information relating to climate risks and opportunities provided in the financial statements and the information included in sustainability reporting.

As discussed in the relevant section of the consolidated Report on Operations, the risks and uncertainties

¹³³ See the update of the amendments to Circular no. 262 - Bank financial statements: formats and rules of preparation concerning the impact of COVID-19 and the measures to support the economy.

associated with the geopolitical and macroeconomic context, as well as climate-related issues, are the subject of in-depth analysis to assess their "direct" and "indirect" impacts on the Bank's economic activity, financial situation and performance, based on the evidence currently available and the scenarios currently conceivable. The related findings were also considered in order to assess the existence of the going-concern assumption in the preparation of the financial statements and reflected in significant accounting estimates, with particular reference to the quantification of impairment losses on receivables.

Management is not aware of any significant uncertainties, events or conditions that could engender serious concerns about the Bank's ability to continue operating as a going concern in the foreseeable future, also taking account of the cross-guarantee scheme on which the Iccrea Cooperative Banking Group is based, a more detailed discussion of which is provided in the consolidated Report on Operations. The uncertainties surrounding the current economic environment, even if they have generated/are likely to generate impacts on the financial statements, do not undermine the going-concern assumption. In light of this information and these assessments the Bank has a reasonable expectation of continuing to operate as a going concern in the foreseeable future and has therefore prepared the financial statements at December 31, 2025 on basis of the going-concern assumption.

Content of the financial statements and the explanatory notes

Balance sheet and income statement

The balance sheet and the income statement contain items, sub-items and further information (the "of which" for items and sub-items). Items without values for the reference period and the previous period are not included. In the income statement, revenues are shown without indicating their sign, while cost figures are shown within parentheses.

Statement of comprehensive income

The items concerning other comprehensive income after taxes in the statement of comprehensive income report changes in the value of assets recognized in the valuation reserves. Items without balances for the period and for the previous period are not reported. Negative amounts are presented within parentheses.

Statement of changes in equity

The statement of changes in equity shows the composition and movements of equity accounts during the reference period and the previous period, broken down by share capital (ordinary and savings shares), earnings reserves, capital reserves and valuation reserves for assets or liabilities, equity instruments and the net profit (loss) for the period. The value of any treasury shares is deducted from shareholders' equity.

Statement of cash flows

The statements of cash flows for the present period and the previous period were prepared using the indirect method, under which cash flows from operating activities are represented by the profit (loss) for the period, adjusted for the impact of non-monetary transactions. Cash flows are broken down into cash flows from/used in operating activities, investing activities and financing activities. Cash flows generated during the period are shown without a sign, while those used are shown within parentheses.

Content of the notes to the financial statements

The explanatory notes to the financial statements include the information required by international accounting standards, using the tables provided for in Bank of Italy Circular no. 262/2005, 8th update of November 17, 2022, as well as the Communication of the Bank of Italy of March 14, 2023.

SECTION 3 –EVENTS SUBSEQUENT TO THE REPORTING DATE

In the period between the reporting date and the approval of these financial statements by the Board of Directors on March 26, 2026, without prejudice to the provisions set out below, no events occurred that would lead to a change in the financial statement data approved at that time.

SECTION 4 – OTHER MATTERS

Consolidated tax mechanism option

Iccrea Banca SpA and the Group subsidiaries belonging to the so-called “direct scope” have adopted the “consolidated tax mechanism”, governed by Articles 117-129 of the Uniform Income Tax Code (“TUIR”), introduced with Legislative Decree 344/2003. It is an optional tax regime which consists in the determination, by the controlling company, of a single taxable base for the entire group of companies, in an amount equal to the algebraic sum of the taxable amounts transferred by each participating company.

The tax consolidation option is valid for three years, is irrevocable and can be renewed without time limits in the consolidating company's tax return presented in the tax period from which the option is intended to start.

With respect to the tax authority, the payment obligations for balance and advance payments for IRES purposes fall exclusively on the consolidating company.

Risks and uncertainties associated with the use of estimates

In conformity with the IAS/IFRS, management is required to formulate accounting estimates that can impact the values of the assets, liabilities, costs and revenues recognized in the separate financial statements. The formulation of these estimates is based on prior experience, available information, the adoption of assumptions and subjective judgements. Estimation processes were used to support the carrying amount of some of the largest items recognized in the financial statements, such as:

- the verification of compliance with the requirements for classifying financial assets in the accounting portfolios that adopt the amortized cost criterion (SPPI test), with particular regard to the performance of the benchmark test;
- the quantification of impairment losses on loans and, more generally, other financial assets;
- the assessment of the appropriateness of the value of equity investments and other non-financial assets (es: goodwill);
- the use of valuation techniques in the recognition of the fair value of financial assets not listed on active markets;
- the use of valuation techniques in the recognition of the fair value of tax credits under the “Cure Italy” and “Save Italy” Decrees;
- the estimation and assumptions concerning the recoverability of deferred tax assets;
- the determination of discount rates for lease liabilities;
- the quantification of provisions for personnel and provisions for legal and tax risks and charges;
- the materiality assessment and measurement of ESG risks.

In determining the recoverability of the carrying amount of the most significant items in the financial statements mentioned above, the Bank referred to the forecasts contained in the 2026-2028 strategic corporate plan, drawn up consistently with the guidelines established by the Parent Company as well as with the strategic ambitions set out in the 2026-2028 Group strategic corporate plan.

The description of the accounting policies applied to the main financial statement aggregates provides the information necessary to identify the main assumptions and subjective assessments used in the preparation of the financial statements.

In particular:

- for allocation to the three stages of credit risk provided for under IFRS 9 of loans and debt securities classified under financial assets measured at amortized cost and financial assets measured at fair value through other

comprehensive income and the associated calculation of expected losses, the main estimates regard the determination of the parameters representing a significant increase in credit risk, the inclusion of forward-looking factors in determining PD, EAD and LGD and the determination of future cash flows from impaired loans and the determination of the overlay component applied to the ECL calculation;

- for the quantification of provisions for risks and charges, the estimation, based on information available, of the amount of outlays necessary to discharge liabilities, taking account of the effective probability of having to employ resources to do so, and the expected disbursement times.

For further information concerning the composition and associated carrying amounts of the items affected by these estimates, please see the specific sections in the notes to the financial statements.

By their nature, estimates may vary from year to year and it cannot be ruled out that in subsequent years the current values recorded in the financial statements may differ significantly as a result of changes in the circumstances on which they were based, the availability of new information or the acquisition of greater experience.

In particular, given the uncertainties of the global macroeconomic scenario, primarily attributable to:

- the high level of uncertainty arising from numerous conflicts, from the closest in Gaza and Ukraine to the more distant ones in Pakistan or Taiwan, with consequent potential risks of supply chain disruptions and pressure on energy and raw material prices, as well as risks to the stability of financial markets, with spillovers into sovereign markets, which are particularly sensitive to geopolitical risks;
- the uncertainties arising from US trade policy, with ongoing threats of further tariffs and the potential repercussions in terms of inflation;
- the US-Iran conflict;

It is not possible to rule out the need to revise the financial statement estimates during 2026, in light of new information that may become available from time to time.

More detailed information on the main issues and variables in the market is contained in the Report on Operations.

The following summarizes management's operational choices concerning the primary circumstances in which subjective judgment is required.

Calculating the ECL for performing credit exposures

At the closure of the financial statements at December 31, 2025, the calculation of the IFRS 9 ECL of the Banks's performing credit exposures included implementation of the following:

- the updates of the LGD model, through the quantification and application of specific Margins of Conservatism (MoC), following the recommendations formulated by the Supervisory authority in the OSI-IFRS9 context and the results of the backtesting activity by the Validation unit;
- interventions on the Group's lending processes and procedures aimed at:
 - ensuring the availability of the same customer financial information and related reclassification within the Group, thus ensuring the homogeneity of creditworthiness assessments and
 - ensuring that the watchlist classification for common customers is aligned within the Group;
- the updates of the overlay component applied to the calculation of ECL, in order to add an additional degree of prudence in the light of the uncertainty of the macroeconomic environment as well as to the integration of C&E expectations on credit risk as provided for in the 2025 planning.

In conjunction with the above-mentioned interventions, and in line with the provisions of IFRS 9, adjustments have been implemented regarding the ordinary process of updating the PD Point in Time (PiT) parameter with the latest available risk data.

Starting from the close of December 2022, the Group has also planned the introduction of post-model adjustments (overlays) in order to incorporate even greater prudence for specific sub-portfolios that could prove riskier by the occurrence of unexpected events deviating from the likely macroeconomic environment. In line with the ongoing update and evaluation of the overlay measures in place, the scope of application was reviewed with reference to both the results of backtesting carried out by the Validation unit and the most recent developments in the macroeconomic context.

In light of the results of the above analyses, the following decisions were made:

- the complete removal of the “private individual with variable rate mortgages without cap” cluster. This cluster was already the object of intervention in the December 2024 financial statements, with the exception of positions with higher ratings. The macroeconomic environment resolved with the easing of interest rates and backtesting analyses highlighted an overestimation of PD relative to default rates, both overall and for each rating class;
- the “construction and real estate” cluster was confirmed; despite the slow recovery, the sector is still below the expansion threshold and the risk arising from the context of uncertainty may not have yet fully manifested itself. That said, backtesting analyses currently still highlight an overall overestimation of PD compared with default rates;
- in respect of the “Automotive” cluster, the recovery in car demand (-20% compared to pre-COVID) is expected to remain weak in the future, given the persistent high level of economic and financial uncertainty. However, backtesting analysis also revealed no underestimation issues. Therefore, the cluster is confirmed;
- the “Tariffs” cluster was introduced from June 2025. Although no specific backtesting analysis has been carried out due to its recent introduction, the macroeconomic analysis highlights that the “Tariffs”, together with the appreciation of euro against the dollar (which is also a consequence of tariffs), undermine the price competitiveness of European goods in the USA, causing a negative impact on exports and manufacturing.

A last measure relates to the climate overlay. Since December 2024, the climate component was assessed through parameter adjustments (in-model adjustments) using the models estimated to address the Supervisory Authority’s expectations in the C&E area. In particular, in addition to model already in place, that is:

- acute physical risk, in respect of the LGD component of mortgages and
- the transition risk (climate-related/environmental) with impacts on both the PD (business segment) and LGD (mortgage loans on all segments).

From December 31, 2025, the model for acute physical risk includes the parameter PD (business segment).

Finally, as part of the conditioning of IFRS 9 risk parameters, the standard update of macroeconomic scenarios was applied based on the most recent available data (September 2025).

Exposures in senior securities from securitizations under the GACS mechanism

As regard the determination of impairment pursuant to IFRS 9, from the closure of the 2024 financial statements, the Group framework has provided for new methods for staging the notes arising from GACS assignment transactions and the consequent determination of impairment. Based on evidence of a trigger event in respect of the Cumulative Collection Ratio indicator (ratio between actual and estimated cumulative net collections in the original business plan), during 2025 the senior notes of GACS I (BCC NPL 2018 Srl) and the senior note of GACS II (BCC NPL 2018-2 Srl) were classified in stage 3 and the senior note of GACS III (“BCC NPLs 2019”) was classified in stage 2, with application of the lifetime valuation metric for the determination of impairment. The senior notes of the remaining securitizations with GACS are classified in stage 1 and subject to “1-year” valuation metrics.

Impairment testing of equity investments

In compliance with IAS 36, at each reporting date, the Bank verifies that there is no objective evidence that the carrying amounts of equity investments and goodwill is not recoverable on the basis of the common guidelines, criteria and methodological models developed by the Group.

This assessment showed no need for impairment testing.

Main tax measures of the 2026 Stability law (Law 199 of December 30, 2025)

The 2026 Stability law, in force since January 1, 2026, has introduced important changes in the determination of business income, partly with effects on the financial statements closed at December 31, 2025. The main impacted areas considered relevant in this context are recalled below.

[Article 1, paragraphs 56-58: deductibility of writedowns for expected losses on loans to customers](#)

The article provides that from the 2026 tax period up to and including the 2029 tax period, in derogation from the provisions of art. 106, para 3, of Presidential Decree 917/1986 for IRES purposes and art. 6, para 1, letter c-bis, of Legislative Decree 446/1997 for IRAP purposes, writedowns of stage 1 and 2 credit losses according to the recognition model of the loss allowance under the "ECL model" pursuant to IFRS 9, which was fully deductible until the 2025 tax period, will be deductible in equal installments over 5 years: the first in the year in which the writedowns are recognized and the remaining 4 in the four subsequent years.

Paragraph 57 specifies that the rules on the conversion into tax credits for tax losses and statutory losses (Article 2, paragraphs 55, 56-bis, 56-bis,1 and 56-ter of Legislative Decree no. 225/2010) do not apply to DTAs recognized as a result of the postponement of the deductibility of the aforementioned writedowns. Consequently, the DTAs relating to the postponed instalments do not "qualify" and will have to pass a "probability test" in order to be recognized as assets in the balance sheet. Furthermore, these DTAs cannot be included in the taxable base of the DTA fee that financial intermediaries must pay annually to use this regime for converting DTAs into tax credits (Article 11, paragraph 2, Legislative Decree no. 59/2016).

The amount of writedowns to which this provision applies is assumed net of writebacks (always pertaining to stages 1 and 2).

As regards the calculation of the IRES advance payment for the 2026 tax period, this will be based on the tax amount that would have been determined in 2025 applying the new instalment deduction rule.

The provision produces an anticipated financial effect for the Treasury, as the 2026 advance payments will be higher than those calculated on the basis of the previous full deduction regime, but it does not determine economic impacts on the 2025 financial statements.

[Article 1, paragraphs 76 to 81: suspension of the deduction of negative components related to DTAs](#)

In article 1, paragraphs 76 to 81, the Stability law provides for the suspension of the deduction of a portion of the negative components related to the DTAs with a direct impact on the accounting frameworks of:

- writedowns and losses on receivables not deducted until the year ending on December 31, 2015. For the year ending on December 31, 2027 only, a portion of 3.8% shall be deferred and deducted in two equal instalments in 2028 and 2029;
- goodwill and other intangible assets not yet deducted at December 31, 2017. Of the portion deductible in 2027, 12.36% shall be deferred and deducted in two equal instalments in 2028 and 2029;
- the reversal of writedowns on receivables from first-time adoption of IFRS 9. Again, a 2027 portion equal to 9.50% shall be deferred and deducted in two equal instalments to 2028 and 2029.

These changes do not have a financial impact on the 2025 financial statements.

The 2026 Budget law also impacts the deduction of losses carried forward pursuant to Article 84 of the Consolidated Income Tax Code (TUIR) and of the "ACE surplus" pursuant to Article 5 of Legislative Decree 216/2023. Previously with paragraph 18 of Article 1 of Law 207/2024, the legislator had already limited deductibility for the 2025 tax period to 54% of the higher taxable income determined on the basis of Article 1, paragraphs 14 -17 of Law 207/2024. With these provisions, the deduction of tax losses and residual ACE for the 2026 tax period is limited to 35% of the higher taxable income determined from the postponement of the deductions referred to in Article 1 paragraphs 14 -17 of Law 207/2024, while for the tax period in progress on December 31, 2026, the deduction of tax losses and residual ACE can be limited to 42% of the higher taxable income resulting from the postponement of the deductions referred to in the provision in question on the determination of the advance payments due for the 2026, 2027 and 2028 tax periods.

These changes will have a financial impact on the 2026, 2027 and 2028 financial statements.

[Article 1, paragraphs 133 to 136: limits on the deductibility of interest expenses](#)

Article 1, paragraphs 133-136, of the Stability law introduces limits on the deductibility of interest expenses starting January 1, 2026, for banks and financial intermediaries (excluding asset management companies and investment firms). More specifically, the law provides for a temporary exemption from the deductibility of interest expenses for the tax periods 2026, 2027, 2028 and 2029, periods in which interest expenses will be deductible for both IRES and

IRAP purposes to a limited extent with different rates, instead of the current 100% deduction.

The expected rates are:

- 96% for the 2026 tax period;
- 97% for the 2027 tax period;
- 98% for the 2028 tax period;
- 99% for the 2029 tax period.

Interest expenses will be fully deductible again starting from the 2030 tax period.

By express reference to Article 96, paragraph 13 (2) of the TUIR, the mechanism of full deductibility of intercompany interest expense applies within the scope of the consolidated tax mechanism up to the amount of expense paid outside the Group. The provision requires recalculating advance payments for the tax periods 2027 to 2030, assuming that the tax for the previous period is the tax which would have been determined if the lower deductibility of interest expense had not been applied.

Article 1, paragraphs 74 and 75: increase in the IRAP rate

For the 2026, 2027, and 2028 tax periods only, the 2026 Stability law, Article 1, paragraphs 74 and 75, increased the IRAP rate for banks and other financial intermediaries (with the exception of asset management companies, investment firms, SICAVs, and holding companies) by two percentage points. This measure has a positive impact on the 2025 financial statements, following the adjustment to the new rate of DTAs pursuant to Law 214, and on IFRS 9 writedowns.

Determination of DTAs and DTLs and Probability test

In light of the changes introduced by the 2026 Budget Law, in preparing the financial statements at December 31, 2025, the existing stock of IRAP deferred tax assets and liabilities had to be adjusted by two percentage points for all amounts to be reversed in the three-year period 2026 - 2028.

More specifically, a 27.5% rate (including the 3.5% IRES surcharge) was applied in determining deferred tax assets for IRES purposes. For IRAP, the rate was 5.57%, increased by 2 percentage points for items whose reversal is certain and will occur between 2026 and 2028. The adjustment of the DTA stock at December 31, 2025 concerns the portions of the writebacks of assets pursuant to Law 214, of expected losses arising at FTA of IFRS 9 and goodwill pursuant to Law 214 which will be reversed in the years 2026, 2027 and 2028.

In accordance with IAS 12, the initial recognition of DTAs and their subsequent recognition in the financial statements require a probability assessment regarding the recoverability of the recognized values (so-called probability test).

The probability test carried out to verify the conditions for maintaining both new and previous-years deferred tax assets in the 2025 financial statements, applied the same criteria and methods throughout the Group, estimating the taxable amount or tax loss (IRES/IRAP) over a reasonable horizon and verifying that this would be sufficient to ensure recovery of the total amount of DTAs under testing, also taking into account changes in the deductibility of negative components in 2027.

For these purposes, we:

- estimated the profit or tax or loss (IRES/IRAP) over a forecast period of 5 years.
- conducted the probability test, assessing the capacity of the estimated taxable income to ensure recovery with respect to the deductible temporary differences that will be cancelled out in the period and that gave rise to the recognition of deferred tax assets.

The testing did not take into consideration the DTAs referred to in Law 214/2011, as they can be transformed into tax credits and those that, reasonably, will be reversed in periods beyond the forecast period. Since the total estimated taxable income for the period was equal to or greater than the taxable income referable to the DTAs subject to the test, the test was deemed to be passed.

With reference to the DTAs to be reversed beyond the period considered in the test, a further assessment was carried out which demonstrates their recoverability within a reasonable time frame.

As anticipated, the assessment of the recoverability of the deferred tax assets was conducted on the basis of the forecast estimates contained in the 2026-2028 Strategic plan, drawn up in accordance with the guidelines of the Parent Company as well as with the strategic goals of the 2026-2028 Group Strategic plan and taking into account the expected implications in the estimation period from changes referred to in the previous paragraph, where relevant.

Right-of-use assets

By analogy with owned assets, IFRS 16 indicates that right-of-use assets acquired through lease contracts must undergo impairment testing if there are indications of a loss in value. If so, the carrying amount of the asset is compared with its recoverable amount, which is the higher of its fair value and its value in use, the latter being the present value of the future cash flows of the asset. Any value adjustments are recognized in the income statement.

In order to identify events or situations that could lead to impairment losses, the IAS 36 requires reference to indicators coming from:

- internal sources, including evidence of obsolescence and/or physical damage of the asset, restructuring plans and closure of branches;
- external evidence, including developments in market interest rates or other market rates of return on investment which are likely to affect the recoverable amount of the asset.

At December 31, 2025 the Bank carried out the following checks:

- the development of discount rates applied to rents;
- presence of unused properties.

The checks did not provide any evidence of critical factors regarding the recoverable value of right-of-use assets.

Securities obtained against assets transferred in non-cash transactions

In compliance with applicable accounting standards and the guidelines set out in Document no. 8 of the Bank of Italy, CONSOB and IVASS coordination group, investment fund units acquired in return for the transfer of impaired loans (bad loans or unlikely-to-pay positions), having verified the absence of any obligation to consolidate the fund and the possibility of derecognizing the transferred loans (given failure to pass the SPPI test) are classified as instruments measured at FVTPL.

Use of valuation models in the determination of the fair value of units held in unlisted investment funds

For the purposes of determining the fair value of units held in unlisted investment funds, both at initial recognition and in subsequent measurement, the analysis of cash flows, the discount rates applied and the other assumptions adopted are consistent with the characteristics of the fund assets.

For this type of investment, a liquidity discount ("liquidity adjustment") is determined for application to the net asset value (NAV) of the unlisted funds.

In this regard, the methodological approach adopted provides for consideration, in line with market best practice, of the following main elements:

- the average holding period of the individual unlisted funds, before they can be realized;
- the characteristics of the individual assets held by the fund and their volatility in the holding period (degree of uncertainty);
- the level of risk aversion specified with a prudent threshold, which for a distribution of the possible returns/final value of the asset/portfolio considered makes it possible to measure any deviation from their expected value.

The consideration of this information in the methodological approach used made it possible to estimate a discount with respect to the NAV, calculated as a percentage adjustment of the risk premium linked to the uncertainty concerning potential unfavorable changes in value before realization, taking due account of the management costs of funds not incorporated in the NAVs of the individual unlisted funds.

Global minimum tax

As discussed in the consolidated Report on Operations, on February 17, 2025 the Ministry for the Economy and Finance published the guidelines on global minimum taxation specifically for cooperative banking groups,¹³⁴ establishing the exclusion of mutual banks affiliated with a cooperative banking group from the scope of the law, which is now limited to the Parent Company and its direct scope subsidiaries.

Covered bonds

The Group initiated a covered bond issue program in 2021. This Program, the first in the mutual bank industry in Italy, involves Iccrea Banca as the issuer of covered bonds and of a number of the Group's mutual banks as assignors and servicers of a portfolio of mortgages of primary credit quality pledged to secure the bonds issued.

As part of this multi-originator transaction, the participating mutual banks sold assets to a vehicle of a quality such as to serve as collateral for the guarantee issued by the vehicle to the subscribers of the covered bonds issued under the program. At the same time, the mutual banks granted the vehicle a subordinated loan (the CB Loan) to fund the purchase of those assets, the repayment of which is linked to the performance of the asset portfolio transferred to the vehicle. Following the sale, the Parent Company issued the covered bonds backed by the aforementioned guarantee. Subsequently, the Parent Company granted a loan with conditions and characteristics consistent with those of the covered bonds issued to the affiliated banks that contributed the assets to be sold.

Under the transaction structure, the Vehicle, making use of a non-Group custodian, receives from the Originator the cash flows represented by the loan payments it collects, the principal amount of which it retains, returning the interest portion to the Originator as remuneration of the loan received. Periodically, the cumulative loan principal collections on the assets forming the cover pool are used to purchase other high credit quality assets from the Originator. The Originator banks undertake to maintain the credit quality of the cover pool over the course of the transaction. In the event of a deterioration in credit quality, they will repurchase the loans involved from the Vehicle and transfer new high credit quality assets in an amount suitable to replenish the original guaranty.

The subordinated loan from the Originator to the Vehicle to finance the purchase of receivables qualifies as a limited-recourse loan, as the repayment and return are conditional on developments in the cover pool. From a substantive point of view, the assignor/lending banks therefore remain exposed to the risk of the assets pledged as collateral as if the transfer had not taken place. They are also required to replenish the guarantee if the quality of the assets deteriorates and their value falls below the thresholds specified in the contractual arrangements.

Taking account of the role played in the transaction and the corresponding risk profiles, as a result of the sale the guaranty mutual banks lose legal title to the assets making up the cover pool. However, those assets continue to be recognized for accounting and financial reporting purposes (as well as for supervisory reporting and prudential purposes) since they do not pass the derecognition test because the assignors retain exposure to the risks and rewards of the assets through the grant of the subordinated limited-recourse loan to the vehicle (in compliance with the provisions of paragraphs 3.2.15 and B3.2.1 of IFRS 9). Accordingly, the banks continue to apply the ordinary accounting treatment adopted prior to the sale to the transferred assets and recognize a receivable due from the vehicle for the principal amounts collected from the transferred borrower and consequently retroceded to the vehicle. The banks also recognize a fictitious financial liability against the consideration received for the sale, disburse the subordinated limited-recourse loan to the Vehicle (which is offset against the fictitious liability for the purposes of presentation in the financial statements), perform the periodic measurement of the offsetting receivables through profit or loss, recognize the costs of the transaction through profit or loss and recognize under guarantees granted both the obligation to restore the assets transferred to the Vehicle in the event of impairment, and – given that these are “multi-originator” transactions – their exposure arising from the joint and several nature of the obligation to cover losses that may arise on the assets transferred.

Other issues

The financial statements have been audited by Forvis Mazars SpA which has also been engaged to monitor the keeping of the accounts pursuant to Article 14 of Legislative Decree 39/2010; the engagement for the period 2021-2029 was conferred in execution of the shareholders' resolution of May 28, 2021.

¹³⁴ “Linee guida in materia di imposizione minima globale, introdotta con Decreto Legislativo 27 dicembre 2023, n. 209 – carenza dei presupposti applicativi in capo ai gruppi bancari cooperativi.”

A.2 – THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

This section sets out the accounting policies adopted in preparing the financial statements. The presentation of these accounting policies is broken down into stages – classification, recognition, measurement and derecognition – for the various asset and liability items. A description of the impact on profit or loss, where material, is provided for each stage.

Classification of financial assets

Financial assets are classified in the categories envisaged by IFRS 9 on the basis of both of the following elements:

- the business model used to manage the financial assets;
- the characteristics of the contractual financial flows of the financial asset (the “SPPI Test” - Solely Payments of Principal and Interest Test).

If the business model is identified as hold to collect and the asset passes the SPPI test, the asset is recognized at amortized cost (AC).

If the business model is identified as hold to collect and sell and the asset passes the SPPI test, the asset is recognized at fair value through other comprehensive income (FVTOCI).

Finally, if the business model differs from those specified above or the asset does not pass the SPPI test in both of the two previous cases, the asset is recognized at fair value through profit or loss (FVTPL).

The business model

IFRS 9 identifies three different business models, which in turn reflect the ways in which financial assets are managed:

- “Hold to collect”: this includes financial assets held with the objective of collecting contractual cash flows, retaining the financial instrument to maturity, with the exception of sales permitted under Group policies in line with IFRS 9;
- “Hold to collect and sell”: this includes financial assets held with the aim of both collecting contractual cash flows over the life of the assets and the proceeds from the sale of those assets;
- “Other”: this is a residual business model that includes financial instruments that cannot be classified in the previous categories, mainly represented by financial assets held for the purpose of generating cash flows through sale (including trading).

The business model does not depend on management’s intentions for each individual instrument, but is determined at a higher level of aggregation. It is therefore possible for an entity to adopt more than one business model in managing financial instruments, including in respect of the same financial asset. For example, a tranche of a security could be purchased as part of a hold to collect business model, while a second tranche of the same instrument could be acquired both to collect the contractual cash flows and to sell it (HTCS). The assessment of which business model has been adopted is based on reasonably possible scenarios and not on scenarios that unlikely to occur (such as “worst case” or “stress case” scenarios), taking account, among other things, of the way in which:

- the performance of the business model and the assets at initial recognition are evaluated by key management personnel;
- risks that impact the performance of the business model and the assets involved in initial recognition are managed;
- the managers of the business are remunerated.

From an operational point of view, the Bank identifies the business models used to manage financial assets in accordance with its own judgment, as governed by internal rules. The assessment is not determined by a single factor or activity, but rather by considering all the relevant information available at the assessment date, ensuring ongoing consistency with Strategic and Operational planning. In this sense, the business models of the Bank are identified on the basis of the granularity of the portfolio and the level of definition of the business, identifying key managers in accordance with the provisions of IAS 24, the nature of the products and type of underlying asset, the methods for evaluating performance and how these are reported to key management, the risks that impact the

business accounting model and how these risks are managed, manager remuneration arrangements and the volume of sales.

With specific reference to the “hold to collect” model, according to IFRS 9, the sale of a debt instrument or a loan does not itself determine the business model. In fact, an HTC business model does not necessarily imply that an instrument will be held to maturity and the standard itself offers examples of sales deemed admissible within this model. Accordingly, the Bank adopts the policies of the Parent Company which govern the types of sale considered consistent with this model, as in the case of sales made in response to an increase in the credit risk of the counterparty.

Specifically, sales that have occurred as a result of the following circumstances are considered consistent with this business model:

- an increase in credit risk;
- proximity to the maturity date, i.e. when they approximate the cash flows that would be generated obtained by not selling the security;
- the management of structural liquidity to respond to extreme liquidity situations when the sales are frequent but not material in value or are occasional even if material in value. Frequency and materiality thresholds have been specified to determine those aggregates:
 - frequency is defined as the number of trading days considered in the period considered;
 - materiality is defined as the percentage ratio between the nominal value of sales and the total nominal value of the instruments held in the portfolio during the period considered.

In cases where both frequency and materiality thresholds are exceeded, an assessment must be conducted to determine compliance with the requirements of the business model identified.

The SPPI test

In order to determine whether a financial asset can be measured at amortized cost or at fair value through other comprehensive income, it is important to determine whether the contractual cash flows of the asset are represented by solely payments of principal and interest on the principal amount outstanding. Such contractual flows are compatible with a basic lending arrangement, where the consideration for the time value of money and credit risk are typically the most significant elements of interest. However, interest may also include consideration for other risks, such as liquidity risk, and the costs associated with holding the financial asset. Furthermore, interest may also include a profit margin that is compatible with a basic lending arrangement. The principal amount is represented by the fair value of the financial asset at recognition. Contractual terms introducing exposure to risks or volatility in contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to inverse changes in interest rates, in equity prices or in commodity prices, do not give rise to contractual cash flows that are solely payments principal and interest on the principal amount outstanding. As determined by analysis conducted by the Group, such types of instruments cannot be considered SPPI-compliant and must therefore be measured at fair value through profit or loss.

In some cases, the time value of money element may be modified. That would be the case if a financial asset's interest rate is periodically reset but the frequency of that reset does not match the tenor of the interest rate (for example, the interest rate resets every month to a one-year rate). When assessing a modified time value of money element, the objective is to determine how different the contractual cash flows could be from the cash flows that would arise if the time value of money element was not modified. In these cases, IFRS 9 requires the performance of a “benchmark test”, an exercise that involves comparing the interest on the actual instrument, calculated at the contractually specified interest rate, and the interest on the benchmark instrument, calculated using the interest rate that does not contain the change in the time value of money, all other contractual clauses being equal. The benchmark test therefore consists of a comparison between the sum of the undiscounted expected cash flows of the actual instrument and the sum of those for the benchmark instrument. In doing so, we consider only reasonably possible scenarios, therefore excluding stress test scenarios.

Furthermore, for the purposes of the SPPI test, any contractual term that could change the timing or amount of the contractual cash flows (for example, the case of a prepayment option, subordinated instruments or an option to extend the term for payment of principal and/or interest) shall also be considered.

Finally, a contractual cash flow characteristic does not affect the classification of the financial asset if it could only have a de minimis effect on the cash flows. At the same time, if a contractual cash flow characteristic is “not genuine”, it does not affect the classification of the financial asset. A cash flow characteristic is not genuine if it

affects the instrument's contractual cash flows only on the occurrence of an event that is extremely rare, highly abnormal and very unlikely to occur. To make a determination of the de minimis effect, an entity must consider the possible effect of the contractual cash flow characteristic in each reporting period and cumulatively over the life of the financial instrument.

From an operational standpoint, the Bank has established guidelines for conducting the SPPI test, which represent the methodology adopted by the Group and reflected in its internal rules, so as to be able to represent the benchmark instrument for the performance of the testing by all the functions involved. In this context, with specific reference to the loan portfolio, these guidelines have been implemented in a tool within the Group's application systems that enables the benchmark test to be performed. With specific reference to the securities portfolio, on the other hand, the outcome of the test is provided by a leading sector info-provider, based on the guidelines and methods defined by the Group.

1 – Financial assets measured at fair value through profit or loss

Classification

This category includes financial assets, regardless of their technical form, which are not recognized under financial assets measured at fair value through other comprehensive income or financial assets measured at amortized cost. More specifically, the category comprises:

- financial assets held for trading, mainly represented by debt securities, equity instruments and the positive value of derivatives held for trading;
- financial assets designated as at fair value, i.e. financial assets so designated at the time of initial recognition and where the appropriate conditions are met. In particular, financial assets are designated as irrevocably measured at fair value through profit or loss if, and only if, doing so eliminates or significantly reduces an accounting mismatch;
- financial assets mandatorily measured at fair value, represented by financial assets that do not meet the requirements for measurement at amortized cost or at fair value through other comprehensive income. These comprise financial assets whose contractual terms do not provide for solely payments of principal and interest on the principal amount outstanding (i.e. that do not pass the SPPI test) or which are not held within the framework of a business model whose objective is the hold assets in order to collecting their contractual cash flows (the hold to collect business model) or to both collect the contractual cash flows and sell the financial assets (the hold to collect and sell business model).

The category therefore includes:

- debt securities and loans that are held as part of an “other” business model or that do not pass the SPPI test;
- equity instruments - that do not represent an interest in subsidiaries, associates or joint arrangements - held for trading or for which the option at the time of initial recognition to designate them as held at fair value through other comprehensive income was not exercised;
- units in collective investment undertakings and derivative instruments.

With regard to derivatives, this item also includes derivatives embedded in a financial liability or in a non-financial contract (the “host contract”). The combination of a host contract and the embedded derivative is a hybrid instrument. In this case the embedded derivative is separated from the host contract and recognized as a derivative if:

- the economic characteristics and risks of the embedded derivative are not closely related to the characteristics of the host;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative;
- the hybrid contract is not measured at fair value with changes in fair value recognized in profit or loss.

In accordance with the provisions of IFRS 9, reclassifications are allowed only following a modification of the business model. Such changes are expected to be very infrequent and are determined by the entity's senior management (as identified pursuant to IAS 24) as a result of external or internal changes and must be significant to the Bank's operations and demonstrable to external parties. This occurs, for example, when the entity has acquired, disposed of or terminated a business line.

The transfer value is represented by the fair value at the time of the reclassification, which takes place prospectively starting from that date. In this case, the effective interest rate is redetermined based on the fair value of the reclassified financial asset at the time of the change and that moment is considered to be the initial recognition date for the purpose of verifying a significant increase in credit risk.

Recognition

Debt and equity securities are initially recognized at the settlement date, while derivative contracts are recognized at the trade date. Financial assets are initially recognized at fair value, which is usually the amount paid or received. Where the price is different from the fair value, the financial asset is recognized at its fair value and the difference between the two amounts is recognized through profit or loss.

Measurement

Financial assets measured at fair value through profit or loss are measured at fair value following initial recognition. The effects of the application of this treatment are recognized through profit or loss.

For financial instruments listed on active markets, the fair value of financial assets or liabilities is determined on the basis of the official prices at the reporting date. For financial instruments that are not listed on active markets, including equity instruments, fair value is determined using valuation techniques and observable market data, such as: the price of listed instruments with similar features, calculation of discounted cash flows, option pricing models and prices registered in recent similar transactions.

With specific regard to equity instruments not listed on an active market, cost is used as an estimate for fair value only in rare cases in a limited number of circumstances, i.e. where cost represents the best estimate of fair value among a wide range of fair values, making cost the most significant value, or in cases in which the valuation techniques referred to above are not applicable.

For more information on the determination of fair value, please see section A.4 “Fair value disclosures” of Part A of the notes to the financial statements.

Derecognition

Financial assets measured at fair value through profit or loss are derecognized when the contractual rights to the cash flows expire, are extinguished or a disposal transfers all the risks and rewards connected with ownership to a third party. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial asset are retained, the asset continues to be recognized even if legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, financial assets are derecognized when no form of control over the instrument has been retained. Conversely, if the Bank retains even a portion of control, the asset continues to be recognized to the extent of the continuing involvement, measured by exposure to changes in the value of the assets transferred and to changes in the related cash flows.

Finally, financial assets sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to third parties.

Recognition of income components

The results of the measurement of financial assets held for trading are recognized through profit or loss under item 80. “Net gain (loss) on trading activities”. The results of the measurement of financial assets designated as at fair value and of those mandatorily measured at fair value are instead recognized under 110. “Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss”, respectively under sub-items “a) financial assets and liabilities designated as at fair value” and “b) other financial assets mandatorily measured at fair value. Dividends from equity instruments held for trading are recognized through profit or loss under 70. “Dividends and similar income” when the right to receive payment is established.

2 – Financial assets measured at fair value through other comprehensive income

Classification

This category includes financial assets held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets (the HTCS business model) and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (i.e. they pass the SPPI test).

The category also includes capital instruments not held for trading for which the option envisaged under IFRS 9 was exercised at the time of initial recognition to designate them as held at fair value through other comprehensive income with no recycling to profit or loss of any gains or losses on disposal.

Specifically, the item includes:

- loans and debt securities held with a “hold to collect and sell” business model that pass the SPPI test;
- equity interests - that do not represent an interest in subsidiaries, associates or joint arrangements – not held for trading for which the option was exercised at the time of initial recognition to designate them as held at fair value through other comprehensive income. This includes equity investments intended to strengthen the Bank’s commercial presence and extend its reach into business areas in which it is not present. Similarly, this option is exercised for equity instruments that have been acquired for strategic and institutional purposes and are therefore held with no intention of selling them in the short term, representing instead a medium/long-term investment.

In accordance with the provisions of IFRS 9, reclassifications are only allowed following a modification of the business model. Such changes are expected to be very infrequent and are determined by the entity’s senior management (as identified pursuant to IAS 24) as a result of external or internal changes and must be significant to the Bank’s operations and demonstrable to external parties. This occurs, for example, when the entity has acquired, disposed of or terminated a business line.

The transfer value is represented by the fair value at the time of the reclassification, which takes place prospectively starting from that date. In this case, the effective interest rate is redetermined based on the fair value of the reclassified financial asset at the time of the change and that moment is considered to be the initial recognition date for the purpose of verifying a significant increase in credit risk. In the event of the reclassification of financial assets measured at fair value through other comprehensive income to the category of financial assets measured at amortized cost, the cumulative gain or loss previously recognized in other comprehensive income is removed from equity and adjusted against the fair value of the financial asset at the reclassification date. In the event of reclassification to financial assets measured at fair value through profit or loss, the cumulative gain or loss previously recognized in other comprehensive income is recognized through profit or loss.

Recognition

Financial assets measured at fair value through other comprehensive income are initially recognized at the settlement date for debt or equity securities and at the disbursement date for loans.

Financial assets are initially recognized at fair value, which is generally the amount paid or received. Where the price is different from the fair value, the financial asset is recognized at its fair value and the difference between the two amounts is recognized through profit or loss. The initial recognition value includes direct transaction costs or revenue determinable at the recognition date, even if settled at a later time.

Measurement

Following initial recognition, financial assets measured at fair value through other comprehensive income, other than equity instruments, are measured at fair value, with the value corresponding to the amortized cost recognized in the income statement. Gains and losses from changes in the fair value are recognized in a special equity reserve until the asset is derecognized or they incur an impairment loss. Upon disposal or the recognition of an impairment loss, the cumulative gain or loss recognized in the equity reserve is reversed to profit or loss.

Equity instruments classified in this category under the option provided for by IFRS 9 are measured at fair value through other comprehensive income. Unlike other instruments classified here, however, those amounts are not subsequently transferred to profit or loss, even if the instruments are sold (no recycling). Accordingly, the only element associated with the equity instruments recognized through profit or loss is any associated dividends.

Fair value is determined using the criteria adopted for financial assets measured at fair value through profit or loss.

Financial assets measured at fair value through other comprehensive income represented by debt securities are assessed for any significant increase in credit risk (impairment) like assets measured at amortized cost, with the consequent recognition through profit or loss of a provision to cover expected loss. More specifically, if at the measurement date no significant increase in credit risk is found compared with the date of initial recognition (stage 1), the 12-month expected loss is recognized. Conversely, the lifetime expected loss is recognized for instruments whose credit risk has increased significantly since initial recognition (stage 2) and for impaired exposures (stage 3). Equity instruments do not undergo lifetime impairment testing, i.e. calculated over the entire residual life of the financial asset. Equity securities do not undergo impairment testing.

Derecognition

Financial assets measured at fair value through other comprehensive income are derecognized when the contractual rights to the cash flows expire/are extinguished or a disposal transfers all the risks and rewards connected with ownership to a third party. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial asset are retained, the asset continues to be recognized even if legal title has been transferred.

Where it is not possible to ascertain whether substantially all the risks and rewards of ownership have been transferred, financial assets are derecognized when no form of control over the instrument has been retained. Conversely, if the Bank retains even a portion of control, the asset continues to be recognized to the extent of the continuing involvement, measured by exposure to changes in the value of the assets transferred and to changes in the related cash flows.

Financial assets sold are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

Recognition of income components

Gains and losses from changes in fair value are recognized in a specific equity reserve until the asset is derecognized. The equity reserve representing the cumulative changes in the fair value of equity instruments for which the option to irrevocably designate the instrument as at fair value through other comprehensive income was exercised is not reversed through profit or loss even when the asset is derecognized, while dividends in respect of such instruments are recognized through profit or loss.

Interest calculated on debt instruments using the effective interest method, which takes account of both the amortization of transaction costs and the differential between the initial value and the repayment value, are recognized under 10. "Interest and similar income".

Writedowns and writebacks for credit risk and the recognition of an impairment loss are recognized under the item 130 "Net losses/recoveries for credit risk in respect of financial assets measured at fair value through other comprehensive income", with a corresponding adjustment of the relevant valuation reserve in equity.

Cumulative gains and losses recognized in other comprehensive income are recognized through profit or loss under item 100 "Gain (loss) on disposal of financial assets measured at fair value through other comprehensive income" on the disposal of the asset.

Dividends on an equity instrument are recognized through profit or loss under item 70. "Dividends and similar income" when the right to receive payment is established.

3 – Financial assets measured at amortized cost

Classification

This category comprises financial assets such as loans and debt securities held within a business model whose objective is achieved by collecting contractual cash flows on a financial asset ("hold to collect" business model) that are solely payments of principal and interest on the principal amount outstanding (i.e. they pass the SPPI test).

Specifically, this category includes credit exposures to banks (including the central bank) and to customers that, regardless of technical form (bonds, loans, credit lines and deposits), meet the requirements indicated above.

In accordance with the provisions of IFRS 9, reclassifications are allowed only following a modification of the business model. Such changes are expected to be very infrequent and are determined by the entity's senior management (as identified pursuant to IAS 24) as a result of external or internal changes and must be significant to the Bank's operations and demonstrable to external parties. This occurs, for example, when a relevant activity is begun or terminated after the entity has acquired, disposed of or terminated a business line.

The transfer value is represented by the fair value at the time of the reclassification, which takes place prospectively starting from that date. In this case, the effective interest rate is redetermined based on the fair value of the reclassified financial asset at the time of the change and that moment is considered to be the initial recognition date for the purpose of verifying a significant increase in credit risk. In the event of the reclassification of financial assets measured at amortized cost to the category of financial assets measured at fair value through other comprehensive income, any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in other comprehensive income. In the event of reclassification to financial assets measured at fair value through profit or loss, the gain or loss is recognized through profit or loss.

Recognition

Financial assets are initially recognized at the settlement date for debt securities and at the disbursement date for loans. The initial amount recognized is equal to the amount disbursed or subscription price, including costs and revenue directly attributable to the transaction and determinable from the inception of the transaction, even if settled at a later time. The initially recognized amount does not include costs to be reimbursed by the debtor or that can be characterized as normal administrative overhead costs.

The initial recognition amount of loans disbursed at non-market conditions is equal to the fair value of the loans, determined using valuation techniques. The difference between the fair value and the amount disbursed or the subscription price is recognized through profit or loss.

Securities repurchase transactions are recognized as funding or lending transactions. Transactions involving a spot sale and a forward repurchase are recognized as payables in the amount received spot, while those involving a spot purchase and a forward sale are recognized as receivables in the amount paid spot.

Transactions with banks through correspondent accounts are recognized at the time of settlement and, therefore, these accounts are adjusted for all non-liquid items regarding bills and documents received or sent registered as 'subject to collection' or after actual collection.

Where, in the event of unusual circumstances, the assets are recognized in this category following reclassification from financial assets available for sale or from financial assets held for trading, the fair value of the assets at the date of reclassification shall be deemed to be the new amortized cost of the assets.

Measurement

Subsequent to initial recognition, financial assets are measured at amortized cost, using the effective interest rate method. The amortized cost equals the amount at which a financial asset is measured at initial recognition decreased by principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount, minus any reduction (directly or through the use of a provision) due to impairment or non-recoverability.

In certain cases, a financial asset may be considered impaired at initial recognition because its credit risk is very high and, in the case of a purchase, is acquired at a large discount to its value at initial issue.

Amortized cost is not used for very-short-term loans, loans without a specified maturity or revocable loans, for which the impact of this method can be considered not material. These positions are measured at cost.

The measurement effects strictly consider the three different credit risk stages provided for in IFRS 9. The stages can be summarized as follows:

- stage 1 and 2 including performing financial assets;
- stage 3 including impaired financial assets.

With regard to the presentation of measurement effects in the accounts, value adjustments of this type of asset are recognized through profit or loss:

- at the time of initial recognition in an amount equal to 12-month expected credit losses;
- at the time of subsequent measurement of the asset where credit risk has not increased significantly since initial recognition in an amount equal to the change in the loss allowance for 12-month expected credit losses (stage 1);
- at the time of subsequent measurement of the asset where credit risk has increased significantly since initial recognition in an amount equal to the loss allowance for lifetime expected credit losses (stage 2);
- at the time of subsequent measurement of the asset where credit risk has increased significantly since initial recognition but the increase is no longer “significant” in an amount equal to the adjustment of the cumulative loss allowances to take account of the transition from lifetime expected credit losses to 12-month expected credit losses (return to stage 1).

Financial assets recognized in this category are tested for impairment periodically and in any event at the close of each reporting period in order to determine any value adjustments to be recognized at the level of individual loans (or tranches of a security) as a function of the risk parameters represented by Probability of Default (PD), Loss Given Default (LGD) and Exposure At Default (EAD), appropriately modeled to take account of the provisions of IFRS 9. The amount of the value adjustment recognized through profit or loss therefore takes into consideration so-called forward-looking information and possible alternative recovery scenarios. If, in addition to a significant increase in credit risk, financial assets show objective evidence of impairment, the amount of the loss is measured as the difference between the carrying amount of the assets (classified as “impaired”) and the present value of estimated future cash flows, discounted at the original effective interest rate of the financial assets. The assessment of the impairment loss and the consequent amount to be recognized in profit or loss is conducted on an individual basis or determined by creating groups of positions with a uniform risk profile.

Non-performing loans, unlikely-to-pay positions, restructured exposures and past-due or over-limit exposures are considered impaired in accordance with the applicable rules of the Bank of Italy, consistent with the IAS/IFRS and European supervisory regulations (stage 3).

Measurement of the financial assets takes account of the best estimate of expected future cash flows in respect of principal and interest payments. Also taken into consideration is the realizable value of any guarantees excluding recovery costs, recovery times estimated based on contractual maturities, if any, and on reasonable estimates in the absence of contractual provisions, and the discount rate, which is the original effective interest rate. For impaired positions at the transition date, where determining this figure would be excessively burdensome, the Bank has adopted reasonable estimates, such as the average rate of loans for the year in which the loan was first classified as a bad debt, or the restructuring rate.

If the reasons for the impairment should cease to obtain following an event that occurred subsequent to the recognition of the impairment loss, a writeback is taken to profit or loss. The value of the financial asset after the writeback shall not exceed the amortized cost that the instrument would have had in the absence of the prior writedown. See the section on procedures for determining impairment for more information.

Where these financial assets are classified as measured at amortized cost or at fair value through other comprehensive income, they are classified as “purchased or originated credit impaired” (“POCI”) and receive special treatment in terms of impairment, with the recognition of lifetime expected credit losses. In addition, the credit-adjusted effective interest rate is calculated for financial assets identified as POCIs at initial recognition. This rate reflects initial expected losses in estimating cash flows. In using amortized cost method, and the consequent calculation of interest, therefore, this credit-adjusted effective interest rate is therefore used.

Derecognition

Financial assets measured at fair value through other comprehensive income are derecognized when the contractual rights to the cash flows expire/are extinguished or a disposal transfers all the risks and rewards

connected with ownership to a third party. Conversely, when a prevalent share of the risks and rewards associated with ownership of the financial asset are retained, the asset continues to be recognized even if legal title has been transferred.

Where it is not possible to determine whether substantially all the risks and rewards have been transferred, the financial assets are derecognized if no form of control over it is retained. Conversely, where even a portion of control is retained, the asset continues to be recognized to the extent of the continuing involvement in the asset, measured by the exposure to changes in value of the transferred assets and changes in their cash flows.

Transferred financial assets are derecognized in the event in which the contractual rights to receive the related cash flows are retained with the simultaneous assumption of an obligation to pay such flows, and only such flows, to other third parties.

In certain cases, during the course of the life of financial assets, in particular loans, the terms of the contract may be modified from those in force at the time of initial recognition. In these circumstances, the modified terms must be analyzed to determine whether the original assets can continue to be recognized or must instead be derecognized, with the consequent recognition of new modified financial assets. In general, modifications of contractual terms lead to the derecognition of the financial asset and the recognition of a new asset when they are considered to be "substantial", with the recognition in profit or loss of any difference in carrying amounts.

In conducting this assessment, qualitative judgments are called for. To this end, the assessment shall consider:

- the reasons for the modifications, distinguishing, for example, between renegotiations carried out for commercial reasons or in response to the counterparty's financial difficulties:
 - transactions carried out with performing counterparties for reasons other than debtor's financial difficulties, and therefore not related to a change in the creditworthiness of the borrower, are considered commercial renegotiations, which have the main objective of adjusting the cost of credit to market conditions. These cases include all renegotiations aimed at maintaining the commercial relationship with the client, and are therefore carried out with the aim of retaining the counterparty, who might otherwise turn to another bank. In this case, these modifications are considered substantial because if they did not occur, the customer could turn to another financial institution, thus causing the bank to lose future revenue;
 - transactions whose objective is to maximize the recoverable amount of the loan are considered renegotiations due to financial difficulties of the counterparty, with the creditor therefore willing to accept a restructuring of the debt on terms potentially favorable to the debtor. In these circumstances, it is generally assumed that there has essentially been no extinguishment of the original cash flows that would therefore require derecognition of the original loan. Consequently, these types of renegotiation represent the majority of cases presented in the financial statements through "modification accounting", in which the difference between the carrying amount and the recalculated value of the financial asset is recognized in profit or loss by discounting the renegotiated or modified cash flows at the original effective interest rate;
- the presence of specific objective elements that substantially modify the characteristics and/or cash flows of the financial instrument, such that they would entail the derecognition of the instrument and the consequent recognition of a new financial asset. This includes, for example, the introduction of new contractual terms that would cause the asset to fail the SPPI test or a change in the denomination of the currency of the instrument, as the entity would be exposed to a new risk.

Recognition of income components

Interest on financial assets measured at amortized cost is recognized under 10. "Interest and similar income" in the income statement using the effective interest criterion, which takes account of both the amortization of transaction costs and the differential between the initial value and the repayment value.

Gains or losses on the financial assets in question are recognized in profit or loss when the assets are derecognized or have incurred an impairment loss.

More specifically, gains or losses deriving from the sale of an asset are, as previously noted, recognized in the income statement under the item 100 "Gain (loss) on the disposal or repurchase of: a) financial assets measured at amortized cost" on the disposal of the asset.

Writedowns and writebacks for credit risk are recognized under "Net losses/recoveries for credit risk in respect of: a) financial assets measured at amortized cost", with a corresponding adjustment of the relevant provision.

4 - Hedging

The Bank has elected to exercise the option to continue to apply the rules provided for in IAS 39 governing hedge accounting for each type of hedge (the “opt-out” option)

Classification

Risk hedging transactions are intended to neutralize the potential losses recognized on a given element or group of elements attributable to a given risk in the event that risk should actually be realized.

The types of hedges permitted under IAS 39 are as follows:

- fair value hedges, which are intended to hedge the exposure to the risk of changes in the fair value (due to the various types of risk) of assets and liabilities or portions of assets and liabilities, groups of assets and liabilities, irrevocable commitments and portfolios of financial assets and liabilities as permitted under IAS 39 as endorsed by the European Commission;
- cash flow hedges are intended to hedge the exposure to the risk of changes in the future cash flows on recognized assets or liabilities or on highly probable forecast transactions. This type of hedge is essentially used to stabilize interest flows on variable-rate funding to the degree that the latter finances fixed-rate lending. In some circumstances, analogous transactions are carried out for certain types of variable-rate lending.

Only instruments that involve a non-Group counterparty can be designated as hedging instruments.

The items “hedging derivatives” among assets and liabilities include the positive and negative values of derivatives that establish effective hedging relationships.

Hedging of assets and liability portfolios

The hedging of asset and liability portfolios (“macrohedging”) and the corresponding recognition of the transactions is possible subject to:

- identification of the portfolio subject to hedging and bucketing of the portfolio based on the frequency of payment of the installments and the expiry of the individual positions forming the portfolio;
- designation of the notional amount being hedged;
- identification of the level of the interest rate being hedged;
- definition and designation of the hedging instrument(s);
- measurement of the effectiveness of the hedging relationship.

The portfolio being hedged against interest rate risk may contain both financial assets and liabilities that share exposure to interest rate risk. Such a portfolio is analyzed through a bucketing process based on the contractually specified payment deadlines in order to determine the most appropriate hedging instrument for optimizing interest rate risk management and estimating pre-payment events.

The macrohedging transactions carried out exclusively involve portfolios of financial assets represented by fixed-rate loans or variable-rate loans with a minimum/maximum rate charged to customers.

Recognition

Hedging derivatives and the hedged financial assets and liabilities are reported in accordance with hedge accounting rules. In particular, derivative instruments with a positive fair value are recognized under “Hedging derivatives” on the asset side of the balance sheet, while derivatives with a negative fair value at the reporting date are recognized under “Hedging derivatives” on the liability side of the balance sheet.

Measurement and recognition of income components

Hedging derivatives are measured at fair value. More specifically:

- in the case of fair value hedges, the change in the fair value to the risk on the hedged item has a corresponding impact on the item 90 of the income statement “Net gain (loss) on hedging activities”, where the change in the fair value of the hedging instrument is recognized. Any difference between the two changes, which represents the partial ineffectiveness of the hedge, represents the net impact in profit or loss;
- in the case of cash flow hedges, changes in the fair value of the derivative are recognized in a specific equity reserve in the amount of the effective portion of the hedge and in profit or loss in the amount of the ineffective or overhedging portion. The reserve is reclassified to profit or loss only when the cash flows on the hedged item whose variability is being hedged manifest themselves or in the event the hedging relationship is discontinued in the manner specified for the circumstance that prompted the interruption of the hedge.

The derivative is designated as a hedging instrument where there is formal documentation of the relationship between the hedged item and the hedging instrument and if the hedge is effective at the moment of inception and throughout its life.

The effectiveness of a hedge depends on the extent to which changes in the fair value of the hedged item or the associated cash flows are offset by those of the hedging instrument. Accordingly, effectiveness is quantified on the basis of the comparison of those changes, taking account of the intentions of the entity at the time the hedge is established.

A hedge is deemed effective when the changes in fair value (or in cash flows) of the hedging instrument nearly entirely offset (i.e. within a range of 80-125%) changes in the hedged instrument for the risk factor being hedged.

Effectiveness is measured at every reporting date through:

- prospective tests, which justify the use of hedging accounting, as they demonstrate the hedge's expected effectiveness;
- retrospective tests, which indicate the level of effectiveness of the hedge achieved in the period under review, measuring the difference between actual results and theoretical results (perfect hedges).

If the tests do not confirm the effectiveness of the hedge, hedge accounting is discontinued in accordance with the above criteria, the hedging derivative is reclassified as a trading instrument or extinguished early and the hedged financial instrument is measured using the criteria normally adopted for instruments of its category. Subsequent changes in the fair value of the derivative are recognized through profit or loss. For cash flow hedges, when it becomes certain that the hedged transaction will no longer be carried out, the cumulative gain or loss recognized in the equity reserve is reversed through profit or loss.

Changes in the fair value of the hedged instruments and the hedging instruments in a fair value hedge transaction are accounted for under item 90 of the income statement “Net gain (loss) on hedging activities”. The same item also includes the ineffective portion or overhedging of cash flow hedging derivatives measured with respect to the hypothetical derivative (ineffective portion of the hedge).

In the case of macro fair value hedges, changes in fair value measured with respect to the interest rate risk of the hedged assets or liabilities are recognized in the balance sheet, respectively, under item 60. “Value adjustments of financial assets hedged generically” or 50. “Value adjustments of financial liabilities hedged generically”, against an entry in item 90 of the income statement “Net gain (loss) on hedging activities”.

5 – Equity investments

Classification

The item includes equity investments in subsidiaries, associates and joint ventures. Immaterial entities¹³⁵ are not consolidated. Their exclusion from the scope of consolidation does not have a significant impact on Group equity.

Subsidiaries are those entities over which the investor has the power to direct the relevant activities as a result of a legal right or a mere situation of fact and is exposed to the variable returns resulting from that power.

¹³⁵ The scope of consolidation does not include subsidiaries with total assets of less than €10 million, subject to the condition that the total assets of all unconsolidated subsidiaries do not exceed €50 million.

Pursuant to IFRS 10 the control requirement is met when an investor simultaneously has:

- the power to direct the relevant activities of the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee;
- has the ability to use its power over the investee to affect the amount of its returns (link between power and returns).

Joint control is the contractually agreed sharing of control of an arrangement.

Associated companies comprise companies in which the Group holds, either directly or indirectly, at least 20% of the voting rights or, independently of the proportion of voting rights, companies over which the Group exercises a significant influence, which is defined as the power to participate in determining financial and operating policies, but without exercising either control or joint control.

Equity interests in subsidiaries, joint ventures and associates held for sale are reported separately in the financial statements as a disposal group and are measured at the lower of the carrying amount and the fair value excluding disposal costs.

Recognition

Equity investments are initially recognized at cost at the settlement date including costs and revenue that are directly attributable to the transaction.

Measurement

Investments in subsidiaries, associates or joint ventures are measured at cost. Where there is evidence that the value of an equity investment may be impaired, its recoverable amount is determined, taking account of both its market value and the present value of future cash flows. If this value is lower than the carrying amount, the difference is recognized through profit or loss as an impairment loss.

Impairment testing of equity investments

As required by the accounting standards referred to earlier and by IAS 36, if there is evidence (triggers) of possible impairment, equity investments undergo impairment testing to determine whether there is objective evidence that the carrying amount of such assets is not fully recoverable and to determine the amount of any writedown.

Impairment indicators are essentially divided into two categories:

- qualitative indicators, such as the posting of losses or in any case a significant divergence with respect to budget targets or the objectives set out in the long-term plans announced to investors, the announcement/start of composition with creditors or restructuring plans, and the downgrading of the rating issued by a specialist agency;
- quantitative indicators consisting of a reduction in fair value below the carrying amount of over 30%, or for a period of more than 24 months, or a carrying amount for the equity investment in the separate financial statements greater than the carrying amount in the consolidated financial statements of the company's net assets and goodwill, or the distribution by the latter of a dividend greater than its comprehensive income. In the presence of evidence of impairment, the size of any writedown is determined on the basis of the difference between the carrying amount and the recoverable amount, which is equal to the greater of fair value less costs to sell and the value in use.

Derecognition

Control, joint control and significant influence cease in cases in which the power to determine financial and operating policies of the company is removed from the governance bodies of the company and transferred to a governmental body, a court and in similar cases. The equity investment in these cases is subject to the treatment of IFRS 9, as provided for financial instruments.

Equity investments are derecognized when the contractual rights to the cash flows from the assets expire or when substantially all the risks and rewards connected with ownership of the equity investment are transferred.

Recognition of income components

Dividends received from equity investments are recognized in the income statement under “Dividends and similar income” when the right to receive payment is established.

Impairment losses on equity investments in subsidiaries, joint ventures and associates are recognized in the income statement under the item 220 “Profit (loss) from equity investments”. If the reasons for the impairment loss should be removed following an event occurring after the recognition of the impairment loss, the consequent writebacks are recognized in the income statement (in an amount not exceeding the previous writedowns) under the same item 220.

6 - Property, plant and equipment

Classification

Property, plant and equipment includes land and buildings used in operations and those held for investment purposes, plant, vehicles, furniture, furnishings and equipment of any kind.

According to IAS 16, buildings used in operations are those held for use in the supply of services or for administrative purposes. Pursuant to IAS 40, investment property includes property held to earn rentals or for capital appreciation or both.

The item also includes assets in accordance with IAS 2 - Inventories, which mainly include assets deriving from the enforcement of guarantees or purchase at auction that the Bank intends to sell in the near future without carrying out significant restructuring works and which do not meet the conditions for classification in the previous categories (“for use in operations” or “for investment”). This therefore includes assets acquired following the closure of an impaired credit exposure (for example from acceptance of the asset in lieu of the original performance (“datio in solutum”), from the consolidation of companies acquired as a result of loan restructuring/recovery agreements, the non-exercise of the purchase option in a finance lease or the termination of an impaired lease, etc.).

Where the requirements for the application of IFRS 5 to these assets are not met, the Group normally initially classifies the assets as inventories, subsequent measuring them in accordance with the criteria set out in IAS 2, except in rare cases in which the conditions are met for classification as:

- asset held for use in operations (see IAS 16);
- assets held for investment purposes (see IAS 40), insofar as they are held for the purpose of generating income through the receipt of lease payments or for capital appreciation.

Finally, property, plant and equipment also includes the rights of use for assets held under leases (whether finance or operating leases) pursuant to IFRS 16, even though the lessor retains legal ownership of the assets.

Recognition

Property, plant and equipment is recognized at cost, which includes all incidental expenses directly attributable to purchasing and placing the asset in service.

Expenses subsequently incurred (e.g. extraordinary maintenance costs) increase the carrying amount of the asset or are recognized as separate assets if it is likely that the future economic benefits will exceed initial estimates and the costs can be reliably calculated.

All other subsequent expenses (e.g. ordinary maintenance costs) are recognized in the income statement in the year incurred.

Property, plant and equipment originally held as collateral for credit and acquired in recovery activities carried out on the basis of specific contracts or legal proceedings is recognized when both of the following conditions are met:

- recovery activities have been completed;
- the Bank has acquired ownership of the property.

Normally these exchange transactions lack commercial substance as defined in paragraph 24 of IAS 16 and, consequently, the asset is initially recognized at the carrying amount of the asset given up.

In the rare cases where, in an exception to the general principle mentioned above, the enforcement operation has commercial substance, the asset acquired is initially recognized at fair value.

In the case of recognition of rights of use in respect of leased assets pursuant to IFRS 16, the cost of the right-of-use asset is determined as follows:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the lessee;
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right of use is recognized under assets when the asset involved in the lease is actually available for use.

Measurement

Property, plant and equipment used in operations is measured at cost less depreciation and impairment. Depreciation is determined systematically over the remaining useful life of the asset.

For assets purchased and placed in service during the year, the period of depreciation is calculated on the basis of the actual number of days the assets contribute to the production cycle. For assets transferred and/or disposed of during the year, depreciation is calculated on a daily basis up to the date of transfer or disposal.

The depreciable value is represented by the cost of the assets since the residual value at the end of the depreciation process is considered negligible. Buildings are depreciated at a rate of 3% per year, deemed to appropriately represent the deterioration of the assets over time from their use, taking into account extraordinary maintenance costs, which increase the value of the assets. Land, whether purchased individually or incorporated into the value of a building, is not depreciated.

In accordance with the provisions of paragraph 32a) of IAS 40, investment property as defined in IAS 40 is valued using the cost model and is depreciated.

Assets classified as inventory are measured at the lower of recognition cost and net realizable value and are not depreciated. The net realizable value is equal to the estimated price for sale in the normal course of business, net of the estimated completion costs and those necessary for the sale of the asset.

Following initial recognition, assets acquired through recovery or enforcement of guarantees in debt collection activities carried out by the Bank for impaired loans are measured in accordance with the criteria established for the classification adopted (for use in operations, for investment purposes, inventories).

Right-of-use assets determined in compliance with IFRS 16 are subsequently measured using a cost model, less depreciation and impairment losses, in accordance with IAS 16.

Derecognition

Property, plant and equipment is derecognized when disposed of or when permanently withdrawn from use and no future benefits are expected from its disposal.

Recognition of income components

Depreciation of property, plant and equipment measured at cost, with the exception of inventories, is recognized through profit or loss under 180. "Net adjustments of property, plant and equipment".

In the first year, depreciation is recognized in proportion to the period the asset is effectively available for use. For assets sold or otherwise disposed of during the year, depreciation is calculated on a daily basis up to the date of transfer and/or disposal.

If there is evidence of possible impairment of the asset, the asset's carrying amount is compared against its recoverable amount, which is equal to the greater of the value in use of the asset, meaning the present value of future cash flows originated by the asset and its fair value, net of any disposal costs. Any negative difference

between the carrying amount and the recoverable amount is recognized in the income statement. If the reasons for the impairment should cease to obtain, a writeback is recognized in the income statement. The carrying amount following the writeback shall not exceed the value that the asset would have had, net of depreciation, in the absence of the prior writedowns.

Gains and losses deriving from the disposal or decommissioning of property, plant and equipment are determined as the difference between the net sale price and the carrying amount of the asset. They are recognized in profit and loss at the same date on which the assets are derecognized, under the item 250 “Profit (loss) from the disposal of investments”.

7 – Intangible assets

Classification

Intangible assets are recognized as such if they are identifiable and are based on legal or contractual rights. They include application software.

Right-of-use assets have not been recognized in respect of leases involving intangible assets as such recognition is optional under IFRS 16.

Recognition

Intangible assets are recognized at cost, adjusted for any incidental expenses, only if it is probable that the future economic benefits attributable to the asset will be realized and if the cost of the asset can be reliably determined. Otherwise, the cost of the intangible asset is recognized in profit or loss in the period in which it is incurred.

Recognition of intangible assets generated internally, and software in particular, is subject to verification of the above conditions and distinguishing between the research activities and development activities carried out to produce the asset. Costs associated with research cannot be capitalized, as the generation of probable future economic benefits cannot be demonstrated.

Intangible assets can be recognized in respect of goodwill arising from business combinations. The goodwill is recognized in an amount equal to the positive difference between the purchase price of the business combination and the fair value of the assets and liabilities acquired if that positive difference represents future economic benefits. Goodwill in respect of business combinations carried out prior to the date of transition to the IFRS are measured on a cost basis and represent the same value as that given using Italian GAAP.

Measurement

After initial recognition, intangible assets with a finite useful life are recognized at cost, net of total amortization and accumulated impairment losses. Amortization begins when the asset becomes available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended and ceases when the asset is derecognized. Intangible assets are amortized on a straight-line basis, so as to reflect the long-term use of the asset over its estimated useful life, which for application software does not exceed 5 years.

Goodwill is not amortized and is tested for impairment at each reporting date.

Derecognition

Intangible assets are derecognized upon disposal or when no future economic benefits are expected to be generated by the use or disposal of the asset.

Recognition of income components

Amortization is recognized through profit or loss under 190. “Net adjustments of intangible assets”, as are impairment losses. If the reasons for the impairment of intangible assets other than goodwill should cease to obtain, a writeback is recognized in profit or loss. The value of the asset after the writeback shall not exceed the value that the asset would have had, net of amortization, in the absence of the prior writedowns for impairment.

Writedowns of goodwill are recognized in the income statement under 240. "Writedowns of goodwill". Goodwill previously written down may not be written back.

Gains and losses from the disposal or other transfer of an intangible asset are determined as the difference between the net sale price and the carrying amount of the asset and recognized in the income statement under the item "Profit (Loss) from disposal of investments.

8 - Non-current assets and liabilities and disposal groups held for sale

Classification

Non-current assets and disposal groups, including associated liabilities, are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is met only when their sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. The Bank must be committed to the sale, which must be expected to be completed within one year of classification as held for sale.

Properties obtained through the enforcement of guarantees are classified under this item when the following conditions are met:

- the asset is available for immediate sale in its present condition, subject to terms that are usual and customary for sales of such assets;
- the sale is highly probable. In particular, the appropriate level of management must be committed to a plan to sell the asset, and an active program to locate a buyer and complete the plan must have been initiated. Further, the asset must be actively marketed for sale at a price that is reasonable in relation to its current fair value. Finally, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by IFRS 5, and actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Recognition

Non-current assets and disposal groups held for sale are valued at the lower of their carrying amount and their fair value less costs to sell, with the exception of assets for which IFRS 5 requires measurement in accordance with the applicable IFRSs (e.g. financial assets within the scope of IFRS 9).

Measurement and recognition of income components

Following initial recognition in this category, the assets are measured at the lower of their carrying amount and their fair value less costs to sell, with the exception of assets that IFRS 5 requires be measured using the provisions of the relevant accounting standard (for example, financial assets within the scope of IFRS 9). If the assets held for sale can be depreciated, any such depreciation ceases upon classification to non-current assets held for sale. Non-current assets and disposal groups held for sale, as well as "discontinued operations", and the associated liabilities are reported under specific items of assets (item 110 "Non-current assets and disposal groups held for sale") and liabilities (item 70 "Liabilities associated with disposal groups held for sale").

The results of the measurement, income, expenses and gains/losses upon disposal (net of any tax effect), of "discontinued operations" are recognized in the income statement under item 290 "Profit (loss) after tax of discontinued operations".

Derecognition

Non-current assets and disposal groups held for sale are derecognized upon disposal.

9 – Current and deferred taxation

Classification

Income taxes, which are calculated on the basis of national tax law, are accounted for as a cost on an accruals basis, in line with the recognition of the costs and revenue that gave rise to the tax liability. They therefore represent the balance of current taxes and deferred taxes in respect of income for the year. Current tax assets and liabilities report the net tax positions of the Group companies in respect of Italian and foreign tax authorities. More specifically, they report the net balance between current tax liabilities for the year, calculated on the basis of a prudent estimate of the tax liability for the period, as determined on the basis of applicable tax law, and current tax assets represented by payments on account and other tax receivables for withholding tax incurred or other tax credits for previous years which the Group companies opted to offset against taxes for subsequent years. Current tax assets also report tax receivables for which the Group companies have requested reimbursement from the competent tax authorities.

Deferred taxation is determined using the balance sheet liability method, taking account of the tax effect of temporary differences between the carrying amount of assets and liabilities and their value for tax purposes, which will give rise to taxable or deductible amounts in future periods. To that end, “taxable temporary differences” are those that in future periods will give rise to taxable amounts and “deductible temporary differences” are those that in future periods will give rise to deductible amounts. Deferred taxes are recognized on all taxable temporary differences, with the following exceptions: i) deferred tax liabilities arising from the initial recognition of goodwill or ii) an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect either the balance sheet or the tax situation.

Deferred tax assets are recognized against all deductible temporary differences, tax receivables and unused tax losses that can be carried forward, insofar as it is probable that sufficient future taxable income will be available to allow the use of the deductible temporary differences and the tax receivables and losses carried forward, except for cases in which the deferred tax asset related to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that does not represent a business combination and, at the time of the transaction, does not affect either the balance sheet or the tax situation.

Deferred tax is calculated by applying the tax rates established in applicable tax law, laws already issued or substantially in force at the reporting date that are expected to be applied during the year in which those assets are realized or those assets are extinguished to taxable temporary differences for which it is likely that a tax charge will be incurred and to deductible temporary differences for which it is reasonable certain there will be future taxable income at the time they become deductible (the probability test).

Current tax assets and liabilities and deferred tax assets and liabilities are offset in the financial statements if, and only if, they relate to income taxes applied by the same taxation authority and there is a legally enforceable right to set off tax assets.

Recognition and measurement

Where the deferred tax assets and liabilities regard items that impact profit or loss, that effect is recognized under income taxes.

In cases where the deferred tax assets and liabilities regard transactions that directly impact equity with no effect on profit or loss (such as adjustments on first-time adoption of the IAS/IFRS, measurement of financial instruments measured at fair value through other comprehensive income or cash flow hedge derivatives), they are recognized in equity, under specific reserves where required (i.e. the valuation reserves).

The potential taxation in respect of items on which taxation has been suspended that will be “taxed in the event of any use” is recognized as a reduction in equity. Deferred taxes in respect of revaluations prompted by conversion of amounts to the euro that were directly allocated to a specific reserve under Article 21 of Legislative Decree 213/98 on a tax-suspended basis are recognized as a reduction of that reserve. The potential taxation in respect of items that will be taxed “only in the event of distribution” is not recognized as the amount of available reserves that have already been taxes is sufficient to conclude that no transactions will be carried out that would involve their taxation.

Deferred taxation in respect of companies participating in the consolidated taxation mechanism is recognized in their financial statements on an accruals basis in view of the fact that the consolidated taxation mechanism is limited to settlement of current tax positions.

The potential taxation of components of the equity of the consolidated companies is not recognized where the circumstances that would give rise to their taxation are not considered likely to arise, taking due consideration of the lasting nature of the investment.

The value of deferred tax assets and liabilities is reviewed periodically to take account of any changes in legislation or in tax rates.

Recognition of income components

Income taxes are recognized through profit or loss, with the exception of those debited or credited directly to equity. Current income taxes are calculated based on taxable income for the period.

In determining income taxes, any uncertainties over tax treatments are taken into account, in accordance with the provisions of IFRIC 23.

Current tax payables and receivables are recognized at the value that payment to or recovery from the tax authorities is expected by applying current tax rates and regulations. Deferred income tax assets and liabilities are calculated, using expected tax rates, on the basis of temporary differences between the value attributed to the assets and liabilities in the financial statements and the corresponding values recognized for tax purposes.

Derecognition

Deferred tax assets and deferred tax liabilities are derecognized in the period in which:

- the temporary difference that originated them becomes taxable for deferred tax liabilities or deductible for deferred tax assets;
- the temporary difference that originated them is no longer relevant for tax purposes;
- for deferred tax assets only, the probability test envisaged by IAS 12 indicates that sufficient future taxable income will not be available.

10 - Provisions for risks and charges

Provisions for commitments and guarantees issued

This sub-item reports provisions estimated in respect of the credit risk on commitments to disburse funds and guarantees issued, which fall within the scope of application of the rules for calculating expected losses in accordance with IFRS 9. In principle, these cases use the same methods for allocation to the three risk stages and the calculation of expected losses that are adopted for financial assets measured at amortized cost or at fair value through other comprehensive income.

This sub-item also includes are provisions for other types of commitments and guarantees issued that, on the basis of their characteristics, do not fall within the scope of application of impairment in accordance with IFRS 9.

Other provisions for risks and charges

The other provisions for risks and charges include provisions for legal obligations or related to employment relationships or disputes originating from a past event for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The item also includes long-term employee benefits.

Recognition

A provision shall be recognized if and only if:

- the company has a present obligation (legal or constructive) as a result of a past event;

- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Measurement and recognition of income components

The amount recognized is the best estimate of the expenditure required to settle the obligation or to transfer it to third parties at the end of the reporting period and reflects the risks and uncertainties that inevitably surround many events and circumstances.

Where the time value of money is material and the payment dates of the obligation can be estimated reliably, the provision shall be discounted at market rates as of the reporting date.

Provisions are reviewed at every reporting date and are adjusted to reflect the best estimate of the charge required to settle the obligations existing at the close of the period. The impact of the time value of money and that of changes in interest rates are reported in profit or loss under net provisions for the period.

Actuarial gains and losses are recognized immediately in profit or loss.

Derecognition

Provisions are only used when the charges for which they were originally established are incurred. When the use of resources to fulfil the obligation is no longer deemed to be probable, the provision is reversed through profit or loss.

11 - Financial liabilities measured at amortized cost

Classification

Financial liabilities measured at amortized cost include amounts due to banks, amounts due to customers and securities issued, comprising all technical forms of interbank and customer funding, repurchase agreements and funding through certificates of deposit, bonds and other funding instruments in circulation, net of any amounts repurchased.

The item also includes liabilities recognized by the lessee in respect of leases (finance or operating) pursuant to IFRS 16.

Recognition

The liabilities are initially recognized at fair value, which is normally equal to the amounts received or the issue price, plus or minus any additional costs or revenue directly attributable to the transaction that are not reimbursed by the creditor. Internal administrative costs are excluded.

Financial liabilities issued on non-market terms are recognized at estimated fair value and the difference with respect to the amount paid or the issue price is taken to the income statement.

Measurement and recognition of income components

Following initial recognition, these liabilities are measured at amortized cost using the effective interest rate method, excluding short-term liabilities, which are recognized in the amount received in keeping with the general principles of materiality and significance. See the section on assets measured at amortized cost for information on the criteria for determining amortized cost.

Interest expense recognized on financial liabilities is reported under “Interest and similar expense” in the income statement.

Lease liabilities are adjusted in the event of a lease modification (e.g. a change in the scope of the contract) that is not recognized/considered as a separate contract.

In addition to cases of extinguishment and expiration, financial liabilities reported in these items are also

derecognized when previously issued securities are repurchased. In this case, the difference between the carrying amount of the liability and the amount paid to repurchase it is recognized in the income statement under 100. "Gain (loss) on the disposal or repurchase of: c) financial liabilities". If the repurchased security is subsequently placed again on the market, this is treated as a new issue and is recognized at the new placement price, with no impact on the income statement.

Derecognition

Financial liabilities are derecognized when the obligation underlying the liability is extinguished, waived or discharged. Where a financial liability is replaced with another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as the derecognition of the original liability accompanied by the recognition of a new liability, with the recognition of any difference in their carrying amounts through profit or loss.

12 – Financial liabilities held for trading

Classification

The item reports the negative value of trading derivatives that are not part of hedging relationships as well as the negative value of embedded derivatives to be separated from hybrid instruments relating to a financial liability. Liabilities deriving from short positions in by securities trading activities are recognized under "Financial liabilities held for trading".

Recognition

Financial liabilities are initially recognized at the settlement date, while derivative contracts are recognized at the date they are signed. The financial liabilities are initially recognized at fair value, which generally equals the amount received.

In cases in which the amount paid differs from the fair value, the financial liability is recognized at fair value, and the difference between the amount paid and the fair value is recognized through profit or loss.

Derivative contracts embedded in financial liabilities or other contractual forms and which have financial and risk characteristics that are not correlated with the host instrument or which meet the requirements to be classified themselves as derivative contracts, are recognized separately among financial liabilities held for trading if their value is negative, with the exception of cases in which the compound instrument containing the derivative is entirely measured at fair value through profit or loss.

Measurement

Subsequent to initial recognition, the financial liabilities are recognized at fair value through profit or loss. Please see Part 4 "Fair value disclosures" of these notes to the financial statements for information on determining fair value.

Derecognition

Financial liabilities are derecognized when the obligation underlying the liability is extinguished, waived or discharged. Where a financial liability is replaced with another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as the derecognition of the original liability accompanied by the recognition of a new liability, with the recognition of any difference in their carrying amounts through profit or loss.

Recognition of income components

Gains and losses from the measurement of and transactions in financial liabilities held for trading are recognized through profit or loss under item 80. "Net gain (loss) on trading activities".

13 - Financial liabilities designated as at fair value

Classification

This item reports financial liabilities designated as at fair value through profit or loss under the option permitted to entities in IFRS 9 (the “fair value option”). More specifically, financial liabilities may be irrevocably designated as at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch due to a measurement inconsistency or where they contain one or more embedded derivatives.

Recognition

Financial liabilities at fair value through profit or loss are initially recognized at the issue date at their fair value, which normally corresponds to the price paid. If the price is different from the fair value, the financial liability is recognized at its fair value and the difference between the price and the fair value is recognized in the income statement.

Measurement and recognition of income components

After initial recognition, financial liabilities reported under this item are measured at fair value in accordance with the following rules:

- if the change in fair value is attributable to a change in the credit risk of the liability, it shall be recognized in other comprehensive income (equity) and is not subsequently recycled through profit or loss;
- all other changes in fair value shall be recognized through profit or loss under “Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss: a) financial assets and liabilities designated as at fair value”.

Pursuant to IFRS 9, this accounting method shall not be applied if would create or enlarge an accounting mismatch in the income statement. In this case, the gains or losses related to the liability falling under this item shall be recognized through profit or loss. For more information on the criteria used for determining the fair value, please see section 15 “Other information” and Part A.4 “Fair value disclosure” of these notes to the financial statements.

Derecognition

Financial liabilities are derecognized when the obligation underlying the liability is extinguished, waived or discharged. Where a financial liability is replaced with another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, this exchange or modification is treated as the derecognition of the original liability accompanied by the recognition of a new liability, with the recognition of any difference in their carrying amounts through profit or loss.

14 - Foreign currency transactions

Classification

In addition to those explicitly denominated in a currency other than the euro, foreign currency assets and liabilities also include those that have indexing clauses linked to the exchange rate of the euro with a specific currency or with a certain basket of currencies.

Recognition

Transactions in a foreign currency are initially recognized in the functional currency by translating the amount in the foreign currency into the functional currency at the exchange rate prevailing on the date of the transaction.

For the purposes of translation, foreign currency assets and liabilities are divided into monetary items (classified under current items) and non-monetary items (classified under non-current items). Monetary items comprise cash and assets and liabilities to be received or paid in fixed or determinable amounts of money. Non-monetary items are characterized by the absence of a right to receive, or an obligation to deliver, a fixed or determinable amount of money.

Measurement

At the reporting date, foreign currency items are measured as follows:

- monetary items are translated at the exchange rate prevailing at the reporting date;
- non-monetary items measured at historic cost are translated at the exchange rate prevailing at the transaction date;
- non-monetary items measured at fair value are translated using the exchange rate prevailing at the reporting date.

Recognition of income components

Exchange rate differences relating to financial assets/liabilities other than those designated as at fair value and those mandatorily measured at fair value through profit or loss are recognized in the income statement under the item 80. "Net gain (loss) on trading activities". Exchange rate differences relating to the two categories referred to above are recognized under the item 110. "Net gain (loss) of other financial assets and liabilities measured at fair value through profit or loss". In addition, if the financial asset is measured at fair value through other comprehensive income, exchange rate differences are allocated to the relevant valuation reserve.

Exchange rate differences resulting from the settlement of monetary items or from the translation of monetary items at exchange rates other than the initial translation rate, or translation of the previous financial statements, are recognized through profit or loss in the period in which they emerge.

When gains or losses relating to a non-monetary item are recognized in equity, the exchange rate difference for the item is also recognized in equity. Likewise, when a gain or loss is recognized through profit or loss, the corresponding exchange rate difference is also recognized through profit or loss.

15 – Other information

Tax credits related to the Decree laws "Cure Italy" and "Revival Decree" purchased from direct beneficiaries or previous purchasers

Decree Law 18/2020 (the "Cure Italy Decree") and Decree Law 34/2020 (the "Revival Decree") introduced specific tax incentives into Italian law related to both capital and current expenses.

The Government has intervened again on the issue through (i) Decree Law 50/2022 (so-called "Aid" Decree), mainly by reshaping the group of potential transferees, (ii) Decree Law 11/2023 which prohibits, albeit with certain derogations, opting for discounting on the invoice or for transferring the credit instead of directly using the deduction, and (iii) Decree Law 38/2024 with which the possibility of using the tax credit to offset social security liabilities has been limited to financial intermediaries and insurance companies.

The main characteristics of these tax credits are (i) they are offsettable, (ii) they can be transferred to third parties, (iii) they are non-refundable by the Treasury.

The accounting of tax credits purchased at a financial discount from a third party cannot be classified according to a specific international accounting principle. IAS 8 provides that, for transactions not explicitly covered by IAS/IFRS accounting standards, the management must define an accounting policy suitable for providing relevant and reliable information on the transaction.

To this end, taking into account the indications of the document "Accounting treatment of tax credits connected with the Cure Italy and Revival Decrees, purchased from direct beneficiaries or previous purchasers" jointly published on January 5, 2021 by the Bank of Italy, Consob and IVASS on the application of IAS/IFRS, the Bank has adopted an accounting policy that refers, by analogy and to the extent applicable based on the characteristics of the case, to the accounting rules set out in IFRS 9.

Upon acceptance of the tax credit in the "tax box", the Bank classifies:

- under the Hold to Collect business model, the credits acquired within the limits of its tax capacity for the purpose of holding them to offset against tax liabilities. These credits are measured at amortized cost with representation of the pro-rata remuneration in the interest margin during the recovery period;

- under the Hold to Collect and Sell business model, the credits acquired within its tax capacity to possibly sell them. Tax credits classified under the HTCS business model are measured at fair value;¹³⁶
- under the “Other” business model, the credits acquired for the purpose of portfolio active management, i.e. trading them. These credits are measured at fair value through profit or loss.

The fair value measurement of these credits is based on the construction of discount factor vectors determined on the basis of the credits traded in the reference quarter by the Group mutual banks, through bootstrapping. Receivables subject to fair value measurement for which at the reporting date a transfer contract has already been signed and is being finalized are measured at the corresponding value defined in the contract itself.

In all the business models above, initial recognition of the tax credit occurs upon transfer to the Bank's tax box and at the purchase price, which is equivalent to Level 3 fair value, given that there are no official markets or comparable transactions. Therefore, no day-one profit/loss is recognized.

The IFRS 9 accounting framework for calculating expected losses is not deemed to be applicable to these tax credits as there is no refunding from the Treasury (the credit being either offset against the Bank's tax debts or reassigned to a third party).

Given the operating and control methods implemented by the Group's banks, the risks of non-use of tax credits are believed to be substantially non-existent. As a matter of fact, the Group has set prudential thresholds in respect of its effective tax capacity (irrespective of the business model) for the purposes of acquiring credits and assessing from time to time of the compatibility of the portfolio with the relevant offsetting deadlines, and constantly monitors that the portfolio remains within the aforementioned limits, in all reference years.

Since the acquired tax credits do not represent, pursuant to IAS/IFRS, tax assets, government grants, intangible assets or financial assets, their classification in the balance sheet is in the residual "Other assets" item.

Employee termination benefits

Following the reform of supplementary pension schemes introduced by Legislative Decree 252 of December 5, 2005, changes were made to the way in which employee termination benefits are recognized. The portion of termination benefits accrued through December 31, 2006 is treated as a defined-benefit plan, since the company is required under law to pay the employee an amount determined pursuant to Article 2120 of the Italian Civil Code.

The portion of termination benefits accrued from January 1, 2007 allocated to a supplementary pension scheme or to the treasury fund managed by INPS (Italy's National Social Security Institute) are treated as a defined-contribution plan since the company's obligation towards the employee ceases upon transfer of the amounts to the fund. Therefore, starting January 1, 2007, the Bank:

- continues to recognize the obligation accrued at December 31, 2006 in accordance with the rules for defined-benefit plans, i.e. using the projected unit credit method. This means that it measures the obligation for benefits accrued by employees using actuarial techniques, projecting into the future the amount to pay at the time the employment relationship is terminated and discounting the accrued portion. To this end, the projected unit credit method considers each individual service period as the originator of an additional unit of termination benefits to be used in constructing the final obligation by projecting future outflows on the basis of statistical analysis of historical developments and the demographic curve, discounting those flows using a market interest rate. Total actuarial gains and losses are recognized, in line with the provisions of IAS 19, in equity, while the interest cost component of the change in the defined benefit obligation is recognized in profit or loss;
- recognizes the obligation for portions accrued starting January 1, 2007, payable to a supplementary pension scheme or to the treasury fund managed by INPS, on the basis of the contributions owed in each period, as a defined contribution plan for employee service, in profit or loss. More specifically, in the case of termination benefits payable to a supplementary pension scheme that treatment begins at the time of the choice or, if the employee does not exercise any option, as from July 1, 2007.

¹³⁶ The correct amount of interest at each reporting date with which to adjust the fair value change in equity as a balancing entry in the income statement is calculated using the IRR (and, consequently, the amortized cost) of these credits. Interest income is recognized according to the same logic used for credits at amortized cost. Fair value changes are initially recognized in OCI. When the tax credit is derecognized, the fair value changes previously recognized in OCI and accumulated in equity are reclassified to the income statement.

Recognition of revenue

Revenue is recognized when realized or, in the case of the sale of goods or services, in relation to the extent to which the performance obligation has been satisfied, as specified below.

Specifically:

- interest is recognized on an accruals basis using the contractual interest rate or the effective interest rate where the amortized cost method is applied;
- default interest, if any, is recognized through profit or loss only upon receipt;
- dividends are recognized in the income statement when their distribution is authorized;
- commissions for revenue from services are recognized in relation to the effective provision of the services to a customer, as discussed in greater detail below;
- revenue from the placement of funding instruments, calculated on the basis of the difference between transaction price and the fair value of the financial instrument, are recognized in the income statement when the transaction is recognized if the fair value can be determined with reference to parameters or transactions recently observed in the same market in which the instrument is traded. If these amounts cannot be easily determined or the instrument is not highly liquid, the financial instrument is recognized in an amount equal to the transaction price, excluding the commercial margin. The difference between this amount and the fair value is taken to profit or loss over the duration of the transaction through the gradual reduction in the valuation model of the corrective factor reflecting the reduced liquidity of the instrument;
- revenue from the sale of non-financial assets is recognized at the time the performance obligation is satisfied with the transfer of the asset, i.e. when the customer obtains control of the asset.

In application of IFRS 15, the following steps are followed in recognizing revenue from contracts with customers:

- identification and analysis of the contract signed with the customer to identify the type of revenue. In some specific cases, multiple contracts may have to be combined and accounted for as a single contract;
- identification of the specific performance obligations in the contract. If the goods/services to be transferred are distinct, they qualify as performance obligations and are accounted for separately;
- determination of the transaction price, considering all the performance obligations in the contract. This price may be a fixed amount, but may sometimes include variable or non-monetary consideration;
- allocation of the transaction price to the performance obligations. The transaction price is allocated to the various performance obligations on the basis of the selling prices of each distinct good or service provided contractually. If it is impossible to determine the standalone selling price, it is necessary to estimate it. The assessment must be carried out as from the start date of the contract (the inception date);
- recognition of revenue when the performance obligation is satisfied. Revenue is recognized following the satisfaction of the performance obligation to the customer, i.e. when the latter obtains control of the good or service. Some revenue is recognized at a point in time, while other is accrued over time. It is therefore necessary to identify the moment in which the performance obligation is satisfied. In the case of performance obligations satisfied over time, revenue is recognized over the reference period, selecting an appropriate method to measure the progress made towards complete satisfaction of the performance obligation".

Accruals and deferrals

Accruals and deferrals reporting costs and revenue accruing in the period on assets and liabilities are recognized as adjustments to the assets and liabilities to which they refer. In the absence of such assets or liabilities, they are recognized under "Other assets" (item 120. under assets) or "Other liabilities" (item 80. under liabilities).

Expenditure for leasehold improvements

Expenses for refurbishments of buildings belonging to third parties that do not have an independent function or use are conventionally classified under "Other assets". The associated depreciation, performed over the useful life

associated with the right to use the property, is reported under other operating expenses.

Determination of amortized cost

Amortized cost is applied to financial assets and liabilities measured at amortized cost and to the income components of financial assets measured at fair value through other comprehensive income.

The amortized cost of a financial asset or financial liability is the value at which it is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest rate is the rate that discounts the contractual flow of future or received payments until the maturity date or the next repricing date to the present value of a financial asset or financial liability.

For instruments bearing a fixed rate or a fixed rate for periods of time, future cash flows are determined on the basis of the specified interest rate over the life of the instrument. For variable-rate financial assets or liabilities, future cash flows are determined on the basis of the last known rate. At each repricing date, the residual amortization and the effective yield over the residual useful life (i.e. until maturity) of the financial instrument are recalculated.

For purchased or originated credit-impaired financial assets ("POCI"), the effective interest rate corrected for credit risk is calculated, discounting estimated future cash flows over the expected life of the financial asset, taking of account all the contractual terms of the asset (e.g. prepayment options, call options, etc.) as well as expected credit losses.

Financial assets and liabilities transacted on market terms are initially recognized at their fair value, which normally corresponds to the amount paid or received including directly attributable transaction costs and fees: internal marginal costs and income not recoverable from customers are considered transaction costs attributable at the time of initial recognition of the instrument.

These ancillary components, which must be attributable to the individual asset or liability, affect the effective return and cause the effective interest rate to differ from the contractual interest rate: therefore, costs and income referable indiscriminately to multiple transactions and related components that they may be recognized during the life of the financial instrument are not included. Furthermore, costs that the Group incurs independently of the transaction, such as administrative, office supplies and communication costs, are not considered in the calculation of the amortized cost.

The measurement method adopted for inflation-linked BTPs - the overall performance of which does not depend solely on its real components but also on the developments in inflation, to which these bonds are indexed¹³⁷ - provides for the sterilization of the inflation effect in the calculation of the IRR and its inclusion in amortized cost, so as to generate a perfect adjustment of the value of holdings to changes in inflation. Accordingly, the value of the holding increases (or decreases) in proportion to the inflation coefficient, so that at the maturity of the security its value is equal to the redemption value.

More specifically, the methodology applied makes it possible to adjust the average carrying price of the security to the presumable redemption value by varying the associated value of the holdings in a manner consistent with the indexing parameter. In this way, the effect of inflation is accounted for in the year in which it occurs, in line with the accrual principle, and is summed with the real yield on the securities.

Since the portfolio is revalued based on the current inflation coefficient, the weighted average price between existing holdings and any purchases subsequently is determined consistently, i.e. between comparable quantities. The fact that the effect of inflation is accounted for on an accrual basis means that:

- net interest income shows the contribution linked both to the real yield of the security (coupons and accrued interest) and the inflation component, the latter through the recognition of the portion at amortized cost deriving from the revaluation of the value of the securities held in the portfolio. This means that, for example, when a non-negligible inversion occurs in the inflation trend, the contribution of inflation-linked BTPs to net interest income could decline due to the amortized cost portion (given by the difference between the amortized cost value of holdings indexed to inflation recorded at time t compared with that recorded at time t-1), which at that point would become negative;

¹³⁷ The overall performance of inflation-linked BTPs depends on two components: an a priori element, i.e. the real yield, and another linked to inflation, which determines the revaluation of coupons and principal. The value of the security is therefore made to evolve as a function of both effects.

- net interest income may exhibit a certain variability over the 12 months of the year, since the value of the inflation index is typically cyclical and can display substantial seasonal variations. This effect can be particularly marked for securities indexed to the European inflation index ("CPTFEMU"), involving sudden changes in the inflation coefficients, especially in the months of March (negative) and May (positive). The carrying price at amortized cost, as it is calculated - as envisaged under applicable regulation - on the basis of the presumable redemption value, displays the same seasonal variations. In any event, since seasonal variations offset a 12-month time horizon, they do not generate any distortion on an annual basis.

Determination of impairment

Financial assets

At each reporting date, the Bank determines whether there is objective evidence that a financial asset or group of financial assets has incurred a significant increase in the related credit risk since initial recognition and requires the definition of a methodology for calculating the expected loss (ECL) and the related risk parameters necessary to calculate it, namely: Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD).

The staging methodology provides for the allocation of each exposure/tranche (loans and securities) to the three distinct stages on the basis of the following:

- stage 1: this includes newly issued instruments/tranches and exposures to counterparties classified as performing that, as at the reporting date, have a PD lower than or equal to a given threshold (qualifying for the low credit risk exemption) or have not experienced a significant increase in credit risk with respect to that measured the date of disbursement/purchase. The 12-month expected loss is measured for these positions;
- stage 2: this includes all performing instruments/tranches that, as at the reporting date, simultaneously:
 - have a higher PD than that specified for the low credit risk exemption;
 - have experienced a significant increase in credit risk with respect to the date of initial recognition;

In general, in the absence of a rating/PD at the reporting date the exposure is allocated in stage 2 (without prejudice to the use of additional criteria specifically adopted for the management of particular types of portfolios/positions not covered by the use of an internal rating model). In this case, the lifetime expected loss is measured over a time horizon that covers the entire residual life of the financial instrument;

- stage 3: this includes all instruments/tranches associated with loans/securities in default, for which the loss is calculated as the difference between the contractual cash flows and expected cash flows, discounted at the effective interest rate of the instrument (lifetime expected loss), which is essentially unchanged compared with the previous accounting standard.

A so-called grace period is also granted, under which newly disbursed exposures are conventionally classified in stage 1 for the first 3 months of the relationship, unless they derive from forbearance measures.

Furthermore, in order to reduce the volatility of allocations of exposures to the various stages, the mechanisms for transferring exposures between stages envisage a so-called 3-month probation period (the minimum period for which positions are allocated to a given stage), defined as follows:

- an exposure allocated to stage 2 can be transferred to stage 1 if at the reporting date the conditions for allocation to stage 1 are met and at least 6 continuous months have elapsed since the factors that prompted allocation to stage 2 no longer exist;
- the reclassification as performing of an exposure previously allocated to stage 3 involves direct allocation to stage 2 for at least 3 months following the return to performing status, unless events requiring reallocation to stage 3 should occur.

If at least one of the criteria for classification in stage 2 is activated for a position within the probation period, the probation period recommences from the month in which the criteria that determined the allocation to stage 2 are no longer active.

Performing forborne exposures for which the regulatory probation period of 24 months is already activated are excluded from the application of this criterion.

With regard to the securities portfolio, the quantitative information consist in comparing the PD/rating class at the origination date and PD/rating class at the reporting date, the approach used makes extensive use of the low credit

risk exemption for the purpose of staging exposures, even in the presence of information on credit risk measures at the date of origination. In particular, exposures with a PD less than or equal to a specified threshold at the reporting date are allocated to stage 1. Exposures associated with securities in default are classified in stage 3. With regard to expected credit loss, the risk parameters necessary for calculating that value have been distinguished by differentiating between the securities portfolio and the loan portfolio.

With regard to the securities portfolio:

- Probability of Default (PD): the PD at 12 months and multi-period PDs used underwent forward-looking conditioning;
- Loss Given Default (LGD): the unconditioned LGD measures used are the same for both stage 1 and stage 2 exposures. More specifically, an unconditioned LGD metric of 45% is used, which subsequently undergoes forward-looking conditioning;
- Exposure At Default (EAD): for the purposes of quantifying the EAD associated with each securities issue, the gross value of the exposure at the reporting dates is generally used.

With regard to the loan portfolio:

- Probability of Default (PD): the approach defined by the Bank envisages: the use of internal rating models to determine the transition matrix based on rating classes, conditioned to incorporate forward-looking macroeconomic scenarios and used to obtain lifetime PDs; where an internal rating model is absent, calculating default rates on an annual basis, conditioned to include forward-looking macroeconomic scenarios and used to obtain cumulative lifetime PDs.
- Loss Given Default (LGD): the approach for estimating LGD developed by the Bank provides for the determination of historical loss rates on closed impaired positions and the application of the so-called danger rate, conditioned by macroeconomic scenarios;
- Exposure At Default (EAD): the estimation approach for EAD differs by type of portfolio, product and stage to which the exposure has been assigned.

In order to condition the risk parameters for future macroeconomic scenarios, the Group uses multipliers (or macroeconomic conditioning factors) that, updated periodically, make it possible to obtain projections of changes in the riskiness of the portfolio (PD) and losses generated by default of the debtor counterparties (LGD), based on a defined time horizon and certain reference macroeconomic variables.

For the purpose of applying these multipliers, the Bank associates the probability of occurrence on a judgmental basis to each scenario. The probability of occurrence of each scenario is used as weights in the calculation of the average multiplier associated with each calendar year.

With regard to exposures classified in stage 3 (credit-impaired assets), even if the definition of “impaired loans” in IAS 39 and IFRS 9 is substantially the same, the inclusion of forward-looking information, such as the consideration of alternative recovery scenarios, incorporated a number of methodological peculiarities. In particular, scenarios for the sale of credit exposures were considered in connection with possible sales of impaired positions, in line with the company’s objectives for reducing non-performing assets, to which a probability of realization was attributed for consideration in the context of the overall assessments. It follows that, for transferrable non-performing loans, in order to determine the overall expected loss of exposures, the “ordinary” scenario assuming a recovery strategy based on the recovery of receivables through legal action, the enforcement of guarantees, etc., has been accompanied by scenarios that envisage the sale of the loan as a recovery strategy.

Equity securities and units of collective investment undertakings

Equity securities and units of collective investment undertakings, regardless of the accounting portfolio to which they are allocated, do not undergo impairment testing as they are measured at fair value.

Other non-financial assets

Property, plant and equipment and intangible assets with a finite useful life undergo impairment testing if there is evidence that the carrying amount of the asset cannot be recovered. The recoverable amount is determined as the

greater of the fair value of the item of property, plant and equipment or the intangible asset net of costs of disposal and the value in use.

As regards real estate, fair value is mainly determined on the basis of an appraisal prepared by an independent expert.

Intangible assets recognized following acquisitions and in application of IFRS 3 at each reporting date undergo impairment testing to determine whether there is objective evidence that the asset may have incurred an impairment loss.

If there is evidence of impairment, intangible assets with a finite life undergo a new valuation to determine the recoverability of the carrying amount. Recoverable amount is determined on the basis of value in use, i.e. present value, as estimated using a rate representing the time value of money, the specific risks of the asset and the margin generated by relationships in place at the valuation date over a time horizon equal to the residual term of those relationships.

Since intangible assets with an indefinite life, represented by goodwill, do not generate autonomous cash flows, they undergo annual testing of their carrying amount for the cash generating unit (CGU) to which the values were allocated in the related business combinations. The amount of any impairment is determined on the basis of the difference between the carrying amount of the CGU and the recoverable amount of the unit, represented by the greater of its fair value, net of costs of disposal, and its value in use.

The carrying amount of the CGU must be determined in a manner consistent with the criteria used to determine its recoverable amount. From the standpoint of a banking enterprise, it is not possible to determine the cash flows of a CGU without considering the flows generated by financial assets and liabilities, given that the latter represent the core business of the company. In other words, the recoverable amount of the CGUs is impacted by those cash flows and, accordingly, the carrying amount of the CGUs must be determined using the same scope of estimation used for the recoverable amount and, therefore, must include the financial assets/liabilities. To that end, these assets and liabilities must be allocated to the CGUs.

Following this approach, the carrying amount of the CGUs can be determined in terms of their contribution to consolidated shareholders' equity, including non-controlling interests.

The value in use of a CGU is calculated by estimating the present value of the future cash flows that are expected to be generated by the CGU on the basis of criteria and methodological models defined by the Parent Company, in line with best market practices and doctrinal references. Those cash flows are determined using the most recent public business plan or, in the absence of such a plan, an internal forecasting plan developed by management.

Normally, the specific forecasting period covers a maximum time horizon of three years. The flow in the final year of the forecasting period is projected forward in perpetuity, using an appropriate growth rate "g" for the purposes of the terminal value.

In calculating value in use, the cash flows must be discounted using a rate that reflects the current time value of money and the specific risks to which the asset is exposed. More specifically, the discount rates adopted incorporate current market values for the risk-free rate and equity premiums observed over a sufficiently long period of time to reflect different market conditions and business cycles.

With specific reference to the rights of use recognized in accordance with IFRS 16, evidence that an asset may have suffered an impairment loss may be associated both with internal factors (deterioration, obsolescence, etc.) and external factors (market value, technological changes, etc.). Failure to exercise a right of use or the subletting of the underlying asset are considered potential indicators of impairment of the right of use.

Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability between willing and knowledgeable market participants in an orderly transaction. In the definition of fair value, a key assumption is that an entity is fully operational (the assumption that an entity is a going concern) and does not have the intention or the need to liquidate, significantly reduce its operations or undertake transactions on unfavorable terms. In other words, fair value is not the amount an entity would receive or would pay in a forced transaction, an involuntary liquidation or a distress sale. Nevertheless, the fair value reflects the credit quality of the instrument as it incorporates counterparty risk.

Financial instruments

Please see section A.4 Fair value disclosures for more information on the methods used to determine the fair value of financial instruments.

Non-financial assets

Investment property is primarily valued using external appraisals, considering transactions at current prices in an active market for similar properties, in the same location and condition and subject to similar conditions for rentals and other contracts.

Financial guarantees

As part of its ordinary banking operations, the Bank grants financial guarantees in the form of letters of credit, acceptances and other guarantees. Commission income earned on guarantees, net of the portion representing the recovery of costs incurred in issuing the guarantee, are recognized on an accruals basis under item 40 “Fee and commission income”, taking account of the term and residual value of the guarantees.

Following initial recognition, the financial guarantees are measured as the greater of the amount of the provision covering the losses determined in accordance with the rules governing impairment and the initial recognition amount (fair value) less (where appropriate) the cumulative amount of the income that the Bank has recognized in accordance with IFRS 15 (deferred income).

Any losses and value adjustments on such guarantees are reported under item 170 “Net provisions for risks and charges: a) commitments and guarantees issued” in the income statement. Writedowns due to the impairment of guarantees issued are reported under “Provisions for risk and charges: a) commitments and guarantees issued” in liabilities in the balance sheet.

Guarantees are off-balance-sheet transactions and are reported under “Other information” in Part B of the notes to the financial statements.

Business combinations

The transfer of control of an entity (or a group of integrated activities and assets, conducted and managed together) is a business combination.

IFRS 3 requires that an acquirer be identified for all business combinations. The acquirer is the entity that obtains control over another entity or group of activities. If it is not possible to identify a controlling entity using the definition of control described earlier, such as for example in the case of an exchange of equity interests, the acquirer must be identified using other factors such as: the entity whose fair value is significantly greater, the entity that possibly pays cash or the entity that issues new equity instruments.

The acquisition (and therefore the first consolidation of the acquired entity) must be accounted for on the date on which the acquirer actually obtains control over the entity or the assets acquired. When the business combination is achieved in a single exchange transaction, the date of exchange normally coincides with the acquisition date. However, it is always necessary to check for any agreements between the parties that may involve a transfer of control before the exchange date.

The consideration transferred as part of a business combination is determined as the sum of the fair value, at the exchange date, of the assets transferred, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control.

In transactions involving payment in cash (or when payment is made using financial instruments comparable to cash) the consideration is the agreed price, possibly discounted if payment will be made in installments over a period longer than short term. If payment is made using an instrument other than cash, such as through the issue of equity instruments, the price is equal to the fair value of the means of payment net of costs directly attributable to the equity issue.

The consideration in a business combination at the acquisition date includes adjustments subordinated to future events if envisaged in the transfer agreements and only if they are probable, reliably determinable and made within the twelve months following the date of acquisition of control, while indemnities for a reduction in the value of the

assets used are not included as they are already considered in the fair value of the equity instruments or as a reduction in the premium or increase in the discount on the initial issue of debt instruments, where applicable.

The costs related to the acquisition are charges that the acquirer incurs to carry out the business combination. By way of example, these include professional fees paid to auditors, experts, legal consultants, fees for appraisals and the auditing of accounts, preparation of information documents required by regulations, as well as consulting costs incurred to identify potential targets for acquisition if it is contractually established that payment is made only in the event of a successful combination, as well as the costs of registration and the issue of debt or equity securities.

The acquirer must account for the costs related to the acquisition as charges in the periods in which these costs are incurred and the services are received, with the exception of the costs of issuing equity or debt securities, which must be recognized in accordance with the provisions of IAS 32.

Business combinations are accounted for using the acquisition method, under which the identifiable assets acquired (including any intangible assets previously not recognized by the acquiree) and the identifiable liabilities assumed (including contingent liabilities) must be recognized at their respective fair values on the acquisition date. Furthermore, for each business combination, any non-controlling interests in the acquiree can be recognized at fair value (with a consequent increase in the consideration transferred) or as a proportion of the share of the non-controlling interests in the identifiable net assets of the acquiree.

If control is obtained in stages, the acquirer shall recalculate the interest previously held in the acquiree at its respective fair value on the acquisition date and record any difference with respect to the previous carrying amount through profit or loss. The excess of the consideration transferred (represented by the fair value of the assets transferred, the liabilities incurred or the equity instruments issued by the acquirer), increased by the value of any non-controlling interest (determined as indicated above), and the fair value of the interest previously held by the acquirer, over the fair value of the assets and liabilities acquired must be recognized as goodwill. However, if the latter exceed the sum of the consideration, non-controlling interest and the fair value of the interest previously held, the difference is recognized in profit or loss.

Following initial recognition, goodwill is measured at cost net of accumulated impairment losses. For the purpose of impairment testing, the goodwill acquired in a business combination is allocated, from the acquisition date, to each cash generating unit of the Group that is expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquired entity are assigned to those units.

If goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of the unit, the goodwill associated with the transferred asset is included in the carrying amount of the asset when determining the gain or loss on disposal. The goodwill associated with the transferred asset is determined on the basis of the relative values of the transferred asset and the part retained by the cash-generating unit.

Business combinations can be accounted for provisionally by the end of the reporting period in which the combination occurs, with the accounting to be completed within twelve months of the acquisition date.

Mergers are the form of business combination that represents the most complete form of combination, as they involve both the legal and economic unification of the participating parties.

Mergers, whether they are mergers of equals, i.e. with the establishment of a new legal entity following the combination, or the combination of one entity into another surviving entity, are treated in accordance with the criteria illustrated previously, and in particular:

- if the transaction involves the transfer of control of an entity, it is treated as a business combination within the scope of IFRS 3;
- if the transaction does not involve the transfer of control, it is accounted for by preserving the values in the financial statements of the merged entity in the surviving entity.

If the business combination is carried out for reorganizational purposes, i.e. between two or more entities or businesses that already belong to the same group and the combination does not involve a change in control regardless of the extent of non-controlling interests before and after the business combination (business combinations of entities under common control), the transaction is considered to be without economic substance. Accordingly, in the absence of specific instructions in the IASs/IFRSs and in compliance with the presumptions of IAS 8 which require that - in the absence of a specific standard - an entity shall use of its judgment in applying an accounting policy that provides relevant, reliable, prudent information that reflects the economic substance of the transaction, such combinations are accounted for preserving the values in the financial statements of the acquiree in those of the acquirer.

A.3 – DISCLOSURES ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

Following adoption of IFRS 9, the Bank has not changed the business model it uses to manage its financial assets and, accordingly, no financial assets have been transferred between portfolios.

A.4 – FAIR VALUE DISCLOSURE

QUALITATIVE DISCLOSURES

This section provides the disclosures on the fair value of financial instruments as requested under IFRS 13, in particular paragraphs 91 and 92.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the “exit price”) on the principal (or most advantageous) market, regardless of whether that price is directly observable or is estimated using a valuation technique.

Prices on an active market are the best indication of the fair value of financial instruments (Level 1 in the fair value hierarchy). In the absence of an active market or where prices are affected by forced transactions, fair value is determined on the basis of the prices of financial instruments with similar characteristics (Level 2 inputs – the comparable approach) or, in the absence of such prices as well, with the use of valuation techniques that use market inputs to the greatest extent possible (Level 2 inputs – model valuation - mark to model). Where market data is not available, inputs not drawn from the market and estimates and model forecasts may be used (Level 3 inputs – model valuation - mark to model). Where market data is not available, inputs not drawn from the market and estimates and model forecasts may be used (Level 3 inputs – model valuation - mark to model).

For financial instruments measured at fair value, the Bank assigns maximum priority to prices quoted on active markets and lower priority to the use of unobservable inputs, as the latter are more discretionary, in line with the fair value hierarchy noted above and discussed in greater detail in section A.4.3 below. It also establishes the order of priority, the criteria and general conditions used to determine the choice of one of the following valuation techniques:

- mark to market: a valuation approach using inputs classified as Level 1 in the fair value hierarchy;
- the comparable approach: a valuation approach based on the use of the prices of instruments similar to the one undergoing valuation, which are classified as Level 2 in the fair value hierarchy;
- mark to model: a valuation approach based on the use of pricing models whose inputs are classified as Level 2 (in the case of the exclusive use of market observable inputs) or Level 3 (in the case of the use of at least one significant unobservable input) in the fair value hierarchy.

Mark to market

Classification in Level 1 of the fair value hierarchy represents the mark-to-market approach. For an instrument to be classified in Level 1 of the fair value hierarchy, its value must be based solely on quoted prices in an active market to which the Bank has access at the time of valuation (Level 1 inputs).

A quoted price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value.

The concept of active market is a key concept in allocating a financial instrument to Level 1. An active market is a market (or dealer, broker, industrial group, pricing service or regulatory agency) in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. Thus, the definition implies that the concept of active market is associated with the individual financial instrument and not the market itself, and it is therefore necessary to conduct materiality tests.

The definition of “active market” is broader than that of “regulated market”: regulated markets are defined as the markets included in the list provided for by Article 63, paragraph 2, of the Consolidated Finance Act (TUF) and in the special section of the same list (see Article 67, paragraph 1, of the TUF). These markets are managed by companies authorized by CONSOB that operate in accordance with the provisions of the TUF and under the supervision of CONSOB itself.

Other markets in addition to regulated markets include organized trading systems (Multilateral Trading Systems and Systematic Internalizers) defined, pursuant to Legislative Decree 58/98, as a “set of rules and structures,

including automated structures, which make exchange possible, on an ongoing or periodic basis, in order to collect and transmit orders for transactions in financial instruments and to settle these orders, for the purpose of concluding contracts”: although normally the financial instruments listed on these markets fall within the definition of instruments listed on active markets, there may be situations in which officially listed instruments are not liquid due to low trading volumes. In such cases, quoted prices cannot be considered representative of the fair value of an instrument. Generally speaking, multilateral trading facilities (MTF) can be considered active markets if they are characterized by continuous and significant trading and/or by the presence of binding prices provided by the market maker, such as to ensure the formation of prices that actually represent the fair value of the instrument.

Financial instruments are also listed on regulated markets in other countries, and therefore not regulated by CONSOB, whose prices are available daily. These prices are considered representative of the fair value of the financial instruments insofar as they represent the result of a regular transaction and not only of offers to buy or sell. Finally, other markets, while not regulated, can also be considered active markets (e.g. platforms such as Bloomberg or Markit). Electronic over-the-counter (OTC) trading circuits are considered active markets to the extent that the quotations provided actually represent the price at which a normal transaction would occur. Similarly, the quotes published by brokers are representative of fair value if they reflect the actual price level of the instrument in a liquid market (that is, they are not indicative prices, but rather binding offers).

Ultimately, in order to consider a market active, the significance of the price observed on the market itself is of particular importance and, for this reason, the following factors are considered:

- bid-ask spreads: the difference between the price at which an intermediary undertakes to sell the securities (ask) and the price at which it undertakes to buy them (bid). The larger the spread, the lower the liquidity of the market and therefore the significance of the price;
- breadth and depth of the trading book: the first concept refers to the presence of offers of large dimensions, while the depth of the book means the existence of both purchase and sell orders for numerous price levels;
- number of contributors: number of market participants providing purchase or sell offers for a specific instrument. The larger the number of active market participants, the greater the significance of the price;
- availability of information on the terms and conditions of transactions;
- price volatility: presence of daily prices of the instrument outside a certain range. The lower the volatility of the prices, the greater the significance of the price.

Comparable approach

As already noted, the fair value of financial instruments classified in Level 2 can be determined using two different approaches: the so-called comparable approach, which presupposes the use of prices quoted on active markets for similar assets or liabilities or the prices of identical assets or liabilities on inactive markets, and the model valuation approach (or mark to model), which uses valuation techniques based on observable inputs concerning the instrument itself or similar instruments.

In the case of the comparable approach, measurement is based on the prices of substantively comparable instruments in terms of risk-return, maturity and other trading conditions. The following Level 2 inputs are necessary for use of the comparable approach:

- quoted prices on active markets for similar assets or liabilities;
- quoted prices for the instrument involved or for similar instruments on inactive markets, i.e. markets in which transactions are infrequent, prices are not current, change significantly over time or among the various market makers or on which little information is made public.

If there are quoted instruments that meet all of the comparability criteria indicated here, the value of the Level 2 instrument is considered to correspond to the quoted price of the comparable instrument, adjusted if necessary for factors observable on the market.

However, if the conditions for using the comparable approach directly do not apply, the approach may still be used as an input in Level 2 mark-to-model valuations.

Mark to model approach

In the absence of quoted prices for the instrument or for comparable instruments, valuation models are adopted. Valuation models must always maximize the use of market inputs. Accordingly, they must make priority use of observable market inputs (e.g. interest rates and yield curves observable at commonly quoted intervals, volatilities, credit spreads, etc.).

In the absence of directly or indirectly observable inputs or where they are insufficient to determine the fair value of an instrument, inputs that are not observable on the market are used (discretionary estimates and assumptions), and the estimate obtained is allocated to Level 3 of the fair value hierarchy.

The mark-to-model technique therefore does not give rise to a single classification within the fair value hierarchy. Depending on the observability and materiality of the inputs used in the valuation model, an instrument could be assigned to Level 2 or Level 3.

A.4.1 FAIR VALUE LEVELS 2 AND 3: VALUATION TECHNIQUES AND INPUTS USED

The Bank uses mark-to-model approaches in line with methods present in primary scientific literature and generally accepted and used in the industry. The valuation models comprise techniques based on the discounting of future cash flows and the estimation of volatility. They are reviewed both during their development and periodically thereafter in order to ensure their full consistency with the valuation objectives. The definition of pricing models and their possible revision over time are subject to validation by an independent control function that did not participate in their preparation.

In the absence of quoted prices on active markets, financial instruments are measured as follows:

- plain vanilla bonds are measured using a discounted cash flow model, applying the discount rule based on the guarantor's yield curve, failing which the sectoral curve corresponding to the rating of the security (or of the guarantor in case of unavailability) and the guarantor's product sector is used. The inputs used include yield curves and any illiquidity spread to discount cash flows, as well as yield curves for determining future rates (so-called forwarding curves);
- structured bonds are measured using a discounted cash flow model that incorporates valuations from option pricing models. The discount rule based on the guarantor's yield curve is applied to these securities, failing which the sectoral curve corresponding to the rating of the security (or of the guarantor in case of unavailability) and the guarantor's product sector is used. The inputs used include yield curves and any illiquidity spread, as well as volatility surfaces and the correlation matrix for the underlyings;
- asset backed securities (ABS) are measured using the discounted sum of expected future cash flows. The cash flow model estimates future developments in the underlying asset portfolio, taking account of payment reports, market data and model input parameters, applying the priority of payments to obtain the expected future cash flows for the notes (interest and principal). Once the expected cash flows have been obtained, the PV of each individual note is obtained by discounting these flows using the discount margin method for variable-rate securities, or the discount yield for fixed-rate securities. The inputs used include, in addition to specific risky yield curves, illiquidity spread and yield curves for the determination of future rates (so-called forwarding curves);
- derivatives on interest rates such as the various forms of IRS (IRS plain vanilla, forward starting, amortizing, etc.) are measured using discounted cash flow models, within the multi-curve framework based on the OIS/Benchmark Curve Discounting (Ester discounting);
- derivatives involving options on rates, such as caps/floors and European swaptions, are measured using the Bachelier model, which uses the volatility matrix for these instruments and interest rates as market input parameters, in accordance with the multi-curve measurement framework based on the OIS/Benchmark Curve Discounting;
- equity derivatives are valued using the Black&Scholes models (or models based on it, such as the Rubinstein model for forward starts and the Nengju Ju model for Asian options), which includes an estimate of volatility through interpolation by maturity and strike prices on a volatility matrix, as well as the inclusion of dividends. The inputs used are the price of the underlying equity, the volatility surface and the interest rate dividend curve. The estimate of the value uses the OIS/Benchmark Curve Discounting Approach;
- derivatives on exchange rates are valued using a discounted cash flow approach for plain-vanilla contracts or a Garman and Kohlhagen model for European options on exchange rates. The inputs are spot exchange rates and the forward points curve and volatility surfaces for plain-vanilla options. The estimate of the value uses the OIS/BC discounting approach;
- inflation derivatives, such as zero-coupon indexed inflation swaps and CPI swaps, are measured using a discounted cash flow approach, which in turn are measured on the basis of the term structure of inflation and seasonal factors (CPI Cash Flow Model), in accordance with the multi-curve measurement framework based on OIS/Benchmark Curve Discounting;
- equity securities are measured at fair value estimated using models applied in valuation practice or using balance sheet, income or mixed methods, the market multiples method or with reference to direct transactions in the same security or similar securities observed over an appropriate span of time with respect to the valuation date. They are measured at cost if their carrying amount is below the materiality thresholds set by the Group both at individual and consolidated level and in cases where the cost represents a reliable estimate of fair value (e.g. because the most recent information to evaluate fair value is not available);

- investments in CIUs other than open-end harmonized funds are generally valued on the basis of the NAVs (adjusted where necessary with a specific liquidity adjustment if not fully representative of the fair value) made available by the asset management companies. These investments include private equity funds, real estate investment funds, bond funds and loan-based funds (impaired and performing)
- medium/long-term loans to customers are measured on the basis of a mark-to-model process using the discounted cash flow approach for the positions and other models for estimating option components where applicable;
- for medium/long-term liabilities, where not consistent with the SPPI test, represented by securities for which the fair value option was chosen, the fair value is determined alternatively by either discounting the residual contractual cash flows using the zero-coupon yield curve, by applying the asset swap method or by using other yield curves deemed representative of the Bank's credit standing.

For tax credits pursuant to the Cure Italy and Revival Decrees, the fair value is estimated by constructing two discount factor vectors applicable to, respectively, tax credits held by the Parent Company and by the mutual banks. Specifically, on the basis of the prices for transactions in these tax credits effectively carried out in the most recent reference quarter, separating transactions involving the mutual banks from those involving Iccrea Banca, two zero-coupon curves are extracted using bootstrapping procedures. The fair value of each credit designated as held under the Other or HTCS business models is obtained by multiplying the nominal value of the portion of the credit applicable to future portions of each year by the appropriate discount factor.

It is also possible to apply valuation adjustments to the prices of financial instruments when the valuation technique used does not capture factors that market participants would use in estimating fair value, for example when it is necessary to ensure that the fair value reflects the value of a transaction that could actually be carried out in a market.

The factors impacting the need for an adjustment include the complexity of the financial instrument; the credit standing of the counterparty; and the presence of any collateral agreements. In particular, the Group uses a method for calculating the CVA/DVA (Credit Value Adjustments/Debt Value Adjustments) in order to adjust the calculation of the fair value of uncollateralized derivatives in order to take account of counterparty risk (non-performance risk). The CVA/DVA is not calculated when collateral agreements have been formalized and are operational for derivatives positions.

Significant unobservable inputs used in valuing instruments in Level 3 mainly include:

- estimates and assumptions underlying the models used to measure investments in equity securities and units in CIUs;
- Probability of Default (PD) and Loss Given Default (LGD): the parameters are derived from the impairment model. They are used to measure financial instruments for disclosure purposes only;
- credit spreads: the figure is extrapolated to create sector CDS curves using regression algorithms on the basis of a panel of single-name CDS curves. The figure is used to value financial instruments for disclosure purposes only;
- the liquidity spreads used in the mark-to-model measurement of ABS.

A.4.2 VALUATION PROCESSES AND SENSITIVITY

The Bank uses an analysis of the potential sensitivity of the valuations of instruments classified in Level 3 and measured at fair value on a recurring basis to changes in the unobservable market parameters. Level 3 exposures to financial instruments are mainly represented by units in CIUs, property, plant and equipment and equity securities. The sensitivity analysis of unobservable inputs is conducted through a stress test of all significant unobservable inputs for the different types of assets. The tests are used to determine the potential changes in the fair value by category of asset attributable to changes in the determination of unobservable inputs (such as the volatility and the correlation of the recovery rates of the clusters for the NPL component of funds and the distribution haircut for the real estate component. This analysis demonstrated that the sensitivity impacts were not material.

A.4.3 FAIR VALUE HIERARCHY

Under the provisions of IFRS 13, all fair value valuations must be classified within the three levels that delineate the valuation process on the basis of the characteristics and significance of the inputs used:

Level 1: unadjusted quoted prices on an active market. Fair value is drawn directly from quoted prices observed on active markets. A financial instrument is considered to be quoted on an active market if prices are readily and regularly available and represent actual market transactions carried out on normal terms on a regulated market or MTF;

Level 2: inputs other than the quoted prices noted above that are observable on the market either directly (prices) or indirectly (derivatives on prices). Fair value is determined using valuation techniques that provide for: a) the use of market inputs indirectly connected with the instrument being valued and derived from instruments with similar risk characteristics or quoted on inactive markets (the comparable approach); or b) that use observable inputs;

Level 3: inputs that are not observable on the market. Fair value is determined using valuation techniques that use significant unobservable inputs, such as non-binding quotes provided by infoproviders (Mark to Model approach).

The following are normally considered Level 1:

- shares, debt securities and units of CIUs listed on regulated markets. Units of CIUs include mutual investment funds (UCITS, AIFs and restricted FIAs), SICAVs/SICAFs and ETPs (Exchange Traded Products);
- debt securities listed on Multilateral Trading Facilities (MTF) which meet the “specific requirements for multilateral trading systems” set out in MiFID II;
- debt securities whose fair value is equal to the unadjusted prices provided by brokers/market makers from an active market for an identical instrument and executable at the declared level;
- Units of CIUs whose value (NAV) is provided directly by the market operator;
- listed derivative financial instruments and issued financial liabilities whose fair value at the valuation date corresponds to the price quoted on an active market.

The following are normally considered Level 2:

- debt securities issued by national and international issuers that are not listed on an active market and are measured using approaches that mainly employ observable market inputs;
- debt securities whose fair value is equal to the prices provided by brokers/market makers determined with a valuation model based on observable market inputs;
- OTC financial derivatives entered into with institutional counterparties for which the main inputs are observable market data;
- units of CIUs whose prices are provided by the issuing entity (the so-called “soft NAV”) or whose fair value is adjusted using pricing models based on observable market inputs;
- insurance policies and interest-bearing postal bonds whose fair value is approximated, respectively, by the surrender and redemption value, which under applicable regulations represent the exit prices for those instruments.

Finally, the following are normally considered Level 3:

- debt securities not listed on an active market and measured using approaches that mainly employ unobservable inputs;
- debt securities whose fair value is equal to the prices provided by brokers/market makers determined with a valuation model based on unobservable inputs;
- equity securities and issued financial liabilities for which there are no prices quoted on active markets at the valuation date and which are mainly valued using techniques based on unobservable market data;
- OTC financial derivatives entered into with institutional counterparties and measured using pricing models similar to those used for Level 2 valuations but from which they differ in the degree of observability of the inputs used in the pricing techniques;
- financial derivatives entered into with customers for which the fair value adjustment taking account of default risk is significant with respect to the total value of the financial instrument;

- units of CIUs whose prices are provided by the issuing entity (the so-called “soft NAV”) or whose fair value is adjusted using pricing models not based entirely on observable market inputs.

The fair value of tax credits under the “Cure Italy” and “Revival” Decrees is treated as Level 3.

In general, transfers of financial instruments between Level 1 and Level 2 in the fair value hierarchy only occur in the event of changes in the market in the period considered. For example, if a market previously considered active no longer meets the minimum requirements for being considered active, the instrument will be reclassified to a lower level; in the opposite case, it will be raised to a higher level.

A.4.4 OTHER INFORMATION

The circumstances referred to in paragraphs 48, 93 letter (i) and 96 of IFRS 13 do not apply to the Group’s financial statements as the Group is not managing groups of financial assets and liabilities on the basis of its net exposure to a specific market risk (or risks) or to the credit risk of a specific counterparty and the highest and best use of a non-financial asset does not differ from its current use.

QUANTITATIVE DISCLOSURES**A.4.5 FAIR VALUE HIERARCHY****A.4.5.1 ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS: BREAKDOWN BY FAIR VALUE INPUT LEVEL**

	31/12/2025			31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Financial assets measured at fair value through profit or loss of which	352,375	1,254,131	303,507	364,637	946,952	332,519
a) financial assets held for trading	9,774	1,165,729	-	27,922	863,976	-
b) financial assets designated as at fair value	332,060	23,074	-	323,647	23,019	-
c) other financial assets mandatorily measured at fair value	10,540	65,328	303,507	13,068	59,958	332,519
2. Financial assets measured at fair value through comprehensive income	840,809	299,771	1,345	897,339	322,552	995
3. Hedging derivatives	-	115,208	-	-	93,878	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	1,193,184	1,669,109	304,852	1,261,976	1,363,383	333,514
1. Financial liabilities held for trading	2,022	1,128,978	-	8,845	838,914	-
2. Financial liabilities designated as at fair value	-	461,029	-	-	385,075	-
3. Hedging derivatives	-	101,324	-	-	109,785	-
Total	2,022	1,691,330	-	8,845	1,333,773	-

Paragraph 93 letter c) of IFRS 13 requires that, in addition to reporting the fair value hierarchy, entities shall disclose information on significant transfers between Level 1 and Level 2 and the reasons for the transfer. Please note that there were no such transfers during the period.

In addition, with regard to the quantitative impact on the determination of the fair value of financial derivative instruments, the Credit Value Adjustment (for default risk of counterparties) and the Debt Value Adjustment (for default risk of the Bank) did not give rise to any significant changes.

A.4.5.2 CHANGE FOR THE PERIOD IN FINANCIAL ASSETS MEASURED AT FAIR VALUE ON A RECURRING BASIS (LEVEL 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Property plant and equipment	Intangible assets
	Total	of which: a) financial assets held for trading	of which: b) financial assets at fair value	of which: c) other financial assets mandatorily measured at fair value				
1. Opening balance	332,519	-	-	332,519	995	-	-	-
2. Increases	10,616	-	-	10,616	350	-	-	-
2.1 Purchases	9,156	-	-	9,156	-	-	-	-
2.2 Profits recognized in:	1,439	-	-	1,439	173	-	-	-
2.2.1 Income statement	1,439	-	-	1,439	173	-	-	-
- of which: capital gains	1,439	-	-	1,439	173	-	-	-
2.2.2 Shareholders' equity	-	X	X	X	-	-	-	-
2.3 Transfers from other levels	-	-	-	-	-	-	-	-
2.4 Other increases	21	-	-	21	177	-	-	-
3. Decreases	39,628	-	-	39,628	-	-	-	-
3.1 Sales	-	-	-	-	-	-	-	-
3.2 Repayments	17,101	-	-	17,101	-	-	-	-
3.3 Losses recognized in:	22,527	-	-	22,527	-	-	-	-
3.3.1 Income statement	22,527	-	-	22,527	-	-	-	-
- of which: capital losses	22,527	-	-	22,527	-	-	-	-
3.3.2 Shareholders' equity	-	X	X	X	-	-	-	-
3.4 Transfers to other levels	-	-	-	-	-	-	-	-
3.5 Other decreases	-	-	-	-	-	-	-	-
4. Closing balance	303,507	-	-	303,507	1,345	-	-	-

A.4.5.3 CHANGE FOR THE PERIOD IN FINANCIAL LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS (LEVEL 3)

The table has not been completed because there were no such positions as at the reporting date.

A.4.5.4 FINANCIAL ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE A NON-RECURRING BASIS: BREAKDOWN BY FAIR VALUE INPUT LEVEL

	31/12/2025				31/12/2024			
	Carrying amount	Level 1	Level 2	Level 3	Carrying amount	Level 1	Level 2	Level 3
1. Financial assets measured at amortized cost	41,143,107	10,089,746	23,259,961	8,126,911	40,914,461	10,278,610	23,262,047	7,641,930
2. Investment property								
3. Non-current assets and disposal groups held for sale					2,000			
Total	41,143,107	10,089,746	23,259,961	8,126,911	40,916,461	10,278,610	23,262,047	7,641,930
1. Financial liabilities measured at amortized cost	42,372,138	7,684,858	31,061,375	3,746,804	45,073,293	6,148,672	31,142,723	8,007,296
2. Liabilities associated with assets held for sale								
Total	42,372,138	7,684,858	31,061,375	3,746,804	45,073,293	6,148,672	31,142,723	8,007,296

A.5 – DISCLOSURE ON “DAY ONE PROFIT/LOSS”

During the period under review, no differences emerged between the fair values posted at the time of initial recognition and the values recalculated at the same date using valuation techniques in accordance with IFRS 9 (paragraphs B.5.1.2 A letter b).

PART B - INFORMATION ON THE BALANCE SHEET

ASSETS

SECTION 1 - CASH AND CASH EQUIVALENTS – ITEM 10

1.1 CASH AND CASH EQUIVALENTS: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
a) Cash	130,806	133,911
b) Current accounts and demand deposits with central banks	730,542	2,337,289
c) Current accounts and demand deposits with banks	106,754	935,616
Total	968,102	3,406,816

Sub-item b) includes overnight deposits with the ECB in the amount of €425 million, about €299.2 million in respect of instant payments and about €6.3 million in amounts deposited with the Bank of Italy, to manage the liquidity of the Guarantee Scheme.

SECTION 2 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS – ITEM 20

2.1 FINANCIAL ASSETS HELD FOR TRADING: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
A. Financial assets (non derivatives)						
1. Debt securities	7,756	1,561	-	27,539	-	-
1.1 structured securities	642	1	-	5,752	-	-
1.2 other debt securities	7,114	1,560	-	21,787	-	-
2. Equity securities	1,137	2	-	25	-	-
3. Units in collective investment undertakings	686	722	-	-	-	-
4. Loans	-	-	-	-	-	-
4.1 repurchase agreements	-	-	-	-	-	-
4.2 other	-	-	-	-	-	-
Total (A)	9,580	2,284	-	27,564	-	-
B. Derivatives						
1. Financial derivatives	194	1,163,444	-	358	863,976	-
1.1 trading	194	1,160,111	-	358	863,976	-
1.2 associated with fair value option	-	3,333	-	-	-	-
1.3 other	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 trading	-	-	-	-	-	-
2.2 associated with fair value option	-	-	-	-	-	-
2.3 other	-	-	-	-	-	-
Total (B)	194	1,163,444	-	358	863,976	-
Total (A+B)	9,774	1,165,729	-	27,922	863,976	-

2.2 FINANCIAL ASSETS HELD FOR TRADING: BREAKDOWN BY DEBTORS/ISSUERS/COUNTERPARTIES

	Total 31/12/2025	Total 31/12/2024
A. On-balance-sheet assets		
1. Debt securities	9,317	27,539
a) Central banks	-	-
b) Government entities	5,756	10,387
c) Banks	885	11,457
d) Other financial companies	2,044	4,794
of which: insurance undertakings	412	-
e) Non-financial companies	632	902
2. Equity securities	1,139	25
a) Banks	-	-
b) Other financial companies	-	-
of which: insurance undertakings	-	-
c) Non-financial companies	1,139	25
d) Other issuers	-	-
3. Units in collective investment undertakings	1,408	-
4. Loans	-	-
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total (A)	11,864	27,564
B. Derivatives	-	-
a) Central counterparties	729,855	526,907
b) Other	433,784	337,427
Total (B)	1,163,639	864,334
Total (A+B)	1,175,502	891,898

2.3 FINANCIAL ASSETS MEASURED AT FAIR VALUE: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	332,060	23,074	-	323,647	23,019	-
1.1 structured securities	-	-	-	-	-	-
1.2 other debt securities	332,060	23,074	-	323,647	23,019	-
2. Loans	-	-	-	-	-	-
2.1 structured	-	-	-	-	-	-
2.2 other	-	-	-	-	-	-
Total	332,060	23,074	-	323,647	23,019	-

The amount is entirely attributable to financial instruments subscribed by the Parent Company in accordance with the investment policy for the ex ante quota of the Readily Available Funds connected with the Guarantee Scheme.

2.4 FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE: BREAKDOWN BY DEBTORS/ISSUERS

	Total 31/12/2025	Total 31/12/2024
1. Debt securities	355,135	346,666
a) Central banks	-	-
b) Government entities	332,060	323,647
c) Banks	23,074	23,019
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	-	-
2. Loans	-	-
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	355,135	346,666

2.5 OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	-	5,612	491	-	5,532	454
1.1 structured securities	-	-	-	-	-	-
1.2 other debt securities	-	5,612	491	-	5,532	454
2. Equity securities	10,540	35,822	-	13,068	35,510	4
3. Units in collective investment undertakings	-	23,895	303,011	-	18,916	332,057
4. Loans	-	-	5	-	-	5
4.1 repurchase agreements	-	-	-	-	-	-
4.2 other	-	-	5	-	-	5
Total	10,540	65,328	303,507	13,068	59,958	332,519

Units in collective investment undertakings" includes, among others, the units of the closed-end investment funds "Securis Real Estate" managed by Investire SGR SpA:

- Securis Real Estate I Fund, in the amount of €124,252 thousand;
- Securis Real Estate II Fund, in the amount of €63,883 thousand;
- Securis Real Estate III Fund, in the amount of €66,503 thousand.

2.6 OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE: BREAKDOWN BY DEBTORS/ISSUERS

	Total 31/12/2025	Total 31/12/2024
1. Equity securities	46,362	48,581
of which: banks	3,040	2,951
of which: other financial companies	43,322	45,627
of which: non-financial companies	-	4
2. Debt securities	6,103	5,986
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	6,103	5,986
of which: insurance companies	-	-
e) Non-financial companies	-	-
3. Units in collective investment undertakings	326,906	350,972
4. Loans	5	5
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	5	5
of which: insurance companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	379,376	405,545

SECTION 3 - FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME – ITEM 30

3.1 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN BY PRODUCT

	Total 31/12/2025			Total 31/12/2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Debt securities	840,809	38,592	-	897,339	29,057	-
1.1 structured securities	191,215	38,592	-	199,194	29,057	-
1.2 other debt securities	649,595	-	-	698,145	-	-
2. Equity securities	-	261,178	1,345	-	293,496	995
3. Loans	-	-	-	-	-	-
Total	840,809	299,771	1,345	897,339	322,552	995

3.2 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: BREAKDOWN BY DEBTORS/ISSUERS

	Total 31/12/2025	Total 31/12/2024
1. Debt securities	879,402	926,396
a) Central banks	-	-
b) Government entities	450,302	417,244
c) Banks	348,880	393,789
d) Other financial companies	74,286	62,624
of which: insurance undertakings	9,388	10,045
e) Non-financial companies	5,933	52,739
2. Equity securities	262,524	294,491
a) Banks	234,664	269,265
b) Other issuers:	27,860	25,226
- other financial companies	22,664	22,910
of which: insurance undertakings	8,043	8,043
- non-financial companies	5,196	2,316
- other	-	-
3. Loans	-	-
a) Central banks	-	-
b) Government entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
of which: insurance undertakings	-	-
e) Non-financial companies	-	-
f) Households	-	-
Total	1,141,925	1,220,887

3.3 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: GROSS VALUES AND TOTAL IMPAIRMENTS

	Gross amount					Total impairments				
	Stage 1	of which: instruments with low credit risk	Stage 2	Stage 3	Purchased or originated credit- impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired	Total partial Write-offs*
Debt securities	879,832	806,653	-	-	-	(430)	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	879,832	806,653	-	-	-	(430)	-	-	-	-
Total 31/12/2024	899,884	767,050	28,057	-	-	(902)	(643)	-	-	-

*Value to be reported for information purposes

SECTION 4 - FINANCIAL ASSETS MEASURED AT AMORTIZED COST - ITEM 40

4.1 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN BY PRODUCT OF LOANS AND RECEIVABLES WITH BANKS

	Total 31/12/2025						Total 31/12/2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3
A. Due from central banks	1,521,757	-	-	-	-	1,521,757	1,625,051	-	-	-	-	1,625,051
1. Fixed-term deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Reserve requirements	1,521,757	-	-	X	X	X	1,625,051	-	-	X	X	X
3. Repurchase agreements	-	-	-	X	X	X	-	-	-	X	X	X
4. Other	-	-	-	X	X	X	-	-	-	X	X	X
B. Due from banks	19,340,100	-	-	122,303	18,975,928	205,749	19,730,797	-	-	182,806	19,291,929	266,678
1. Financing	16,474,219	-	-	-	16,284,430	155,457	16,783,507	-	-	8,626	16,595,578	194,019
1.1 Current accounts and demand deposits	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Fixed-term deposits	161,417	-	-	X	X	X	165,662	-	-	X	X	X
1.3. Other financing:	16,312,802	-	-	X	X	X	16,617,845	-	-	X	X	X
- Repurchase agreements	63,413	-	-	X	X	X	10,445	-	-	X	X	X
- Finance leases	-	-	-	X	X	X	-	-	-	X	X	X
- Other	16,249,389	-	-	X	X	X	16,607,400	-	-	X	X	X
2. Debts securities	2,865,881	-	-	122,303	2,691,498	50,292	2,947,289	-	-	174,180	2,696,351	72,659
2.1 Structured securities	1,994,492	-	-	109,243	1,884,040	-	1,991,168	-	-	124,597	1,863,776	-
2.2 Other debt securities	871,388	-	-	13,060	807,458	50,292	956,121	-	-	49,583	832,576	72,659
Total	20,861,857	-	-	122,303	18,975,928	1,727,506	21,355,847	-	-	182,806	19,291,929	1,891,729

Loans connected with pool collateral operations amount to €8,595 million and are included under letter “B”, item “Other financing– Other”. Securities pledged as collateral amount to €13,065 million net of the haircut applied to the various types of securities.

For more information, please see the Report on Operations.

4.2 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN BY PRODUCT OF LOANS AND RECEIVABLES WITH CUSTOMERS

	Total 31/12/2025						Total 31/12/2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Level 1	Level 2	Level 3
1. Loans	9,899,789	31,222	-	-	3,651,008	6,230,007	8,924,714	43,394	-	-	3,330,864	5,604,861
1.1. Current accounts	217,928	254	-	X	X	X	292,195	2,662	-	X	X	X
1.2. Repurchase agreements	2,442,398	-	-	X	X	X	1,149,016	-	-	X	X	X
1.3. Medium/long term loans	2,483,382	25,357	-	X	X	X	2,822,190	40,503	-	X	X	X
1.4. Credit cards, personal loans and loans repaid by automatic deductions from wage	1,093	23	-	X	X	X	-	-	-	X	X	X
1.5. Finance leases	-	-	-	X	X	X	-	-	-	X	X	X
1.6. Factoring	-	-	-	X	X	X	-	-	-	X	X	X
1.7. Other loans	4,754,988	5,588	-	X	X	X	4,661,313	229	-	X	X	X
2. Debt securities	10,299,299	50,940	-	9,967,443	633,025	169,399	10,590,506	-	-	10,095,804	639,254	145,340
2.1. Structured securities	291,257	-	-	89,785	176,100	28,524	341,680	-	-	95,034	120,817	124,155
2.2. Other debt securities	10,008,042	50,940	-	9,877,658	456,926	140,875	10,248,826	-	-	10,000,770	518,437	21,185
Total	20,199,088	82,162	-	9,967,443	4,284,034	6,399,405	19,515,220	43,394	-	10,095,804	3,970,118	5,750,201

4.3 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN BY DEBTOR/ISSUER OF LOANS TO CUSTOMERS

	Total 31/12/2025			Total 31/12/2024		
	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired	Stage 1 and 2	Stage 3	Purchased or originated credit- impaired
1. Debt securities	10,299,299	50,940	-	10,590,506	-	-
a) Government entities	10,022,284	-	-	10,238,317	-	-
b) Other financial companies	231,008	50,940	-	244,073	-	-
of which: insurance undertakings	7,278	-	-	7,235	-	-
c) Non-financial companies	46,007	-	-	108,117	-	-
2. Loans to:	9,899,789	31,222	-	8,924,714	43,394	-
a) Government entities	1,620	-	-	1,216	-	-
b) Other financial companies	7,268,948	5,887	-	6,141,522	993	-
of which: insurance undertakings	134,241	-	-	454,642	-	-
c) Non-financial companies	2,486,487	21,700	-	2,631,107	40,206	-
d) Households	142,734	3,635	-	150,869	2,195	-
Total	20,199,088	82,162	-	19,515,220	43,394	-

4.4 FINANCIAL ASSETS MEASURED AT AMORTIZED COST: GROSS AMOUNT AND TOTAL IMPAIRMENTS

	Gross amount					Total impairments				Total partial write-offs*
	Stage 1	of which: instruments with low credit risk	Stage 2	Stage 3	Purchased or originated credit- impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired	
Debt securities	13,090,530	9,642,339	85,719	54,112	-	(1,707)	(9,364)	(3,172)	-	-
Loans	27,373,796	274,725	548,335	111,978	74	(9,856)	(16,510)	(80,756)	(74)	(32,702)
Total 31/12/2025	40,464,326	9,917,064	634,054	166,090	74	(11,563)	(25,873)	(83,928)	(74)	(32,702)
Total 31/12/2024	40,179,261	10,486,962	736,355	115,795	-	(11,913)	(32,637)	(72,401)	-	(39,199)

*Value to be reported for information purposes

SECTION 5 – HEDGING DERIVATIVES - ITEM 50

5.1 HEDGING DERIVATIVES: BREAKDOWN BY PRODUCT OF CONTRACT AND LEVEL OF INPUT

	Fair value	31/12/2025		NV	Fair value	31/12/2024		NV
	Level 1	Level 2	Level 3		31/12/2025	Level 1	Level 2	
A. Financial derivatives								
1. Fair value	-	113,832	-	5,423,700	-	87,365	-	4,462,384
2. Cash flows	-	1,376	-	199,834	-	6,513	-	479,000
3. Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives								
1. Fair value	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-
Total	-	115,208	-	5,623,534	-	93,878	-	4,941,384

Legenda

NV=Notional value

5.2 HEDGING DERIVATIVES: BREAKDOWN BY HEDGED PORTFOLIO AND TYPE OF HEDGE

	Fair value							Cash flows		Foreign investments
	Specific						Generic	Specific	Generic	
	debt securities and interest rates	equity securities and equity indices	currencies and gold	loans	commodities	other				
1. Financial assets measured at fair value through other comprehensive income	-	-	-	-	X	X	X	-	X	X
2. Financial assets measured at amortized cost	113,832	X	-	-	X	X	X	1,376	X	X
3. Portfolio	X	X	X	X	X	X	-	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	113,832	-	-	-	-	-	-	1,376	-	-
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	-	-	-	-	-	-	-	-	-	-
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

SECTION 6 - VALUE ADJUSTMENTS OF FINANCIAL ASSETS HEDGED GENERICALLY – ITEM 60

6.1 VALUE ADJUSTMENTS OF HEDGED ASSETS: BREAKDOWN OF HEDGED PORTFOLIOS

	Total 31/12/2025	Total 31/12/2024
1. Positive adjustments	-	-
1.1 of specific portfolios:	-	-
a) financial assets measured at amortized cost	-	-
b) financial assets measured at fair value through comprehensive income	-	-
1.2 comprehensive	-	-
2. Negative adjustments	-	(796)
2.1 of specific portfolios:	-	(796)
a) financial assets measured at amortized cost	-	-
b) financial assets measured at fair value through comprehensive income	-	(796)
2.2 comprehensive	-	-
Total	-	(796)

SECTION 7 – EQUITY INVESTMENTS – ITEM 70

7.1 EQUITY INVESTMENTS: INFORMATION ON INVESTMENTS

	Registered office	Operational headquarters	% holding	% of votes
A. Subsidiaries				
BCC Leasing SpA	Rome	Rome	100	100
BCC Beni Immobili Srl	Milan	Rome	100	100
BCC Factoring SpA	Rome	Milan	100	100
BCC Sistemi Informatici SpA	Rome	Milan	90	90
BCC Risparmio e Previdenza SGrpA	Milan	Milan	100	100
BCC Gestione Crediti SpA	Rome	Rome	100	100
BCC CreditoConsumo SpA	Rome	Udine	100	100
BCC Sinergia SpA	Rome	Rome	100	100
BCC Servizi Assicurativi Srl	Milan	Milan	100	100
Iccrea Covered Bond	Rome	Rome	90	90
Iccrea Covered Bond 2 Srl	Rome	Rome	90	90
BCC Financing SpA	Udine	Udine	100	100
BCC Rent&Lease SpA	Rome	Milan	100	100
Bit - Servizi per L'Investimento sul Territorio	Parma	Parma	83	97
*Bcc della Calabria Ulteriore (Incorporante di Vibonese - Crotonese - Cittanova)	Crotone	Crotone	41	93
*Banca Centropadana	Lodi	Lodi	37	98
*Banca Terre Etrusche Di Valdichiana e di Maremma (Incorporante di Valdichiana)	Chiusi	Grosseto	54	98
*Banca Centro (Incorporante di Vival Banca)	Sovicille	Moiano	29	96
*Bcc di Bari e Taranto (Incorporante di Massafra)	Bari	Taranto	5	84
*Banca Di Pisa e Fornacette	Pisa	Pisa	41	98
*BCC Pescia e Cascina	Pescia	Pescia	31	99
B. Joint ventures				
C. Companies subject to significant influence				
Hbenchmark Srl	Vicenza	Vicenza	10	10
Pitagora Finanziamenti Contro Cessione del Quinto S.P.A.	Turin	Turin	20	20
Vorvel Società di Intermediazione Mobiliare SpA	Milan	Milan	20	20
Numia Group SpA	Milan	Milan	29	29
Sigest	Pisa	Pisa	49	49
BCC Vita SpA	Milan	Milan	49	49
BCC Assicurazioni SpA	Milan	Milan	49	49

*The equity investments held in the mutual banks referred to above are attributable to the funding initiatives (Article 150-ter of the Consolidated Banking Act) subscribed pursuant to Article 6 of the Cohesion Contract concerning the Guarantee Scheme, which were subscribed in part by the Parent Company.

7.2 SIGNIFICANT EQUITY INVESTMENTS: CARRYING AMOUNT, FAIR VALUE AND DIVIDENDS RECEIVED

The table has not been completed because the Bank prepares consolidated financial statements pursuant to the provisions of Circular 262 of December 22, 2005 - 8th update of November 22, 2022.

7.3 SIGNIFICANT EQUITY INVESTMENTS: ACCOUNTING DATA

The table has not been completed because the Bank prepares consolidated financial statements pursuant to the provisions of Circular 262 of December 22, 2005 - 8th update of November 22, 2022.

7.4 NON-SIGNIFICANT EQUITY INVESTMENTS: ACCOUNTING DATA

There are no such positions as of the reporting date.

7.5 EQUITY INVESTMENTS: CHANGE FOR THE PERIOD

	Total 31/12/2025	Total 31/12/2024
A. Opening balance	1,326,954	1,372,145
B. Increases	32,069	52,579
B.1 Purchases	10,000	50,078
B.2 Writebacks	-	-
B.3 Revaluations	-	-
B.4 Other increases	22,069	2,501
C. Decreases	195,589	97,770
C.1 Sales	-	-
C.2 Impairment losses	-	12,310
C.3 Writedowns	-	-
C.4 Other decreases	195,589	85,460
D. Closing balance	1,163,434	1,326,954
E. Total revaluations	-	-
F. Total impairment losses	212,615	212,615

The sub-item “B.1 Purchases” refers to the subscription of shares of BCC Pesca e Cascina (€10 million) pursuant to Art. 150-ter of the Consolidated Banking Act as the manager of the Guarantee Scheme.

The sub-item “B.4 – Other increases” is entirely attributable to the effects of the merger of Banca Sviluppo into the Bank, which gave rise to the increase in the interest held in BCC Beni Immobili (+€22 million).

The sub-item “C.4 - Other decreases” refers to:

- the repayment of shares issued by Banca TEMA (-€3 million), BCC Centro Padana (-€3 million) and Banca Centro (-€3 million) pursuant to Art. 150-ter del TUB of the Consolidated Banking Act as the manager of the Guarantee Scheme (authorized by the ECB);
- return of capital exceeding capitalization requirements by BCC Leasing (-€70 million);
- the elimination of the interest held in Banca Sviluppo, as a result of the completion of the merger into the Bank in the year (-€116.6 million).

Impairment testing of equity investments

As required by the IFRS, in the presence of triggers that could indicate possible impairment, equity investments undergo impairment testing to assess whether there is objective evidence indicating that the carrying amount of such assets is not fully recoverable and determine the amount of any writedown.

Impairment indicators can essentially be divided into two categories:

- qualitative indicators such as the posting of losses or significant divergences in performance from budget objectives or targets in long-term plans, the announcement/initiation of insolvency proceedings or restructuring plans or a downgrading by a specialized agency;
- quantitative indicators, represented by a reduction in fair value below the carrying amount of more than 30% or for more than 24 months, a carrying amount of an equity investment in the separate financial statements that exceeds the carrying amount in the consolidated financial statements of the net assets and goodwill of the investee or the distribution by the latter of a dividend in excess of its comprehensive income. If there is evidence of impairment, the amount of any impairment loss is determined on the basis of the difference between the carrying amount and the recoverable value, with the latter represented by the greater between the fair value less any costs to sell and the value in use.

As regards the investments held by Iccrea Banca where there is a difference between the carrying amount recognized in the separate financial statements and the fraction of equity recognized in the financial statements of the subsidiary, the impairment tests have been updated.

More specifically, the recoverability of the carrying amount was assessed with various methods, including shareholders' equity, market multiples, the dividend discount model, equity with inclusion of funding and appraisal value.

For more information on impairment testing, please see Part A – Accounting Policies of the notes to the financial statements.

7.6 COMMITMENTS IN RESPECT OF INVESTMENTS IN JOINT VENTURES

There are no such positions as of the reporting date.

7.7 COMMITMENTS IN RESPECT OF INVESTMENTS IN COMPANIES SUBJECT TO SIGNIFICANT INFLUENCE

There are no such positions as of the reporting date.

7.8 SIGNIFICANT RESTRICTIONS

There are no such positions as of the reporting date.

7.9 OTHER INFORMATION

Nothing to report.

SECTION 8 - PROPERTY, PLANT AND EQUIPMENT – ITEM 80

8.1 OPERATING PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN OF ASSETS CARRIED AT COST

	Total 31/12/2025	Total 31/12/2024
1. Owned assets	86,614	85,389
a) land	14,713	14,713
b) buildings	67,803	66,323
c) movables	184	184
d) electronic systems	-	4,169
e) other	3,914	-
2. Right of use of leased assets	5,833	4,859
a) land	-	-
b) buildings	787	698
c) movables	-	-
d) electronic systems	-	-
e) other	5,046	4,161
Total	92,446	90,248
of which: obtained through enforcement of guarantees received	-	-

8.2 INVESTMENT PROPERTY: COMPOSITION OF ASSETS CARRIED AT COST

There are no such positions as of the reporting date.

8.3 OPERATING PROPERTY, PLANT AND EQUIPMENT: COMPOSITION OF REVALUED ASSETS

There are no such positions as of the reporting date.

8.4 INVESTMENT PROPERTY: COMPOSITION OF ASSETS CARRIED AT FAIR VALUE

There are no such positions as of the reporting date.

8.5 INVENTORIES OF PROPERTY, PLANT AND EQUIPMENT WITHIN THE SCOPE OF IAS 2: COMPOSITION

There are no such positions as of the reporting date.

8.6 OPERATING PROPERTY, PLANT AND EQUIPMENT: CHANGE FOR THE PERIOD

	Land	Buildings	Movables	Electronic system	Other	Total
A. Opening gross balance	14,713	110,120	2,745	29,391	11,257	168,225
A.1 Total net writedown	-	43,099	2,561	25,222	7,096	77,977
A.2 Opening net balance	14,713	67,021	184	4,169	4,161	90,248
B. Increases:	-	4,005	-	-	8,262	12,267
B.1 Purchases	-	622	-	-	4,093	4,715
- of which business combinations	-	-	-	-	-	-
B.2 Capitalized improvement costs	-	3,383	-	-	-	3,383
B.3 Writebacks	-	-	-	-	-	-
B.4 Fair value gains recognized in	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	X	X	X	-
B.7 Other changes	-	-	-	-	4,169	4,169
C. Decreases:	-	2,437	-	4,169	3,463	10,069
C.1 Sales	-	-	-	-	-	-
- of which business combinations	-	-	-	-	-	-
C.2 Depreciation	-	2,437	-	-	3,463	5,900
C.3 Writedowns for impairment recognized in	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.4 Fair value losses recognized in	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) investment property	-	-	X	X	X	-
b) non-current assets and disposal groups held for sale	-	-	-	-	-	-
C.7 Other changes	-	-	-	4,169	-	4,169
D. Closing net balance	14,713	68,590	184	-	8,960	92,446
D.1 Total net writedowns	-	45,535	2,561	-	35,781	83,877
D.2 Closing gross balance	14,713	114,125	2,745	-	44,741	176,324
E. Measurement at cost	-	-	-	-	-	-

8.7 INVESTMENT PROPERTY: CHANGE FOR THE PERIOD

The table has not been completed because there were no such positions as at the reporting date.

8.8 INVENTORIES OF PROPERTY, PLANT AND EQUIPMENT WITHIN THE SCOPE OF IAS 2: CHANGE FOR THE PERIOD

The table has not been completed because there were no such positions as at the reporting date.

8.9 COMMITMENTS TO ACQUIRE PROPERTY, PLANT AND EQUIPMENT

The table has not been completed because there were no such positions as at the reporting date.

SECTION 9 – INTANGIBLE ASSETS – ITEM 90

9.1 INTANGIBLE ASSETS: BREAKDOWN BY CATEGORY

	Total 31/12/2025		Total 31/12/2024	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	X	-	X	-
A.2 Other intangible assets	822	-	8	-
Of which: Software	306	-	8	-
A.2.1 Assets carried at cost	822	-	8	-
a) internally generated intangible assets	-	-	-	-
b) other assets	822	-	8	-
A.2.2 Assets designated at fair value	-	-	-	-
a) internally generated intangible assets	-	-	-	-
b) other assets	-	-	-	-
Total	822	-	8	-

9.2 INTANGIBLE ASSETS: CHANGE FOR THE PERIOD

	Goodwill	Other intangible assets internally generated		Other intangible assets: other		Total
		Finite life	Indefinite life	Finite life	Indefinite life	
A. Opening balance	-	-	-	1,798	-	1,798
A.1 Total net writedown	-	-	-	1,790	-	1,790
A.2 Opening net balance	-	-	-	8	-	8
B. Increases	-	-	-	835	-	835
B.1 Purchases	-	-	-	835	-	835
B.2 Increases in internally generated intangible assets	X	-	-	-	-	-
B.3 Writebacks	X	-	-	-	-	-
B.4 Fair value gains recognized in	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
B.5 Positive exchange rate differences	-	-	-	-	-	-
B.6 Other changes	-	-	-	-	-	-
C. Decreases	-	-	-	21	-	21
C.1 Sales	-	-	-	-	-	-
C.2 Writedowns	-	-	-	21	-	21
- Amortization	X	-	-	21	-	21
- Impairment	-	-	-	-	-	-
+ equity	X	-	-	-	-	-
+ income statement	-	-	-	-	-	-
C.3 Fair value losses recognized in	-	-	-	-	-	-
- equity	X	-	-	-	-	-
- income statement	X	-	-	-	-	-
C.4 Transfers to non-current assets	-	-	-	-	-	-
held for sale	-	-	-	-	-	-
C.5 Negative exchange rate differences	-	-	-	-	-	-
C.6 Other changes	-	-	-	-	-	-
D. Closing net balance	-	-	-	822	-	822
D.1 Total net writedown	-	-	-	1,811	-	1,811
E. Closing gross balance	-	-	-	2,633	-	2,633
F. Measurement at cost	-	-	-	-	-	-

9.3 INTANGIBLE ASSETS: OTHER INFORMATION

Under the provisions of IAS 38, paragraphs 122 and 124, we report:

- there are no revalued intangible assets; consequently, there are no impediments to the distribution to shareholders of gains on revalued intangible assets (IAS 38, paragraph 124, letter b);
- there are no intangible assets acquired with government grants (IAS 38, paragraph 122, letter c);
- there are no intangible assets pledged as security for liabilities (IAS 38, paragraph 122, letter d);
- there are no intangible assets involved in lease transactions.

SECTION 10 - TAX ASSETS AND LIABILITIES – ITEM 100 OF ASSETS AND ITEM 60 OF LIABILITIES

10.1 DEFERRED TAX ASSETS: BREAKDOWN

	31/12/2025		Total	31/12/2024		Total
	IRES	IRAP		IRES	IRAP	
- Recognized in income statement	34,879	659	35,537	37,053	7	37,061
a) DTA pursuant to Law 214/2011	1,207	140	1,347	608	7	616
Writedowns of loans to customers	1,207	140	1,347	608	7	616
Goodwill and other intangible assets recognized at 31.12.2014	-	-	-	-	-	-
Tax losses/negative value of production as per Law 214/2011	-	-	-	-	-	-
b) Other	33,672	518	34,190	36,445	-	36,445
Writedowns of amounts due from banks	294	-	294	569	-	569
Writedowns of loans to customers	1,767	518	2,286	55	-	55
Goodwill and other intangible assets	-	-	-	-	-	-
Tax losses	-	-	-	-	-	-
Writedowns of financial assets held for trading and financial assets measured at fair value	-	-	-	-	-	-
Writedowns of securities in circulation	-	-	-	-	-	-
Writedowns of financial liabilities held for trading and financial liabilities measured at fair value	-	-	-	-	-	-
Writedowns of impairment of guarantees issued recognized under liabilities	7,075	-	7,075	7,276	-	7,276
Provisions for risks and charges	24,535	-	24,535	28,512	-	28,512
Costs of predominantly administrative nature	-	-	-	-	-	-
Difference between tax value and carrying amount of property, plant and equipment and intangible assets	-	-	-	-	-	-
Other	-	-	-	33	-	33
2) Recognized in shareholders' equity	1,055	214	1,269	1,724	349	2,073
a) Valuation reserves:	917	186	1,102	1,724	349	2,073
Capital losses on financial assets measured through OCI	917	186	1,102	1,724	349	2,073
b) Other:	139	28	167	-	-	-
Actuarial gains/losses on provisions for employees	-	-	-	-	-	-
Other	139	28	167	-	-	-
A. Total deferred tax assets	35,934	872	36,806	38,777	356	39,133
B. Offsetting with deferred tax liabilities	-	-	-	-	-	-
C. Net deferred tax assets - Total 100 b)	35,934	872	36,806	38,777	356	39,133

10.2 DEFERRED TAX LIABILITIES: BREAKDOWN

	31/12/2025		Total	31/12/2024		Total
	IRES	IRAP		IRES	IRAP	
1) Deferred tax liabilities recognized in income statement:	-	-	-	-	-	-
Writedowns of loans to customers deducted in separate section of tax return (not recognized in income statement)	-	-	-	-	-	-
Difference between value for tax purposes and carrying amount of property, plant and equipment and intangible assets	-	-	-	-	-	-
Other	-	-	-	-	-	-
2) Deferred tax liabilities recognized in shareholders' equity:	3,041	615	3,657	3,936	791	4,727
Valuation reserves:						
Capital gains on financial assets measured through OCI	3,041	615	3,657	1,614	321	1,935
Revaluation of property	-	-	-	-	-	-
Other	-	-	-	2,322	470	2,792
A. Total deferred tax liabilities	3,041	615	3,657	3,936	791	4,727
B. Offsetting with deferred tax assets	-	-	-	-	-	-
C. Net deferred tax assets -Total sub-item 60 b)	3,041	615	3,657	3,936	791	4,727

10.3 CHANGES IN DEFERRED TAX ASSETS (RECOGNIZED IN INCOME STATEMENT)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	37,061	38,875
2. Increases	9,228	11,997
2.1 Deferred tax assets recognized during the period	5,525	11,997
a) in respect of previous period	13	-
b) due to change in accounting policies	-	-
c) writebacks	-	-
d) other	5,512	11,997
2.2 New taxes or increases in tax rates	136	-
2.3 Other increases	3,567	-
3. Decreases	10,751	13,812
3.1 Deferred tax assets derecognized during the period	10,751	13,812
a) reversals	10,437	13,812
b) writedowns for supervening non-recoverability	314	-
c) due to changes in accounting policies	-	-
d) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
a) transformation in tax credits pursuant to Law 214/2011	-	-
b) other	-	-
4. Closing balance	35,537	37,061

10.3 BIS CHANGES IN DEFERRED TAX ASSETS PURSUANT TO LAW 214/2011

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	616	1,147
2. Increases	731	-
3. Decreases	-	531
3.1 Reversals	-	531
3.2 Conversion into tax credits	-	-
a) arising from losses for the year	-	-
b) arising from tax losses	-	-
3.3 Other decreases	-	-
4. Closing balance	1,347	616

10.4 CHANGES IN DEFERRED TAX LIABILITIES (RECOGNIZED IN INCOME STATEMENT)

There are no such positions as of the reporting date.

10.5 CHANGES IN DEFERRED TAX ASSETS (RECOGNIZED IN EQUITY)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	2,073	6,480
2. Increases	206	-
2.1 Deferred tax assets recognized during the period	206	-
a) in respect of previous periods	-	-
b) due to change in accounting policies	-	-
c) other	206	-
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	1,009	4,407
3.1 Deferred tax assets derecognized during the period	1,009	4,407
a) reversals	-	-
b) writedowns for supervening non-recoverability	-	-
c) due to changes in accounting policies	-	-
d) other	1,009	4,407
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	1,269	2,073

10.6 CHANGES IN DEFERRED TAX LIABILITIES (RECOGNIZED IN EQUITY)

	Total 31/12/2025	Total 31/12/2024
1. Opening balance	4,727	6,475
2. Increases	1,723	2,792
2.1 Deferred tax liabilities recognized during the period	1,723	2,792
a) in respect of previous periods	-	-
b) due to change in accounting policies	-	-
c) other	1,723	2,792
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	-	-
3. Decreases	2,793	4,540
3.1 Deferred tax liabilities derecognized during the period	2,793	4,540
a) reversals	-	-
b) due to change in accounting policies	-	-
c) other	2,793	4,540
3.2 Reduction in tax rates	-	-
3.3 Other decreases	-	-
4. Closing balance	3,657	4,727

10.7 OTHER INFORMATION

As regards the Bank's tax position:

- for the financial years 2020, 2021, 2022, 2023 and 2024 (for which the tax assessment time limit has not expired), no formal notice of assessment has yet been received;
- in November 2014, the Bank received a notice of liquidation from the Revenue Agency, Provincial Directorate of Brescia for the year 2013 concerning the registration fees of €104,770.00 for an order assigning amounts for seizure by third parties. Following adverse rulings in the first two levels of adjudication, the Bank has appealed to the Court of Cassation.

	31/12/2025				31/12/2024			
	IRES	IRAP	Other	Total	IRES	IRAP	Other	Total
Current tax liabilities (-)	(44,008)	(5,088)	-	(49,097)	(38,250)	(5,207)	-	(43,457)
Payments on account (+)	54,754	5,585	-	60,340	-	-	-	-
Other tax receivables (+)	1,580	283	1,070	2,932	36,991	5,765	-	42,756
Tax credit pursuant to Law 214/2011 (+)	33,876	-	-	33,876	-	-	-	-
Withholding tax (+)	-	-	-	-	-	-	-	-
Debtor balance of item 60 a) of liabilities	-	-	-	-	(1,258)	-	-	(1,258)
Creditor balance	46,202	780	1,070	48,052	-	557	-	557
Non-offsettable tax receivables: principal	-	-	-	-	-	-	-	-
Non-offsettable tax receivables: interest	-	-	-	-	-	-	-	-
Balance of non-offsettable tax receivables	-	-	-	-	-	-	-	-
Creditor balance of item 110 a) of assets	46,202	780	1,070	48,052	-	557	-	557

SECTION 11 - NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE AND ASSOCIATED LIABILITIES – ITEM 110 OF ASSETS AND ITEM 70 OF LIABILITIES

11.1 NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE: BREAKDOWN BY PRODUCT

	31/12/2025	31/12/2024
A. Assets held for sale		
A.1 Financial assets	-	-
A.2 Equity investments	-	2,000
A.3 Property, plant and equipment	-	-
of which: obtained through enforcement of guarantees received	-	-
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total A	-	2,000
of which carried at cost	-	2,000
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-
B. Discontinued operations		
B.1 Financial assets measured at fair value through profit or loss	-	-
- Financial assets held for trading	-	-
- Financial assets designated as at fair value	-	-
- Other financial assets mandatorily measured at fair value	-	-
B.2 Financial assets measured at fair value through other comprehensive income	-	-
B.3 Financial assets measured at amortized cost	-	-
B.4 Equity investments	-	-
B.5 Property, plant and equipment	-	-
of which: obtained through enforcement of guarantees received	-	-
B.6 Intangible assets	-	-
B.7 Other assets	-	-
Total B	-	-
of which carried at cost	-	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-
C. Liabilities associated with assets held for sale		
C.1 Debt	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Total C	-	-
of which carried at cost	-	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at amortized cost	-	-
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated as at fair value	-	-
D.4 Provisions	-	-
D.5 Other liabilities	-	-
Total D	-	-
of which carried at cost	-	-
of which measured at fair value level 1	-	-
of which measured at fair value level 2	-	-
of which measured at fair value level 3	-	-

During the period, the Bank disposed of all the investments in BCC Pos SpA to Numia Group, as part of the partnership agreements aimed at the overall reorganization of the Group's e-money sector, previously classified under "Non-current assets and disposal groups held for sale".

11.2 OTHER INFORMATION

There are no such positions as of the reporting date.

SECTION 12 - OTHER ASSETS – ITEM 120

12.1 OTHER ASSETS: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
Trade receivables	47,475	65,683
Receivables for future premiums on derivatives	8,627	9,048
Fees and commissions and interest to be received	72,435	60,771
Tax receivables due from central govt. tax authorities and other tax agencies (excl. VAT)	29,668	24,965
Receivables from social security institutions	424	-
Tax receivables	158,423	194,257
Receivables from employees	297	-
Items in transit between branches and items being processed	46,466	32,696
Financial assets in respect of loans granted for a specific transaction	122,740	152,631
Accrued income not attributable to separate line item	60	-
Prepaid expenses not attributable to separate line item	8,774	3,644
Subsidiaries, Group VAT	3,690	3,281
Tax consolidation	39,488	28,570
Other (security deposits, assets not attributable to other items)	64,146	56,597
Total	602,715	632,144

The item “Financial assets in respect of loans granted for a specific transaction” regards the Parent Company's contribution to the Guarantee Scheme.

“Tax receivables” reports tax credits connected with the Superbonus 110% program, which were mainly assigned by the mutual banks in accordance with the provisions of Decree Law 18/2020 and Decree Law 34/2020.

Mirroring the recognition of amounts under “Other liabilities”, the item “Financial assets in respect of loans granted for a specific transaction” includes €26.8 million in respect of current account liquidity generated by the cash flows connected with targeted loans pursuant to Art. 2447 bis letter b) and 2447 decies of the Civil Code originally granted by the EIB in favor of governments with national, regional and European resources, as part of the following initiatives:

- JESSICA POR FESR 2007-2013 for urban development and energy efficiency projects located in the region of Sicily (original amount equal to €53.2 million) and the region of Campania (contractual amount of €31.7 million paid in two tranches of about €15.9 million each);
- StudioSi – an Intelligent Specialization Fund launched at the end of 2020 to promote broad participation in university specialist training, in particular for residents of the South, financed with resources from the 2014-2020 Research and Innovation NOP (contractual resources of €46.5 million co-managed with BCC CreditoConsumo SpA, which handles business development and credit management given its specialization in consumer credit);
- EFSI - Sicily Business Emergency Fund activated in 2022 to support the recovery of Sicilian SMEs affected by the COVID-19 emergency, especially in the tourism sector, drawing on resources from the POR FESR Sicilia 2014-2020 (contractual resources of €50 million);
- Thematic Fund for Sustainable Tourism – a financial instrument of the Ministry of Tourism activated with the agreement between the European Investment Bank and the Ministry for Economy and Finance for the recovery and resilience of tourism businesses using Next Generation EU-Italy resources as part of the National Recovery and Resilience Plan (original amount equal to €118.25 million).

At December 31, 2025, in accordance with the provisions of Art. 2447 decies of the Civil Code and in compliance with the initial contractual agreements with the EIB, the cash and accounting flows connected with repayments of installments, interest payments as well as current account accruals on the loans granted are entirely segregated from the Bank's ordinary activities, being allocated to dedicated current accounts for each of the activities in question and held with BCC Financing acting as Studios custodian bank.

In particular:

- as regards the JESSICA program, following the termination of the contractual relationship between the EIB and the Region of Sicily on March 31, 2017, the latter took over (pursuant to Art. 1406 et seq. of the Civil Code) the relationship with BCC Leasing first and Iccrea Banca later; and
- as regards the Sicily Business Emergency Fund, following the termination of the contractual relationship between the EIB and the Region of Sicily, the latter took over (pursuant to Art. 1406 et seq. of the Civil Code) the relationship with Iccrea Banca on July 31, 2024.

LIABILITIES

SECTION 1 - FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST – ITEM 10

1.1 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST- DUE TO BANKS: BREAKDOWN BY PRODUCT

	Total 31/12/2025				Total 31/12/2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Due to central banks	-	X	X	X	4,701,855	X	X	X
2. Due to banks	20,987,957	X	X	X	20,956,066	X	X	X
2.1 Current accounts and demand deposits	8,127,584	X	X	X	9,413,862	X	X	X
2.2 Fixed term deposits	11,352,741	X	X	X	10,375,172	X	X	X
2.3 Loans	1,507,370	X	X	X	1,166,791	X	X	X
2.3.1 Repurchase agreements	1,121,816	X	X	X	782,477	X	X	X
2.3.2 Other	385,554	X	X	X	384,313	X	X	X
2.4 Liabilities in respect of commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Lease liabilities	-	X	X	X	-	X	X	X
2.6 Other payables	263	X	X	X	242	X	X	X
Total	20,987,957	-	19,860,004	1,158,609	25,657,921	-	20,096,476	5,603,669

1.2 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST- DUE TO CUSTOMERS: COMPOSITION BY TYPE

	Total 31/12/2025				Total 31/12/2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Current accounts and demand deposits	1,809,829	X	X	X	1,006,972	X	X	X
2. Fixed-term deposits	-	X	X	X	-	X	X	X
3. Loans	11,200,669	X	X	X	11,654,596	X	X	X
3.1 Repurchase agreements	10,682,271	X	X	X	10,487,180	X	X	X
3.2 Other	518,398	X	X	X	1,167,416	X	X	X
4. Liabilities in respect of commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
5. Lease liabilities	5,864	X	X	X	4,857	X	X	X
6. Other liabilities	346,739	X	X	X	297,529	X	X	X
Total	13,363,101	-	10,780,252	2,588,194	12,963,954	-	10,655,631	2,403,627

The sub-item “Repurchase agreements” is composed entirely of transactions with the Clearing and Guarantee Fund.

The item “Other payables” mainly comprises bankers' drafts issued but not yet presented for settlement.

1.3 FINANCIAL LIABILITIES MEASURED AT AMORTIZED COST - SECURITIES ISSUED: COMPOSITION BY TYPE

	Total 31/12/2025				Total 31/12/2024			
	Carrying amount	Fair value			Carrying amount	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
A. Securities								
1. Bonds	8,021,079	7,684,858	421,118	-	6,451,419	6,148,672	390,617	-
1.1 structured	-	-	-	-	-	-	-	-
1.2 other	8,021,079	7,684,858	421,118	-	6,451,419	6,148,672	390,617	-
2. Other securities	-	-	-	-	-	-	-	-
2.1 structured	-	-	-	-	-	-	-	-
2.2 other	-	-	-	-	-	-	-	-
Total	8,021,079	7,684,858	421,118	-	6,451,419	6,148,672	390,617	-

The item comprises bonds issued by the Bank and hedged against interest rate risk using derivatives, the amount of which is adjusted by changes in fair value attributable to the hedged risk accrued as of the reporting date, as well as unhedged bonds issued measured at amortized cost. The fair value of securities issued is calculated by discounting future cash flows using the swap yield curve as at the reporting date.

The sub-item "1.2 Bonds - other" includes subordinated securities amounting to €313 million.

1.4 BREAKDOWN OF SUBORDINATED DEBT/SECURITIES

	31/12/2025	31/12/2024
A.1 Subordinated debt	-	-
- banks	-	-
- customers	-	-
B.1 Subordinated securities	312,734	312,629
- banks	312,734	312,629
- customers	-	-
Total	312,734	312,629

At December 31, 2025 issue date October 18, 2021, maturity date January 18, 2032, residual nominal value at December 31, 2025: €299.19 million, interest rate 4.75%, interest paid six-monthly in arrears, repayment of 100% at maturity, except in the event of early redemption.

1.5 BREAKDOWN OF STRUCTURED DEBT

As at the reporting date the Bank did not hold structured securities.

1.6 LIABILITIES IN RESPECT OF LEASES

Right of use	Falling due within 5 years	Falling due after 5 years
Land	-	-
Buildings	804	-
Movables	-	-
Electrical plant	-	-
Other	5,060	-

SECTION 2 - FINANCIAL LIABILITIES HELD FOR TRADING - ITEM 20

2.1 FINANCIAL LIABILITIES HELD FOR TRADING: COMPOSITION BY TYPE

	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value *	NV	Fair value			Fair value *
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
A. On-balance-sheet liabilities										
1. Due to banks	7	6	-	-	6	2,436	2,506	-	-	2,506
2. Due to customers	2,078	2,002	102	-	2,104	6,220	6,329	-	-	6,329
3. Debt securities	-	-	-	-	-	-	-	-	-	X
3.1 Bonds	-	-	-	-	-	-	-	-	-	X
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3. Other	-	-	-	-	-	-	-	-	-	X
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Other	-	-	-	-	X	-	-	-	-	X
Total A	2,085	2,008	102	-	2,110	8,655	8,835	-	-	8,835
B. Derivatives										
1. Financial derivatives		14	1,128,875	-		X	11	838,914	-	X
1.1 Trading	X	14	1,128,875	-	X	X	11	838,914	-	X
1.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credit derivatives		-	-	-		X	-	-	-	X
2.1 Trading	X	-	-	-	X	X	-	-	-	X
2.2 Associated with fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total B	X	14	1,128,875	-	X	X	11	838,914	-	X
Total (A+B)	X	2,022	1,128,978	-	X	X	8,845	838,914	-	X

Key:

NV=nominal or notional value

Fair value*= Fair value calculated excluding changes in the amount attributable to changes in the creditworthiness of the issuer since the issue date

2.2 BREAKDOWN OF “FINANCIAL LIABILITIES HELD FOR TRADING”: SUBORDINATED LIABILITIES

The table has not been completed because there were no such positions as of the reporting date.

2.3 BREAKDOWN OF “FINANCIAL LIABILITIES HELD FOR TRADING”: STRUCTURED LIABILITIES

The table has not been completed because there were no such positions as of the reporting date.

SECTION 3 - FINANCIAL LIABILITIES DESIGNATED AS AT FAIR VALUE - ITEM 30

3.1 FINANCIAL LIABILITIES DESIGNATED AS AT FAIR VALUE: COMPOSITION BY TYPE

	Total 31/12/2025					Total 31/12/2024				
	NV	Fair value			Fair value*	NV	Fair value			Fair value*
		Level 1	Level 2	Level 3			Level 1	Level 2	Level 3	
1. Due to banks	387,327	-	393,266	-	393,266	376,375	-	385,075	-	385,075
1.1 Structured	-	-	-	-	X	-	-	-	-	X
1.2 Other	387,327	-	393,266	-	X	376,375	-	385,075	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	X	X	X	X	X
- financial guarantees issued	-	X	X	X	X	X	X	X	X	X
2. Due to customers	-	-	-	-	-	-	-	-	-	-
2.1 Structured	-	-	-	-	X	-	-	-	-	X
2.2 Other	-	-	-	-	X	-	-	-	-	X
of which:										
- commitments to disburse funds	-	X	X	X	X	X	X	X	X	X
- financial guarantees issued	-	X	X	X	X	X	X	X	X	X
3. Debt securities	69,166	-	67,763	-	67,549	-	-	-	-	-
3.1 Structured	69,166	-	67,763	-	X	-	-	-	-	X
3.2 Other	-	-	-	-	X	-	-	-	-	X
Total	456,493	-	461,029	-	460,815	376,375	-	385,075	-	385,075

Key:
 NV= Nominal or notional value
 Fair value*= Fair value calculated excluding changes in the amount attributable to changes in the creditworthiness of the issuer since the issue date

The entire amount is represented by the affiliated banks' Ex Ante Quota of the contribution to the Guarantee Scheme, adjusted to take account of net interest and commissions on the loan.

Item 3.1 shows the amount relating to the issue of investment certificates carried out in the year.

3.2 BREAKDOWN OF “FINANCIAL LIABILITIES DESIGNATED AS AT FAIR VALUE”: SUBORDINATED LIABILITIES

The table has not been completed because there were no such positions as of the reporting date.

SECTION 4 - HEDGING DERIVATIVES – ITEM 40

4.1 HEDGING DERIVATIVES: COMPOSITION BY TYPE OF HEDGE AND LEVEL OF INPUTS

	Fair value 31/12/2025			NV 31/12/2025	Fair value 31/12/2024			NV 31/12/2024
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
A) Financial derivatives	-	101,324	-	2,275,036	-	109,785	-	3,376,275
1) Fair value	-	98,205	-	1,948,986	-	109,785	-	3,376,275
2) Cash flows	-	3,119	-	326,050	-	-	-	-
3) Investments in foreign operations	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	101,324	-	2,275,036	-	109,785	-	3,376,275

Key:
NV=notional value

4.2 HEDGING DERIVATIVES: COMPOSITION BY HEDGED PORTFOLIO AND TYPE OF HEDGE

	Fair value							Cash flows		
	Specific							Specific	Generic	Foreign investments
	Debt securities and interest rates	Equity securities and stock indices	Foreign currencies and gold	Credit	Commodities	Other	Generic			
1. Financial assets measured at fair value through other comprehensive income	844	-	-	-	X	X	X	1,085	X	X
2. Financial assets measured at amortized cost	97,361	X	-	-	X	X	X	2,034	X	X
3. Portfolio	X	X	X	X	X	X	-	X	-	X
4. Other transactions	-	-	-	-	-	-	X	-	X	-
Total assets	98,205	-	-	-	-	-	-	3,119	-	-
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X
2. Portfolio	X	X	X	X	X	X	-	X	-	X
Total liabilities	-	-	-	-	-	-	-	-	-	-
1. Forecast transactions	X	X	X	X	X	X	X	-	X	X
2. Portfolio of financial assets and liabilities	X	X	X	X	X	X	-	X	-	-

SECTION 5 ADJUSTMENTS OF GENERICALLY HEDGED LIABILITIES - ITEM 50

The section has not been completed because there were no such positions as of the reporting date.

SECTION 6 – TAX LIABILITIES– ITEM 60

See section 10 under assets.

SECTION 7 – LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE – ITEM 70

See section 11 under assets.

SECTION 8 - OTHER LIABILITIES – ITEM 80**8.1 OTHER LIABILITIES: COMPOSITION**

	Total	Total
	31/12/2025	31/12/2024
Amounts due to social security institutions and State	11,473	10,917
Trade payables	75,261	69,136
Securities to be settled	70	-
Amounts available to customers	5,549	6,524
Fees and commissions to be settled	68,901	57,665
Liabilities for future premiums on derivatives	2,814	2,241
Tax payables due to tax authorities	19,764	20,835
Payables due to employees	45,249	41,025
Financial liabilities in respect of loans granted for a specific transaction	122,740	152,631
Deferred income not attributable to a separate item	880	895
Items in transit and items being processed	77,055	59,967
Other (failed purchase transactions, trade payables, insurance liabilities, security deposits, items not attributable to separate line item)	13,830	8,576
Subsidiaries – Group VAT	9,790	2,044
Balance of illiquid portfolio items	3,793	1,856
Consolidated taxation mechanism	46,549	25,851
Total	503,718	460,163

The sub-item “Financial liabilities in respect of loans granted for a specific transaction” regards the Parent Company’s contribution to the Guarantee Scheme.

The item “Financial liabilities in respect of loans granted for a specific transaction”, related to loans originally granted by the EIB, see section 12 – item 120 of assets.

The 2024 figure has been restated to ensure better comparability.

SECTION 9 - EMPLOYEE TERMINATION BENEFITS – ITEM 90

9.1 EMPLOYEE TERMINATION BENEFITS: CHANGE FOR THE PERIOD

	Total 31/12/2025	Total 31/12/2024
A. Opening balance	11,666	12,216
B. Increases	320	418
B.1 Provisions for the period	320	350
B.2 Other increases	-	67
C. Decreases	3,274	968
C.1 Benefit payments	1,094	738
C.2 Other decreases	2,180	230
D. Closing balance	8,712	11,666
Total	8,712	11,666

9.2 OTHER INFORMATION

	Total 31/12/2025	Total 31/12/2024
Opening amount (civil code rules)	12,035	12,659
Increases	-	-
Decreases	2,860	625
Closing amount (civil code rules)	9,175	12,035
Surplus / (Deficit)	(463)	(369)
Employee termination benefits provision IAS 19	8,712	11,666

Employee termination benefits cover the entire entitlement accrued as at the reporting date by employees, in conformity with applicable law, the collective bargaining agreement and supplementary company-level contract. The liability calculated pursuant to Art. 2120 of the Civil Code amounted to €9,175 thousand.

The actuarial assumptions used by an independent actuary to calculate the liability as at the reporting date are as follows:

- demographic parameters: drawn from ISTAT's 2004 mortality tables and the INPS disability tables. As regards the probability of leaving work for reasons other than death, the calculation used turnover rates consistent with past experience, with the annual rate of exit from work set at 1.50%;
- financial parameters: the valuations were calculated on the basis of the Euro Composite AA curve at 31/12/2025;
- economic parameters: the rate of inflation was assumed to be 2.0% while the rate of increase in salaries was 0.88% for all categories of employee and used only for seniority purposes.

SECTION 10 - PROVISIONS FOR RISKS AND CHARGES – ITEM 100

10.1 PROVISIONS FOR RISKS AND CHARGES: COMPOSITION

	Total 31/12/2025	Total 31/12/2024
1. Provisions for credit risk in respect of commitments and financial guarantees issued	29,338	32,582
2. Provisions for other commitments and guarantees issued	-	-
3. Company pension plans	-	-
4. Other provisions for risks and charges	104,602	117,325
4.1 legal disputes	4,114	2,473
4.2 personnel expense	20,949	28,761
4.3 other	79,540	86,091
Total	133,940	149,906

10.2 PROVISIONS FOR RISKS AND CHARGES: CHANGE FOR THE PERIOD

	Provisions in respect of commitments and other guarantees issued	Retirement provisions	Other provisions	Total
A. Opening balance	-	-	117,325	117,325
B. Increases	-	-	9,582	9,582
B.1 Provisions for the year	-	-	5,856	5,856
B.2 Changes due to passage of time	-	-	-	-
B.3 Changes due to changes in the discount rate	-	-	1	1
B.4 Other increases	-	-	3,724	3,724
- of which: business combinations	-	-	3,724	3,724
C. Decreases	-	-	22,304	22,304
C.1 Use during the period	-	-	22,082	22,082
C.2 Changes due changes in the discount rate	-	-	-	-
C.3 Other decreases	-	-	222	222
- of which: business combinations	-	-	-	-
D. Closing balance	-	-	104,602	104,602

10.3 PROVISIONS FOR CREDIT RISK IN RESPECT OF COMMITMENTS AND FINANCIAL GUARANTEES ISSUED

	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total
1. Commitments to disburse funds	1,597	773	208	-	2,579
2. Financial guarantees issued	6,777	6,548	13,434	-	26,759
Total	8,374	7,322	13,642	-	29,338

10.4 PROVISIONS IN RESPECT OF OTHER COMMITMENTS AND GUARANTEES ISSUED

The table has not been completed because there were no such positions as of the reporting date.

10.5 DEFINED-BENEFIT COMPANY PENSION PLANS

The table has not been completed because there were no such positions as of the reporting date.

10.6 PROVISIONS - OTHER

“Other” mainly regards the provision in the period for the bancassurance transaction (€39 million), the discounted value of e-money performance bonuses (€34 million).

SECTION 11 – REDEEMABLE SHARES - ITEM 120

The section has not been completed because there were no such positions as of the reporting date.

SECTION 12 - SHAREHOLDERS' EQUITY - ITEMS 110, 130, 140, 150, 160, 170 AND 180**12.1 “SHARE CAPITAL” AND “TREASURY SHARES”: COMPOSITION**

	Total 31/12/2025	Total 31/12/2024
A. Share capital		
A.1 Ordinary shares	1,401,045	1,401,045
A.2 Savings shares	-	-
A.3 Preference shares	-	-
A.4 Other shares	-	-
B. Treasury shares		
B.1 Ordinary shares	-	-
B.2 Savings shares	-	-
B.3 Preference shares	-	-
B.4 Other shares	-	-

12.2 SHARE CAPITAL – NUMBER OF SHARES OF THE PARENT COMPANY: CHANGE FOR THE PERIOD

	Ordinary	Other
A. Shares at the start of the year	27,125,759	-
- fully paid	27,125,759	-
- partially paid	-	-
A.1 Treasury shares (-)	-	-
A.2 Shares in circulation: opening balance	27,125,759	-
B. Increases	-	-
B.1 new issues	-	-
- for consideration:	-	-
- business combinations	-	-
- conversion of bonds	-	-
- exercise of warrants	-	-
- other	-	-
- bonus issues:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sales of own shares	-	-
B.3 Other changes	-	-
C. Decreases	-	-
C.1 Cancellation	-	-
C.2 Purchase of own shares	-	-
C.3 Disposal of companies	-	-
C.4 Other changes	-	-
D. Shares in circulation: closing balance	27,125,759	-
D.1 Treasury shares(+)	-	-
D.2 Shares at the end of the year	27,125,759	-
- fully paid	27,125,759	-
- partially paid	-	-

12.3 SHARE CAPITAL: OTHER INFORMATION

Share capital is represented only by ordinary shares equal to subscribed share capital, fully paid up.

12.4 EARNINGS RESERVES: OTHER INFORMATION

Reserves amount to €860,134 thousand and include: the legal reserve (€116,749 thousand), the reserve established in the articles of association (€205 thousand), the extraordinary reserve (€155,315 thousand), a IAS FTA reserve (€15,378 thousand), a reserve from IFRS 9 FTA (€9,922 thousand), a reserve (€1,843 thousand) created following the transfer of the Corporate business unit to BCC Leasing in 2007, a negative reserve (€236 thousand) from the merger of BCC Multimedia, a positive reserve (€162 thousand) related to the transfer of properties to BCC Beni Immobili and a positive reserve (€234 thousand) related to the transfer of the “Branch Services” business unit to Banca Sviluppo; a positive earnings reserve on equity securities sold (€10,642 thousand); a positive reserve (€7,259 thousand) in respect of the property spinoff carried out in 2023.

In 2025 a goodwill reserve was established following the completion of merger of Banca Sviluppo (€2,654 thousand). In implementation of a resolution of the shareholders' meeting, retained earnings were recognized in the amount of €65,674 thousand (totaling €540,116 thousand), and an own share reserve was established (€5,200 thousand). Pursuant to the provisions of the articles of association, at least one-tenth of net profit for the period (€7,875 thousand) shall be allocated to the legal reserve until that reserve is equal to one-fifth of share capital. The remaining nine-tenths are available for allocation by the Shareholders' Meeting, which decides on the basis of a proposal of the Board of Directors.

AVAILABILITY AND FORMATION OF EQUITY RESERVES

Pursuant to Art. 2427, nos. 4 and 7 bis of the Civil Code, the following table reports the composition of the Bank's shareholders' equity, indicating the origin, availability and possible distribution of the various components.

	Amount	Possible uses (*)	Available amount	Summary of uses in last three years	
				For loss coverage	Other uses
Share capital	1,401,045				
Share premium account	6,081				
Treasury shares					
Reserves:					
a) legal reserve	116,749	B	116,749		
b) reserve in articles of association	205	A – B – C	205		
c) extraordinary reserve	155,315	A – B – C	155,315		
d) other reserves	22,450	A – B – C	-		
e) FTA reserve	25,300	A – B – C	25,300		
Valuation reserves:					
a) Financial assets measured at fair value through other comprehensive income (FVOCI)	5,457		-		
b) Cash flow hedges	(338)		-		
c) Actuarial gains (losses) on defined-benefit plans	(1,972)		-		
Valuation reserves (Law 342 of 22/11/2000)	52,334	A – B – C (**)	52,334		
Retained earnings (loss carryforward)	540,116		-		
Net profit (loss) for the period	184,371				
Total	2,507,114				

(*) a = capital increase; b = loss coverage; c = distribution to shareholders (**) If the reserve is used to cover losses, no profit distributions may be made until the reserve is replenished or reduced accordingly. The reduction must be made by resolution of the extraordinary meeting without complying with the provisions of paragraphs 2 and 3 of Article 2445 of the Civil Code. If the reserve is not allocated to capital, it may be reduced only in compliance with the provisions of paragraphs 2 and 3 of Article 2445 of the Civil Code. If distributed to shareholders, it contributes to the taxable income of the company and its shareholders.

12.5 EQUITY INSTRUMENTS: COMPOSITION AND CHANGE FOR THE PERIOD

There were no such positions as of the reporting date.

12.6 OTHER INFORMATION

Nothing to report.

OTHER INFORMATION

1. FINANCIAL GUARANTEES ISSUED AND COMMITMENTS (OTHER THAN THOSE DESIGNATED AS AT FAIR VALUE)

	Nominal value of financial guarantees issued and commitments				Total 31/12/2025	Total 31/12/2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
Commitments to disburse funds	12,294,938	99,159	5,908	-	12,400,004	12,493,047
a) Central banks	-	-	-	-	-	-
b) Government entities	12,500	-	-	-	12,500	12,500
c) Banks	8,388,497	77,556	-	-	8,466,052	10,060,602
d) Other financial companies	3,465,407	8,988	2,645	-	3,477,040	2,063,354
e) Non-financial companies	417,516	8,472	3,206	-	429,195	350,628
f) Households	11,018	4,143	57	-	15,217	5,964
Financial guarantees issued	638,138	221,656	14,628	-	874,422	926,794
a) Central banks	-	-	-	-	-	-
b) Government entities	50,366	-	-	-	50,366	38,329
c) Banks	49,364	4,860	-	-	54,224	56,302
d) Other financial companies	523	15,689	-	-	16,211	11,765
e) Non-financial companies	530,515	199,608	14,628	-	744,750	814,056
f) Households	7,371	1,500	-	-	8,871	6,343

The nominal value of “commitments to disburse funds” represents the amount that the Bank could be called upon to disburse at the request of the counterparty net of amounts already disbursed and gross of total provisions.

The nominal value of “financial guarantees issued” represents the maximum about the Bank could be called upon to pay in event the guarantees are enforced. It reports the nominal value net of enforcements of unsecured financial guarantees issued by the Bank and repayments by the secured debtor and gross of total provisions.

2. OTHER COMMITMENTS AND GUARANTEES ISSUED

There were no such positions as of the reporting date.

3. ASSETS PLEDGED AS COLLATERAL FOR OWN DEBTS AND COMMITMENTS

	Amount 31/12/2025	Amount 31/12/2024
1. Financial assets measured at fair value through profit or loss	355,135	346,666
2. Financial assets measured at fair value through other comprehensive income	30,333	59,337
3. Financial assets measured at amortized cost	9,339,984	9,617,341
4. Property, plant and equipment	-	-
of which: property, plant and equipment classified as inventories	-	-

4. MANAGEMENT AND INTERMEDIATION SERVICES

	Amount
	31/12/2025
1. Order execution on behalf of customers	42,431,082
a) Purchases	29,404,967
1. settled	29,385,839
2. not settled	19,128
b) Sales	13,026,115
1. settled	13,013,783
2. not settled	12,331
2. Asset management (individual)	-
3. Securities custody and administration	98,613,881
a) Third-party securities held as part of custodian bank services (excluding asset management)	-
1. Securities issued by consolidated companies	-
2. other securities	-
b) Other third-party securities on deposit (excluding asset management): other	82,613,671
1. Securities issued by consolidated companies	2,112,201
2. other securities	80,501,469
c) Third-party securities deposited with third parties	82,613,557
d) Securities owned by bank deposited with third parties	16,000,210
4. Other transactions	317,463

5. FINANCIAL ASSETS OFFSET IN THE FINANCIAL STATEMENTS OR GOVERNED BY MASTER NETTING AGREEMENTS OR SIMILAR AGREEMENTS

	Gross amount of financial assets (a)	Financial liabilities offset (b)	Net amount of financial assets reported (c=a-b)	Related amounts not offset		Net amount (f=c-d-e)	Net amount
				Financial instruments (d)	Cash collateral received (e)	31/12/2025	31/12/2024
1. Derivatives	1,332,909	57,281	1,275,627	295,789	908,615	71,223	12,049
2. Repurchase agreements	-	-	-	-	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31/12/2025	1,332,909	57,281	1,275,627	295,789	908,615	71,223	X
Total 31/12/2024	1,115,601	168,221	947,379	266,074	669,256	X	12,049

6. FINANCIAL LIABILITIES OFFSET IN THE FINANCIAL STATEMENTS OR GOVERNED BY MASTER NETTING AGREEMENTS OR SIMILAR AGREEMENTS

	Gross amount of financial liabilities (a)	Financial assets offset (b)	Net amount of financial liabilities reported (c=a-b)	Related amounts not offset		Net amount (f=c-d-e) 31/12/2025	Net amount 31/12/2024
				Financial instruments (d)	Cash collateral received (e)		
1. Derivatives	1,265,293	57,281	1,208,011	1,028,943	92,880	86,189	20,847
2. Repurchase agreements	-	-	-	-	-	-	-
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31/12/2025	1,265,293	57,281	1,208,011	1,028,943	92,880	86,189	X
Total 31/12/2024	1,085,215	168,221	916,993	753,502	142,645	X	20,847

7. SECURITIES LENDING TRANSACTIONS

No information to report.

8. DISCLOSURES ON JOINT ARRANGEMENTS

No information to report.

PART C - INFORMATION ON THE INCOME STATEMENT

SECTION 1 - INTEREST -ITEMS 10 AND 20

1.1 INTEREST AND SIMILAR INCOME: BREAKDOWN

	Debt securities	Loans	Other transactions	Total 31/12/2025	Total 31/12/2024
1. Financial assets measured at fair value through profit or loss	7,885	-	1,869	9,755	14,948
1.1 Financial assets held for trading	2,490	-	-	2,490	3,227
1.2 Financial assets designated at fair value	5,023	-	-	5,023	9,757
1.3 Other financial assets mandatorily at fair value	373	-	-	373	1,964
2. Financial assets measured at fair value through other comprehensive income	27,974	-	X	27,974	31,224
3. Financial assets measured at amortized cost	462,652	749,997	-	1,212,649	1,796,382
3.1 Due from banks	132,779	402,486	X	535,265	985,688
3.2 Loans to customers	329,873	347,511	X	677,384	810,695
4. Hedging derivatives	X	X	30,967	30,967	120,583
5. Other assets	X	X	8,346	8,346	15,594
6. Financial liabilities	X	X	X	-	1,018
Total	498,511	749,997	41,183	1,289,691	1,979,748
of which: interest income on impaired financial assets	-	4,720	-	4,720	8,373
of which: interest income on finance leases	X	-	X	-	-

1.2 INTEREST AND SIMILAR INCOME: OTHER INFORMATION

1.2.1 INTEREST INCOME ON FOREIGN-CURRENCY FINANCIAL ASSETS

	31/12/2025	31/12/2024
1. Mortgage loans	-	-
2. Current accounts and deposits	1,580	1,693
3. Other financing	1,158	1,655
4. Debt securities	407	978
5. Other	-	-
Total	3,145	4,326

1.3 INTEREST AND SIMILAR EXPENSE: BREAKDOWN

	Debt	Securities	Other transactions	Total 31/12/2025	Total 31/12/2024
1. Financial liabilities measured at amortized cost	(809,326)	(271,489)	X	(1,080,816)	(1,773,105)
1.1 Due to central banks	(31,892)	X	X	(31,892)	(370,600)
1.2 Due to banks	(432,302)	X	X	(432,302)	(630,204)
1.3 Due to customers	(345,132)	X	X	(345,132)	(531,196)
1.4 Securities issued	X	(271,489)	X	(271,489)	(241,105)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	(1,869)	-	(1,869)	-
4. Other liabilities and provisions	X	X	-	-	-
5. Hedging derivatives	X	X	1,572	1,572	(5,587)
6. Financial assets	X	X	X	(850)	(4,503)
Total	(809,326)	(273,359)	1,572	(1,081,963)	(1,783,196)
of which: interest expense on finance leases	(228)	X	X	(228)	(125)

1.4 INTEREST AND SIMILAR EXPENSE: OTHER INFORMATION**1.4.1 INTEREST EXPENSE ON FOREIGN-CURRENCY LIABILITIES**

	31/12/2025	31/12/2024
1. Current accounts and deposits	(6,432)	(8,094)
2. Mortgage loans	-	-
3. Other	(81)	(100)
Total	(6,513)	(8,194)

1.5 DIFFERENCES ON HEDGING TRANSACTIONS

	Total 31/12/2025	Total 31/12/2024
A. Positive differences on hedging transactions:	588,044	120,583
B. Negative differences on hedging transactions:	(555,505)	(5,587)
C. Balance (A-B)	32,539	114,995

SECTION 2 - FEES AND COMMISSIONS – ITEMS 40 AND 50

2.1 FEE AND COMMISSION INCOME: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
a) Financial instruments	20,361	15,566
1. Securities placement	12,234	9,103
1.1 With underwriting and/or irrevocable commitment	-	-
1.2 Without irrevocable commitment	12,234	9,103
2. Order receipt and transmission and order execution for customers	7,231	5,806
2.1 Order receipt and transmission for one or more financial instruments	1,657	1,862
2.2 Order execution for customers	5,574	3,944
3. Other fees and commissions connected with financial instruments	897	656
of which: trading on own account	-	-
of which: individual portfolio management	897	656
b) Corporate finance	5,637	-
1. Merger and acquisition advisory services	-	-
2. Treasury services	-	-
3. Other fees and commissions connected with corporate finance services	5,637	-
c) Investment advisory services	-	-
d) Clearing and settlement	-	-
e) Custody and administration	7,002	6,803
1. Depository bank	-	-
2. Other fees and commissions connected with custody and administration services	7,002	6,803
f) Central administrative services for collective portfolio management	-	-
g) Trustee services	-	-
h) Payment services	634,627	609,130
1. Current accounts	700	577
2. Credit cards	65,503	65,588
3. Debit cards and other payment cards	154,361	147,841
4. Credit transfers and other payment orders	8,669	8,453
5. Other fees and commissions connected with payment services	405,394	386,671
i) Distribution of third-party services	5,531	5,623
1. Collective portfolio management	-	-
2. Insurance products	-	-
3. Other products	5,531	5,623
of which: individual portfolio management	-	-
j) Structured finance	-	3,731
k) Securitization servicing	-	-
l) Commitments to disburse funds	-	-
m) Financial guarantees issued	3,669	2,854
of which: credit derivatives	-	-
n) Lending transactions	11,393	11,228
of which: factoring transactions	-	-
o) Currency trading	84	178
p) Goods	-	-
q) Other fee and commission income	10,276	9,858
of which: for management of multilateral trading facilities	-	-
of which: for management of organized trading facilities	-	-
Total	698,580	664,970

The item "payment services " includes the effect of the agreements for the promotion-distribution of the Numia Group between the Bank and the Group's mutual banks.

2.2 FEE AND COMMISSION INCOME: DISTRIBUTION CHANNELS FOR PRODUCTS AND SERVICES

	Total 31/12/2025	Total 31/12/2024
a) own branches:	12,234	9,103
1. asset management	-	-
2. securities placement	12,234	9,103
3. third-party services and products	-	-
b) off-premises distribution:	6,427	6,279
1. asset management	897	656
2. securities placement	-	-
3. third-party services and products	5,531	5,623
c) other distribution channels:	-	-
1. asset management	-	-
2. securities placement	-	-
3. third-party services and products	-	-

2.3 FEE AND COMMISSION EXPENSE: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
a) Financial instruments	(12,395)	(9,662)
of which: trading in financial instruments	(413)	(1,034)
of which: placement of financial instruments	(11,981)	(8,628)
of which: individual portfolio management	-	-
- Own	-	-
- Delegated to third parties	-	-
b) Clearing and settlement	(2,268)	(1,973)
c) Custody and administration	(6,096)	(5,362)
d) Collection and payment services	(583,083)	(561,082)
of which: credit cards, debit cards and other payment cards	(580,850)	(558,768)
e) Securitization servicing	-	-
f) Commitments to receive funds	-	-
g) Financial guarantees received	(1,326)	(177)
of which: credit derivatives	-	-
h) Off-premises marketing of financial instruments, products and services	(3,673)	(3,450)
i) Currency trading	(65)	(146)
j) Fee and commission expense	(8,787)	(9,940)
Total	(617,693)	(591,793)

The item "collection and payment services" includes the effect of the agreements for the promotion-distribution of the products and services of the Numia Group between the Bank and the Group's mutual banks.

SECTION 3 - DIVIDENDS AND SIMILAR REVENUES – ITEM 70

3.1 DIVIDENDS AND SIMILAR REVENUES: BREAKDOWN

	Total 31/12/2025		Total 31/12/2024	
	Dividends	Similar revenues	Dividends	Similar revenues
A. Financial assets held for trading	-	36	-	9
B. Other financial assets mandatorily measured at fair value	615	253	265	2,001
C. Financial assets measured at fair value through other comprehensive income	11,190	-	11,212	-
D. Equity investments	66,920	-	47,708	-
Total	78,725	289	59,185	2,010

The item mainly regards the distribution of 2024 profit by BCC Risparmio e Previdenza in the amount of €25.8 million; BCC Leasing, in the amount of €36.8 million and BCC Sinergia in the amount of €3.5 million and also includes dividends received on the interest held in the Bank of Italy in the amount of €10.6 million.

SECTION 4 - NET GAIN (LOSS) ON TRADING ACTIVITIES – ITEM 80

4.1 NET GAIN (LOSS) ON TRADING ACTIVITIES: BREAKDOWN

	Capital gains (A)	Trading profits (B)	Capital losses (C)	Trading losses	Net gain (loss) (A+B) – (C+D)
1. Financial assets held for trading	864	11,553	(133)	(2,141)	10,144
1.1 Debt securities	57	10,695	(34)	(1,734)	8,984
1.2 Equity securities	18	602	(67)	(362)	190
1.3 Units in collective investment undertakings	4	61	(32)	(44)	(11)
1.4 Loans	-	-	-	-	-
1.5 Other	787	194	-	-	981
2. Financial liabilities held for trading	-	-	-	-	-
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other	-	-	-	-	-
3. Financial assets and liabilities: foreign exchange differences	X	X	X	X	35,319
4. Derivatives	577,303	316,494	(572,573)	(306,423)	(17,316)
4.1 Financial derivatives:	577,303	316,494	(572,573)	(306,423)	(17,316)
- on debt securities and interest rates	572,910	316,494	(568,346)	(305,693)	15,365
- on equity securities and equity indices	4,393	-	(4,227)	(730)	(565)
- on foreign currencies and gold	X	X	X	X	(32,116)
- other	-	-	-	-	-
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges connected with fair value option	X	X	X	X	-
Total	578,167	328,047	(572,706)	(308,564)	28,147

SECTION 5 - NET GAIN (LOSS) ON HEDGING ACTIVITIES – ITEM 90

5.1 NET GAIN (LOSS) ON HEDGING ACTIVITIES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
A. Gain on:		
A.1 Fair value hedges	218,836	93,298
A.2 Hedged financial assets (fair value)	4,645	75,476
A.3 Hedged financial liabilities (fair value)	15,833	517
A.4 Cash flow hedges	502	276
A.5 Assets and liabilities in foreign currencies	-	-
Total income on hedging activities (A)	239,816	169,567
B. Loss on:		
B.1 Fair value hedges	(60,218)	(126,415)
B.2 Hedged financial assets (fair value)	(181,137)	(16,943)
B.3 Hedged financial liabilities (fair value)	(2,099)	(23,755)
B.4 Cash flow hedges	(145)	(154)
B.5 Assets and liabilities in foreign currencies	-	-
Total expense on hedging activities (B)	(243,599)	(167,267)
C. Net gain (loss) on hedging activities (A - B)	(3,783)	2,299
of which: net gain (loss) of hedges of net positions	-	-

SECTION 6 - GAIN (LOSS) ON DISPOSAL OR REPURCHASE – ITEM 100

This reports the positive or negative balances between the gains and losses realized with the sale of financial assets or repurchase of financial liabilities other than those held for trading or designated as at fair value.

6.1 GAIN (LOSS) ON DISPOSAL OR REPURCHASE: BREAKDOWN

	Total 31/12/2025			Total 31/12/2024		
	Gains	Losses	Net gain (loss)	Gains	Losses	Net gain (loss)
Financial assets						
1. Financial assets measured at amortized cost	61,281	(43,616)	17,665	32,903	(18,185)	14,718
1.1 Due from banks	-	(1)	(1)	73	(1,780)	(1,708)
1.2 Loans to customers	61,281	(43,615)	17,666	32,830	(16,405)	16,425
2. Financial assets measured at fair value through other comprehensive income	8,260	(5,726)	2,534	4,950	(4,255)	695
2.1 Debt securities	8,260	(5,726)	2,534	4,950	(4,255)	695
2.2 Loans	-	-	-	-	-	-
Total assets (A)	69,540	(49,342)	20,198	37,852	(22,440)	15,413
Financial liabilities measured at amortized cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Securities issued	103	(293)	(190)	200	(559)	(358)
Total liabilities (B)	103	(293)	(190)	200	(559)	(358)

SECTION 7 - NET ADJUSTMENTS OF OTHER FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS – ITEM 110

7.1. NET ADJUSTMENTS OF FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS: BREAKDOWN OF FINANCIAL ASSETS AND LIABILITIES DESIGNATED AS AT FAIR VALUE

	Capital gains (A)	Profits on realization (B)	Capital losses (C)	Losses on realization (D)	Net gain (loss) [(A+B) - (C+D)]
1. Financial assets	3,310	96	(131)	(379)	2,896
1.1 Debt securities	3,310	96	(14)	(379)	3,013
1.2 Loans	-	-	(117)	-	(117)
2. Financial liabilities	1,624	-	(5,939)	(18)	(4,332)
2.1 Securities issued	1,624	-	-	(18)	1,606
2.2 Due to banks	-	-	(5,939)	-	(5,939)
2.3 Due to customers	-	-	-	-	-
3. Financial assets and liabilities: foreign exchange rate differences	X	X	X	X	-
Total	4,934	96	(6,070)	(397)	(1,437)

7.2 NET ADJUSTMENTS OF OTHER FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS: BREAKDOWN OF OTHER FINANCIAL ASSETS MANDATORILY MEASURED AT FAIR VALUE

	Capital gains (A)	Profits on realization (B)	Capital losses (C)	Losses on realization (D)	Net gain (loss) [(A+B) - (C+D)]
1. Financial assets	11,849	4,735	(30,319)	(34)	(13,769)
1.1 Debt securities	116	38	(28)	-	126
1.2 Equity securities	5,911	793	(5,281)	-	1,423
1.3 Units in collective investment undertakings	5,804	3,905	(20,010)	(34)	(10,336)
1.4 Loans	18	-	(4,999)	-	(4,981)
2. Financial assets: foreign exchange rate differences	X	X	X	X	-
Total	11,849	4,735	(30,319)	(34)	(13,769)

SECTION 8 - NET LOSSES/RECOVERIES FOR CREDIT RISK – ITEM 130

8.1 NET LOSSES/RECOVERIES FOR CREDIT RISK IN RESPECT OF FINANCIAL ASSETS MEASURED AT AMORTIZED COST: BREAKDOWN

	Losses (1)						Recoveries (2)					Total 31/12/2025	Total 31/12/2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit- impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired			
			Write-offs	Other	Write-offs	Other							
A. Due from banks	(65)	-	-	-	-	-	418	926	-	-	1,279	(1,602)	
- loans	(11)	-	-	-	-	-	5	893	-	-	887	(1,333)	
- debt securities	(54)	-	-	-	-	-	413	33	-	-	392	(269)	
B. Loans to customers	(6,228)	(10,697)	(7,553)	(50,305)	-	-	18,533	7,638	24,271	-	(24,341)	(8,807)	
- loans	(5,935)	(8,985)	(7,553)	(47,772)	-	-	18,120	4,721	24,271	-	(23,133)	(8,535)	
- debt securities	(293)	(1,713)	-	(2,533)	-	-	413	2,916	-	-	(1,208)	(271)	
Total	(6,293)	(10,697)	(7,553)	(50,305)	-	-	18,951	8,563	24,271	-	(23,062)	(10,408)	

8.2 NET LOSSES/RECOVERIES FOR CREDIT RISK IN RESPECT OF FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: COMPOSITION

	Losses (1)						Recoveries (2)					Total 31/12/2025	Total 31/12/2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit- impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired			
			Write-offs	Other	Write-offs	Other							
A. Debt securities	(159)	-	-	-	-	-	1,211	63	-	-	1,115	2	
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-	
- to customers	-	-	-	-	-	-	-	-	-	-	-	-	
- to banks	-	-	-	-	-	-	-	-	-	-	-	-	
Total	(159)	-	-	-	-	-	1,211	63	-	-	1,115	2	

SECTION 9 - GAINS (LOSSES) FROM CONTRACT MODIFICATIONS WITHOUT DERECOGNITION – ITEM 140

There are no such positions as of the reporting date.

SECTION 10 - ADMINISTRATIVE EXPENSES – ITEM 160

10.1 PERSONNEL EXPENSES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
1) Employees	(240,271)	(259,705)
a) wages and salaries	(162,876)	(158,180)
b) social security contributions	(43,441)	(42,365)
c) termination benefits	(1,570)	(1,771)
d) pension expenditure	-	-
e) allocation to employee termination benefit provision	(1,233)	(1,149)
f) allocation to provision for post-employment benefits and similar obligations:	-	-
- defined contribution	-	-
- defined benefit	-	-
g) payments to external pension funds:	(15,219)	(14,183)
- defined contribution	(15,219)	(14,183)
- defined benefit	-	-
h) costs from share-based payment plans	-	-
i) other employee benefits	(15,932)	(42,058)
2) Other personnel	(490)	(699)
3) Board of Directors and members of Board of Auditors	(4,182)	(3,422)
4) Retired personnel	-	-
5) Recovery of expenses for employees seconded to other companies	9,125	8,283
6) Reimbursement of expenses for third-party employees seconded to the Company	(1,228)	(1,192)
Total	(237,046)	(256,736)

Personnel expenses decreased by €19.7 million, mainly reflecting the recognition in 2024 of provisions in the amount of €25.7 million following the agreement on access to the extraordinary benefits of the Cooperative Banking Solidarity Fund for employees; on the other hand, the wages and salaries component increased following the renewal of the national collective bargaining agreement.

10.2 AVERAGE NUMBER OF EMPLOYEES BY CATEGORY

	Total 31/12/2025	Total 31/12/2024
Employees:	2,053	2,042
a) senior management	111	116
b) middle management	1,182	1,183
c) other employees	760	743
Other personnel	-	-
Total	2,053	2,042

The average number of employees is calculated as the weighted average number of employees using the number of months worked during the year as weights. Part-time employees are included at 50%.

10.3 DEFINED-BENEFIT COMPANY PENSION PLANS: TOTAL COSTS AND REVENUES

At the reporting date, the company had no defined-benefit pension plans, with no associated costs or revenues.

10.4 OTHER EMPLOYEE BENEFITS

	31/12/2025	31/12/2024
Early termination incentives and income support fund	(1,345)	(29,968)
Lunch vouchers	(3,543)	(2,957)
Insurance policies	(2,149)	(1,780)
Medical checkups	-	-
Training	(2,046)	(1,608)
Training Leg. Decree 81/08	-	-
Long-service bonuses	(822)	26
Other benefits	(6,028)	(5,771)
Total	(15,932)	(42,058)

10.5 OTHER ADMINISTRATIVE EXPENSES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
Information technology	(159,712)	(129,399)
Property and movables	(12,909)	(12,260)
- rental and fees	(28)	(19)
- ordinary maintenance	(12,831)	(12,241)
- other (security, reception etc.)	(50)	-
Goods and services	(11,716)	(13,754)
- telephone and data transmission	(3,667)	(4,190)
- postal	(4)	(58)
- asset transport and counting	(52)	(9)
- electricity, heating and water	(2,424)	(2,547)
- transportation and travel	(5,210)	(6,404)
- office supplies and printed materials	(68)	(92)
- subscriptions, magazines and newspapers	(290)	(454)
Professional services	(62,552)	(59,693)
- professional fees (other than audit fees)	(57,507)	(55,231)
- audit fees	(1,455)	(1,099)
- legal and notary costs	(3,270)	(3,062)
- court costs, information and title searches	(320)	(301)
Administrative services	(6,854)	(10,833)
Insurance	(4,439)	(2,940)
Promotional, advertising and entertainment expenses	(10,329)	(8,631)
Association dues	(3,596)	(4,990)
Donations	(25)	-
Other	(11,481)	(12,141)
Indirect taxes and duties	(5,459)	(5,013)
- stamp duty	(2,807)	(2,507)
- tax under DPR 601/73	(732)	(682)
- municipal property tax	(1,242)	(1,397)
- financial transaction fee	(9)	(64)
- other indirect taxes and duties	(669)	(363)
Total	(289,072)	(259,655)

SECTION 11 - NET PROVISIONS FOR RISKS AND CHARGES – ITEM 170

11.1 NET PROVISIONS FOR CREDIT RISK IN RESPECT OF COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED: BREAKDOWN

	31/12/2025		
	Provisions	Reallocation of excesses	Total
Commitments to disburse funds Stage 1	(415)	5,422	5,007
Commitments to disburse funds Stage 2	(705)	76	(628)
Commitments to disburse funds Stage 3	-	623	623
Financial guarantees issued Stage 1	(4,716)	4,403	(313)
Financial guarantees issued Stage 2	(4,708)	3,790	(919)
Financial guarantees issued Stage 3	(4,831)	4,448	(383)
Total	(15,375)	18,762	3,387

Provisions and reversals also include the effect of the passage of time (discounting effect).

For further details on the impairment model adopted by the Bank and used to determine the net provisions shown in the table, see Part A “Accounting Policies” of the notes to the financial statements.

11.2 NET PROVISIONS IN RESPECT OF OTHER COMMITMENTS TO DISBURSE FUNDS AND GUARANTEES ISSUED: BREAKDOWN

There are no such positions as of the reporting date.

11.3 NET PROVISIONS IN RESPECT OF OTHER PROVISIONS FOR RISKS AND CHARGES: BREAKDOWN

	31/12/2025		
	Provisions	Reallocation of excesses	Total
Legal disputes	(2,940)	1,688	(1,252)
Other	(4,093)	90	(4,003)
Total	(7,033)	1,779	(5,255)

SECTION 12 - NET ADJUSTMENTS OF PROPERTY, PLANT AND EQUIPMENT - ITEM 180

12.1 NET ADJUSTMENTS OF PROPERTY, PLANT AND EQUIPMENT: BREAKDOWN

	Depreciation (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Property, plant and equipment				
1. Operating assets	(5,900)	-	-	(5,900)
- owned	(3,531)	-	-	(3,531)
- right of use of leased assets	(2,369)	-	-	(2,369)
2 Investment property	-	-	-	-
- owned	-	-	-	-
- right of use of leased assets	-	-	-	-
3 Inventories	X	-	-	-
B. Assets held for sale	X	-	-	-
Total	(5,900)	-	-	(5,900)

SECTION 13 - NET ADJUSTMENTS OF INTANGIBLE ASSETS - ITEM 190

13.1 NET ADJUSTMENTS OF INTANGIBLE ASSETS: BREAKDOWN

	Amortization (a)	Writedowns for impairment (b)	Writebacks (c)	Net adjustments (a + b - c)
A. Intangible assets				
of which: software	-	-	-	-
A.1 Owned	(21)	-	-	(21)
- generated internally by the Bank	-	-	-	-
- other	(21)	-	-	(21)
A.2 Right of use of leased assets	-	-	-	-
B. Assets held for sale	X	-	-	-
Total	(21)	-	-	(21)

SECTION 14 - OTHER OPERATING EXPENSES - ITEM 200

14.1 OTHER OPERATING EXPENSES: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
Charges connected with lease services (consultants, insurance, taxes and duties, capital losses)	-	-
Reductions in assets and prior-year expenses not attributable to separate line item	(30)	(54)
Costs of outsourced services	-	-
Settlement of disputes and claims	-	-
Amortization of expenditure for leasehold improvements	(1)	(5)
Other charges for corporate finance operations	-	-
Other charges	(1,983)	(3,091)
Total	(2,014)	(3,150)

14.2 OTHER OPERATING INCOME: BREAKDOWN

	Total 31/12/2025	Total 31/12/2024
A) Cost recoveries	96,633	91,731
Recovery of taxes	903	866
Recovery of sundry charges	94,423	89,367
Insurance premiums	1,306	1,498
Property rental expense	-	-
Recovery of costs from customers	-	-
Recovery of costs on bad loans	-	-
B) Other income	170,472	162,284
Insourcing revenues	139,465	131,377
Property rental income	667	667
Other income from finance leases	-	-
Other income	30,340	30,240
Accelerated processing fees	-	-
Total	267,105	254,015

SECTION 15 - PROFIT (LOSS) FROM EQUITY INVESTMENTS - ITEM 220**15.1 PROFIT (LOSS) FROM EQUITY INVESTMENTS: BREAKDOWN**

	Total 31/12/2025	Total 31/12/2024
A. Income	94,127	68,083
1. Revaluations	-	-
2. Gains on disposal	91,727	53,083
3. Writebacks	-	-
4. Other income	2,400	15,000
B. Expenses	-	(12,310)
1. Writedowns	-	-
2. Impairment losses	-	(12,310)
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit (loss)	94,127	55,773

SECTION 16 - NET ADJUSTMENT TO FAIR VALUE OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS - ITEM 230

There are no such positions as of the reporting date.

SECTION 17 - GOODWILL IMPAIRMENT - ITEM 240

There are no such positions as of the reporting date.

SECTION 18 - GAINS (LOSSES) ON DISPOSAL OF INVESTMENTS - ITEM 250

There are no such positions as of the reporting date.

SECTION 19 - INCOME TAX EXPENSE FROM CONTINUING OPERATIONS – ITEM 270**19.1 INCOME TAX EXPENSE FROM CONTINUING OPERATIONS: BREAKDOWN**

	Total 31/12/2025	Total 31/12/2024
1. Current taxes (-)	(10,652)	(15,172)
2. Change in current taxes from previous period (+/-)	(47)	(3,334)
3. Reduction of current taxes for the period (+)	-	-
3.bis Reduction of current taxes for the period for tax credits under Law 214/2011 (+)	-	-
4. Change in deferred tax assets (+/-)	(5,090)	(1,815)
5. Change in deferred tax liabilities (+/-)	-	-
6. Income taxes for the period (-) (-1+/-2+3+3bis+/-4+/-5)	(15,790)	(20,321)

19.2 RECONCILIATION OF THEORETICAL TAX LIABILITY AND ACTUAL TAX LIABILITY RECOGNIZED

IRES	31/12/2025	
	Taxable income	Tax
Profit/(loss) before tax on continuing operations (item 260 IS)	200,161	
Profit before tax on continuing operations (item 260 IS)	200,161	
Current rate		24%
Theoretical tax liability (24%)		-48,039
Greater tax liability due to increases (taxable income)/Greater tax liability due to increases (tax)	22,969	-5,512
Temporary	-	-
- Changes during the year	22,969	
Definitive	-	-
- Reversal of prior-year temporary differences	-	-
- Changes during the year	-	
Lower tax liability due to decreases	202,913	48,699
Temporary	-	-
- Changes during the year	-	-
Definitive	-	-
- Reversal of prior-year temporary differences	43,488	
- Changes during the year	159,012	
- Deductions up to limit of taxable income	413	
Taxable income (loss)	20,216	
Current gross tax		-4,852
IRES surtax rate		3.5%
Tax credits		-708
Current net tax in income statement		-
Changes in current tax/deferred tax assets/deferred tax liabilities(+/-)		-5,56
Tax liability for the year		-5,286
Profit/(loss) before tax on continuing operations (item 260 IS)		-10,845
IRAP	Taxable income	
	Taxable income	Tax
Profit (loss) before tax for IRAP purposes (item 260 IS)	200,161	
Loss before tax on continuing operations (item 260 IS)	200,161	
Current rate	-	-
Theoretical tax liability (ordinary rate 4.65%)		4.65%
Items not included in determination of income		-9,307
- Revenue and income (-)	(98,657)	4,588
- Costs and charges (+)	(231,165)	
Greater tax liabilities due to increases (taxable income)/ Greater tax liabilities due to increases (tax)	132,508	
Temporary		-
- Changes during the year	-	
Definitive	-	
- Reversal of prior-year temporary differences		
- Changes during the year	-	
Lower tax liability due to decreases	10,069	468
Temporary	-	
- Changes during the year	-	
Definitive		
- Reversal of prior-year temporary differences	-	
- Changes during the year	10,069	
Value of production	91,434	-
Current tax		-4,252
IRAP surtax rate		0.92%
Effect of regional surtaxes/tax relief (+/-)		-841
Current tax in income statement		-5,093
Changes in current tax/deferred tax assets/deferred tax liabilities (+/-)		148
Tax liability for the year		-4,944
Total income tax expense (item 270 IS)		-15,79

SECTION 20 - PROFIT (LOSS) ON DISCONTINUED OPERATIONS AFTER TAX - ITEM 290

There are no such positions as of the reporting date.

SECTION 21 – OTHER INFORMATION

No other information necessary.

SECTION 22 - EARNINGS PER SHARE

22.1 AVERAGE NUMBER OF ORDINARY SHARES IN DILUTED SHARE CAPITAL

There are no such positions as of the reporting date.

22.2 OTHER INFORMATION

No other information necessary.

PART D - COMPREHENSIVE INCOME

BREAKDOWN OF COMPREHENSIVE INCOME

	31/12/2025	31/12/2024
10. Net profit (loss) for the period	184,371	78,749
Other comprehensive income not recyclable to profit or loss	651	(10,556)
20. Equity securities designated as at fair value through other comprehensive income:	975	(15,806)
a) fair value changes	78	66
b) transfers to other elements of shareholders' equity	897	(15,873)
30. Financial liabilities measured at fair value through profit or loss (change in credit risk):	(214)	-
a) fair value changes	(214)	-
b) transfers to other elements of shareholders' equity	-	-
40. Hedges of equity securities designated as at fair value through other comprehensive income:	-	-
a) fair value changes (hedged instrument)	-	-
b) fair value changes (hedging instrument)	-	-
50. Property, plant and equipment	-	-
60. Intangible assets	-	-
70. Defined-benefit plans	209	34
80. Non-current assets held for sale	-	-
90. Valuation reserves of equity investments accounted for with equity method	-	-
100. Income taxes on other comprehensive income not recyclable to profit or loss	(319)	5,216
Other comprehensive income recyclable to profit or loss	(2,223)	15,867
110. Hedging of investments in foreign operations:	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
120. Foreign exchange differences:	-	-
a) value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
130. Cash flow hedges:	(8,948)	15,899
a) fair value changes	(8,591)	16,021
b) reversal to income statement	(357)	-
c) other changes	-	(122)
of which: result on net positions	-	-
140. Hedging instruments (undesignated elements):	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
150. Financial assets (other than equity securities) measured at fair value through other comprehensive income:	6,134	7,855
a) fair value changes	8,641	6,035
b) reversal to income statement	(2,507)	1,820
- adjustments for credit risk	1,137	(2)
- gain/loss on realization	(3,644)	1,822
c) other changes	-	-
160. Non-current assets and disposal groups held for sale:	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
c) other changes	-	-
170. Valuation reserves of equity investments accounted for with equity method:	-	-
a) fair value changes	-	-
b) reversal to income statement	-	-
- impairment adjustments	-	-
- gain/loss on realization	-	-
c) other changes	-	-
180. Income taxes on other comprehensive income recyclable to profit or loss	592	(7,886)
190. Total other comprehensive income	(1,572)	5,311
200. Comprehensive income (item 10+190)	182,799	84,060

PART E - RISK AND RISK MANAGEMENT POLICIES

INTRODUCTION

The Iccrea Cooperative Banking Group conducts its business in accordance with the principles of prudence and risk containment, based on the need for stability associated with banking activity and the main characteristics of the mutual banks and their customers. Consistent with these principles, the Group pursues its growth objectives in accordance with the needs of the mutual banking system, ensuring, through balanced risk management, reliable and sustainable generation of value over time.

The risk governance policies represent the reference model in organizational and process development and in the systematic execution of all the operational and business activities performed by Group companies and are an integral part of the process ensuring sound and prudent management and supporting sustainable implementation of the overall risk strategy. The internal control system (ICS) must, in general, ensure the completeness, appropriateness, functionality (in terms of effectiveness and efficiency) and reliability of the policies in a context of strict consistency with the risk appetite framework defined at Group level.

The Risk Management function operates within the internal control system.

THE RISK MANAGEMENT FUNCTION

The Chief Risk Officer area is responsible at the Group level for the key elements of the overall Risk Management Framework: identification, measurement, monitoring and mitigation of corporate risks. It is responsible for the governance and execution of second-level controls connected with risk management, consistent with the internal control system adopted by the Group. It is the contact for the corporate bodies of the Parent Company for matters within its scope of responsibility, providing an integrated and composite vision of both the first and second pillar risks assumed and managed by the individual entities and by the Group as a whole.

In 2024, the organizational structure of Risk Management function of the Parent Company underwent further fine-tuning, consistent with the ongoing improvement process of the organizational arrangements of the Group's risk management unit, which now provides for:

- a “Risk Governance” unit, that: i) represents a “competence center” overseeing all risk governance issues for the Group and operates, through the local risk management units, as the “evaluation and control center” for the risk profile of the individual affiliated banks; ii) ensures the development and implementation of the relevant frameworks, both at the consolidated and individual level, including the EWS and Stress Test framework for Guarantee Scheme purposes; iii) coordinates activities connected with the preparation of the area annual activity plan and the institutional reporting document submitted to the corporate bodies and the supervisory authorities, supporting the Chief Risk Officer in its areas of responsibility; iv) oversees activities pertaining to the management of reputational risks, coordinating and monitoring strategic projects for the CRO area, periodically assessing achievement of the objectives; v) in its capacity as “evaluation and control center” for the risk profile of the individual affiliated banks, besides representing it top reference of local risk management units, it coordinates their interaction with the other specialized units of the Risk Management function;
- a “Group Risk Management” unit, which (i) supervises and coordinates the organizational units dedicated to the individual risk categories, which within their areas of responsibility are involved in the development and maintenance of the methodological framework for the assumption and management of specific risks and their respective control arrangements, as well as the assessment and monitoring of those risks, the identification of any risk mitigation measures; (ii) acting through the Validation function, the unit validates models developed internally to quantify risks at Group level; iii) establishes the operational guidelines for the specialized units of the Risk Management function in their interactions with the Risk Management units of the affiliated banks and the direct-scope companies;
- a “Non-Financial Risk Management” unit, which: i) operates as a cross-functional competence center in the definition and on-going maintenance of the non-financial risk management framework at Group level; ii) monitors the overall evolution of this management framework and the related risks; iii) ensures the identification and evaluation of such risks, identifying any shortcomings in the management and control framework or existing vulnerabilities that may negatively impact the risk profile; iv) identifies and directs remediation actions for any malfunctions detected in order to bring the risk profile back to the level deemed acceptable within the defined risk appetite framework; v) supervises the correct and timely execution of identified remediation initiatives, monitoring the effectiveness of such measures, as well as intervening to direct such measures if necessary; vi) contributes, for the component relating to the monitored risks, to the

definition and ongoing operation of the Group's Risk Appetite Framework, as well as to the Group's other risk governance processes.

The main duties performed by the Group Risk Management function are the following:

- defining and developing the framework for the assumption and management of risks pertaining to the Group, which is composed of (i) organizational structures and corporate processes (operating, administrative and business), including line controls; (ii) risk governance policies (policies, limits, responsibilities); (iii) methodologies and risk measurement and assessment criteria, (iv) support tool applications. In this area, the Risk Management function ensures that the framework for the assumption and management of risks is compliant with applicable regulations, in line with market best practice, functional in respect of internal operational conditions and consistent with the business plan, the budget and the Risk Appetite Framework (RAF), the Internal Capital Adequacy Assessment Process (ICAAP) and the Internal Liquidity Adequacy Assessment Process (ILAAP) of the Group;
- performing, within the scope of its duties, tasks required for the purpose of supervisory reporting, inspections and regulations;
- developing the Risk Appetite Framework and its operational implementation (the Risk Appetite Statement) at the consolidated level and, with the support of the affiliated banks and Group companies, at the individual level, consistent with capital adequacy objectives (ICAAP) and the adequacy of the liquidity profile (ILAAP) of the Group;
- acting as a control center for monitoring the risk profile of the individual affiliated banks and the companies in the direct scope for which risk management activities are performed on a centralized basis under an outsourcing arrangement governed by specific service agreements. This control center operates through the dedicated risk management units within the central organizational arrangements and, for the affiliated banks only, uses the mechanisms of the Early Warning System and the Guarantee Scheme. In this area, the Risk Management function:
 - handles the development and updating of the methodological framework and develops tools for managing the Guarantee Mechanism, as well as analyzing, controlling, assessing and monitoring the affiliated banks within the scope of EWS management processes and proposes their risk classification;
 - is responsible, through the action of its local units as well, for the determination and adoption by each affiliated bank of strategies, policies and principles for the assessment and measurement of the risks identified at the Group level.
- monitoring developments in the risk profile and the various types of risk to which the Group as a whole and its individual members are exposed, verifying the ongoing consistency between the actual risk assumed and the specified risk objectives. In this context, the Risk Management function:
 - develops methodologies and models for measuring and assessing risks, validating those models, periodically checking their operation, predictive capacity and performance, and their consistency over time with operational practices and regulatory requirements;
 - performs second-level controls of the appropriateness, effectiveness and resilience of the framework for the assumption and management of the risks for which it is responsible, identifying any needs for fine tuning/corrective or evolutionary maintenance and providing support – within the scope of its duties – in implementing the associated actions;
 - identifies any risk developments exceeding the limits set out in the Risk Appetite Statement, in the Risk Governance Policies or in external regulations and, in general, potentially harmful or unfavorable situations in order to assess possible mitigation initiatives to implement;
 - within the RAF/RAS and EWS frameworks, examines the results of the process of determining the capital requirements, analyzing the dynamics involved to verify the overall consistency with the risk profile in the different analytical dimensions considered;
 - analyzes major transactions, expressing a prior opinion on their consistency with the Risk Appetite Statement;
 - assesses, within the scope of its duties, the capital structure in relation to the risks assumed/assumable (ICAAP) and the appropriateness of the Group's liquidity profile (ILAAP);
 - assesses the impact of especially serious events on the Group's exposure to risk and participates in developing strategies to be implemented for the resolution;

- reports to top management on risk developments in the various operating segments and business areas, providing support to management bodies in defining strategic policy and risk policy and the associated implementation of those policies.

THE RISK CULTURE

The Group devotes special attention to managing, assessing and understanding risk. All personnel are asked to identify, assess and manage risk within their area of responsibilities. Each employee is expected to perform their duties seriously and with awareness.

The risk culture is inspired by the principles of the risk management model of the Parent Company. It is disseminated to all business units and personnel and is founded on the following pillars:

- the independence of risk functions from business units;
- the establishment and constant updating of risk handbooks and policies, updating risk measurement and estimation approaches to ensure consistency with sector best practices;
- the specification of risk limits;
- the periodic monitoring of (aggregate and non-aggregate) exposures and compliance of approved limits and implementation of appropriate corrective measures where necessary;
- the presence of other support tools to help develop the culture of risk (training courses, remuneration policies and incentives linked to the quality of risk and the results of the Group companies in the long term, systematic and independent Internal Auditing units, etc.).

THE GROUP RISK GOVERNANCE FRAMEWORK

The overall Risk Governance framework developed and adopted by the Group reflects the specific features of the ICBG as a Group, whose participatory mechanisms are based on a Cohesion Contract, signed by the banks and participating companies, that provides for internal stability mechanisms characterized by intercompany mutual support agreements regulated specifically by applicable external legislation.

On the basis of the provisions of the Cohesion Contract between the affiliated banks and the Parent Company, the latter constantly monitors the organization and the operating conditions, financial position and performance of the affiliated banks through the Early Warning System (EWS), which is designed to promptly identify any signs of management difficulty and/or failure to comply with the obligations assumed under the Cohesion Contract, recommending or arranging, depending on the specific features of any given case and on the basis of the principle of proportionality, the appropriate intervention measures. The overall framework of the Group's risk governance system is completed by the Risk Appetite Framework (RAF), which is implemented operationally through policies addressing the individual risks to which the Group is exposed and transversal systems involved in the internal assessment the capital adequacy and liquidity profile (ICAAP/ILAAP) and the overall assessment of the recovery capacity in particularly adverse conditions (the Recovery Framework).

The RAF defines - in line with the maximum assumable risk (Risk Capacity), the business model and the Group strategy, the Operational Plan and the company incentive system - the risk objectives or risk appetite (Risk Appetite) and Risk Tolerance thresholds, taking due account of possible adverse scenarios. Starting on the basis of the RAF, consistent operating limits are defined within the overall risk governance policies. The latter in turn represent the internal regulatory expression of the "rules" for the assumption and management of risks and are an integral part of the Risk Management Process (RMP of the Group).

The overall architecture of the Risk Appetite Framework, defined in terms of key elements, scope of coverage/application and underlying operating models, is closely interconnected with ICBG's key risk governance process, i.e. the Early Warning System. The RAF is implemented individually with regard to the affiliated banks and shares qualitative and quantitative indicators with the EWS, ensuring consistency between the different calibration approaches and the purposes of the two frameworks.

In other words, the RAF is intended to explicate the medium/long-term vision of the desired risk profile for the Group as a whole and for each Group company, defining the risk area within which the management functions must operate in pursuit of corporate strategies. Compared with the RAF, the capital adequacy and liquidity assessment (ICAAP and ILAAP) represents an occasion to verify the stability of the risk appetite choices in terms of

their consistency with the capital and liquidity resources available, guiding any subsequent modification of the choices and the resulting overall strategy decisions.

SECTION 1 –CREDIT RISK

QUALITATIVE DISCLOSURES

1. GENERAL ASPECTS

In accordance with the organizational model established at the Group level to govern and manage risks, credit risk is managed with an integrated series of processes and associated responsibilities defined within company units and regulated with a comprehensive set of internal rules for credit risk.

As Parent Company, and on the basis of the provision of the Cohesion Contract signed in March 2019 among the Group companies, Iccrea Banca determines credit risk management policies at the Group level. More specifically:

- the lines of development for the Group activities are defined in the Strategic Plan and then incorporated in the annual budgets of the individual entities, in agreement with the Parent Company;
- the Risk Management function supports the risk assumption phase (policy, assessment and pricing models, quality control, strategic policy analysis) and management (identification, measurement/assessment, monitoring/reporting, mitigation) of the credit risk exposure of the Parent Company and all the Group companies.

With regard to the management and coordination role as defined in the Cohesion Contract, Banca Iccrea assumes responsibility for the following areas: lending rules (principles, policies and processes), credit strategies and credit risk limits, management of large exposures, guidelines for the main credit product categories by customer segment, the monitoring and reporting of portfolio credit risk.

In line with these credit governance rules, the Parent Company's Chief Lending Officer area is responsible for overseeing all lending processes for the Parent Company and the direct-scope companies, from origination to the management of non-performing loans (with the exception of resolved impaired loans) and to exercise management and coordination activities for the affiliated banks.

2. CREDIT RISK MANAGEMENT POLICIES

2.1 ORGANIZATIONAL ASPECTS

Credit risk represents the preponderant component of the overall risks to which the Group is exposed, considering that credit exposures account for a dominant share of assets.

In light of this circumstance and in compliance with the applicable provisions concerning the internal control system (see Circular No. 285/2013, Part One, Title IV, Chapter 3), Iccrea Banca has adopted a governance structure and operational arrangements to ensure the adequate monitoring of credit risk at the Group level in the various phases of the process.

In this respect, the CLO area:

- performs guidance and coordination activities for all phases of the credit process (granting, management, governance of guarantees, monitoring, classification, evaluation and credit recovery);
- ensures the constant updating of the guidelines on credit issues;
- oversees and directs projects related to innovations or upgrading of existing credit processes;
- coordinates any remedial actions requested by the supervisory authorities, top management or the corporate control functions;
- supports the competent Group units in the definition and development of credit products;
- contributes to the definition of the Strategic Plan for the lending area, including the NPE sector;
- defines the NPE Operating Plan, in line with the Group's strategic guidelines in this area;
- issues, in compliance with the provisions and amount limits specified in the Group Lending Policies and in compliance with the powers attributed in internal rules, credit opinions on performing and non performing credit transactions from companies in the direct scope and the affiliated banks;

- issues, in compliance with the provisions and model specified in the Group Lending Policies and with the powers attributed in the structure of delegated powers of Iccrea Banca, the classification opinions on positions shared at Group level, in order to ensure uniformity of classification for the exposures of probable default or of non-performing debtors with credit obligations on multiple legal entities of the Group;
- approves the bank's performing and non performing loan transactions, in compliance with the powers attributed in internal rules, submitting them to the higher decision-making bodies of Iccrea Banca where they do not fall within its powers;
- supports the integration of counterparty climate-related and environmental risk assessments into the broader lending process.

NEW CREDIT STRATEGIES

As part of its strategies on performing loans, Iccrea Banca has introduced a methodology for evaluating the attractiveness of economic sectors which, together with the evaluation of the counterparty's creditworthiness, has the objective of defining strategic guidelines for new loans, allowing for the improvement of the quality of the loans portfolio and the Expected Loss objectives.

The methodology for evaluating sector attractiveness is based on the following:

- Credit Risk, defined on the basis of year-end analysis and on the prospective portfolio and macroeconomic expectations with a view to identifying both the less risky sectors and those for which a more prudent selection of customers is desirable, also evaluating the possible use of risk mitigation measures;
- Market Size identifies the economic sectors in which it is potentially possible to channel new loans (commercial potential), both in terms of development on existing customers and new customers on the market;
- ESG Climate Transition Risks measure the impacts of climate-related transition risks on economic sectors, including assessments on Waste and Pollution, Water Stress and Biodiversity;
- Sector Concentration Analyses measure the incidence of significant exposures and the level of the average ticket of a Bank in the individual sectors, representing a further element for directing credit strategies.
- The assessment of sector attractiveness and risk characteristics of individual customers is used for allocating new loans, within a strategic and commercial planning processes. In this context, the Parent Company supports the banks in defining the commercial budget by providing guidelines for the distribution of growth volumes of loans, defining the strategy for individual customers in the lending process; it also supports the CBO Area in defining commercial targets relating to credit campaigns.
- In accordance with supervisory regulations (Bank of Italy Circular no. 285/2013), the Risk Management function performs - at both the consolidated and individual legal entity levels - credit risk control activities designed to ascertain that the activities performed in all phases of the lending process ensure the effective monitoring and adequate representation of credit risk, identifying any hidden risks and guiding correct/adequate risk management, classification and evaluation.
- More generally, the Risk Management function oversees the risk management of the individual entities from a consolidated and individual perspective:
 - overseeing the measurement of credit risk from a current and forward-looking perspective, considering both conditions of normal operations and stress scenarios;
 - monitoring the capacity of the risk limits, including those defined within the RAF/RAS with regard to the associated credit risk metrics;
 - defining and updating the methods and measurement models for credit risk, including those used in the performance of credit stress tests, ensuring their ongoing compliance with regulatory developments and market best practice.

2.2 MEASUREMENT, MANAGEMENT AND CONTROL SYSTEMS

IDENTIFICATION OF RISKS

As noted in the previous section, in compliance with the provisions of Circular no. 285/2013 of the Bank of Italy as updated, the Parent Company determines the strategies, policies and principles for assessing and measuring risks for the Group and ensures the consistency of the internal control systems of the affiliated banks with the strategies, policies and principles established at the Group level, thus exercising the powers of strategic management and coordination aimed at ensuring the unity of the Group's strategic management and control system, as governed by the Cohesion Contract.

With regard to the lending process, Group regulations establish specific principles and guidelines for the analysis of the needs and requirements of clients as well as accurately assessing the credit risk profile. This activity, based on qualitative and quantitative disclosures, focuses on several aspects, including:

- the counterparty as well as the economic context in which it operates (also in respect of “groups of connected clients”, when there are any legal or economic connections between with other counterparties);
- the purpose and characteristics of the transaction to be financed;
- the guarantees available;
- other forms of credit risk mitigation.

The Group adopts a counterparty approach in assigning ratings except in specific cases in which the counterparty assessment is supplemented by a product-perspective evaluation, in consideration of any special features of a business. Using rating/scoring models, the Group assigns the counterparty a representative credit rating, adopting an on-line processing procedure, which is typically accessed through the electronic application processing system but also in batch mode, with the latter being adopted for periodic updating of ratings for all Bank customers (the loan position performance rating).

The monitoring process of the performing portfolio seeks to identify the riskier components of the portfolio with the aim of promptly activating measures to avoid further deterioration. This process breaks down into a number of phases, which provide for:

- the detection of the exposure: timely detection of exposures affected by an appreciable increase in credit risk (compared with the initial assumption) in order to monitor and analyze their development, initiating, if necessary, the relevant management strategies and interventions;
- portfolio clustering: following interception, exposures that generate credit risk for the bank (direct risk on customers) or that could indirectly impact the risk profile (indirect risk on guarantors), are allocated to specific management portfolios;
- exposure analysis: in this phase further information on the exposure is collected and the management strategy to be adopted is identified;
- execution and monitoring of the identified strategy: the activities carried out in this phase, aimed at assessing the creditworthiness and debt sustainability¹³⁸ of the counterparty, are aimed at executing the identified strategy of risk mitigation and containment of new flows at risk of default.

RISK MEASUREMENT AND ASSESSMENT

For the purpose of calculating prudential requirements for credit risk, the Group uses the standardized approach envisaged under prudential regulations (Regulation (EU) No. 575/2013 of the European Parliament and the Council of June 26, 2013 - CRR).

The adoption of the standardized approach to determine the capital requirement against credit risk involves the subdivision of exposures into portfolios and the application of differentiated prudential treatments to each, possibly using assessments of creditworthiness (external ratings) issued by external agencies (ECAI) or by export credit agencies (ECA) recognized for prudential purposes on the basis of the provisions of Regulation (EU) 575/2013.

Depending on the type of counterparty and the sector in which it operates, the Group's operations also open it to the risk of being excessively exposed to an individual counterparty (single name) or a specific sector/geographical

¹³⁸ Sustainability means the customer's ability to fulfill its obligations in compliance with the timeframe set out in the repayment plans and/or contractual provisions.

area (geo-sectoral).

For the purposes of determining internal capital for concentration risk for individual counterparties or groups of connected clients, the Group uses the regulatory granularity adjustment (GA) algorithm, based on the Herfindahl index. In accordance with regulatory provisions, the reference portfolio consists of on-balance-sheet and off-balance sheet exposures (the latter considered at their credit equivalent amount) falling within the regulatory portfolios “corporates and other borrowers”, “short-term exposures to corporates” and exposures to corporates included in the asset classes “in default”, “secured by real estate”, “equity exposures” and “other exposures”.

Furthermore, for the purpose of quantifying geo-sectorial concentration risk, the Group adopts the methodology developed by the “Geo-Sectoral Concentration Risk Laboratory” of the Italian Banking Association (ABI), which sets geographical and product categories against a national asset allocation benchmark.

The Group periodically performs stress tests for credit and concentration risks in order to assess - in terms of potential losses - the impact of expected risk developments on the financial profile of the Group and the individual entities under both normal and adverse operating conditions.

The stress test methods are based on regulatory practices and are applied in various management and risk governance processes, starting with the capital adequacy assessment process (ICAAP), as well as in the performance of supervisory exercises.

The methodological and calculation structure of credit stress tests is based on the use of internal risk models and parameters and incorporates a credit risk projection approach (transitions between stages/risk states) and determination of related losses over the scenario years (12-month or lifetime expected credit loss) based on the measurement of IFRS 9 impairment.

The projections of the estimates for the scenario years are performed considering the macroeconomic scenario assumptions in the adopted scenarios (in baseline or adverse conditions), using internally developed models (“satellite” models), which estimate the relationship between risk factors and developments in macroeconomic variables.

RISK MONITORING AND CONTROL

In accordance with supervisory regulations (Bank of Italy Circular no. 285/2013), the Risk Management function performs - at both the consolidated and individual legal entity levels - credit risk control activities designed to ascertain that the activities performed in all phases of the lending process ensure the effective monitoring and adequate representation of credit risk, identifying any hidden risks and guiding correct/adequate risk management, classification and evaluation. These activities are accompanied by the ongoing controls of the Risk Management function through analysis of developments in the exposure to credit risk of the Group as a whole and of the individual entities.

The Internal Audit unit performs third-level controls, verifying the adequacy and comprehensiveness of the processes and activities performed by the relevant units, the consistency and validity of the analyses performed and the associated findings.

The locus of the strategic and operational management of credit risk is the Group's Risk Appetite Statement, through a comprehensive system of risk objectives and limits (appetite, tolerance and capacity) at both the consolidated and individual entity levels, with compliance ensured by the monitoring and control activities of the function.

Monitoring and reporting on the credit risk profile is characterized by activities that involve both the business functions and the control functions, in accordance with their respective responsibilities. In particular, monitoring is ensured both by aggregate portfolio performance analyses and by analyses carried out on individual positions.

The Risk Management function monitors the credit risk profile – at both the consolidated and individual affiliated bank and Group company level, using an analytical framework and related reporting based on a system of key risk indicators. It is designed to monitor the loan portfolio, at both the time exposures are taken on and during their lifetime, the outcomes of which are reported regularly to top management. In this context, the analytical methods and the related reporting undergo constant fine-tuning in order to represent the drivers underlying developments in credit risks in an ever more effective manner, reflecting changes in the regulatory environment as well as management requirements and to support decision-making.

Risk Management has also centrally defined the “Credit Risk Control 285” framework. This is intended to govern, based on the set of governance, management and control mechanisms adopted by the Iccrea Cooperative

Banking Group for credit risk, the analysis, identification and control activities performed by the Risk Management function pursuant to Circular 285.

The performance of this activity involved, over two six-month cycles, the preliminary definition of an operational policy qualifying the functional elements for calibrating and targeting risk control activities. Following the definition of this operational policy and in compliance with the provisions of other internal regulations, mass controls were conducted for the Group's credit portfolios, as well as sample checks (single file) of individual credit exposures. The completion of the activities also included reporting to the corporate bodies.

2.3 METHODS FOR MEASURING EXPECTED CREDIT LOSSES

The Bank has adopted a framework for determining impairment based on risk assessment models and the corresponding parameters used in operational and management practices by the Parent Company and individual Group entities. In accordance with the provisions of IFRS 9, the methods for measuring expected losses on impaired exposures are based on the following elements:

- a 3-stage (stage allocation) approach, based on changes in credit quality, defined on a model of 12-month expected loss or lifetime expected loss if a significant increase in credit risk is detected. The standard provides for three different categories that reflect the deterioration in credit quality since initial recognition:
 - Stage 1: financial assets originated and/or purchased that do not exhibit objective evidence of impairment at the date of initial recognition or that have not experienced a significant deterioration in their credit quality since the date of initial recognition (significant increase in credit risk) or which have low credit risk (low credit risk exemption);
 - Stage 2: financial assets whose credit quality has deteriorated significantly since the date of initial recognition;
 - Stage 3: financial assets that exhibit objective evidence of loss at the reporting date. The population of these exposures is consistent with those considered "impaired" under IAS 39.
- application of "point-in-time" formulations of the parameters for measuring credit risk for the purpose of calculating impairment;
- calculation of lifetime expected credit loss for exposures not classified in Stage 1, using lifetime parameters;
- inclusion of forward-looking conditioning in the calculation of ECL, considering the average loss from each scenario and the associated probability-weighted likelihood of each outcome;
- staging and transfers of financial assets between the stages.

In accordance with the standard, the Bank allocates each asset/tranche to one of the following three stages:

- stage 1, which includes all performing positions/tranches that at the reporting date meet the condition for the low credit risk exemption, or that do not show a significant increase in credit risk with respect to the level measured at the date of disbursement or purchase;
- stage 2, which includes all performing positions/tranches that at the time of assessment simultaneously meet the following two conditions: (i) they have a PD greater than the threshold, (ii) they have experienced a significant increase in credit risk with respect to the level measured at the origination date. In the absence of a rating/PD at the reporting date, exposures are generally allocated to stage 2 (without prejudice to the additional considerations and practices addressed below);
- stage 3, which includes all exposures that, as at the evaluation date, are classified as non-performing under the default definition adopted and governed by specific internal rules in conformity with supervisory regulations.

The staging method of the Bank was developed on the basis of the following drivers.

The method developed for the loan portfolio envisages:

- the use of the low credit risk (LCR) criterion, under which credit risk is deemed to have not increased significantly if the exposure shows a low level of credit risk at the reporting date, essentially defined as a PD threshold at the reporting date equal to the investment grade threshold;
- the use of quantitative criteria based on rating/scoring systems, involving the analysis and comparison of the PD/rating at origination with the PD/rating at the reporting date. This identifies, on the basis of thresholds of

significance defined in terms of the number of notches that a rating has changed, any significant increase in credit risk on the position.

- the use of qualitative staging criteria to identify the riskiest positions in the performing portfolio. These criteria have been defined independently of the use (or not) of the quantitative criteria referred to in the previous point and are based on the identification of objective evidence of impairment, such as the presence of forbearance measures, watchlists or positions more than 30 days past due.

The staging methodology developed for the securities portfolio is applicable to the entire portfolio of debt securities outstanding at the reporting date for the various Group entities. Not included in the calculation of impairment, and therefore not subject to the staging mechanism, are shares, equity investments, units of collective investment undertakings, securities classified as held-for-trading and debt securities that do not pass the benchmark test and the SPPI test.

The approach adopted for the securities portfolio provides for the use of the principle of the low credit risk exemption, which allocates exposures with a conditional 12-month PD below the investment grade threshold to stage 1. Positions with a conditional 12-month PD above that threshold undergo verification of any differences in PD at origination and PD at the reporting date.

Group entities with a securities portfolio use the external ratings of an ECAI at the tranche level. For the purpose of assigning a rating to securities exposures at the reporting date, only ECAs with which a valid information-use agreement is in place are used.

Starting from the allocation of exposures in the different stages, the calculation of expected losses (ECL) is carried out, at the level of each position, on the basis of the estimated risk parameters (EAD, PD, LGD) using internal management models, performed in compliance with the requirements of the applicable accounting standard.

In particular, for the purposes of determining the probability of default (PD), the approach adopted for both the loan portfolio and the securities portfolio envisages:

- the transformation of the “through-the-cycle” PD into (or calculation of) the “point-in-time” (PIT) PD on the time horizon for the most recent historical observations;
- the inclusion of forward-looking scenarios through the application of multipliers representing macroeconomic forecasts to the PIT PD and the definition of a series of possible scenarios and the associated probability of occurrence that incorporate future macroeconomic conditions in the estimates;
- the transformation of the 12-month PD into a lifetime PD in order to estimate the PD term structure over the entire residual life of the loans.

Loss given default (LGD) is determined using the following approaches: i) a “block” approach, determined by the combination of parameters relating respectively to the pre-litigation phase (probability of reclassification as bad loans, exposure delta, performing LGD closure) and litigation (loss given bad loan); ii)) a “single-span” approach based on the recovery process over the entire duration of the default cycle with specific reference to the technical forms of “consumer loans” and “leases”.

With regard to the securities portfolio, the unconditioned LGD measures are the same for both stage 1 and stage 2 exposures. In particular, an unconditioned LGD measure of 45% is used, subsequently subjected to forward-looking conditioning, consistent with the scenarios and probabilities of occurrence used to condition the PD, as discussed below.

Exposure at Default (EAD) is calculated on the basis of the amortized cost schedules of the individual relationships for both loans and debt securities. For exposures relating to margins, EAD is determined by applying the internal EAD (Exposure at Default) model which allows for the estimation, for some identified customer segments (companies, producer households and private individuals), of a specific Credit Conversion Factor (CCF) instead of using the regulatory coefficients (which are however applied for other counterparty segments).

For the purposes of calculating ECL under IFRS 9, the risk parameters are estimated from a forward-looking perspective through conditioning to macroeconomic scenarios. The approach adopted consists in the use of forecast values for the exogenous macroeconomic variables in the satellite models estimated internally and the associated conditioning approach for each forecast year. In order to reflect the different forward-looking riskiness of the positions assessed in the ECL estimates, those satellite models are differentiated, in particular the PD, by type of counterparty, sector of economic activity and geographical area. To determine the macroeconomic conditioning measures to be applied in the calculation, the following scenarios are considered with probabilities of occurrence defined in accordance with the indications provided by the reference provider (Prometeia):

- best case with a probability of occurrence equal to 20%,

- baseline cast with a probability of occurrence equal to 50%,
- plausible worst case with probability of occurrence equal to 30%.

At the closure of the financial statements at December 31, 2025, the calculation of the IFRS 9 ECL of the Bank's performing credit exposures included implementation of the following:

- the updates of the LGD model, through the quantification and application of specific Margins of Conservatism (MoC), following the recommendations formulated by the Supervisory authority in the OSI-IFRS9 context and the results of the backtesting activity by the Validation unit;
- interventions on the Group's lending processes and procedures aimed at: i) ensuring the availability of the same customer financial information and related reclassification within the Group, thus ensuring the homogeneity of creditworthiness assessments and ii) ensuring that the watchlist classification for common customers is aligned within the Group;
- the updates of the overlay component applied to the calculation of ECL, in order to add an additional degree of prudence in the light of the uncertainty of the macroeconomic environment as well as to the integration of C&E expectations on credit risk as provided for in the 2025 planning.

In conjunction with the above-mentioned interventions, and in line with the provisions of IFRS 9, adjustments have been implemented regarding the ordinary process of updating the PD Point in Time (PiT) parameter with the latest available risk data.

Starting from the close of December 2022, the Bank has also planned the introduction of post-model adjustments (overlays) in order to incorporate even greater prudence for specific sub-portfolios that could prove riskier by the occurrence of unexpected events deviating from the likely macroeconomic environment.

In line with the ongoing update and evaluation of the overlay measures in place, the scope of application was reviewed with reference to both the results of backtesting carried out by the Validation unit and the most recent developments in the macroeconomic context.

In light of the results of the above analyses, the following decisions were made:

- the complete removal of the "private individual with variable rate mortgages without cap" cluster. This cluster was already the object of intervention in the December 2024 financial statements, with the exception of positions with higher ratings. The macroeconomic environment resolved with the easing of interest rates and backtesting analyses highlighted an overestimation of PD relative to default rates, both overall and for each rating class;
- the "construction and real estate" cluster was confirmed; despite the slow recovery, the sector is still below the expansion threshold and the risk arising from the context of uncertainty may not have yet fully manifested itself. That said, backtesting analyses currently still highlight an overall overestimation of PD compared with default rates;
- in respect of the "Automotive" cluster, the recovery in car demand (-20% compared to pre-COVID) is expected to remain weak in the future, given the persistent high level of economic and financial uncertainty. However, backtesting analysis also revealed no underestimation issues. Therefore, the cluster is confirmed;
- the "Tariffs" cluster was introduced from June 2025. Although no specific backtesting analysis has been carried out due to its recent introduction, the macroeconomic analysis highlights that the "Tariffs", together with the appreciation of euro against the dollar (which is also a consequence of tariffs), undermine the price competitiveness of European goods in the USA, causing a negative impact on exports and manufacturing.

A last measure relates to the climate overlay. Since December 2024, the climate component was assessed through parameter adjustments (in-model adjustments) using the models estimated to address the Supervisory Authority's expectations in the C&E area. In particular, in addition to model already in place, that is:

- (i) acute physical risk, in respect of the LGD component of mortgages and
- (ii) the transition risk (climate-related/environmental) with impacts on both the PD (business segment) and LGD (mortgage loans on all segments),
- from December 31, 2025, the model for acute physical risk includes the parameter PD (business segment).

With the aim of incorporating transition risk in the PD parameter, the prospective balance sheet method has been implemented for the corporate segment. This approach considers:

- econometric models aimed at establishing a relationship between the items of the balance sheet and a set of macroeconomic variables in order to project the balance sheets;
- definition of a climate/environmental cost component, that companies could bear to adapt to a more sustainable economy, taking into account the economic macrosector of the companies.

Once the most relevant balance sheet items have been projected, they are subjected to conditioning through the climate/environmental cost, defined as a summary of: i) green investments, ii) cost of CO₂ (GHG emissions estimated internally), iii) cost of energy and iv) expenditure for biodiversity. It should be noted that the explicit inclusion of this last factor extends the proposed modelling to the environmental risks sector. Through appropriate statistical integration, the climate/environmental shock quantified on the Balance Sheet Score is propagated to the other scores that make up the Corporate Rating Model in order to define a prospective PD parameter that includes transition risk.

In order to integrate acute physical risks into the PD parameter, defined in accordance with the Group's materiality analysis (Acute Physical Risk - Flooding and Landslide) and taking into account the relevant drivers considered within the 2022 climate stress test exercise (Drought), the methodological framework of the prospective balance sheet method already used for the inclusion of the transition risk was used. This framework, outlined for the business segment, leverages the transmission channel represented by the counterparty's balance sheet, to which a stress is applied proportional to the materiality of the acute physical risk being examined with respect to the counterparty's geographical location and sector of activity. The underlying idea is that the business segment is impacted by acute physical risks in terms of lower solvency due to a decrease in revenue resulting from the extreme event. More specifically, the stress applied to the counterparties' balance sheets takes the form of a haircut on revenue, defined as the percentage of revenue eroded by the occurrence of the acute physical event.

With reference to the C&E component on the LGD parameter, the scope of the estimate of acute physical risks concerns: floods, landslides and fires. The transmission channel of these risks on the LGD component is constituted by the possible impact on the value of the property used as collateral for a mortgage loan. The methodology allows to jointly evaluate the probability that an acute physical event occurs (Hazard) and the potential damage that the property may suffer from the occurrence of such event (Vulnerability), thus defining a haircut value to be applied to the value of the property to determine a value adjustment with an increase in the LTV (Loan to Value) parameter and consequently of the LGD. The methodological approach, common to the three adverse events mentioned above, has the geolocation of the property as its main driver.

Also as regards the calculation of the transition risk impact on the LGD parameter, the methodology is implemented on loans secured by real estate collateral. In particular, it considers only properties with an EPC (energy performance contract), assuming a depreciation rate of the asset deriving from an energy class lower than the target class for 2050 as foreseen by the Paris Agreement. This methodology, consistent with the physical risks framework, defines the haircut to be applied to determine the value adjustment of the property based on the derivation of an opportunity cost, obtained as a comparison between the cost to maintain a property in its energy class and the cost to comply with energy transition requirements.

Finally, as part of the conditioning of the IFRS 9 risk parameters, the ordinary updating of the macroeconomic scenarios was applied in accordance with the most update of those scenarios (September 2025).

2.4 CREDIT RISK MITIGATION TECHNIQUES

The Bank has developed specific Group guidelines to support the appropriate use of guarantees and credit risk mitigation techniques for Credit Risk Mitigation (CRM) purposes. Specifically, at Group level the following categories of guarantees eligible for CRM purposes have been identified:

- secured financial guarantees;
- real estate mortgages and property lease transactions involving properties that have the characteristics required by law;
- unsecured guarantees.

Unsecured guarantees eligible for CRM purposes consist of all forms of credit protection provided by the entities (providers) specified in Article 201 of the CRR (central governments, central banks, international organizations, public sector entities, regional governments and local authorities, multilateral development banks, supervised intermediaries). Accordingly, guarantees issued by natural persons or legal entities not included in the list indicated in the legislation do not fall within the risk mitigation techniques for calculating capital requirements, but are not

excluded from the Bank's catalog of guarantees.

Credit risk mitigation techniques may include guarantees provided by collective loan guarantee consortia in accordance with applicable regulations in the presence of suitable counter-guarantees (for example the Central Guarantee Fund for SMEs) for the portion they secure.

The Bank has adopted procedures to ensure adequate compliance over time with the general and specific requirements required for CRM techniques. The general requirements adopted by the Bank are intended to ensure legal certainty and the effectiveness of the guarantees, and mainly concern:

- the binding nature of the legal commitment between the parties and its enforceability in court;
- the effectiveness of credit protection arrangements which must be legally effective and enforceable in all relevant jurisdictions;
- the effectiveness of the credit protection arrangement also in addressing all the risks related to that arrangement;
- the timeliness with which the guarantee may be liquidated in the event of default.

These procedures are valid and applied by the Bank, in order to avoid possible inconsistencies in the assessment. Checks are also carried out in relation to the current legal value of the documentation submitted, the impact of any changes in the regulatory framework and the consequent initiatives to be taken. Risks related to the ineffectiveness, reduction or termination of the protection ("residual risks") as well as valuation and potential concentration risks in respect of specific counterparties shall also be controlled and managed.

The Bank established Group has defined specific internal policies and procedures to ensure that the acquired collateral can be classified as CRM eligible. In particular, the following conditions must be met:

- the real estate that guarantees the exposure satisfies any of the following conditions:
 - the asset has been fully completed;
 - the real estate is a forest or agricultural land;
 - the loan is in favor of a natural person and the property is a residential property under construction or land on which the construction of a residential property is planned, and such project has been lawfully approved by all the relevant authorities, as the case may be, and if any of the following conditions are met:
 - the property has no more than four dwelling units and will be the primary residence of the borrower and the loan to that natural person does not indirectly finance ADC exposures;
 - a central government, regional government or local authority or public sector body is involved and/or has the legal power and capacity to ensure that the property under construction will be completed within a reasonable timeframe and is required or has made a legally binding commitment to complete it where construction would not otherwise be completed within a reasonable timeframe.
- the exposure is secured by a first-ranking mortgage on the property or the bank holds the first-ranking mortgage and any other sequentially lower-ranking mortgages on that property;
- the value of the property does not depend significantly on the debtor's creditworthiness;
- all information required at the time of assuming the exposure and for monitoring purposes is adequately documented, including that concerning the debtor's repayment capacity and the valuation of the property.

3. IMPAIRED CREDIT EXPOSURES

3.1 MANAGEMENT STRATEGIES AND POLICIES

According to the EBA definition, non-performing exposures satisfy either or both of the following criteria:

- material exposures which are more than 90 days past due;
- the debtor is assessed as unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past due.

Impaired exposures are classified by increasing degree of severity in the following three categories:

- impaired past due and or overlimit exposures: exposures continuously past due or overlimit by more than 90 days in an amount exceeding the materiality thresholds (a relative materiality threshold equal to 1% of the entire exposure and an absolute materiality threshold of €100 or €500 for retail or corporate counterparties respectively);
- unlikely to pay (UTP) exposures: on- and off-balance sheet exposures for which the institution considers that the obligor is unlikely, without recourse to actions such as realizing security, to pay its credit obligations (principal and/or interest);
- default: on- and off-balance sheet exposures to an obligor in a state of insolvency (even if not declared by a court) or a substantially comparable situation, regardless of any expected loss.

With reference to the classification of shared customers, the Parent Company has defined specific operational criteria to be adopted at Group level to ensure uniformity of classification among the various Group Companies. If there are legal and/or economic connections between the counterparties, the classification as Non-Performing of one of the connected counterparties determines an automatic classification as NPE for some types of connections, while for other connections it triggers an assessment of the intensity of the connections and the risk of contagion for the purposes of the possible classification as Non-Performing of other Group counterparties (so-called “default propagation”).

The strategy for managing non-performing exposures is set by the Parent Company and is subject to approval and monitoring by its Board of Directors. Specifically, the Parent Company:

- defines the objectives in terms of reducing expected NPE levels at Group level;
- establishes, with the support of the Group companies, the objectives for the individual companies and the related management strategies.

The implementation of the strategies is supported by the Parent Company through the delivery of specialized support services, the provision of tools to facilitate the uniform management of impaired positions and a Group operational plan, which is also approved by the Parent Company’s Board of Directors.

All Group companies have an internal system for measuring the performance of senior management and the organizational structures dedicated to management of NPEs based on a number of quantitative and qualitative factors, such as:

- developments in the stock of gross and net non-performing exposures, deviation from the objectives of the Group's Strategic Plan;
- the effectiveness of forbearance measures;
- the performance of cure process;
- the total amount recovered on the loan portfolio with a focus on collections, liquidations and asset sales;
- the reduction of arrears and the improvement of portfolio quality;
- the aging of positions by recovery management phases (or portfolio classification);
- the regular performance of agreed restructuring plans;
- the application of writeoffs.

The management of NPEs envisages the following categories of management strategies:

- short- or long-term management actions to support business continuity with the objective of returning positions to performing status or amicable recovery of the exposure
- legal action, to be adopted for severely impaired positions for which litigation are undertaken to recover the credit, as the state of crisis appears to be deep-rooted and irreversible;
- active portfolio reduction, to be applied to impaired positions that are considered unrecoverable.

Extraordinary NPE portfolio management strategies include the transfer of individual files or selected portions of the portfolio.

3.2 WRITEOFFS

The Bank writes off impaired positions, meaning the derecognition from the financial statements of a loan, or part of a loan, and the consequent recognition of a loss, when it is ascertained that the exposure cannot be collected or it is uneconomic to continue any associated recovery activities under way.

It may occur before the legal action to recover the financial assets are completed and does not necessarily entail waiver of the bank's right to the asset. A writeoff may be total, and therefore regard the entire amount of a financial, or partial (in all those cases in which the claim recognized is smaller than the carrying amount, for example in insolvency proceedings). The amount of the writeoff must always take account of any expenses, including legal costs, accrued and not yet invoiced at the time of analysis.

A writeoff involves:

- the reversal of total writedowns against the gross value of the financial asset;
- for any part exceeding total writedowns, the impairment loss on the financial asset is recognized directly in profit or loss.

Any recoveries from collection after the recognition of the writeoff are recognized in profit or loss as writebacks.

Writeoffs recognized for unrecoverability refer to cases in which the Bank is in possession of documentation certifying the significant probability that the loan may not be recovered, in whole or in part. Specifically, the irrecoverable status of the loan must be attested to by certain and specific circumstances, such as:

- the obligor, co-obligors and/or connected guarantors are untraceable or destitute;
- there has been no recovery from enforcement of guarantees or collateral and seizures;
- the period of limitations has passed;
- insolvency proceedings have been closed with incomplete restitution for the bank, in the absence of further guarantees that could be enforced;
- it is impossible to take further action in consideration of the overall financial position and income situation of the obligors and co-obligors (guarantors included);
- all legal or out-of-court actions have, following a careful examination of updated documentation (by way of partial example, commercial information, title searches, searches, etc.), already been carried out or are deemed inappropriate;
- bad loans with a residual balance after partial repayment in settlement performed in accordance with the procedures and time limits provided for by the resolution approved by the competent bodies;
- amounts from the redetermination of the credit claim.

Writeoffs recognized because further action would be uneconomic occur when it is recognized, and can be demonstrated, that the costs related to the continuation of loan recovery actions (for example: legal, administrative and other costs) would exceed the value of the financial asset that is expected to be recovered.

3.3 FINANCIAL ASSETS PURCHASED OR ORIGINATED CREDIT-IMPAIRED

Financial assets purchased or originated credit impaired ("POCI") are credit exposures that are impaired upon initial recognition.

Such exposures may arise both from the purchase of impaired credit exposures from third parties or from the restructuring of impaired exposures that involved the grant of new financing that is significant in absolute or relative terms in proportion to the amount of the original exposure.

These exposures are subject to management, measurement and control in accordance with the principles discussed in the previous section of the consolidated notes to the financial statements. In particular, the expected credit losses recorded at initial recognition in the carrying amount of the instrument are reviewed periodically based on the processes described in the preceding sections.

The expected loss for these exposures is always calculated over their lifetime and the exposures are conventionally reported under stage 3, or stage 2 if, following an improvement in the credit quality of the counterparty since initial recognition, the assets are performing.

Such assets are never classified under stage 1 since the expected credit loss must be calculated on a lifetime basis.

4. FINANCIAL ASSETS SUBJECT TO COMMERCIAL RENEGOTIATIONS AND EXPOSURES GRANTED FORBEARANCE MEASURES

The classification of exposures into “impaired past due and/or overlimit” exposures, “unlikely-to-pay” exposures or “bad loans” also provides for the identification – for both performing and non-performing portfolios - of “forborne” exposures. These credit exposures are subject to a forbearance measure granted to a customer who is already facing a situation of financial difficulty in meeting their payment commitments (“troubled debt”), or is about to do so, and which would not have been granted if that customer had not found themselves in such a situation. This classification holds regardless of whether the counterparty is past due, overlimit or classified as in default.

To identify an exposure as forborne, both of the following conditions must be verified:

- the existence of the financial difficulties that the obligor is facing or is about to face. The assessment of financial difficulty is based on the obligor, which comprises all natural and legal persons belonging to their group (group of connected customers); the assessment therefore also extends to these latter persons in order to verify whether situations of difficulty at the group level may compromise the obligor’s ability to meet their obligations. The assessment of financial difficulty is performed without taking account of the guarantees issued by the obligor or third parties. The Group’s IT applications report the presence or absence of financial difficulty faced by the counterparty with specific disclosures on the company IT systems used in the classification process;
- the exposure is the subject of a forbearance measure (renegotiation of the contractual conditions and/or of a repayment or refinancing plan, etc.) granted with the prime objective of enabling non-performing borrowers to return to performing status or to prevent performing borrowers from entering non-performing status. Forbearance measures should always seek to return the exposure to a situation of sustainable repayment.

The Bank defines forbearance measures as:

- contract modifications granted in favor of a debtor solely in consideration of the debtor’s financial difficulties and not solely on the basis of commercial grounds/practice;
- the grant of total or partial refinancing to a debtor in financial difficulties in order to enable the debtor to repay an existing obligation to the bank; this case also includes additional finance operations aimed at the completion-optimization of an existing obligation to the bank;
- contract modifications that can be requested by a debtor under the terms of a contract already agreed in the knowledge that the debtor is experiencing financial difficulties (embedded forbearance clauses).

The attribution of “forborne” to a credit exposure does not represent an additional classification status to those currently provided for in supervisory regulations and the internal rules of the Group to which reference is made for those purposes.

Forborne status must be associated with the individual exposure. Accordingly, a forborne exposure can be classified as performing forborne or non-performing forborne depending on the status of the counterparty to which these exposures are attributable.

Forbearance measures cannot be granted to customers with credit exposures classified as bad loans or bank counterparties.

Performing exposures are classified as forborne non-performing in the following cases:

- a concession measure is granted and at the time of the resolution the level of severity of the financial difficulty of the counterparty is assessed as such as to lead to a non-performing classification;
- the concession measure implies a diminished financial obligation higher than 1% pursuant to the new DoD guidelines;
- the concession measure implies a diminished financial obligation lower than 1%, but the manager, following an in-depth analysis regarding the classification as non performing (so-called “UTP assessment”) identifies the conditions for the classification as non performing, also on the basis of the presence of:

- a repayment plan for the measure that provides for the payment of a large lump sum at the end of the plan;
- an irregular repayment plan with significantly lower payments at the beginning of the plan;
- exposures to the debtor that have been subject to distressed restructuring more than once;
- a significant grace period at the beginning of the repayment plan.

Performing forbore exposures are classified as non-performing in the following cases:

- a performing counterparty, not coming from a previous forbore non-performing classification, which is granted a second forbearance measure and is found to be past due and/or in excess of 30 days, based on the assessment of the function responsible for the classification;
- the counterparty to whom the third measure of forbearance is granted on the same relationship;
- a performing counterparty, coming from a previous forbore non-performing classification, which is granted a second forbearance measure and/or is found to be past due and/or in excess of 30 days;
- a counterparty classified as past due during the probation period.

QUANTITATIVE DISCLOSURES**A. CREDIT QUALITY****A.1 IMPAIRED AND PERFORMING CREDIT EXPOSURES: STOCKS, WRITEDOWNS, CHANGES AND DISTRIBUTION BY SECTOR****A.1.1 DISTRIBUTION OF FINANCIAL ASSETS BY PORTFOLIO AND CREDIT QUALITY (CARRYING AMOUNT)**

	Bad loans	Unlikely to pay	Impaired past due exposures	Performing past due positions	Other performing positions	Total
1. Financial assets measured at amortized cost	592	77,733	3,837	38,954	41,021,990	41,143,107
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	879,402	879,402
3. Financial assets designated as at fair value	-	-	-	-	355,135	355,135
4. Other financial assets mandatorily measured at fair value	-	9	-	-	6,099	6,108
5. Financial assets held for sale	-	-	-	-	-	-
Total 31/12/2025	592	77,742	3,837	38,954	42,262,624	42,383,750
Total 31/12/2024	1,151	36,727	5,516	52,717	42,097,403	42,193,513

A.1.2 DISTRIBUTION OF FINANCIAL ASSETS BY PORTFOLIO AND CREDIT QUALITY (GROSS AND NET VALUES)

	Impaired				Unimpaired			Total (net exposure)
	Gross exposure	Total writedowns	Net exposure	Total partial writeoffs *	Gross exposure	Total writedowns	Net exposure	
1. Financial assets measured at amortized cost	166,164	84,001	82,163	32,702	41,098,380	37,436	41,060,944	41,143,107
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	879,832	430	879,402	879,402
3. Financial assets designated as at fair value	-	-	-	-	X	X	355,135	355,135
4. Other financial assets mandatorily measured at fair value	9	-	9	-	X	X	6,099	6,108
5. Financial assets held for sale	-	-	-	-	-	-	-	-
Total 31/12/2025	166,173	84,001	82,172	32,702	41,978,212	37,866	42,301,580	42,383,752
Total 31/12/2024	115,795	72,401	43,394	39,199	41,843,558	46,095	42,150,119	42,193,513

	Assets with evidently poor credit quality		Other assets
	Cumulative losses	Net exposure	Cumulative losses
1. Financial assets held for trading	-	-	1,172,956
2. Hedging derivatives	-	-	115,208
Total 31/12/2025	-	-	1,288,164
Total 31/12/2024	-	-	985,750

*Value to be reported for information purposes

A.1.3 DISTRIBUTION OF FINANCIAL ASSETS BY TIME PAST DUE (CARRYING AMOUNT)

	Stage 1			Stage 2			Stage 3			Purchased or originated credit-impaired		
	Up to 30 days	From 30 to 90 days	More than 90 days	Up to 30 days	From 30 to 90 days	More than 90 days	Up to 30 days	From 30 to 90 days	More than 90 days	Up to 30 days	From 30 to 90 days	More than 90 days
1. Financial assets measured at amortized cost	19,831	-	-	15,252	3,707	165	200	4,228	16,964	-	-	-
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Total 31/12/2025	19,831	-	-	15,252	3,707	165	200	4,228	16,964	-	-	-
Total 31/12/2024	41,250	105	81	3,500	7,780	-	2,241	1,088	28,577	-	-	-

A.1.4 FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND GUARANTEES ISSUED: DEVELOPMENTS IN TOTAL WRITEDOWNS AND TOTAL PROVISIONS

	Total writedowns														
	Stage 1					Stage 2					Stage 3				
	Demand claims on banks and central banks	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale of which: individual writedowns	of which: collective writedowns	Demand claims on banks and central banks	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale of which: individual writedowns	of which: collective writedowns	Demand claims on banks and central banks	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale of which: individual writedowns	of which: collective writedowns
Opening balance	28	11,913	902	-	-	12,843	42	32,637	643	-	-	33,322	-	72,401	-
Increases in financial assets purchased or originated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Derecognition other than write-offs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net writedowns/writebacks for credit risk	11	(433)	(472)	-	-	(895)	71	(10,407)	(643)	-	-	(10,979)	-	3,336	-
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in estimation method	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Writeoffs not recognized directly through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	83	-	-	-	83	-	3,643	-	-	-	3,643	-	8,190	-
Closing balance	38	11,563	430	-	-	12,031	114	25,873	-	-	-	25,987	-	83,928	-
Recoveries from collection on written-off financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Writeoffs recognized directly through profit or loss	-	-	-	-	-	-	-	-	-	-	-	-	(7,553)	-	(7,553)

	Total writedowns					Total provisions for commitments to disburse funds and financial guarantees					Tot.
	Of which: purchased or originated credit-impaired					Stage 1	Stage 2	Stage 3	Commitments to disburse funds and financial guarantees purchased or originated credit impaired		
	Financial assets measured at amortized cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual writedowns	of which: collective writedowns						
Opening balance	-	-	-	-	-	13,315	6,254	13,013	-	151,148	
Increases in financial assets purchased or originated	X	X	X	X	X	-	-	-	-	-	
Derecognition other than writeoffs	-	-	-	-	-	-	-	-	-	-	
Net writedowns/writebacks for credit risk	74	-	-	74	-	(4,951)	1,068	353	-	(11,994)	
Contractual modifications without derecognition	-	-	-	-	-	-	-	-	-	-	
Change in estimation method	-	-	-	-	-	-	-	-	-	-	
Writeoffs not recognized directly through profit or loss	-	-	-	-	-	-	-	-	-	-	
Other changes	-	-	-	-	-	11	-	275	-	12,203	
Closing balance	74	-	-	74	-	8,374	7,322	13,642	-	151,357	
Recoveries from collection on written-off financial assets	-	-	-	-	-	-	-	-	-	-	
Writeoffs recognized directly through profit or loss	-	-	-	-	-	-	-	-	-	(7,553)	

A.1.5 FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED: TRANSFERS BETWEEN CREDIT RISK STAGES (GROSS AND NOMINAL VALUES)

	Gross exposure/nominal value					
	Transfers between stage 1 and stage 2		Transfers between stage 2 and stage 3		Transfers between stage 1 and stage 3	
	From stage 1 to stage 2	From stage 2 to stage 1	From stage 2 to stage 3	From stage 3 to stage 2	From stage 1 to stage 3	From stage 3 to stage 1
1. Financial assets measured at amortized cost	287,492	1,926,424	81,754	266	10,411	-
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	-	-	-
4. Commitments to disburse funds and financial guarantees issued	89,257	815,258	-	1,700	3,857	-
Total 31/12/2025	376,749	2,741,682	81,754	1,966	14,268	-
Total 31/12/2024	271,563	9,315,274	21,611	3,874	18,715	472

A.1.5A LOANS INVOLVED IN COVID-19 SUPPORT MEASURES: TRANSFERS BETWEEN CREDIT RISK STAGES (GROSS VALUES)

There are no such positions as of the reporting date.

A.1.6 ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO BANKS: GROSS AND NET VALUES

	Gross exposure				Total writedowns and total provisions				Net exposure	Total partial writeoffs*		
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired				
A. On-balance-sheet exposures												
A.1 Demand	837,448	816,195	21,253	-	-	152	38	114	-	-	837,296	-
a) Impaired	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	837,448	816,195	21,253	X	-	152	38	114	X	-	837,296	-
A.2 Other	21,236,223	21,187,894	24,370	-	-	1,526	789	738	-	-	21,234,697	-
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Impaired past due exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Unimpaired past due exposures	-	-	-	X	-	-	-	-	X	-	-	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other unimpaired assets	21,236,223	21,187,894	24,370	X	-	1,526	789	738	X	-	21,234,697	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total (A)	22,073,671	22,004,089	45,623	-	-	1,678	827	851	-	-	22,071,993	-
B. Off-balance-sheet exposures												
a) Impaired	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	9,913,527	8,394,908	82,416	X	-	805	434	371	X	-	9,912,722	-
Total (B)	9,913,527	8,394,908	82,416	-	-	805	434	371	-	-	9,912,722	-
Total (A+B)	31,987,198	30,398,996	128,039	-	-	2,483	1,261	1,222	-	-	31,984,715	-

*Value to be reported for information purposes

A.1.7 ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS: GROSS AND NET VALUES

	Gross exposure					Total writedowns and total provisions							Net exposure	Total partial writeoffs*
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired						
A. On-balance-sheet exposures														
a) Bad loans	17,814	X	-	17,740	74	17,221	X	-	17,148	74	592	32,702		
- of which: forborne exposures	4,480	X	-	4,480	-	4,446	X	-	4,446	-	34	2,461		
b) Unlikely to pay	142,659	X	-	142,650	-	64,917	X	-	64,917	-	77,742	-		
- of which: forborne exposures	22,299	X	-	22,299	-	15,820	X	-	15,820	-	6,479	-		
c) Impaired past due exposures	5,701	X	-	5,701	-	1,863	X	-	1,863	-	3,837	-		
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-		
d) Unimpaired past due exposures	39,575	19,939	19,636	X	-	621	109	512	X	-	38,954	-		
- of which: forborne exposures	3,157	-	3,157	X	-	160	-	160	X	-	2,998	-		
e) Other unimpaired assets	21,072,964	20,136,325	590,048	X	-	35,719	11,095	24,623	X	-	21,037,245	-		
- of which: forborne exposures	24,784	-	24,784	X	-	963	-	963	X	-	23,820	-		
Total (A)	21,278,713	20,156,264	609,684	166,090	74	120,341	11,204	25,135	83,928	74	21,158,372	32,702		
B. Off-balance-sheet exposures														
a) Impaired	20,536	X	-	20,536	-	13,642	X	-	13,642	-	6,894	-		
b) Unimpaired	5,154,405	4,454,089	238,399	X	-	14,891	7,940	6,951	X	-	5,139,513	-		
Total (B)	5,174,940	4,454,089	238,399	20,536	-	28,533	7,940	6,951	13,642	-	5,146,407	-		
Total (A+B)	26,453,653	24,610,353	848,083	186,626	74	148,874	19,144	32,086	97,570	74	26,304,779	32,702		

*Value to be reported for information purposes

A.1.8 BALANCE-SHEET CREDIT EXPOSURES TO BANKS: CHANGES IN GROSS IMPAIRED POSITIONS

There are no such positions as of the reporting date.

A.1.8 BIS ON-BALANCE-SHEET CREDIT EXPOSURES TO BANKS: CHANGES IN GROSS FORBORNE EXPOSURES BY CREDIT QUALITY

There are no such positions as of the reporting date.

A.1.9 ON-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS: CHANGES IN GROSS IMPAIRED POSITIONS

	Bad loans	Unlikely to pay	Impaired past-due
A. Opening gross exposure	11,159	96,486	8,150
- of which: exposures assigned but not derecognized	-	-	-
B. Increases	13,378	119,015	6,685
B.1 from performing exposures	2,495	95,171	5,740
B.2 from purchased or originated impaired financial assets	74	-	-
B.3 from other categories of impaired exposures	1,950	7,526	-
B.4 contractual modifications without derecognition	-	-	-
B.5 other increases	8,859	16,318	946
C. Decreases	6,723	72,843	9,134
C.1 to performing exposures	-	266	-
C.2 writeoffs	306	3,600	-
C.3 collections	2,989	32,270	1,608
C.4 realized on disposals	647	19,599	-
C.5 losses on disposals	2,781	15,158	-
C.6 to other categories of impaired exposures	-	1,950	7,526
C.7 contractual modifications without derecognition	-	-	-
C.8 other decreases	-	-	-
D. Closing gross exposure	17,814	142,659	5,701
- of which: exposures assigned but not derecognized	-	-	-

A.1.9BIS ON-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS: CHANGES IN GROSS FORBORNE EXPOSURES BY CREDIT QUALITY

	Non-performing forborne exposures	Performing forborne exposures
A. Opening gross exposure	48,803	70,533
- of which: exposures assigned but not derecognized	-	-
B. Increases	18,107	7,346
B.1 from non-forborne performing exposures	998	4,939
B.2 from forborne performing exposure	7,038	X
B.3 from forborne non-performing exposure	X	198
B.4 from non-forborne non-performing exposure contractual modifications without derecognition	1,333	-
B.5 other increases	8,738	2,209
C. Decreases	40,131	49,938
C.1 to non-forborne performing exposures	X	16,951
C.2 to forborne performing exposure	198	X
C.3 to forborne non-performing exposure	X	7,038
C.4 writeoffs	3,500	-
C.5 collections	36,220	25,949
C.6 realized on disposal	-	-
C.7 losses on disposals	-	-
C.8 other decreases	214	-
D. Closing gross exposure	26,779	27,941
- of which: exposures assigned but not derecognized	-	-

A.1.10 ON-BALANCE-SHEET IMPAIRED CREDIT EXPOSURES TO BANKS: CHANGE IN TOTAL ADJUSTMENTS

There are no such positions as of the reporting date.

A.1.11 ON-BALANCE-SHEET IMPAIRED CREDIT EXPOSURES TO BANKS: CHANGE IN TOTAL ADJUSTMENTS

	Bad loans		Unlikely to pay		Impaired past-due	
	Total	of which: forborne exposures	Total	of which: forborne exposures	Total	of which: forborne exposures
A. Total opening adjustments	10,008	2,790	59,759	34,173	2,634	-
- of which: exposures assigned but not derecognized	-	-	-	-	-	-
B. Increases	12,852	3,216	54,040	10,429	1,861	200
B.1 writedowns of purchased or originated credit-impaired assets	74	X	-	X	-	X
B.2 other writedowns	4,191	1,556	44,274	9,510	1,623	100
B.3 losses on disposal	-	-	193	-	-	-
B.4 from other categories of impaired positions	1,634	-	1,140	-	-	-
B.5 contractual modifications without derecognition	-	-	-	-	-	-
B.6 other increases	6,954	1,660	8,433	918	238	100
C. Decreases	5,638	1,560	48,882	28,782	2,631	200
C.1 writebacks from valuations	283	145	763	37	36	-
C.2 writebacks from collections	2,858	1,415	20,352	20,018	1,455	200
C.3 gains on disposal	484	-	3,851	-	-	-
C.4 writeoffs	306	-	3,600	3,500	-	-
C.5 to other categories of impaired positions	-	-	1,634	-	1,140	-
C.6 contractual modifications without derecognition	-	-	-	-	-	-
C.7 other decreases	1,707	-	18,682	5,227	-	-
D. Total closing adjustments	17,221	4,446	64,917	15,820	1,863	-
- of which: exposures assigned but not derecognized	-	-	-	-	-	-

A.2 - CLASSIFICATION OF FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED BY INTERNAL AND EXTERNAL RATING GRADES

A.2.1 DISTRIBUTION OF FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED BY EXTERNAL RATING GRADES (GROSS VALUES)

	External rating grades						Not rated	Total
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
A. Financial assets measured at amortized cost	147,549	1,346,799	9,245,785	52,852	-	54,112	30,417,447	41,264,544
- Stage 1	147,549	1,298,899	9,235,517	48,795	-	-	29,733,565	40,464,326
- Stage 2	-	47,900	10,268	4,057	-	-	571,829	634,054
- Stage 3	-	-	-	-	-	54,112	111,978	166,090
- Purchased or originated credit-impaired	-	-	-	-	-	-	74	74
B. Financial assets measured at fair value through other comprehensive income	59,511	209,058	528,670	35,480	-	-	47,113	879,832
- Stage 1	59,511	209,058	528,670	35,480	-	-	47,113	879,832
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
C. Financial assets held for sale	-	-	-	-	-	-	-	-
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
Total (A+B+C)	207,060	1,555,857	9,774,456	88,332	-	54,112	30,464,559	42,144,376
D. Commitments to disburse funds and financial guarantees issued	5	203,522	11,672	11,126	184	-	13,047,917	13,274,427
- Stage 1	5	203,250	2,189	9,255	168	-	12,718,209	12,933,076
- Stage 2	-	272	9,483	1,871	16	-	309,173	320,815
- Stage 3	-	-	-	-	-	-	20,536	20,536
- Purchased or originated credit-impaired	-	-	-	-	-	-	-	-
Total (D)	5	203,522	11,672	11,126	184	-	13,047,917	13,274,427
Total (A+B+C+D)	207,065	1,759,379	9,786,128	99,458	184	54,112	43,512,477	55,418,803

The distribution of the exposures shown in the table shows the breakdown by rating grade of the debtors referred to in the prudential regulations of the Bank of Italy and are provided by the Fitch rating agency as the ECAI (External Credit Assessment Institution).

A.2.2 DISTRIBUTION OF FINANCIAL ASSETS, COMMITMENTS TO DISBURSE FUNDS AND FINANCIAL GUARANTEES ISSUED BY INTERNAL RATING GRADES (GROSS AMOUNTS)

The table has not been completed because as at the reporting date external ratings were used.

A.3 DISTRIBUTION OF SECURED CREDIT EXPOSURES BY TYPE OF GUARANTEE

A.3.1 ON- AND OFF-BALANCE SHEET SECURED CREDIT EXPOSURES TO BANKS

	Gross exposure	Net exposure	Collateral (1)				Unsecured guarantees (2)								Total (1)+(2)	
			Properties - Mortgages	Properties – Financial leases	Securities	Other collateral	Credit derivatives				Guarantees					
							CLN	Central counterparties	Banks	Other financial companies	Other	Government entities	Banks	Other financial companies		Other
1. Secured on-balance-sheet credit exposures:	8,660,301	8,659,726	239	-	8,526,092	132,638	-	-	-	-	-	-	-	-	757	8,659,726
1.1 fully secured	8,660,301	8,659,726	239	-	8,526,092	132,638	-	-	-	-	-	-	-	-	757	8,659,726
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 partially secured	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Secured off-balance-sheet credit exposures:	5,999,471	5,999,142	-	-	4,961,248	946,539	-	-	-	-	-	2,304	-	964	1,506	5,912,562
2.1 fully secured	5,939,404	5,939,097	-	-	4,927,148	946,539	-	-	-	-	-	1,474	-	194	-	5,875,355
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 partially secured	60,067	60,045	-	-	34,100	-	-	-	-	-	-	830	-	770	1,506	37,207
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.3.2 ON- AND OFF-BALANCE SHEET SECURED CREDIT EXPOSURES TO CUSTOMERS

	Gross exposure	Net exposure	Collateral (1)					Unsecured guarantees (2)								Total (1)+(2)
			Properties - Mortgages	Properties - Finance leases	Securities	Other collateral	Credit derivatives				Guarantees					
							CLN	Central counterparties	Banks	Other financial companies	Other	Government entities	Banks	Other financial companies	Other	
1. Secured on-balance-sheet credit exposures:	4,988,183	4,906,875	978,130	-	2,430,800	268,938	-	-	-	-	-	615,825	182,819	8,501	118,532	4,603,544
1.1 fully secured	4,312,181	4,248,823	977,749	-	2,430,800	243,767	-	-	-	-	-	344,865	1,435	8,499	117,132	4,124,247
- of which: impaired	105,032	59,808	15,258	-	-	241	-	-	-	-	-	43,850	44	1	414	59,808
1.2 partially secured	676,002	658,052	380	-	-	25,171	-	-	-	-	-	270,959	181,384	2	1,400	479,297
- of which: impaired	31,017	15,828	-	-	-	-	-	-	-	-	-	15,235	-	2	6	15,244
2. Secured off-balance-sheet credit exposures:	2,572,753	2,571,617	999	-	2,405,181	49	-	-	-	-	-	8,066	558	7,517	59,244	2,481,614
2.1 fully secured	2,562,358	2,561,306	999	-	2,405,181	49	-	-	-	-	-	4,955	118	7,159	55,202	2,473,663
- of which: impaired	121	121	-	-	-	-	-	-	-	-	-	-	-	-	121	121
2.2 partially secured	10,395	10,311	-	-	-	-	-	-	-	-	-	3,111	440	358	4,042	7,951
- of which: impaired	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

A.4 FINANCIAL AND NON-FINANCIAL ASSETS OBTAINED THROUGH ENFORCEMENT OF GUARANTEES RECEIVED

There are no such positions as at the reporting date.

B. DISTRIBUTION AND CONCENTRATION OF CREDIT EXPOSURES**B.1 ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS BY SECTOR**

	Government entities		Financial companies		Financial companies (of which: insurance undertakings)	
	Net exposure	Total writedowns	Net exposure	Net exposure	Total writedowns	Net exposure
A. On-balance-sheet						
A.1 Bad loans	-	-	-	144	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	56,836	14,645	-	-
- of which: forborne exposures	-	-	350	936	-	-
A.3 Impaired past due exposures	-	-	-	-	-	-
- of which: forborne exposures	-	-	-	-	-	-
A.4 Unimpaired exposures	-	1,483	7,582,385	13,801	151,320	1,025
- of which: forborne exposures	-	-	-	-	-	-
Total (A)	10,812,022	1,483	7,639,221	28,590	151,320	1,025
B. Off-balance-sheet						
B.1 Impaired exposures	-	-	2,645	-	-	-
B.2 Unimpaired exposures	458,921	171	3,513,660	1,378	-	-
Total (B)	458,921	171	3,516,304	1,378	-	-
Total (A+B) 31/12/2025	11,270,943	1,654	11,155,525	29,968	151,320	1,025
Total (A+B) 31/12/2024	11,360,827	1,658	8,536,041	25,247	710,591	1,971

	Non-financial companies		Households	
	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance-sheet				
A.1 Bad loans	494	14,089	98	2,988
- of which: forborne exposures	33	3,009	1	1,437
A.2 Unlikely to pay	17,785	46,160	3,121	4,111
- of which: forborne exposures	5,963	13,902	165	982
A.3 Impaired past due exposures	3,422	1,344	416	520
- of which: forborne exposures	-	-	-	-
A.4 Unimpaired exposures	2,539,059	20,118	142,734	937
- of which: forborne exposures	25,099	948	1,719	175
Total (A)	2,560,760	81,710	146,369	8,556
B. Off-balance-sheet				
B.1 Impaired exposures	4,193	13,642	57	-
B.2 Unimpaired exposures	1,143,643	12,601	23,290	741
Total (B)	1,147,836	26,243	23,347	741
Total (A+B) 31/12/2025	3,708,596	107,953	169,715	9,297
Total (A+B) 31/12/2024	3,972,688	110,999	165,198	4,119

	Non-financial companies		Households	
	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance sheet				
A.1 Bad loans	1,151	9,821	-	49
- of which: forborne exposures	129	2,790	-	-
A.2 Unlikely to pay	33,581	51,887	2,153	2,965
- of which: forborne exposures	9,535	31,716	1,182	1,627
A.3 Impaired past due exposures	5,474	2,630	42	5
- of which: forborne exposures	-	-	-	-
A.4 Unimpaired exposures	2,792,865	21,356	150,869	927
- of which: forborne exposures	63,804	3,136	3,325	268
Total (A)	2,833,071	85,694	153,063	3,946
B. Off-balance sheet				
B.1 Impaired exposures	6,829	13,013	57	-
B.2 Unimpaired exposures	1,132,788	12,291	12,078	173
Total (B)	1,139,617	25,305	12,135	173
Total (A+B) 31/12/2024	3,972,688	110,999	165,198	4,119
Total (A+B) 31/12/2023	3,942,460	171,580	164,896	6,985

B.2 ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO CUSTOMERS BY GEOGRAPHICAL AREA

		Italy		Other European countries		America	
		Net exposure	Total writedowns	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance-sheet							
A.1 Bad loans		592	17,093	-	-	-	129
A.2 Unlikely to pay		77,694	62,288	-	-	-	266
A.3 Impaired past due exposures		3,718	1,591	-	-	119	273
A.4 Unimpaired exposures		19,557,014	35,425	1,437,807	714	54,529	173
Total A		19,639,018	116,397	1,437,807	714	54,648	841
B. Off-balance-sheet							
B.1 Impaired exposures		4,484	13,642	-	-	-	-
B.2 Unimpaired exposures		4,872,678	10,760	157,263	752	104,628	3,287
Total (B)		4,877,162	24,402	157,263	752	104,628	3,287
Total (A+B)	31/12/2025	24,516,180	140,799	1,595,070	1,466	159,277	4,129
Total (A+B)	31/12/2024	22,901,265	133,668	208,867	4,858	68,363	888

		Asia		Rest of the world	
		Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance-sheet					
A.1 Bad loans		-	-	-	-
A.2 Unlikely to pay		48	2,362	-	-
A.3 Impaired past due exposures		-	-	-	-
A.4 Unimpaired exposures		1,588	18	25,262	9
Total A		1,636	2,380	25,262	9
B. Off-balance-sheet					
B.1 Impaired exposures		2,410	-	-	-
B.2 Unimpaired exposures		-	-	4,944	91
Total (B)		2,410	-	4,944	91
Total (A+B)	31/12/2025	4,046	2,380	30,206	101
Total (A+B)	31/12/2024	3,508	2,369	852,751	240

B.3 ON-BALANCE-SHEET AND OFF-BALANCE-SHEET CREDIT EXPOSURES TO BANKS BY GEOGRAPHICAL AREA

	Italy		Other European countries		America	
	Net exposure	Total writedowns	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance-sheet						
A.1 Bad loans	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	-	-	-	-
A.3 Impaired past due exposures	-	-	-	-	-	-
A.4 Unimpaired exposures	21,738,288	636	279,658	253	19,723	556
Total (A)	21,738,288	636	279,658	253	19,723	556
B. Off-balance-sheet						
B.1 Impaired exposures	-	-	-	-	-	-
B.2 Unimpaired exposures	9,448,162	165	228,821	2	1,725	-
Total (B)	9,448,162	165	228,821	2	1,725	-
Total (A+B) 31/12/2025	31,186,450	801	508,479	254	21,449	556
Total (A+B) 31/12/2024	35,626,586	7,295	402,144	236	20,930	1,327

	Asia		Rest of the world	
	Net exposure	Total writedowns	Net exposure	Total writedowns
A. On-balance-sheet				
A.1 Bad loans	-	-	-	-
A.2 Unlikely to pay	-	-	-	-
A.3 Impaired past due exposures	-	-	-	-
A.4 Unimpaired exposures	957	-	33,367	233
Total (A)	957	-	33,367	233
B. Off-balance-sheet				
B.1 Impaired exposures	-	-	-	-
B.2 Unimpaired exposures	5,424	46	5,692	592
Total (B)	5,424	46	5,692	592
Total (A+B) 31/12/2025	6,381	46	39,059	826
Total (A+B) 31/12/2024	5,244	21	45,771	247

B.4 LARGE EXPOSURES

a) Amount (carrying amount)	100,946,045
b) Amount (weighted value)	1,796,376
c) Number	16

C. SECURITIZATION

QUALITATIVE DISCLOSURES

In accordance with the definitions provided for in prudential regulations, the Bank operates in the securitization market as both an originator, through the assignment of loans to special purpose vehicles (SPVs) for the issue of notes in its own securitizations, and an investor, subscribing the notes issued by third parties in their securitizations.

To date, the Bank has not acted as sponsor on any securitization.

Own securitizations can be broken down as follows:

- securitization transactions whose notes are placed in whole or in part on the market and originated in order to generate economic benefits from the optimization of the loan portfolio, the diversification of funding sources, the reduction of their cost and the alignment of the natural maturities of assets with those of liabilities (securitizations in the strict sense);
- securitization transactions whose notes are retained entirely by the originator and are intended to diversify and leverage available funding tools, through the transformation of the assigned loans into refinaceable securities (self-securitizations). Self-securitization transactions are part of the more general policy of strengthening the Bank's liquidity position and do not form part of securitizations in the strict sense since they do not transfer risks outside the Bank. For this reason, qualitative information and numerical data on these operations are not included in this section, in accordance with the Bank of Italy instructions contained in Circular 262/2005.

OWN SECURITIZATION TRANSACTIONS

The following provides disclosures on the securitization transactions in which the Bank participates as originator, pursuant to Law 130/1999, which regulates the "en bloc" assignment of receivables by a company (originator) to a specifically established special purpose vehicle (SPV), which in turn finances the purchase of the portfolio through the issue and placement on the market - in whole or in part - of bonds (asset backed securities – ABS), which have different levels of subordination, guaranteed solely by the assets received.

The Bank has only carried out traditional securitization and self-securitization transactions; no synthetic securitizations have been carried out.

At the reporting date, the Bank has 6 own securitizations outstanding, involving non-performing loans (NPL), qualifying for the State guarantee mechanism for the liabilities issued (the so-called "GACS" mechanism), effective at December 31, 2025. Namely: the GACS I securitization, finalized in June 2028, GACS II (December 2018), GACS III (December 2019), GACS IV (November 2020), GACS V (November 2021), GACS VI (May 2022).

The following summarizes the main securitization transactions originated before 2025 or in 2025 and outstanding at December 31, 2025, broken down by underlying asset type, special purpose vehicle, and transaction type.

SECURITIZATIONS OUTSTANDING AS OF DECEMBER 31, 2025

	Underlying asset	Completion date	Vehicle	Type of transaction
GACS I	Non-performing loans	June 2018	BCC NPLs 2018 Srl	GACS securitization- securitization of loans with derecognition
GACS II	Non-performing loans	December 2018	BCC NPL 2018-2 Srl	GACS securitization- securitization of loans with derecognition
GACS III	Non-performing loans	December 2019	BCC NPLs 2019	GACS securitization- securitization of loans with derecognition
GACS IV	Non-performing loans	November 2020	BCC NPLs 2020 Srl	GACS securitization- securitization of loans with derecognition
GACS V	Non-performing loans	November 2021	BCC NPLs 2021 Srl	GACS securitization- securitization of loans with derecognition
GACS VI	Non-performing loans	May 2022	BCC NPLs 2022 Srl	GACS securitization- securitization of loans with derecognition

The following provides disclosures on own securitizations carried out by the Group and still outstanding at the reporting date, pursuant to Circular 262/2005, distinguishing between operations carried out during the year and those carried out in previous years.

OWN SECURITIZATIONS CARRIED OUT DURING THE YEAR

No securitizations were carried out during the year.

OWN SECURITIZATIONS CARRIED OUT IN PREVIOUS YEARS***Securitization transactions backed by State Guarantee on liabilities issued***

GACS securitizations discussed below are multi-originator securitizations of non-performing loans for which the assignor banks submitted a preliminary application to the Ministry for the Economy and Finance (MEF) for admission to the State guarantee mechanism for the liabilities issued (the so-called "GACS" mechanism) pursuant to Decree Law 18 of February 14, 2016.

The transaction was carried out with the aim of reducing the stock of bad loans of the bank, thereby decreasing their impact on total assets and, consequently, improving the company risk profile. The securitization mechanism and the State guarantee on the senior class of notes made it possible to obtain a higher sale value than in an ordinary market operation and contained the impacts of the disposal.

In respect of the structure of GACS securitization, note that:

- they include two payment waterfalls: the pre-acceleration priority of payment, which is used if the portfolio performs as expected; and the post-acceleration priority of payment, in case of issuer trigger events, redemption for tax reasons or redemption on final maturity date;
- a change in the payment waterfall is possible if a "subordination event" occurs, that is, if: (i) the cumulative aggregate collections of the period immediately preceding the calculation period are lower than a trigger defined for each transaction compared to the expected collections foreseen for the same date in the transaction contracts; (ii) there is a failure to pay interest on the Class A note; (iii) if the ratio between the present value of the recoveries, for which the respective procedure is concluded, and the sum of the target prices indicated in the business plan by the servicer is lower than a trigger defined for each transaction. In such circumstances, in fact, in the post-acceleration waterfall, all interest due for the mezzanine notes is temporarily subordinated to the payment of the principal of the senior notes until the payment date on which these events cease to exist;
- on closing the transaction, the SPV also entered into a strategy with non-Group operators to hedge the interest rate risk in the structure with a cap option on rates for an initial amount equal to the overall notional value of the senior and mezzanine notes and an amortization plan in line with that envisaged on the notes;

- the notes are to be immediately repaid in case of specific trigger events (non-payment, default, insolvency, or violation of laws). The SPV may also enforce the repayments through the sale of all or part of the portfolio of non-performing loans to third parties in a competitive auction;
- as part of the transaction, a cash reserve was established to manage the risk of potential mismatches between the collections and the amounts due for the senior costs of the transaction and interest on the senior notes. In line with market practice, the reserve is financed when issuing the notes by an interest-bearing limited recourse loan. Given the characteristics of the transaction, this does not constitute implicit support for the transaction pursuant to Article 250 of the CRR.

The GACS securitization transactions also include the following provisions:

- once transferred to the SPV, the securitized assets are legally separated from the assignor banks and creditors, as supported by an independent legal opinion;
- time call and clean-up call options, to allow for the early redemption of the notes before maturity:
 - Optional Redemption: which may be exercised by the SPV on the first payment date immediately following the payment date on which the Class A Notes have been fully redeemed;
 - Redemption for Tax Reasons: which may be exercised by the SPV in the event of regulatory or legislative changes, or official interpretations by the competent authorities that result in an increase in costs for the noteholders or the SPV.

In order to meet the requirement to retain a net economic interest of 5% in the transaction, as referred to in Article 6 of Regulation (EU) No. 2017/2402 of the European Parliament and of the Council of December 12, 2017,¹³⁹ the assignor banks have subscribed - and will undertake to retain for the entire duration of the securitization - at least 5% of the nominal value of each tranche of notes issued in the transaction (the “vertical slice” approach).

The remainder of the mezzanine and junior notes were subscribed by a third-party investor independent of the assignors.

The securitization was structured to possess the characteristics so that the senior notes would be eligible for the State guarantee, in view of the deconsolidation by the assignors of the transferred loan portfolio, in accordance with IAS/IFRS.

Having verified for each transaction, with specific analyses and processing, the compliance with all the qualitative and quantitative requirements set by IFRS 9, the derecognition of the bad loans took place following the sale of the mezzanine and junior tranches to a third-party non-ICBG investor.

More specifically IFRS 9 paragraph 3.2.12 provides that:

"On derecognition of a financial asset in its entirety, the difference between:

- the carrying amount (measured at the date of derecognition) and
- the consideration received (including any new assets obtained less any new liabilities assumed)

shall be recognized in profit or loss".

Therefore, on the settlement date of the sale transaction on the market of the junior and mezzanine notes:

- the loans transferred are eliminated from the assets of the balance sheet;
- the total capital loss or gain determined as the difference between (i) the overall gross value at the date of sale of the receivables, less the value adjustments accumulated at the date of transfer of legal ownership to the SPV and including any collections from the same receivables and pertaining to the SPV received between the date of economic effectiveness and the date of transfer of legal ownership and (ii) the consideration received (as the sum of cash and cash equivalents and the fair value of the Senior, Mezzanine and Junior notes subscribed by the assignor) is recognized under item 100 “Profit (loss) from sale or repurchase of financial assets measured at amortized cost” in the income statement;
- the subscribed Senior, Mezzanine and Junior notes are recognized in the balance sheet at their fair value;

¹³⁹ This Regulation – which establishes a chance specific framework for simple, transparent and standardized securitizations and amends Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No. 1060/2009 and (EU) No. 648/2012 – has been amended and supplemented by Regulation (EU) 2021/557 which provides clearer definitions (public/private securitization) and simplifications of due diligence obligations aimed at increasing transparency and reducing costs.

- placement commissions in respect of the Mezzanine and Junior notes and structuring commissions are directly recognized in profit or loss.

Given the intention to hold the instrument until maturity, the senior note is held under the HTC business model and, due to passing the SPPI test, is measured at amortized cost, using the effective interest rate method. Placement commissions of the senior note therefore increase the value of the note and are progressively released into the income statement over the expected life of the security, through the effective interest rate (IRR).

The Held to Collect (HTC) business model is attributed to the share of mezzanine and junior notes subscribed in compliance with the retention rule, as this portion is held on a stable basis throughout the entire duration of the transaction. Since they fail the SPPI test, mezzanine and junior notes are measured at FVTPL.

From a prudential perspective, the transaction is subject to the provisions of Regulation (EU) 575/2013 as amended by Regulation (EU) 2017/2401 which introduced a new framework for the treatment of securitization transactions and by Regulation (EU) 2021/558. In particular, the amended Article 244, paragraph 2, assumes that there has been a significant transfer of risk if one of the following cases occurs:

- the risk-weighted exposure amounts of mezzanine securitization positions held by the originating bank in the securitization do not exceed 50% of the risk-weighted exposure amounts of all mezzanine securitization positions;
- the originating bank does not hold more than 20% of the exposure of the first loss segment (junior tranche), provided that both of the following conditions are met:
 - the originator can demonstrate that the exposure value of the first loss segment exceeds by a substantial margin a reasoned estimate of the expected losses on the underlying exposures;
 - there are no positions towards mezzanine securitization.

The Significant Risk Transfer assessment for prudential purposes was conducted in accordance with the relevant ECB and EBA Guidelines.

The risk weighting factor – and, consequently, the risk-weighted exposure amounts of the GACS securitization positions held – are calculated – first and foremost – following the priority in the application of the methodologies governed by Article 254 of Regulation (EU) 575/2013 ("CRR"), as amended by Regulation (EU) 2017/2401 of the European Parliament and of the Council and by Regulation (EU) 2021/558.

More specifically, pursuant to paragraph 1 of Article 254, the requirement is determined (when the conditions foreseen from time to time occur) on the basis of the following order of priority:

- 1.SEC - IRBA (Articles 258, 259, 260)
- 2.SEC – SA (Articles 261, 262)
- 3.SEC - ERBA (Articles 63, 264)

Given the inapplicability of the SEC-IRBA methodology (none of the originator banks, nor the Iccrea Cooperative Banking Group as a whole, apply internal models to measure credit risk, thus rendering the condition set forth in Article 258 "unverified"), the SEC-SA methodology was applied to all securitization positions as the first step in complying with the regulatory requirement.

The amount of the risk weight resulting from the application of the SEC-SA methodology for the senior tranche (rated) resulted in the condition referred to in paragraph 2 of the aforementioned Article 254, according to which: *"For rated positions or positions in respect of which an inferred rating may be used, an institution shall use the SEC-ERBA instead of the SEC-SA in each of the following cases:*

- where the application of the SEC-SA would result in a risk weight higher than 25 % for positions qualifying as positions in an STS securitization
- where the application of the SEC-SA would result in a risk weight higher than 25 % or the application of the SEC-ERBA would result in a risk weight higher than 75 % for positions not qualifying as positions in an STS securitization."

After the issue, the senior notes of the securitizations carried out have obtained the guarantee of the State; within the limits of the guaranteed value, their weighting treatment is in line with that applicable to exposures guaranteed by central governments of the euro area.

That said, for the sake of completeness, as they have not been implemented for the reasons described below, we note that the provisions of Regulation (EU) 558 of 2021, which introduced, among other things, specific provisions

for the treatment of securitizations of impaired exposures (Article 269-bis), have also been taken into consideration. Specifically, in this context (paragraph 2), a 100% risk weight was assigned to the senior position in the case of traditional securitization of impaired exposures, except where Article 263 applies. With reference to GACS transactions carried out, due to the application of this latter provision, a risk weight of 100% was not applied to the senior position referred to in the aforementioned provisions of Regulation (EU) 558 of 2021.

The characteristics of the individual operations are reported below. For further details, see the information reported in previous years.

Securitization backed by State Guarantee on liabilities issued, May 2022 (GACS VI)

In May 2022 the multi-originator securitization of a portfolio of bad loans was completed after submitting application to the Ministry for the Economy and Finance (MEF) for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS”).

The transaction provided for Iccrea Banca SpA, BCC Leasing (former Iccrea BancaImpresa), Banca Sviluppo (merged into Iccrea Banca SpA in 2025), BCC Financing (former Mediocredito FVG), and 63 mutual banks of the Iccrea Cooperative Banking Group (hereinafter, the ICBG assignor banks) as well as three non-ICBG banks, namely Banca Valsabbina, Banca di Credito Popolare and Cassa di Risparmio di Asti (hereinafter the “Open Market Banks” and together with the ICBG, the “Banks” or the “Assignor Banks”), to sell pursuant to Law 130 of April 30, 1999 (hereinafter, “Law 130”) the same number of portfolios of claims deriving from unsecured loans and mortgage loans, mainly secured by first-degree mortgages, loans classified as non-performing at the date of transfer and receivables deriving from financial leases claimed from borrowers classified as “bad loans” (hereinafter the “Portfolio”), for a total credit claim of about €654.5 million at the date of economic effectiveness, to a special purpose securitization vehicle specifically formed for the Transaction denominated “BCC NPLS 2022 Srl” (the “SPV”), with the concomitant grant of a servicing engagement by the latter to an independent third-party non ICBG servicer (doValue Group).

During the year, following the merger of Banca Sviluppo SpA into Iccrea Banca SpA, the carrying amounts of the securities issued as part of the securitization transaction (GACS VI), originally held by Banca Sviluppo, were fully included in the balance sheet of the acquiring company.

Therefore, for the purposes of this disclosure, the exposures relating to Banca Sviluppo are included in the overall amounts reported by Iccrea Banca.

As part of the transaction, on May 2, 2022, the SPV acquired the Portfolio from the Assignor Banks, financing the purchase through the issue of asset-backed securities, pursuant to the provisions of Articles 1 and 5 of Law 130, for a total nominal value of €168 million, divided into the classes indicated below.

- €142,000,000.00 of Senior notes maturing January 2047 rated Baa1(sf) and BBB(sf) by Moody's Italia Srl and ARC Ratings, respectively;
- €19,500,000.00 of Mezzanine notes maturing January 2047 not rated;
- €6,500,000.00 of Junior notes maturing January 2047 not rated.

The notes are not listed on a regulated market.

The preliminary application to obtain GACS coverage for the senior notes was submitted to the MEF on May 6, 2022. The guarantee was issued on June 10, 2022.

As part of the Transaction, a cash reserve was also established, which, in accordance with market practice, is financed at the time of the issuance of the Notes by an interest-bearing, limited-recourse loan of €4.6 million, provided by Iccrea Banca (€4,164,976), Banca Valsabbina (€122,321), Cassa di Risparmio di Asti (€160,028), and Banca di Credito Popolare (€152,675).

The table below shows the amounts and annual rates of the Notes issued:

AMOUNT AND REMUNERATION OF THE NOTES ISSUED BY THE SPV

Tranche	ISIN	Amount issued (€)	Rate
Senior Notes	IT0005494403	142,000,000.00	Euribor 6m + 0.50%
Mezzanine Notes	IT0005494411	19,500,000.00	Euribor 6m + 9.50%
Junior Notes	IT0005494429	6,500,000.00	15% + Class J Notes Variable Return (any additional return)
Total		168,000,000.00	

As discussed above in the general description of GACS securitizations, the transaction structure provides for two trigger events that determine the possibility of a change in the payment waterfall if a subordination event occurs.

In this case, the triggers are: (i) 90% for the "cumulative collection ratio," which compares the cumulative collections of the period immediately preceding the calculation period to the expected collections forecast for the same date in the transaction contracts; (ii) 90% for the "profitability ratio," equal to the ratio between the present value of the recoveries, for which the respective procedure has been concluded, and the sum of the target prices indicated in the servicer's business plan.

The table below shows the positions held by the Bank in relation to the notes actually subscribed and outstanding as of December 31, 2025:

NOTES SUBSCRIBED BY THE BANK

Tranche	ISIN	Nominal amount held (€)	Fair value at the reporting date
Senior Notes	IT0005494403	7,717,000	4,615,494
Mezzanine Notes	IT0005494411	198,711	73,557
Junior Notes	IT0005494429	65,856	-
Total		7,981,567	4,689,051

The nominal amount and the fair value at the reporting date of the Senior tranche include, respectively, €779,000 and €465,915 in respect of the portion of the notes originally recognized in the portfolio of Banca Sviluppo SpA and transferred to the Bank's balances as a result of the merger.

The risk weights for the different types of exposures held are as follows:

- Tranche senior: 92.18% on the share not covered by guarantee, 0% on the share covered by guarantee
- Tranche mezzanine: 1,214.33%
- Tranche junior: 1,250.00%

Unlike the previous GACS transactions, no rating was requested for the mezzanine tranche. Given the substantial comparability of the transaction structure to the Group's previous GACS transaction (GACS V), and for a prudent assessment of the actual risk assumed, the mezzanine tranche was assigned an inferred rating equivalent to that of the mezzanine tranche of the latter transaction. As a result, the applicable risk weight was 1,212.18%. Consequently, the junior tranche was assigned a risk weight of 1,250.00%.

The table below shows the distribution of the portfolio of loans assigned by the banks participating in the securitization by geographical area and type of guarantee, as recorded by the Servicer in the most recent reporting period. Please note that the assigned debtors all operate within Italy.

BREAKDOWN BY GEOGRAPHICAL AREA

	Amount (€/thousand)	% distribution
North-Western Italy	172,354	26.3
North-Eastern Italy	125,312	19.1
Central Italy	258,369	39.5
Southern Italy and islands	97,829	15
Not available	540	0.1
Total	654,404	100.0

BREAKDOWN BY PRODUCT OF GUARANTEE

	Amount (€/thousand)	% distribution
First-degree mortgages	381,123	58.2
Mortgage of subsequent degrees	26,695	4.1
Unsecured	246,586	37.7
Real estate leasing	-	-
Total	654,404	100.0

Securitization backed by State Guarantee on liabilities issued, November 2021 (GACS V)

In November 2021 the multi-originator securitization of a portfolio of bad loans was completed after submitting application to the Ministry for the Economy and Finance (MEF) for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS”).

The transaction provided for Iccrea Banca SpA, BCC Leasing (former Iccrea BancalImpresa), BCC Financing (former Mediocredito FVG), and 70 mutual banks of the Iccrea Cooperative Banking Group (hereinafter, the ICBG assignor banks) as well as three non-ICBG banks, namely Banca Ifis, Cassa di Risparmio di Asti and Guber Banca (hereinafter the “Open Market Banks” and together with the ICBG, the “Banks” or the “Assignor Banks”), to sell pursuant to Law 130 of April 30, 1999 (hereinafter, “Law 130”) the same number of portfolios of claims deriving from unsecured loans and mortgage loans, mainly secured by first-degree mortgages, loans classified as non-performing at the date of transfer and receivables deriving from financial leases claimed from borrowers classified as “bad loans” (hereinafter the “Portfolio”), for a total credit claim of about €1.3 billion million at the date of economic effectiveness, to a special purpose securitization vehicle specifically formed for the Transaction denominated “BCC NPLS 2022 Srl” (the “SPV”), with the concomitant grant of a servicing engagement by the latter to an independent third-party non ICBG servicer (doValue Group).

As part of the transaction, on November 16, 2021, the SPV acquired the Portfolio from the Assignor Banks, financing the purchase through the issue of asset-backed securities, pursuant to the provisions of Articles 1 and 5 of Law 130, for a total nominal value of €336.5 million, divided into the classes indicated below.

- €284,000,000.00 in Senior notes maturity April 2046 rated Baa2, BBB and BBB by Moody's Italia Srl, Scope Ratings and ARC Ratings, respectively;
- €39,500,000.00 in Mezzanine notes maturity April 2046 rated Caa2, CCC and CCC+ by Moody's Italia Srl, Scope Ratings and ARC Ratings, respectively;
- €13,000,000.00 in Junior notes maturity April 2046 not rated.

The notes are not listed on a regulated market.

The preliminary application to obtain GACS coverage for the senior notes was submitted to the MEF on December 24, 2021. The guarantee was issued on June 10, 2022.

As part of the Transaction,

- a cash reserve was established financed at the time of the issuance of the Notes by an interest-bearing, limited-recourse loan of €13.52 million, provided by Iccrea Banca (€11,950,510), Banca Ifis (€273,254), Cassa di Risparmio di Asti (€966,047) and Guber Banca (€330,189).
- the establishment, pursuant to Article 7.1 of the securitization law, of a supporting SPV called “GBCI LeaseCo Srl” (“LeaseCo”), with the exclusive purpose of acquiring, managing and generating value, in the exclusive interest of the securitization transaction, the real estate assets object of financial leases and the legal relationships arising from their termination, related to the lease receivables assigned by BCC Leasing (former Iccrea BancalImpresa).

The table below shows the amounts and annual rates of the Notes issued:

AMOUNT AND REMUNERATION OF THE NOTES ISSUED BY THE SPV

Tranche	ISIN	Amount issued (€)	Rate
Senior Notes	IT0005469116	284,000,000.00	Euribor 6m + 0.35%
Mezzanine Notes	IT0005469124	39,500,000.00	Euribor 6m + 8%
Junior Notes	IT0005469132	13,000,000.00	10% + Class J Notes Variable Return (any additional return)
Total		336,500,000.00	

As discussed above in the general description of GACS securitizations, the transaction structure provides for two trigger events that determine the possibility of a change in the payment waterfall if a subordination event occurs.

In this case, the triggers are: (i) 90% for the "cumulative collection ratio," which compares the cumulative collections of the period immediately preceding the calculation period to the expected collections forecast for the same date in the transaction contracts; (ii) 90% for the "profitability ratio," equal to the ratio between the present value of the recoveries, for which the respective procedure has been concluded, and the sum of the target prices indicated in the servicer's business plan.

The table below shows the positions held by the Bank in relation to the notes actually subscribed and outstanding

NOTES SUBSCRIBED BY THE BANK

Tranche	ISIN	Nominal amount held (€)	Fair value at the reporting date
Senior Notes	IT0005469116	4,355,000	1,939,675
Mezzanine Notes	IT0005469124	82,452	42,277
Junior Notes	IT0005469132	27,136	464
Total		4,464,588	1,982,416

The risk weights for the different types of exposures held are as follows:

- Tranche senior: 92.18% on the share not covered by guarantee, 0% on the share covered by guarantee
- Tranche mezzanine: 1,207.26%
- Tranche junior: 1,250.00%

The table below shows the distribution of the portfolio of loans assigned by the banks participating in the securitization by geographical area and type of guarantee, as recorded by the Servicer in the most recent reporting period. Please note that the assigned debtors all operate within Italy.

BREAKDOWN BY GEOGRAPHICAL AREA

	Amount (€/thousand)	% distribution
North-Western Italy	374,967	30.8
North-Eastern Italy	178,543	14.7
Central Italy	440,327	36.2
Southern Italy and Islands	222,599	18.3
Total	1,216,436	100.0

BREAKDOWN BY PRODUCT OF GUARANTEE

	Amount (€/thousand)	% distribution
First-degree mortgages	723,726	59.5
Mortgage of subsequent degrees	56,226	4.6
Unsecured	374,258	30.8
Real estate leasing	62,226	5.1
Total	1,216,436	100.0

Securitization backed by State Guarantee on liabilities issued, November 2020 (GACS IV)

In November 2020 the multi-originator securitization of a portfolio of bad loans was completed after submitting application to the Ministry for the Economy and Finance (MEF) for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS”).

The transaction provided for Iccrea Banca SpA, Banca Sviluppo (merged into Iccrea Banca SpA in 2025), BCC Leasing (former Iccrea Bancaimpresa), BCC Financing (former Mediocredito FVG), and 83 mutual banks of the Iccrea Cooperative Banking Group (hereinafter, the ICBG assignor banks) as well as two non-ICBG banks, namely Banca Ifis e Banca Popolare Valconca (hereinafter the “Open Market Banks” and together with the ICBG, the “Banks” or the “Assignor Banks”), to sell pursuant to Law 130 of April 30, 1999 (hereinafter, “Law 130”) the same number of portfolios of claims deriving from unsecured loans and mortgage loans, mainly secured by first-degree mortgages, (hereinafter the “Portfolio”), for a total credit claim of about €2.3 million at the date of economic effectiveness, to a special purpose securitization vehicle specifically formed for the Transaction denominated “BCC NPLS 2022 Srl” (the “SPV”), with the concomitant grant of a servicing engagement by the latter to an independent third-party non ICBG servicer (doValue Group).

During the year, following the merger of Banca Sviluppo SpA into Iccrea Banca SpA, the carrying amounts of the securities issued as part of the securitization transaction (GACS VI), originally held by Banca Sviluppo, were fully included in the balance sheet of the acquiring company.

Therefore, for the purposes of this disclosure, the exposures relating to Banca Sviluppo are included in the overall amounts reported by Iccrea Banca.

As part of the transaction, on November 18, 2020, the SPV acquired the Portfolio from the Assignor Banks, financing the purchase through the issue of asset-backed securities, pursuant to the provisions of Articles 1 and 5 of Law 130, for a total nominal value of €585 million, divided into the classes indicated below.

- €520,000,000.00 of Senior notes maturity January 2045 rated Baa2 and BBB by Moody's Italia Srl and Scope Rating AG respectively;
- €41,000,000.00 of Mezzanine notes maturity January 2045 rated Caa2 and CC by Moody's Italia Srl and Scope Rating AG respectively;
- €24,000,000.00 of Junior notes maturity January 2045 not rated.

The notes are not listed on a regulated market.

In June 2023 the rating of the senior note was raised to BBB- by Scope Ratings.

In December 2025 the rating of the senior note was raised to BB by Scope Ratings.

As part of the Transaction a cash reserve was established financed at the time of the issuance of the Notes by an interest-bearing, limited-recourse loan of €16 million, granted by Iccrea Banca (€14,168,985), Banca Ifis (€1,694,677) and Banca Valconca (€136,338).

The preliminary application to obtain GACS coverage for the senior notes was submitted to the MEF on December 22, 2020. The guarantee was issued on April 21, 2021.

The table below shows the amounts and annual rates of the Notes issued:

AMOUNT AND REMUNERATION OF THE NOTES ISSUED BY THE SPV

Tranche	ISIN	Amounts issued (€)	Rate
Senior Notes	IT0005428245	520,000,000.00	Euribor 6m + 0,25%
Mezzanine Notes	IT0005428286	41,000,000.00	Euribor 6m + 8.00%
Junior Notes	IT0005428294	24,000,000.00	10% + Class J Notes Variable Return (any additional return)
Total		585,000,000.00	

As discussed above in the general description of GACS securitizations, the transaction structure provides for two trigger events that determine the possibility of a change in the payment waterfall if a subordination event occurs.

In this case, the triggers are: (i) 90% for the "cumulative collection ratio," which compares the cumulative collections

of the period immediately preceding the calculation period to the expected collections forecast for the same date in the transaction contracts; (ii) 90% for the "profitability ratio," equal to the ratio between the present value of the recoveries, for which the respective procedure has been concluded, and the sum of the target prices indicated in the servicer's business plan.

The table below shows the positions held by the Bank in relation to the notes actually subscribed and outstanding

NOTES SUBSCRIBED BY THE BANK

Tranche	ISIN	Nominal amount held (€)	Fair value at the reporting date
Senior Notes	IT0005428245	94,942,000	43,632,952
Mezzanine Notes	IT0005428286	535,830	340,460
Junior Notes	IT0005428294	313,656	-
Total		95,791,486	43,973,412

The amounts of the Senior tranche include:

- a nominal amount of €25,283,000 and fair value at the reporting date of €11,619,430 in respect of the acquisition of the Corporate receivable segment by BCC Leasing;
- a nominal amount of €2,030,000 and fair value at the reporting date of €932,936 in respect of the portion of the notes originally recognized in the portfolio of Banca Sviluppo SpA and transferred to the Bank's balances as a result of the merger.

The risk weights for the different types of exposures held are as follows:

- Tranche senior: 126% on the share not covered by guarantee, 0% on the share covered by guarantee
- Tranche mezzanine: 1,250.00%
- Tranche junior: 1,250.00%

The table below shows the distribution of the portfolio of loans assigned by the banks participating in the securitization by geographical area and type of guarantee, as recorded by the Servicer in the most recent reporting period. Please note that the assigned debtors all operate within Italy.

BREAKDOWN BY GEOGRAPHICAL AREA

	Amount (€/thousand)	% distribution
North-Western Italy	520,243	22.5
North-Eastern Italy	619,962	26.8
Central Italy	807,630	34.9
Southern Italy and Islands	364,363	15.8
Total	2,312,198	100.0

BREAKDOWN BY PRODUCT OF GUARANTEE

	Amount (€/thousand)	% distribution
First-degree mortgages	1,463,520	63.3
Mortgage of subsequent degrees	178,691	7.7
Unsecured	669,987	29.0
Real estate leasing	-	-
Total	2,312,198	100.0

Securitization backed by State Guarantee on liabilities issued, December 2019 (GACS III)

In December 2019 a multi-originator securitization number of portfolios of unsecured loans and mortgage loans claimed from borrowers classified as "bad loans" was completed, for which the originating banks submitted application to the Ministry for the Economy and Finance (MEF) for admission to the State Guarantee Scheme on

the liabilities issued (so-called “GACS”).

The transaction involved the disposal of a portfolio of loans identified “en bloc” classified as bad loans at the date of sale, originated by Iccrea Banca, Banca Sviluppo (merged into Iccrea Banca in 2025), BCC Leasing (former Iccrea Bancalmpresa), and 64 mutual banks belonging to the Iccrea Cooperative Banking Group (jointly the “Banks”), with a gross book value of more than €1.3 billion.

During the year, following the merger of Banca Sviluppo SpA into Iccrea Banca SpA, the carrying amounts of the securities issued as part of the securitization transaction (GACS III), originally held by Banca Sviluppo, were fully included in the balance sheet of the acquiring company.

Therefore, for the purposes of this disclosure, the exposures relating to Banca Sviluppo are included in the overall amounts reported by Iccrea Banca.

As part of the transaction, on December 2, 2019, the SPV acquired the Portfolio from the Assignor Banks, financing the purchase through the issue of asset-backed securities, pursuant to the provisions of Articles 1 and 5 of Law 130, for a total nominal value of €421.2 million, divided into the classes indicated below.

- €355,000,000.00 of Senior notes Class A Asset Backed Floating Rate Notes, maturing January 2044 rated Baa2, BBB+ e BBB by Moody’s Investor Services, Scope Rating AG and DBRS Ratings Limited, respectively;
- €53,000,000.00 of Mezzanine notes Class B Asset Backed Floating Rate Notes, maturing January 2044 rated B3, B- and CCC by Moody’s Investor Services, Scope Rating AG and DBRS Ratings Limited, respectively;
- €13,200,000.00 of Junior notes Class J Asset Backed Floating Rate and Variable Return Notes maturing January 2044 and not rated.

The notes are not listed on a regulated market.

In July 2020, Moody’s Investor Services raised the rating of the Senior note and Mezzanine note to Baa3 and Caal, respectively.

In May 2024, Scope Ratings raised the rating of the Senior note and Mezzanine note to BB- and CC, respectively.

In July 2024, DBRS Rating Limited raised the rating of the Senior note and Mezzanine note to BL and CC, respectively.

In February 2025, Moody’s Investor Services raised the rating of the Senior note and Mezzanine note to B1 and Ca respectively.

In April 2025, Scope Ratings raised the rating of the Senior note and Mezzanine note to B and C, respectively.

In July 2025, DBRS Rating Limited raised the rating of the Senior note to CCCH and confirmed the rating of the Mezzanine note at CC.

As part of the Transaction a cash reserve was established equal to 3% of the nominal value of the senior notes (€10.65 million), to manage the risk of any mismatches between the funds generated by collections and the amounts due in respect of the senior costs of the Transaction and interest on the senior notes. In accordance with market practice, this reserve was financed at the time of the issue of the notes by an interest-bearing limited recourse loan granted by the Parent Company Iccrea Banca.

The preliminary application to obtain GACS coverage for the senior notes was submitted to the MEF on January 10, 2020. The guarantee was issued on March 25, 2021.

The table below shows the amounts and annual rates of the Notes issued.

AMOUNT AND REMUNERATION OF THE NOTES ISSUED BY THE SPV

Tranche	ISIN	Amounts issued (€)	Rate
Senior Notes	IT0005394348	355,000,000	Euribor 6m + 0,30%
Mezzanine Notes	IT0005394355	53,000,000	Euribor 6m + 6,50%
Junior Notes	IT0005394363	13,200,000	12% + Class J Notes Variable Return (any additional return)
Total		421,200,000	

As discussed above in the general description of GACS securitizations, the transaction structure provides for two trigger events that determine the possibility of a change in the payment waterfall if a subordination event occurs.

In this case, the triggers are: (i) 90% for the "cumulative collection ratio," which compares the cumulative collections of the period immediately preceding the calculation period to the expected collections forecast for the same date in the transaction contracts; (ii) 90% for the "profitability ratio," equal to the ratio between the present value of the recoveries, for which the respective procedure has been concluded, and the sum of the target prices indicated in the servicer's business plan.

The table below shows the positions held by the Bank in relation to the notes actually subscribed and outstanding

NOTES SUBSCRIBED BY THE BANK

Tranche	ISIN	Nominal amount held (€)	Fair value at the reporting date
Senior Notes	IT0005394348	39,832,000	21,892,443
Mezzanine Notes	IT0005394355	316,820	25,299
Junior Notes	IT0005394363	78,908	-
Total		40,227,728	21,917,742

The amounts of the senior tranche include:

- a nominal amount of €30,962,000 and fair value at the reporting date of €17,017,318 in respect of the acquisition of the Corporate receivable segment by BCC Leasing;
- a nominal amount of €5,721,000 and fair value at the reporting date of €2,737,771 in respect of the portion of the notes originally recognized in the portfolio of Banca Sviluppo SpA and transferred to the Bank's balances as a result of the merger.

The risk weights for the different types of exposures held are as follows:

- Tranche senior: 476.76% on the share not covered by guarantee, 0% on the share covered by guarantee
- Tranche mezzanine: 1,250.00%
- Tranche junior: 1,250.00%

During 2025, the senior note of the GACS III ("BCC NPLs 2019") was allocated to stage 2 and subject to lifetime value loss quantification metrics.

The table below shows the distribution of the portfolio of loans assigned by the banks participating in the securitization by geographical area and type of guarantee, as recorded by the Servicer in the most recent reporting period. Please note that the assigned debtors all operate within Italy.

BREAKDOWN BY GEOGRAPHICAL AREA

	Amount (€/thousand)	% distribution
North-Western Italy	210,560	17.3
North-Eastern Italy	237,732	19.5
Central Italy	535,356	43.9
Southern Italy and Islands	233,360	19.1
Not available	2,163	0.2
Total	1,219,171	100.0

BREAKDOWN BY PRODUCT OF GUARANTEE

	Amount (€/thousand)	% distribution
First-degree mortgages	800,763	65.7
Mortgage of subsequent degrees	113,095	9.3
Unsecured	305,311	25.0
Real estate leasing	-	-
Total	1,219,171	100.0

Securitization backed by State Guarantee on liabilities issued, December 2018 (GACS II)

In December 2018 a multi-originator securitization number of portfolios of unsecured loans and mortgage loans claimed from borrowers classified as “bad loans” was completed, for which the originating banks submitted application to the Ministry for the Economy and Finance (MEF) for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS”).

The transaction involved the disposal of a portfolio of loans classified as bad loans at the date of sale (December 7, 2018), originated by 73 mutual banks (all belonging to the Iccrea Cooperative Banking Group), with a gross book value of more than €2 billion, to a special purpose securitization vehicle specifically formed for the Transaction denominated “BCC NPLs 2018-2 Srl”, with the concomitant grant of a servicing engagement by the latter to an independent third-party non ICBG servicer (doValue Group).

During the year, following the merger of Banca Sviluppo SpA into Iccrea Banca SpA, the carrying amounts of the securities issued as part of the securitization transaction (GACS II), originally held by Banca Sviluppo, were fully included in the balance sheet of the acquiring company.

Therefore, for the purposes of this disclosure, the exposures relating to Banca Sviluppo are included in the overall amounts reported by Iccrea Banca.

As part of the transaction, on December 7, 2018, the SPV acquired the Portfolio from the Assignor Banks, financing the purchase through the issue of asset-backed securities, pursuant to the provisions of Articles 1 and 5 of Law 130, for a total nominal value of €558.17 million, divided into the classes indicated below.

- €478.0 million in Class A Asset Backed Floating Rate Notes, maturing July 2042 (“Senior notes”), rated investment grade BBB (low) by DBRS Ratings Limited and BBB by Scope Rating, subscribed pro rata by the assignor banks;
- €60.13 million in Class B Asset Backed Floating Rate Notes, maturing July 2042 (“Mezzanine notes”), rated CCC by DBRS Ratings Limited and B+ by Scope Rating;
- €20.04 million Class J Asset Backed Floating Rate and Variable Return Notes, maturing July 2042 (“Junior notes” and together with the Senior and Mezzanine notes), not rated.

The notes are not listed on a regulated market.

In February 2024, Scope Rating raised the rating of the Senior note and Mezzanine note to CCC and C, respectively.

In October 2024, DBRS Ratings raised the rating of the Senior note to BL and confirmed the rating of the Mezzanine note at CC.

In February 2024, Scope Rating raised the rating of the Senior note and Mezzanine note to CCC and C, respectively.

In October 2025, DBRS Ratings raised the rating of the Senior note to CCC and confirmed the rating of the Mezzanine note at CC.

As part of the Transaction a cash reserve was established equal to 3% of the nominal value of the senior notes (€16.14 million), to manage the risk of any mismatches between the funds generated by collections and the amounts due in respect of the senior costs of the Transaction and interest on the senior notes. In accordance with market practice, this reserve was financed at the time of the issue of the notes by an interest-bearing limited recourse loan granted by the Parent Company Iccrea Banca.

The preliminary application to obtain GACS coverage for the senior notes was submitted to the MEF on December 27, 2018. The guarantee was issued on March 5, 2019.

The table below shows the amounts and annual rates of the Notes issued:

AMOUNT AND REMUNERATION OF THE NOTES ISSUED BY THE SPV

Tranche	ISIN	Amount issued (€)	Rate
Senior Notes	IT0005356925	478,000,000	Euribor 6m + 0,30%
Mezzanine Notes	IT0005356933	60,130,000	Euribor 6m + 6%
Junior Notes	IT0005356941	20,040,000	12% + Class J Notes Variable Return (any additional return)
Total		558,170,000	

As discussed above in the general description of GACS securitizations, the transaction structure provides for two trigger events that determine the possibility of a change in the payment waterfall if a subordination event occurs.

In this case, the triggers are: (i) 80% for the "cumulative collection ratio," which compares the cumulative collections of the period immediately preceding the calculation period to the expected collections forecast for the same date in the transaction contracts; (ii) 80% for the "profitability ratio," equal to the ratio between the present value of the recoveries, for which the respective procedure has been concluded, and the sum of the target prices indicated in the servicer's business plan.

The table below shows the positions held by the Bank in relation to the notes actually subscribed and outstanding

NOTES SUBSCRIBED BY THE BANK

Tranche	ISIN	Nominal amount held (€)	Fair value at the reporting date
Senior Notes	IT0005356925	55,423,000	29,679,677
Mezzanine Notes	IT0005356933	345,000	9,073
Junior Notes	IT0005356941	114,815	-
Total		55,882,815	29,688,750

The amounts of the senior tranche include:

- a nominal amount of €16,219,000 and fair value at the reporting date of €8,695,293 in respect of the acquisition of the Corporate receivable segment by BCC Leasing;
- a nominal amount of €39,204,000 and fair value at the reporting date of €20,984,383 in respect of the portion of the notes originally recognized in the portfolio of Banca Sviluppo SpA and transferred to the Bank's balances as a result of the merger.

The risk weights for the different types of exposures held are as follows:

- Tranche senior: 1,2500.00% on the share not covered by guarantee, 0% on the share covered by guarantee;
- Tranche mezzanine: 1,250.00%;
- Tranche junior: 1,250.00%.

The table below shows the distribution of the portfolio of loans assigned by the banks participating in the securitization by geographical area and type of guarantee, as recorded by the Servicer in the most recent reporting period. Please note that the assigned debtors all operate within Italy.

BREAKDOWN BY GEOGRAPHICAL AREA

	Amount (€/thousand)	% distribution
North-Western Italy	277,764	17.1
North-Eastern Italy	178,339	11.0
Central Italy	762,537	46.9
Southern Italy and Islands	400,401	24.6
Not available	6,584	0.4
Total	1,625,625	100.0

Securitization backed by State Guarantee on liabilities issued, June 2018 (GACS I)

In June 2018 a multi-originator securitization number of portfolios of unsecured loans and mortgage loans claimed from borrowers classified as “bad loans” was completed, for which the originating banks submitted application to the Ministry for the Economy and Finance (MEF) for admission to the State Guarantee Scheme on the liabilities issued (so-called “GACS”).

The transaction saw Iccrea Banca participate as promoter and joint arranger and 23 Group mutual banks as assignors of the same number of portfolios of non-performing unsecured and mortgage loans, mainly secured by first mortgages, with a total gross book value of €1.046 billion.

The transaction involved the sale of the for portfolios to a special purpose securitization vehicle specifically formed for the Transaction denominated “BCC NPLs 2018-2 Srl”, with the concomitant grant of a servicing engagement by the latter to an independent third-party non ICBG servicer.

In 2023, in line with contractual provisions, the role of Special Servicer, initially entrusted to Prelios Credit Servicing SpA, was taken over by Special Gardant SpA, investor of the Mezzanine and Junior notes.

During the year, following the merger of Banca Sviluppo SpA into Iccrea Banca SpA, the carrying amounts of the securities issued as part of the securitization transaction (GACS I), originally held by Banca Sviluppo, were fully included in the balance sheet of the acquiring company.

Therefore, for the purposes of this disclosure, the exposures relating to Banca Sviluppo are included in the overall amounts reported by Iccrea Banca.

As part of the transaction, on June 25, 2018, the SPV acquired the Portfolio from the Assignor Banks, financing the purchase through the issue of asset-backed securities, pursuant to the provisions of Articles 1 and 5 of Law 130, for a total nominal value of €323.86 million, divided into the classes indicated below:

- €282 million of senior notes, corresponding to 26.95% of the value of the assigned loans, which have been assigned an investment grade rating of Baa3 by Moody's and BBB- by Scope Rating, subscribed by the assignors in proportion to the exposures assigned, with maturity in June 2038;
- €31.4 million of mezzanine notes, corresponding to 3% of the value of the assigned loans, which have been assigned a rating of Caa2 by Moody's and B+ by Scope Rating, which were sold, together with the junior notes and with the exception of highlighted below, to qualified investors without any connection, interest or participation with the assignors, with maturity in June 2038;
- €10.46 million of junior notes, corresponding to 1% of the value of the assigned loans, not rated, with maturity in June 2038.

The notes are not listed on any regulated market.

In February 2024, Scope Rating raised the rating of the Senior note to CCC and confirmed the rating of the Mezzanine note at C.

In July 2024, Moody's raised the rating of the Senior note to Caa1 and confirmed the rating of the Mezzanine note at Ca.

In December 2025, Scope Rating raised the rating of the Senior note to C and confirmed the rating of the Mezzanine note at C.

As part of the Transaction a cash reserve was established equal to 5% of the nominal value of the senior notes (€14.125 million), to manage the risk of any mismatches between the funds generated by collections and the amounts due in respect of the senior costs of the Transaction and interest on the senior notes. In accordance with

market practice, this reserve was financed at the time of the issue of the notes by an interest-bearing limited recourse loan granted by the Parent Company Iccrea Banca.

The preliminary application to obtain GACS coverage for the senior notes was submitted to the MEF on July 12, 2018. The guarantee was issued on September 5, 2018.

The table below shows the amounts and annual rates of the Notes issued

AMOUNT AND REMUNERATION OF THE NOTES ISSUED BY THE SPV

Tranche	ISIN	Amount issued (€)	Rate
Senior Notes	IT0005338717	282,000,000	Euribor 6m + 0,4%
Mezzanine Notes	IT0005338741	31,400,000	Euribor 6m + 6%
Junior Notes	IT0005338758	10,460,000	12% + Class J Notes Variable Return (any additional return)
Total		323,860,000	

As discussed above in the general description of GACS securitizations, the transaction structure provides for two trigger events that determine the possibility of a change in the payment waterfall if a subordination event occurs.

In this case, the triggers are: (i) 90% for the "cumulative collection ratio," which compares the cumulative collections of the period immediately preceding the calculation period to the expected collections forecast for the same date in the transaction contracts; (ii) 90% for the "profitability ratio," equal to the ratio between the present value of the recoveries, for which the respective procedure has been concluded, and the sum of the target prices indicated in the servicer's business plan.

The table below shows the positions held by the Bank in relation to the notes actually subscribed and outstanding

NOTES SUBSCRIBED BY THE BANK

Tranche	ISIN	Nominal amount held (€)	Fair value at the reporting date
Senior Notes	IT0005338717	43,405,000	21,260,695
Mezzanine Notes	IT0005338741	262,000	-
Junior Notes	IT0005338758	86,974	-
Total		43,753,974	21,260,695

The amounts of the senior tranche include:

- a nominal amount of €16,219,000 and fair value at the reporting date of €8,695,293 in respect of the acquisition of the Corporate receivable segment by BCC Leasing;
- a nominal amount of €26,414,000 and fair value at the reporting date of €12,965,564 in respect of the portion of the notes originally recognized in the portfolio of Banca Sviluppo SpA and transferred to the Bank's balances as a result of the merger.

The risk weights for the different types of exposures held are as follows:

- Tranche senior: 1,2500.00% on the share not covered by guarantee, 0% on the share covered by guarantee
- Tranche mezzanine: 1,250.00%
- Tranche junior: 1,250.00%

The table below shows the distribution of the portfolio of loans assigned by the banks participating in the securitization by geographical area and type of guarantee, as recorded by the Servicer in the most recent reporting period. Please note that the assigned debtors all operate within Italy.

BREAKDOWN BY GEOGRAPHICAL AREA

	Amount (€/thousand)	% distribution
North-Western Italy	271,804	41.6
North-Eastern Italy	101,752	15.6
Central Italy	170,651	26.1
Southern Italy and Islands	107,315	16.5
Not available	1,217	0.2
Total	652,739	100.0

THIRD-PARTY SECURITIZATIONS

The Bank holds securities in respect of securitizations carried out by third parties in the total amount of €635 thousand.

These consist of senior unrated notes issued by the vehicle company Lucrezia Securitization Srl as part of the interventions of the Institutional Guarantee Fund for the resolution of crises at banks subjected to extraordinary administration procedures by the supervisory authorities (Bank of Italy). These notes are reported among the assets of the Group's balance sheet under "Financial assets measured at amortized cost".

The assets underlying these notes securities consist of impaired loans, largely secured in full by real estate.

Note that the Bank does not perform any servicer activities for third-party securitizations and does not hold any interest in the related special purpose vehicles.

During the year, value adjustments to securities held came to €205,000.

The transaction is subject to the provisions of Regulation (EU) 575/2013, as amended by Regulation (EU) No. 2017/2401 and Regulation (EU) 2021/558.

In this regard, having considered the comprehensive and timely availability of information on the composition of the various portfolios underlying the securitization transactions, the weighting is determined based on the weighted average risk factor that would be applied to the securitized exposures if the Bank held them directly.

DESCRIPTION OF THE PROCEDURES TO MONITOR CHANGES IN THE CREDIT AND MARKET RISKS OF SECURITIZATION EXPOSURES AND THE IMPACT OF THE PERFORMANCE OF UNDERLYING ASSETS ON THESE EXPOSURES

The procedure adopted by the Bank for the transfer and monitoring of risks in the context of "own" securitization transactions is based on an approach centralized by the Parent Company, whereby each transaction undertaken by individual affiliated banks and other direct scope banks and companies is assessed by the Parent Company before any commitment is made. The Parent Company is responsible for the overall governance of this operational sector at Group level as:

- It is responsible for defining the policies for managing the Group's SRT;
- It centrally monitors exposure to the SRT;
- It manages the SRT at Parent Company level.

The adopted management model applies an escalation mechanism during the set-up, closing, and restructuring phases. In this regard, the Parent Company does not grant approval for the transaction if, during the set-up, closing, and restructuring phases, critical issues arise that prevent the recognition of the SRT or that may hypothetically and/or prospectively compromise its existence.

In that case, the Originating Functions:

- may decide to remodulate the transaction, requesting the support of the functions responsible for identifying the causes preventing the SRT;
- remodulate the transaction in order to pursue strategic objectives other than the achievement of the SRT.

The Parent Company prepares communications or requests to the competent Authority and, on behalf of the originating banks, ensures their transmission within the regulatory deadlines. These include:

- the proactive notification, to be submitted at least three months in advance of the expected day of closing the transaction for the purposes of:
 - recognizing the significant risk transfer pursuant to Article 244, paragraph 2, of the CRR;
 - requesting the recognition of significant risk transfer pursuant to Article 244, paragraph 3 of the CRR.
- the definitive documentation relating to the final terms of the completed transaction, to be sent within 15 calendar days from closing.

The control model is structured to allow the originating functions, at the closing of the transaction and from time to time, in agreement with the competent functions, to transfer the information flows necessary for periodic monitoring aimed at verifying the permanence of the SRT requirements.

Periodic information flows are however foreseen, unless otherwise agreed with the relevant functions.:

- periodic reporting: servicer report, investor report, payment report;
- any updates to business plans and amortization plans.

With the same periodicity of the payment dates pursuant to the transaction contract, based on the above information flows, the compliance with the SRT requirements is verified by providing information in this regard to the administrative bodies of the Originators and the Parent Company.

During the monitoring phase, if the existence of the requirements for the SRT is not confirmed, the escalation processes are the same as those defined for the set-up and closing phase.

RELATIONSHIPS WITH VEHICLES THAT THE BANK, AS PROMOTER, USES FOR THIRD-PARTY SECURITIZATIONS

The Bank has not acted as promoter of securitization transactions, does not perform any servicer activities for third-party securitizations and does not hold any interest in the related special purpose vehicles.

SUMMARY OF THE ACCOUNTING POLICIES ADOPTED BY THE BANK IN RELATION TO SECURITIZATION TRANSACTIONS

In addition to the information already provided in the discussion of transactions involving the Bank as originator and/or underwriter of the securities issued, a summary of the accounting policies adopted by the Bank in relation to securitization transactions is provided below. In order to assess the compliance with the derecognition requirements, the Bank refers to the provisions contained in IFRS 9 "Financial instruments: recognition and measurement" and, in particular, to the flow chart provided by IFRS 9 B 3.2.1 (so-called "Derecognition decision tree") which offers a valid aid in understanding whether (and, if so, to what extent) a financial asset should or should not be derecognized from the assignor's financial statements.

The procedure follows the following steps:

- determination of whether to include in the consolidated financial statements the special purpose vehicle, receiving the receivables and the separate assets including the bad debts and the issued notes (IFRS 9 paragraph 3.2.1);
- application of the derecognition principles to a part of the assets or all of the assets (IFRS 9 paragraph 3.2.2);
- determination of whether the cash flows from the assets have expired (IFRS 9 paragraph 3.2.3(a));
- determination of whether the right to receive the cash flows from the asset have been transferred (IFRS 9 paragraph 3.2.4 (a));
- based on the result of the previous step, assessment of whether there is an obligation to pay the cash flows from the assets meeting the conditions in IFRS 9 paragraph 3.2.5 (cd. pass-through);
- assessment of whether substantially all risks and rewards of the securitized assets have been transferred (IFRS 9 paragraph 3.2.6 a);
- if the entity has not transferred nor retained substantially all risks and rewards of the securitized assets,

assessment of whether it retains control of the assets (IFRS 9 paragraph. 3.2.6 c).

At the end of this procedure, securitization transactions accounted pursuant to IFRS 9 (in particular in the paragraphs relating to derecognition) are divided into two types depending on whether the underlying assets are to be derecognized or not by the assignor.

Securitization with derecognition

If all the risks and rewards associated with the assets being securitized have actually been transferred, the originator Bank derecognizes such assets, recognizing the consideration received and any profit or loss from the sale.

If the consideration received does not consist entirely of cash, but partly of financial assets, the latter are initially recognized at fair value and the fair value is included in the determination of the gain or loss on disposal.

Arrangement costs incurred by the assignor are recognized when incurred, as they are not attributable to any financial asset present in the balance sheet.

In light of the above, the assets sold are derecognized and the consideration for the sale (determined as the sum of cash received and the fair value of any securities subscribed to complement the overall consideration), as well as the related profit or loss, are recognized in the financial statements at the date of closing the transaction. More generally, the recognition date of the transfer depends on the contractual clauses. For example, if the cash flows of the assigned assets are transferred after the contract is signed, the assets are derecognized and the result of the transfer is recognized at the time of the transfer of the cash flows. If a sale is subject to conditions precedent, the assets are derecognized and the result of the sale is recognized upon termination of the condition precedent. The result of the sale, recognized in the income statement, is generally defined, net of any other components, as the difference between the consideration received—as previously classified—and the net carrying amount of the assets sold, which are derecognized.

Securizations with no derecognition of assigned assets

If a transfer does not result in derecognition because the originator Bank retains substantially all the risks and rewards associated with ownership of the transferred assets, the originator continues to recognize the transferred assets in their entirety (as transferred and not derecognized assets) and recognizes a financial liability for the consideration received.

A common example of a transfer that does not imply derecognition is when the originator transfers a portfolio of receivables to a special purpose vehicle but fully subscribes the junior class of securities issued by the latter (thereby retaining the substantially prevailing portion of the risks and rewards of the underlying assets) and/or provides collateral for the transaction. In the event of no derecognition, the securitized receivables continue to be recognized by the assignor; furthermore, following the transfer, the assignor is required to recognize any income from the transferred asset and any costs incurred on the recognized liability without offsetting costs and revenues. The portfolio of assigned receivables continues to be classified in the category of receivables to which it originally belonged and, consequently, if the conditions are met, continues to be measured at amortized cost and valued (individually or collectively) as if the transaction had never taken place.

Again, in accordance with the relevant provisions in IFRS 9, the arrangement costs incurred by the originator are recognized in the income statement when incurred.

Below, we provide a list of the securitizations in which the Bank participated as the transferor with and without derecognition.

Securizations with derecognition of assigned assets

- GACS I;
- GACS II;
- GACS III;
- GACS IV;

- GACS V;
- GACS VI.

Provisions for guarantees issued and commitments

Provisions for estimated possible cash flows disbursements connected to the credit risk in respect of commitments and guarantees issued in the context of securitization transactions, determined by applying the same criteria adopted for other types of receivables, are included under the item provisions for risk and charges, sub-item commitments and guarantees issued, as required by the instructions of the Bank of Italy.

Exposures in respect of securitizations– banking book

Securitization positions might undergo impairment following a significant reduction in fair value compared to the carrying amount or in the presence of potential signs of impairment. If one of these conditions occurs, the securitization is analyzed to determine whether the reduction in fair value is due to a general increase in spreads on the secondary market or to a deterioration in the collateral. In the first case, the conditions for impairment are not met; in the second, the analysis focuses on the performance of the underlying assets, which constitute the vehicle's assets, and how such performance is reflected in the payment waterfall of the securities being analyzed.

As specifically regards the securitizations originated by the Bank for which reliable business plans are available, the analysis is conducted on available cash flows; for non-performing products, the analysis focuses on the writedowns of the underlying receivables, the recovery plan prepared and updated by the servicer, and the characteristics of the payment waterfall.

For third-party securitizations, the parameters/triggers/covenants established at issuance are monitored, which govern the payment waterfall or, in extreme cases, the early termination of the deal. This analysis is based on the information set consisting of periodic communications from the vehicle managers and, where applicable, rating agencies, along with the issuance documents (prospectus, master receivables agreement, etc.).

If these analyses do not provide evidence of a breach that would compromise the payment of principal and interest, it is not necessary to proceed with the impairment of the portfolio security; however, if the possibility of a failure (full or partial) to repay the principal or to pay interest emerges, due to a change in the priority of payments and/or a reduction in the value of the collateral, the security must be written down.

With regard to the determination of impairment pursuant to IFRS 9, starting from December 31, 2024, the Group framework has provided for new methods of defining the staging of notes arising from GACS sales transactions and the consequent determination of their impairment. Based on evidence of a trigger event regarding the Cumulative Collection Ratio indicator (ratio between actual and estimated cumulative net collections in the original business plan),¹⁴⁰ in 2025 the senior note of GACS I (BCC NPL 2018 Srl) and the senior note of GACS II (BCC NPL 2018-2 Srl) were classified in stage 3 and the senior note of GACS III ("BCC NPLs 2019") was classified in stage 2 with the consequent application of the lifetime valuation metric for the determination of impairment. The senior notes of the remaining GACS securitizations are classified in stage 1 and subject to "1 year" valuation metrics.

Exposures in respect of securitizations – trading book

Exposures in the trading book are measured at fair value. For more information on the determination of fair value, see the section on market risks.

¹⁴⁰ The occurrence of this trigger activated, among other things, a Subordination Event, i.e. the subordination of the payment of Class B interest to the repayment of the Class A capital.

QUANTITATIVE DISCLOSURES

C.1 EXPOSURES IN RESPECT OF MAIN OWN SECURITIZATIONS BY TYPE OF SECURITIZED ASSETS AND TYPE OF EXPOSURE

		On-balance-sheet exposures						Guarantees issued						Credit lines					
		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
		Carrying amount	Writedowns/writebacks	Carrying amount	Writedowns/writebacks	Carrying amount	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks	Net exposure	Writedowns/writebacks
A. Fully derecognized																			
Loans	impaired exposures	4,264	(3,153)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	performing exposures	7,004	6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	performing exposures	5,090	(824)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	impaired exposures	1,272	(662)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	performing exposures	2,605	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans	performing exposures	6,216	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 2018-2/TV ABS 20420731	impaired exposures	29,680	92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 22 22/31,01,47 TV	impaired exposures	4,615	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 2018/TV ABS 20380630 S	impaired exposures	21,261	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 21 CL A	impaired exposures	1,940	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 20 20/45 TV CL A	impaired exposures	43,633	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 20 19/44 CL A	impaired exposures	21,892	(1,613)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 21 CL B	impaired exposures	-	-	42	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 20 20/45 TV CL B	impaired exposures	-	-	340	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 20 19/44 TV	impaired exposures	-	-	25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 2018-2/TV ABS 20420731	impaired exposures	-	-	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 22 22/31,01,47 TV	impaired exposures	-	-	74	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BCC NPLS 21 CL C	impaired exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The exposures reported in the table regard to the securitization transactions, carried out pursuant to Law 130/91, different from the self-securitization transactions in which at the time of issue the Bank repurchased the full amount of the notes issued by the special purpose vehicle.

C.2 EXPOSURES IN RESPECT OF MAIN THIRD-PARTY SECURITIZATIONS BY TYPE OF SECURITIZED ASSETS AND TYPE OF EXPOSURE

	On-balance-sheet exposures						Guarantees issued						Credit lines					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Carrying amount	Write-downs/writebacks	Carrying amount	Write-downs/writebacks	Carrying amount	Write-downs/writebacks	Net exposure	Write-downs/writebacks	Net exposure	Write-downs/writebacks	Net exposure	Write-downs/writebacks	Net exposure	Write-downs/writebacks	Net exposure	Write-downs/writebacks	Net exposure	Write-downs/writebacks
A. Fully derecognized																		
LUCREZIA SECURISATION SRL - CREDIVENETO	292	(40)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LUCREZIA SECURISATION SRL - PADOVANA IRPINIA	342	(115)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
LUCREZIA SECURISATION SRL - TERAMO	1	(51)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The exposures reported in the table refer to securities held and loans disbursed by the Bank in respect of third-party securitizations that, at the reporting date, totaled €635 thousand (carrying amount).

More specifically, these are unrated securities issued by the special purpose vehicle “Lucrezia Securitisation Srl” following the securitization of portfolios of bad loans acquired as part of the measures to resolve the crises of BCC/CRA Banca Padovana and BCC Irpina, Crediveneto and BCC Teramo

Following the merger of Banca Sviluppo SpA into Iccrea Banca SpA, the carrying amount relating to the securities issued originally held by Banca Sviluppo were fully included in the balance sheet of the incorporating company.

C.3 SPECIAL PURPOSE SECURITIZATION VEHICLES

	Registered office	Consolidation	Assets			Liabilities		
			Loans	Debt securities	Other	Senior	Mezzanine	Junior
Lucrezia Securitisation srl - Padovana/Irpina	Via Mario Carucci 131, Rome	no	2,232	-	-	86,838	-	-
Lucrezia Securitisation srl - Crediveneto	Via Mario Carucci 131, Rome	no	1,966	-	-	29,615	-	-
Lucrezia Securitisation srl - Castiglione	Via Mario Carucci 131, Rome	no	758	-	-	30,561	-	-
BCC sell NPLS 2022	Via V. Alfieri n. 1 31015 CONEGLIANO (TV) Italy	no	47,295	-	-	84,828	4,137	-
BCC NPLS 2019	Via V. Alfieri n. 1 31015 CONEGLIANO (TV) Italy	no	85,934	-	-	190,381	33,634	3,305
BCC NPL 2018-2	Via V. Alfieri n. 1 31015 CONEGLIANO (TV) Italy	no	105,899	-	-	282,025	30,440	8,996
BCC NPLS 2021	Via V. Alfieri n. 1 31015 CONEGLIANO (TV) Italy	no	104,575	-	-	126,507	18,216	3,299
BCC NPLS 2020	Via V. Alfieri n. 1 31015 CONEGLIANO (TV) Italy	no	145,154	-	-	235,050	22,098	4,067
BCC NPL 2018	Via V. Alfieri n. 1 31015 CONEGLIANO (TV) Italy	no	37,068	-	-	145,930	18,253	3,983

C.4 UNCONSOLIDATED SPECIAL PURPOSE SECURITIZATION VEHICLES

There are no such positions as of the reporting date.

C.5 SERVICER ACTIVITIES – OWN SECURITIZATIONS: COLLECTIONS ON SECURITIZED ASSETS AND REDEMPTION OF SECURITIES ISSUED BY SECURITIZATION VEHICLE

There are no such positions as of the reporting date.

D. DISCLOSURES ON UNCONSOLIDATED STRUCTURED ENTITIES (OTHER THAN SECURITIZATION VEHICLES)

QUANTITATIVE DISCLOSURES

Items/Type of structured entities	Asset portfolios (*)	Total assets (A)	Liability portfolios	Total liabilities (B)	Net carrying amount (C=A-B)	Maximum exposure to loss risk (D)	Difference between exposure to loss risk and carrying amount (E=D-C)
1. Vehicle company							
1.CIU							
	Other financial assets mandatorily measured at fair value		326,906		326,906	326,906	-
	Financial assets held for trading		1,408		1,408	1,408	-

E. DISPOSALS

The information provided below applies to all assignments (including securitizations).

A. FINANCIAL ASSETS ASSIGNED BUT NOT FULLY DERECOGNIZED**QUALITATIVE DISCLOSURES**

The operations mainly regard the use of government securities holdings for short- and medium-term repurchase transactions and receivables from customers assigned in the Group's securitization of its own assets.

QUANTITATIVE DISCLOSURES**E.1 FINANCIAL ASSETS ASSIGNED BUT FULLY RECOGNIZED AND ASSOCIATED FINANCIAL LIABILITIES: CARRYING AMOUNTS**

	Financial assets assigned but fully recognized				Associated financial liabilities		
	Carrying amount	of which: securitized	of which: sold with agreement to repurchase	of which: impaired	Carrying amount	of which: securitized	of which: sold with agreement to repurchase
A. Financial assets held for trading	-	-	-	X	-	-	-
1. Debt securities	-	-	-	X	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
B. Other financial assets mandatorily measured at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
C. Financial assets designated as at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Loans	-	-	-	-	-	-	-
D. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity securities	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
E. Financial assets measured at amortized cost	6,474,229	-	6,474,229	-	6,782,274	-	6,782,274
1. Debt securities	6,474,229	-	6,474,229	-	6,782,274	-	6,782,274
2. Loans	-	-	-	-	-	-	-
Total 31/12/2025	6,474,229	-	6,474,229	-	6,782,274	-	6,782,274
Total 31/12/2024	5,226,942	-	5,226,942	-	5,309,126	-	5,309,126

E.2 FINANCIAL ASSETS ASSIGNED AND PARTIALLY RECOGNIZED AND ASSOCIATED FINANCIAL LIABILITIES: CARRYING AMOUNTS

The table has not been completed because there were no such positions as at the reporting date.

E.3 DISPOSALS INVOLVING LIABILITIES WITH RECOURSE ONLY ON ASSIGNED ASSETS NOT FULLY DERECOGNIZED: FAIR VALUE

The table has not been completed because there were no such positions as at the reporting date.

B. FINANCIAL ASSETS ASSIGNED AND FULLY DERECOGNIZED WITH RECOGNITION OF CONTINUING INVOLVEMENT

The section has not been completed because there were no such positions as of the reporting date.

C. FINANCIAL ASSETS ASSIGNED AND FULLY DERECOGNIZED

QUALITATIVE DISCLOSURES

At December 31, 2025, the Bank held shares in investment funds acquired as part of multi-originator assignments of loan portfolios, as detailed below.

BACK2BONIS FUND- PROJECT CUVÉE DISPOSAL

On December 3, 2021 Iccrea Banca S.p.A., and the Group bank Cassa Rurale ed Artigiana di Binasco - Credito Cooperativo S.C. completed the assignment of unlikely-to-pay (UTP) loans to the SPV 130 Ampre Srl receiving in exchange units in the Back2Bonis fund, a restricted Italian alternative closed-end investment fund, managed by Prelios SGR SpA.

Iccrea Banca and CRA Binasco do not hold any interest in the vehicle and do not act as servicers for the transaction.

The disposal is part of a broader operation involving Italy's leading banking groups, including Intesa, Unicredit, MPS and BPM, denominated Project Cuvée.

Objective of the disposal

AMCO (Special and Master Servicer) and Prelios (Real Estate Partner and manager of the Fund through Prelios SGR) sponsor a multi-originator platform to manage UTP positions in respect of loans and credit lines granted to companies operating in the real estate sector with the intention to offer the assigning banks the following benefits:

- increase potential recoveries thanks to specific skills in real estate;
- enhance the efficiency of the management of real estate projects through the restructuring of the financial position of the borrowers and the new finance made available by the fund;
- maximize the sale value of the properties on the basis of agreed business plans, with a consequent financial benefit from the recovery of the loans;
- deconsolidate the impaired loans contributed to the Back2Bonis fund and recognize the units of the fund, with a consequent reduction in the NPE ratio of the assignor banks.

Implementation of the disposal

Iccrea Banca participated in Wave 4 of the Cuvée Project in respect of a portfolio of 3 positions with a gross carrying amount of €8.5 million. This brought the value of loans under management by the Back2Bonis Fund to €1.1 billion.

Against the assignment of the loans, Iccrea Banca received 9.1 units with a nominal value of €4.3 million (€467 thousand per unit), representing 0.8% of the Fund's capital.

BACK2BONIS FUND - PROJECT QUANTUM DISPOSAL

On December 12, 2023, within the broader scope of the overall derisking operation denominated Quantum, the following mutual banks belonging to the Group completed the second assignment to Back2Bonis (B2B), a restricted Italian alternative closed-end investment fund reserved for professional investors established and managed by Prelios SGR SpA of impaired exposures in respect of mortgage loans or unsecured loans classified as unlikely to pay:

- Emil Banca – Credito Cooperativo – S.C.;
- Iccrea Banca SpA;
- Banca di Credito Cooperativo di Alba, Langhe, Roero e Del Canavese S.C..

Implementation of the disposal

As with the previous assignment, the Fund provides for the issue a single class of unit bearing the same administrative and property rights for all unitholders, in accordance with its Rules.

In December 2023, the banks assigned, for consideration and without recourse, loan portfolios mainly classified as unlikely to pay to the SPV 130 securitization vehicle established pursuant to Law 130/1999. The loans were assigned in full to the vehicle, of which the Fund, managed independently by the SGR is the sole noteholder.

Against the assignment of the loans to the vehicle, each bank subscribed units of the B2B Fund, which in turn subscribed the notes issued by SPV 130 to offset the Fund's receivable due from the latter as a result of the assignments.

At the assignment date, the gross and net carrying amount of the loans assigned by the banks came to €9.6 million and €3.5 million, respectively.

Objective of the disposal

For the assignor banks, the objective of the transaction is to achieve the following main benefits:

- increase potential recoveries thanks to specific skills in the sectors of the target companies and restructuring operations;
- stabilize the financial condition of the borrowers, including through the provision of new finance made available by the fund;
- deconsolidate the impaired loans contributed and recognize the units of the fund, with a consequent reduction in the NPE ratio of the assignor banks.

Accounting treatment

No Group entity has power over the relevant activities of the fund, although each assignor and the Group as a whole are exposed to the variable returns of the operation. This circumstance rules out application of IFRS 10 for the purposes of consolidating the Fund. Having verified the other conditions for derecognition, the loans were derecognized and the units acquired were recognized.

The assignment thus led to the full derecognition of the assigned loans by the assignor banks. The fund units are classified under "Financial assets mandatorily measured at fair value through profit or loss", since their nature and contractual characteristics mean they do not pass the SPPI test. In compliance with the applicable accounting standards and the policies, criteria and methods defined by the Group, the value of the units was modified at December 31, 2023 to take account of the liquidity adjustment. For more information, please see Part A "Accounting policies" of these notes to the financial statements.

The value of the units recognized at December 31, 2025 came to €7.6 million (including the liquidity adjustment).

Prudential treatment of the units recognized

The units are weighted in accordance with the rules set out in Articles 132 et seq. of Regulation (EU) 876/2019 (CRR2), applying the Look-Through Approach (LTA).

ILLIMITY CREDIT & CORPORATE TURNAROUND DISPOSAL

Description of the disposal

On April 1, 2021 Iccrea Banca SpA and the Group banks La BCC Ravennate, Forlivese e Imolese, Chiantibanca and BCC Leasing completed the assignment of unlikely-to-pay (UTP) loans to the Illimity Credit & Corporate Turnaround fund, a restricted Italian alternative closed-end investment fund, established on the same date, receiving in exchange units in the fund managed by Illimity SGR. Iccrea Banca and the Group's banks do not act as servicers for the transaction. The disposal is part of a broader operation involving Italy's leading banking groups, including BPER Group, BNL, B. Pop. di Sondrio, Banca Sella, CR Ravenna, Banco Desio, Credit Agricole and CR Asti.

In 2024, another assignment operation of UTP positions to the Illimity Credit & Corporate Turnaround Fund was finalized, within the Flowers project, involving Iccrea Banca, BCC Cantù, BCC Cremasca e Credito Padano. The assignment regarded non-performing loans for a gross book value of €14.5 million against units of a fund managed by Illimity Sgr. The net book value was about €10.6 million.

At the assignment date, the gross and net carrying amount of the loans assigned by the Bank came to €10.7 million and €2.4 million, respectively.

Illimity CCT (the “Fund”) is the first fund launched by Illimity SGR, an asset management company established and owned by Illimity Bank. The Fund focuses on UTP exposures and in general on loans to companies in situations of financial strain but with good prospects for restructuring and revival (the “Target” companies), a market segment in which Illimity Bank is already present with its SME division.

The purpose of the Fund is to increase the value of its assets, through investment and capital appreciation transactions primarily at medium and long term mainly involving the purchase and/or subscription and/or assignment and/or or the sale, directly or indirectly, of loans, financing and, under certain conditions, other instruments, as well as through the provision of new financing from the Fund's assets, also through the possible activation of the legal instruments of protection and privilege/non-subordination of such new resources offered by law. The Fund can carry out divestment operations even in the short term if these are carried out in the interest of the Investors.

On November 12, 2024, the Board of Directors of the Fund approved some amendments to the Fund Regulations which led to the implementation of a multi-segment structure with an "Accelerated" segment consisting of a portfolio of selected positions, a "Core" segment, consisting of the residual portfolio and a "Secured" segment, dedicated to SACE/MCC secured positions.

Objective of the disposal

Illimity CCT (the “Fund”) is the first fund launched by Illimity SGR, an asset management company established and owned by Illimity Bank. The Fund will focus on UTP exposures and in general on loans to companies in situations of financial strain but with good prospects for restructuring and revival (the “Target” companies), a market segment in which Illimity Bank is already present with its SME division.

The Fund has a maximum size of €600 million, with variable participation between Credit units, subscribed by the assignors of the UTP loans, and Finance units, subscribed by investors other than the assignor banks, with repayment waterfalls and specified returns.

Based on the latest business plan available, the estimated IRR for the Credit units is on the order of 1%, with the Fund to close in 2029.

For the assignor banks, the objective of the transaction is to achieve the following main benefits:

- increase potential recoveries thanks to specific skills in the sectors of the target companies and restructuring operations;
- stabilize the financial condition of the borrowers, including through the provision of new finance made available by the fund;
- achieve economies of scale to maximize the value of receivables from the same Target assigned by different banks;
- deconsolidate the impaired loans contributed and recognize the units of the fund, with a consequent reduction in the NPE ratio of the assignor banks.

Implementation of the disposal

Iccrea Banca participated in the Wave 1 in respect of a portfolio of 4 positions with a gross carrying amount of €16.9 million, receiving in exchange units in the fund for a nominal amount of €11.6 million equal to about 7% of the Crediti units of the Fund.

The transfer of the portfolio in 2024 involved its non-recourse assignment to a securitization vehicle (set pursuant to Law 130/1999) (the «SPV»), transferring to the SPV all rights connected with the realization of the assigned loans, i.e. the right to collect cash flows, including rights to collateral and unsecured guarantees, various accessory rights and the right to pursue actions to achieve the obligor performance. In order to finance the purchase of the loans, the SPV issued untranching “asset-backed securities” (“ABS securities”) fully invested in the Fund's segments. In exchange for the assignment, the assignors received units in the Fund in proportion to the value of the transferred loans.

transferring to the SPV all rights connected with the realization of the assigned loans, i.e. the right to collect cash flows, including rights to collateral and unsecured guarantees, various accessory rights and the right to pursue actions to achieve borrower performance

Following the introduction of the multi-segment structure, as per the above-mentioned amendments to the Rules, the Accelerated segment issued 4 classes of units which are entitled to the rights summarized below:

- “A Units” (Initial “Crediti”): subscribed by the assignor banks and in general by professional investors, in exchange for the transfers and/or assignment of loans and/or financial instruments and/or through cash payments, without prejudice to the possibility of carrying out compensations;
- “A1 Units” (Subsequent “Crediti” and, jointly with the Initial Crediti units, “Crediti”): exclusively subscribed by the assignor banks and in general by professional investors, against assignment and/or contributions of loans and/or financial instruments and/or through cash payments for any adjustments provided for by the Rules. These Crediti units have the same rights as the Initial Credit but can be issued exclusively in the New Subscription Period;
- “B Units” (“Finanza”): subscribed by Professional Investors against cash payments. This liquidity will be invested by the Fund in the purchase of UTP positions and/or in the provision of new finance or capital in the companies underlying the assigned loans, as part of a strategy of the Fund aimed at maximizing the probability of success of the restructuring operations of such companies and optimizing the recovery of the exposures;
- “C Units”: reserved to the asset manager and the members of the Fund Management Team in exchange of cash payments

The Core and PLG segments provide for the issue of the following 4 (four) classes, to which apply the rights indicated in the Fund Rules:

- “A” or “Crediti”;
- “B” or “Finanza”;
- “C1”;
- “C2”.

In exchange for the assignments, each bank received class A and A1 Fund units (now divided and allocated to the various segment) in proportion to the value of the assigned loans.

Accounting treatment

No Group entity has power over the relevant activities of the fund, although each assignor and the Group as a whole are exposed to the variable returns of the operation. This circumstance rules out application of IFRS 10 for the purposes of consolidating the Fund. Having verified the other conditions for derecognition, the loans were derecognized and the units acquired were recognized.

The assignment thus led to the full derecognition of the assigned loans by the assignor banks. The fund units are classified under “Financial assets mandatorily measured at fair value through profit or loss”, since their nature and contractual characteristics mean they do not pass the SPPI test. In compliance with the applicable accounting standards and the policies, criteria and methods defined by the Group, the value of the units was modified at December 31, 2024 to take account of the liquidity adjustment. For more information, please see Part A “Accounting policies” of these notes to the financial statements.

The value of the units recognized at December 31, 2025 came to €15.5 million (including the liquidity adjustment).

Prudential treatment of the units recognized

The units are weighted in accordance with the rules set out in Articles 132 et seq. of Regulation (EU) 876/2019 (CRR2), applying the Look-Through Approach (LTA).

ILLIMITY REAL ESTATE CREDIT FUND DISPOSAL

Description of the disposal

On August 8, 2022 Iccrea Banca SpA and the Group banks BCC Ravennate, Forlivese e Imolese, Chiantibanca and BCC Leasing completed the assignment of unlikely-to-pay (UTP) loans to the Illimity Credit & Corporate Turnaround Fund, a restricted Italian alternative closed-end investment fund, established on the same date, receiving in exchange units in the fund managed by Illimity Sgr.

ICCREA Banca and the Group's banks do not act as servicers for the transaction.

The disposal is part of a broader operation involving Italy's leading banking groups, including BPER Group, BNL, B. Pop. di Sondrio, Banca Sella, CR Ravenna, Banco Desio, Credit Agricole and CR Asti.

During 2024 the Group finalized 2 other assignments to the Fund. In the third quarter of 2024, the Flowers operation was closed, with the assignment of four further positions classified as UTP for a gross book value of about €15.6 million and a net book value of about €6.3 million. The transaction was closed on September 30, 2024.

The transaction carried out in 2024 involved the non-recourse assignment of the portfolio to a securitization vehicle (SPV, set up pursuant to Law 130), transferring to the SPV all rights connected with the realization of the assigned loans, i.e. the right to collect cash flows, including rights to collateral and unsecured guarantees, various accessory rights and the right to pursue actions to achieve borrower performance.

Objective of the disposal

For the assignor banks, the objective of the transaction is to achieve the following main benefits:

- increase potential recoveries thanks to specific skills in the sectors of the target companies and restructuring operations;
- improve the value of financed real estate initiatives;
- achieve economies of scale to maximize the value of receivables from the same Target assigned by different banks;
- deconsolidate the impaired loans contributed and recognize the units of the fund, with a consequent reduction in the NPE ratio of the assignor banks, as part of the broader de-risking action carried out by the Group to implement the disposal objectives defined by the NPE Plan.

Implementation of the disposal

The loans assigned by the bank came to a gross carrying amount of €18.1 million, with a total NAV of €8.6 million, equal to 25.1% of the Fund units at December 31, 2022. The net carrying amount at the assignment date was €6.8 million.

At the assignment date 2024, the gross and net carrying amount of the loans assigned by the Bank came to €4 million and €3 million, respectively.

Accounting treatment

No Group entity has power over the relevant activities of the fund, although each assignor and the Group as a whole are exposed to the variable returns of the operation. This circumstance rules out application of IFRS 10 for the purpose of consolidating the Fund. Having verified the other conditions for derecognition, the loans were derecognized and the units acquired were recognized.

The assignment thus led to the full derecognition of the assigned loans by the assignor banks. The fund units are classified under "Financial assets mandatorily measured at fair value through profit or loss", since their nature and contractual characteristics mean they do not pass the SPPI test. In compliance with the applicable accounting standards and the policies, criteria and methods defined by the Group, the value of the units was modified at December 31, 2024 to take account of the liquidity adjustment. For more information, please see Part A "Accounting policies" of these notes to the financial statements.

The value of the units recognized at December 31, 2025 came to €9.8 million (including the liquidity adjustment).

Prudential treatment of the units recognized

The units are weighted in accordance with the rules set out in Articles 132 et seq. of Regulation (EU) 876/2019 (CRR2), applying the Look-Through Approach (LTA).

"UTP ITALIA FUND - COMPARTO CREDITI DISPOSAL"

As part of the broader "MIBLE" derisking operation, the transfer of impaired loans represented by bad loans and UTPs was completed in the first quarter of 2023, largely relating to households and small economic operators,

mainly mortgages backed by residential and commercial guarantees to the “UTP Italia – Comparto Crediti” Fund, a restricted Italian alternative closed-end investment fund for professional investors.

The transaction consisted of two assignments:

- in February 2023, the first assignment was completed with a portfolio of individual loans amounting to about 102.8 million, involving 39 mutual banks and the Parent Company Iccrea Banca;
- in September 2023, the second assignment was completed by the Parent Company Iccrea Banca and 26 mutual banks in the total amount of €33.5 million.

The purpose of the Fund is the professional management and development of its assets over a medium/long-term horizon. This management activity is performed with the aim of dividing any net profits deriving from both the management and sale of the investments among the participants.

Implementation of the disposal

The Fund has two segments: (a) “Fondo UTP ITALIA - Comparto Crediti” and (b) “Fondo UTP ITALIA – Comparto Nuova Finanza”. Each segment issues a single class of unit, namely the “Comparto Crediti” units and the “Comparto Nuova Finanza” units.

The participating banks assigned portfolios mainly including unlikely to pay loans (UTP) to the “UTP Italia - Comparto Crediti” Fund in exchange for the subscription of units of the Fund itself. The manager of the fund, which is owned by leading national banking groups and which is inspired by ethical management principles with a “back to performing” recovery approach, is Sagitta SGR, while Intrum plays the role of servicer and Zenith Service acts as master servicer.

At the assignment dates, the gross carrying amount and the net carrying amount of the loans assigned by the banks came to €2.3 million and €0.4 million, respectively.

Objective of the disposal

For the assignor banks, the objective of the transaction is to achieve the following main benefits:

- increase potential recoveries thanks to specific skills in the sectors of the target companies and restructuring operations;
- stabilize the financial condition of the borrowers, including through the provision of new finance made available by the fund;
- deconsolidate the impaired loans contributed and recognize the units of the fund, with a consequent reduction in the NPE ratio of the assignor banks.

Accounting treatment

No Group entity has power over the relevant activities of the fund, although each assignor and the Group as a whole are exposed to the variable returns of the operation. This circumstance rules out application of IFRS 10 for the purposes of consolidating the Fund. Having verified the other conditions for derecognition, the loans were derecognized and the units acquired were recognized.

The assignment thus led to the full derecognition of the assigned loans by the assignor banks. The fund units are classified under “Financial assets mandatorily measured at fair value through profit or loss”, since their nature and contractual characteristics mean they do not pass the SPPI test. In compliance with the applicable accounting standards and the policies, criteria and methods defined by the Group, the value of the units was modified at December 31, 2023 to take account of the liquidity adjustment. For more information, please see Part A “Accounting policies” of these notes to the financial statements.

The value of the units recognized at December 31, 2025 came to €1.4 million (including the liquidity adjustment).

Prudential treatment of the units recognized

The units are weighted in accordance with the rules set out in Articles 132 et seq. of Regulation (EU) 876/2019 (CRR2),

applying the Look-Through Approach (LTA).

D. TRANSACTIONS IN COVERED BONDS

COVERED BOND 1

With regard to covered bonds, in 2025 three additional assignments of the covered bond program, started in 2021, were completed, giving the Group an additional medium-long term funding channel. The program, the first in the cooperative banking industry in Italy, involves Iccrea Banca as the issuer of covered bonds and a number of affiliated banks as assignors and servicers of a portfolio of primary credit quality mortgages pledged to secure the bonds issued.

The Program aims at providing investors with a secured product that can be used to improve their medium/long-term financial profile. Given the evolution of the financial markets, it is part of a broader strategy aimed at:

- contain funding costs, thanks to considerable attractiveness of covered bonds as instruments issued directly by a bank whose repayment is also secured by a segregated asset pool (in this case, residential mortgage loans). Thanks to their ability, in the event of bankruptcy of the issuing bank, to recover their position against specially segregated high quality assets, the holders of covered bonds are willing to accept a lower return than that they would demand for similar unsecured bonds;
- diversify funding sources on the international market;
- lengthen the average maturity of the debt of the Group banks participating in the Program.

The Program, allowing the Group to enter a new market characterized by particular complexity, both operational and legal, was based on a governance and control process entrusted to the responsibility of Iccrea Banca (which also plays a management role and coordination, centralizing the management and control activities of the cover pool, the role of master servicer, test calculation agent and account bank) and is based on offer documentation submitted to the approval of the Commission de Surveillance du Secteur Financier (CSSF) of the Grand Duchy of Luxembourg. With the approval of the Program, Iccrea Banca can issue Covered Bonds in the amount of up to €10 billion over a period of 10 years.

The structuring of the Group's covered bond program involved the following activities:

- a first assignment by a number of mutual banks (the "initial assignor banks") to a specially formed SPV called Iccrea Covered Bond Srl of a portfolio of loans held by the assignor banks, which will represent the segregated assets pursuant to and for the purposes of the provisions of Law 130 on securitizations. The program permits additional assignments of loans, which will form part of the segregated assets, both by the initial assignor banks and by any additional affiliated banks (the "additional assignor banks" and, together with the initial assignor banks, the "assignor banks");
- the grant to the SPV by the assignor banks of a subordinated loan to provide the SPV with the resources to purchase the loans being assigned (the "subordinated loan");
- the issue by the SPV of an autonomous, irrevocable and unconditional first demand guarantee (the covered bond guarantee) to the exclusive benefit of the investors holding the covered bonds and senior creditors of the program (the guarantee provides for limited recourse against the assets in the cover pool held by the SPV, which performs the role of Guarantor).
- the issue by Iccrea of the covered bonds and the proportional transfer of the liquidity raised to the assignor banks.

In particular, on June 28, 2021 the first portfolio was sold to Iccrea Covered Bond Srl, for a total nominal amount of €674 million by eight initial assignor banks, as detailed below.

On June 7, 2022 a second portfolio was sold to Iccrea Covered Bond Srl, for a total nominal amount of €697 million by eight assignor banks, three of which were already participating in the Program.

On January 26, 2023 a third portfolio was sold to Iccrea Covered Bond Srl, for a total nominal amount of €498,309,115.64 million by eight assignor banks, six of which were already participating in the Program.

On August 10, 2023 a fourth portfolio was sold to Iccrea Covered Bond Srl, for a total nominal amount of €877,510,691.40 million by 14 assignor banks, nine of which were already participating in the Program.

ICCREA BANCA SPA – 2025 REPORT AND SEPARATE FINANCIAL STATEMENTS

On February 20, 2024 a fifth portfolio was sold to Iccrea Covered Bond srl, for a total nominal amount of €832 million by 11 assignor banks, nine of which were already participating in the Program.

On May 15, 2024 a sixth portfolio was sold to Iccrea Covered Bond srl, for a total nominal amount of €987.8 million by 16 assignor banks, 12 of which were already participating in the Program.

On March 12, 2025, the seventh portfolio was sold to Iccrea Covered Bond srl, for a total nominal amount of €1.78 billion by 22 assignor banks, of which 17 already participating in the Program;

On July 17 2025, the eighth portfolio was sold to Iccrea Covered Bond srl, for a total nominal amount of €231.4 million by 14 assignor banks, of which 13 already participating in the Program;

On November 19, 2025 the ninth portfolio was sold to Iccrea Covered Bond srl, for a total nominal amount of €422.5 million by 25 assignor banks, already participating in the Program.

The table below shows the participation of the individual assignor banks in the Program at December 31, 2025.

ABI		Contribution
7070	CREDITO COOP.VO ROMAGNOLO - BCC DI CESENA E GATTEO - S.C.	38,416
7072	EMIL BANCA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	677,950
7075	BANCA CENTRO-CREDITO COOPERATIVO TOSCANA-UMBRIA SOC.COOPERATIVA	188,330
7084	BANCA DELLA MARCA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	172,863
7085	CREDITO COOPERATIVO FRIULI (ABBREVIATO CREDIFRIULI) - SOCIETA' COOPERATIVA	279,169
7091	BANCA DI CREDITO COOPERATIVO DELLA CALABRIA ULTERIORE - SOCIETA' COOPERATIVA	25,633
8324	BANCA CENTROPADANA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	127,984
8325	BANCO FIORENTINO - MUGELLO IMPRUNETA SIGNA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	95,898
8327	BANCA DI CREDITO COOPERATIVO DI ROMA SOCIETA' COOPERATIVA	1,401,624
8358	BANCA DI PESCIA E CASCINA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	24,289
8381	BANCA DI CREDITO COOPERATIVO DI BELLEGRA SOCIETA' COOPERATIVA	32,014
8386	CASSA RURALE ED ARTIGIANA DI BINASCO - CREDITO COOPERATIVO SOCIETA' COOPERATIVA	76,812
8404	BANCA DI CREDITO COOPERATIVO DI BUSTO GAROLFO E BUGUGGIATE -SOCIETA' COOPERATIVA	224,016
8441	CREDITO COOPERATIVO DI CARAVAGGIO ADDA E CREMASCO - CASSA RURALE - SOCIETA' COOPERATIVA	70,436
8445	BANCA DI CREDITO COOPERATIVO DI TERRA D'OTRANTO - SOCIETA' COOPERATIVA	38,371
8450	BANCA ALPI MARITTIME CREDITO COOPERATIVO CARRU' - SOCIETA' COOPERATIVA PER AZIONI	179,309
8453	BANCA DI CREDITO COOPERATIVO DI MILANO - SOCIETA' COOPERATIVA	358,497
8454	CREDITO PADANO BANCA DI CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	96,067
8474	BANCA DEL PICENO CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	38,423
8514	BANCA DI CREDITO COOPERATIVO DELL'OGGIO E DEL SERIO - SOCIETA' COOPERATIVA	51,264
8530	BCC DI ALBA, LANGHE, ROERO E DEL CANAVESE S.C.	128,058
8542	CREDITO COOPERATIVO RAVENNATE, FORLIVESE E IMOLESE SOCIETA' COOPERATIVA	563,220
8673	CHIANTIBANCA - CREDITO COOPERATIVO S.C.	176,557
8747	BANCA DI CREDITO COOPERATIVO DI PRATOLA PELIGNA (L'AQUILA) -SOCIETA' COOPERATIVA	19,202
8749	CENTROMARCA BANCA - CREDITO COOPERATIVO DI TREVISO E VENEZIA, SOCIETA' COOPERATIVA PER AZIONI	57,629
8807	BCC VENETA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	124,225
8851	TERRE ETRUSCHE DI VALDICHIANA E DI MAREMMA - CREDITO COOPERATIVO- S.C.	172,879
8877	BANCA DI CREDITO COOPERATIVO VENEZIA GIULIA SOCIETA' COOPERATIVA	167,897
8922	BANCA ALTA TOSCANA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	32,024
8946	BANCA DON RIZZO - CREDITO COOPERATIVO DELLA SICILIA OCCIDENTALE - SOCIETA' COOPERATIVA	44,783
8951	BANCA DI CREDITO COOPERATIVO DEI COLLI ALBANI - SOCIETA' COOPERATIVA	57,595
8987	BANCA DI CREDITO COOPERATIVO TERRA DI LAVORO - S. VINCENZO DE' PAOLI SOCIETA' COOPERATIVA PER AZIONI	19,200
8995	RIVIERABANCA - CREDITO COOPERATIVO DI RIMINI E GRADARA - SOCIETA' COOPERATIVA	63,861
Total Cover Pool		5,824,495

During the year, two new issues were made plus three TAP operations on issues under the program as reported below:

	Amount	Rating Moody's	Maturity	Issue date	Maturity date	Coupon
I Issue	500,000,000	Aa3	7	23/09/2021	23/09/2028	0.010%
II Issue	500,000,000	Aa3	5.5	12/07/2023	12/01/2029	3.875%
II Issue TAP	150,000,000	Aa3	5.5	09/08/2023	12/01/2029	3.875%
III Issue	500,000,000	Aa3	4	08/11/2023	08/11/2027	4.000%
III Issue - 1° TAP	100,000,000	Aa3	4	30/11/2023	08/11/2027	4.000%
IV Issue	500,000,000	Aa3	8	04/03/2024	04/03/2032	3.500%
V Issue	200,000,000	Aa3	7	07/03/2024	07/03/2031	3.433%
VI Issue	750,000,000	Aa3	10	05/06/2024	05/06/2034	3.500%
III Issue - 2° TAP	100,000,000	Aa3	4	16/09/2024	08/11/2027	4.000%
VII Issue	150,000,000	Aa3	7	12/12/2024	12/12/2031	2.846%
IV Issue - 1° TAP	100,000,000	Aa2	7	03/03/2025	04/03/2032	3.500%
VIII Issue	600,000,000	Aa2	5.5	07/05/2025	07/11/2030	2.625%
VI Issue - 1° TAP	75,000,000	Aa2	9.1	12/05/2025	05/06/2034	3.500%
IX Issue	75,000,000	Aa2	15	16/07/2025	16/07/2040	3.650%
VIII Issue - 1° TAP	250,000,000	Aa2	5	05/09/2025	07/11/2030	2.625%

On November 25, 2025, the rating agency Moody's raised the rating of the Program from Aa3 to Aa2.

COVERED BOND 2 - RETAINED

In 2024 a second multi-originator program of covered bonds was carried out, not intended for institutional investors, but to be subscribed by Iccrea Banca and used in refinancing operations, thus supporting the improvement of the Group's counterbalancing capacity. The cover pool can be made up of both mortgage loans and commercial loans.

The Program is based on a governance and control process entrusted to the responsibility of Iccrea Banca (which also plays a management role and coordination, centralizing the management and control activities of the cover pool, the role of master servicer, test calculation agent and account bank). The issue was authorized by Consob and listed on the Mercato Obbligazionario Telematico. With the approval of the Program, Iccrea Banca can issue Covered Bonds in the amount of up to €5 billion.

The structuring of the Covered Bond retained program involved the implementation of the following activities:

- a first assignment by a number of mutual banks (the "initial assignor banks") to a specially formed SPV called Iccrea Covered Bond 2 srl, of a portfolio of loans held by the assignor banks, which will represent the segregated assets pursuant to and for the purposes of the provisions of Law 130 on securitizations. The program permits additional assignments of loans, which will form part of the segregated assets, both by the initial assignor banks, and by any additional affiliated banks (the "additional assignor banks" and, together with the initial assignor banks, the "assignor banks");
- the grant to the SPV by the assignor banks of a subordinated loan to provide the SPV with the resources to purchase the loans being assigned (the "subordinated loan");
- the issue by the SPV of an autonomous, irrevocable and unconditional first demand guarantee (the covered bond guarantee) to the exclusive benefit of the investors holding the covered bonds and senior creditors of the program (the guarantee provides for limited recourse against the assets in the cover pool held by the SPV, which performs the role of Guarantor);
- the issue by Iccrea of the covered bonds and the proportional transfer of the liquidity raised to the assignor banks.

On November 20, 2024 the first portfolio was sold to Iccrea Covered Bond Srl, for a total nominal amount of €1.2 billion by 17 initial assignor banks.

After the first sale, on November 26, 2024, Iccrea Banca initiated the first issue of covered bonds:

- maturity: 5 years;
- nominal amount: €750 million;
- rating: Aa3 by Moody's
- interest payment rights vest: September 26, 2024;
- maturity: November 26, 2029;
- interest payments: annual gross fixed rate of 2.75%.

No further issues were carried out in 2025, and new assignments are as follows:

- on June 17 2025 a second portfolio was sold to Iccrea Covered Bond 2 Srl, for a total nominal amount of €64.6 million by 13 assignor banks, already participating in the Program
- on September 18, 2025 a third portfolio was sold to Iccrea Covered Bond 2 Srl, for a total nominal amount of €45.4 million by 14 assignor banks, already participating in the Program.
- on November 17, 2025 a fourth portfolio was sold to Iccrea Covered Bond 2 Srl, for a total nominal amount of €60.1 million by 13 assignor banks, already participating in the Program.

The table below details the participation of the individual assignor banks in the Program at December 31, 2025:

ABI	Contribution
7070 CREDITO COOP.VO ROMAGNOLO - BCC DI CESENA E GATTEO - S.C.	46,784
7072 EMIL BANCA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	66,144
7084 BANCA DELLA MARCA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	110,789
7085 CREDITO COOPERATIVO FRIULI (ABBREVIATO CREDIFRIULI) - SOCIETA' COOPERATIVA	58,221
8324 BANCA CENTROPADANA CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	58,359
8327 BANCA DI CREDITO COOPERATIVO DI ROMA SOCIETA' COOPERATIVA	133,801
8381 BANCA DI CREDITO COOPERATIVO DI BELLEGRA SOCIETA' COOPERATIVA	14,008
8386 CASSA RURALE ED ARTIGIANA DI BINASCO - CREDITO COOPERATIVO SOCIETA' COOPERATIVA	13,940
8404 BANCA DI CREDITO COOPERATIVO DI BUSTO GAROLFO E BUGUGGIATE -SOCIETA' COOPERATIVA	14,154
8450 BANCA ALPI MARITTIME CREDITO COOPERATIVO CARRU' - SOCIETA' COOPERATIVA PER AZIONI	75,174
8453 BANCA DI CREDITO COOPERATIVO DI MILANO - SOCIETA' COOPERATIVA	50,080
8454 CREDITO PADANO BANCA DI CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	63,607
8542 CREDITO COOPERATIVO RAVENNATE, FORLIVESE E IMOLESE SOCIETA' COOPERATIVA	307,552
8807 BCC VENETA - CREDITO COOPERATIVO - SOCIETA' COOPERATIVA	71,003
8851 TERRE ETRUSCHE DI VALDICHIANA E DI MAREMMA - CREDITO COOPERATIVO- S.C.	51,687
8877 BANCA DI CREDITO COOPERATIVO VENEZIA GIULIA SOCIETA' COOPERATIVA	13,597
8995 RIVIERABANCA - CREDITO COOPERATIVO DI RIMINI E GRADARA - SOCIETA' COOPERATIVA	60,180
Total Cover Pool	1,209,080

On November 25, 2025, the rating agency Moody's raised the rating of the Program from Aa3 to Aa2.

Accounting and reporting treatment

As regards the accounting treatment of the operation:

- the assigned loans continue to be recognized by the assignor banks under item 40 b) "Financial assets measured at amortized cost: loans to customers", under the sub-item "medium/long-term loans", as the assignors retain the risks and rewards associated with the ownership of the assigned loans. The loan granted by the transferors to the SPV is not recognized as a separate item, as it is offset by the debt to the vehicle connected with the initial transfer price. This loan is therefore not subject to assessment for credit risk purposes, as the risk is entirely reflected in the valuation of the assigned loans, which continue to be recognized in the financial statements of the assignors;

- the value of the loans changes on the basis of events affecting them (account movements and valuations). Loan payments collected by assignors (who also act as servicers) are paid daily to the vehicle on the “collection account” and accounted for by the assignors as follows:
 - the collection of the principal amount from the borrower is recognized against a decrease in the receivable from the same borrower;
 - the payment of the principal amount to the vehicle is recognized against the recognition of a receivable from the vehicle;
 - the receivable is closed at the time of repayment of the subordinated loan;
 - the interest collected from the borrower is recognized under item 10 of the income statement “Interest income: loans to customers” (interest on loans continues to be recognized on an accruals basis through the allocation of amounts accruing);
 - the payment of interest to the vehicle is recognized against the recognition of a receivable from the vehicle;
 - the receivable is closed at the time of collection of interest on the subordinated loan;
 - Iccrea Covered Bond Srl, owned by Iccrea Banca, is recognized under item 70 “Equity investments”;
 - the covered bonds issued are recognized in liabilities under item 10c) “Financial liabilities measured at amortized cost: securities issued” and the related interest expense is recognized on an accruals basis.

Risks and control mechanisms

In order to enable the assignee company to fulfill the obligations of the guarantee granted, Iccrea Banca uses appropriate asset and liability management techniques to ensure the overall balance between the cash flows generated by the assigned assets and the payments due in respect of the covered bonds issued and other transaction costs.

The program has been structured in accordance with applicable laws and regulations, which permit the issue of covered bonds on the condition of compliance with certain capital requirements for the assignor and issuing banks.

The structure of the Iccrea Banca program is subject to stringent regulatory constraints and provides for continuous oversight by the CFO and CRO areas, as well as monitoring by the Internal Audit function and an external auditor (Deloitte & Touche) in the role of Asset Monitor. In particular, the measures concern:

- assessments of the supervisory capital requirements for bond issues;
- audits of the quality and integrity of the assigned assets, in particular the estimated value of the properties to which the mortgages are attached. Action may consist of instructions to the assignor banks to carry out repurchases, make additions or conduct new sales of supplementary assets;
- audits of the maintenance of the correct relationship between the covered bonds issued and the assets transferred as collateral (cover pool);
- audits of compliance with the transfer limits and portfolio supplementation procedures.

Information on the nature of the risks associated with maintaining the Covered Bond Program is provided below:

- portfolio supplementation risks: the contractual documentation provides for an obligation to supplement the portfolio in order to comply with the tests required by applicable legislation. Failure to comply with these tests would represent an issuer event of default, with the consequent activation of the guarantee issued by the SPV. This risk is mitigated by the control mechanisms described above;
- risks relating to cross-collateralization: the participation of the mutual banks - as assignor banks within the program - means that they compete, *pari passu* with each other as subordinated creditors of the vehicle and, above all, assume the obligation for compliance with regulatory tests and maintaining the quality and integrity of the assets pledged as collateral for the covered bonds. This implies that the limitation of the liability of each assignor bank to the portion of the portfolio transferred to the SPV and the connection of the portfolio supplementation obligations of each assignor bank if the quality of its portfolio should deteriorate only has contractual force between the assignor banks, but is not in any way enforceable against the vehicle and the investors. In order to minimize these consequences, the contractual documentation envisages a

coordinating role in the management of the portfolio aimed at limiting the possible impact of a sudden deterioration in the quality of the cover pool.

- liability under the Framework Servicing Agreement: under the provisions of this agreement, Iccrea Banca has undertaken to act as Master Servicer on behalf of the SPV, undertaking in particular to perform the specific activities covered by the Master Servicer engagement indicated therein and assuming the role of entity responsible for verifying the compliance of operations with the law and the prospectus pursuant to Law 130. The Program also provides that each assignor bank shall undertake to handle, on behalf of the SPV, the administration, collection and enforcement of the loans in its portion of the portfolio. Under these contractual arrangements, the SPV grants (i) the role of Master Servicer to Iccrea Banca and (ii) the role of Servicer to the banks, which thus act as the entities responsible for collections on the loans each has assigned to the SPV. The liability risk of Iccrea Banca as Master Servicer is therefore limited to the fulfillment of the obligations undertaken by the latter pursuant to the Framework Servicing Agreement and does not extend to the actions of the servicers, who are in turn directly liable to the SPV on an individual basis.

F. MODELS FOR MEASURING CREDIT RISK

The section has not been completed because the Bank does not use internal portfolio models for measuring its exposure to credit risk.

SECTION 2 – MARKET RISKS

2.1 INTEREST RATE RISK AND PRICE RISK – SUPERVISORY TRADING BOOK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS

The term trading book refers to the portfolio consisting of positions intentionally held for subsequent short-term disposal and/or taken on to benefit from short-term differences between purchase and sales prices, or other changes in prices or interest rates. In general, the supervisory trading book is represented by the positions held under an “other” business model, namely “held for sale”, i.e. the portfolio including debt and equity securities, units in collective investment undertakings and derivatives held for trading purposes.

B. MANAGEMENT AND MEASUREMENT OF INTEREST RATE RISK AND PRICE RISK

GOVERNANCE AND ORGANIZATIONAL MODEL

The Parent Company is responsible for the management, coordination and control of market risk management within the entire Iccrea Mutual Banking Group in compliance with the principles of sound and prudent management.

As provided for under the Cohesion Contract, the Parent Company defines market risk management policies, in accordance with the strategic planning and definition of the RAF.

This role is performed through the issue of specific policies and directives and the definition and application of specific governance mechanisms that govern the various stages (definition, approval, monitoring and reporting) that characterize the management of market risks.

RISK MANAGEMENT PROCESSES

Identification of risks

Operations in financial market, especially positions in the trading book, expose the Bank to market risks and other subcategories of risk. The identification of risks is mainly carried out in the process of specifying and updating risk models and metrics for market risks, and involves the following activities:

- the specification and updating of risk metrics, i.e. the evolution by the Risk Management department of measurement and monitoring methods on the basis of developments in markets, regulations and best practice;
- the approval process, conducted before the start of operations in a new financial instrument and the associated definition of the procedures for measuring fair value and risks.

Risk measurement and assessment

Risk Management is the main actor in the processes for development and using measurement models and metrics for market risk.

Updates of the models and metrics are identified by Risk Management in the performance of its duties, including analysis of regulatory requirements, market best practices and input from the business units involved (Finance in particular).

The measurement activities performed by the Risk Management unit involve:

- verification of the market and price parameters used as inputs in the front office and market risk management applications;
- verification of the quality of the identifying information of the financial instruments;

- validation of methodologies for measuring the fair value of the financial instruments held by the Group;
- production of all risk metrics.

For the purpose of calculating capital requirements for market risks, the Parent Company uses the standardized approach, in compliance with the relevant supervisory measures.

At the operational level, internal models are used for measurement purposes. The measurement metrics used for operational purposes to measure market risk can be classified as follows:

- probabilistic metrics:
 - Value at Risk (VaR) approach, which represents the main metric owing to its uniformity, consistency and transparency in relation to finance operations;
- deterministic metrics:
 - level metrics (such as, for example, notional amounts and mark to market values), which represent an immediately applicable solution;
 - analysis of sensitivity and Greeks, which are an essential complement to VaR indicators owing to their capacity to capture sensitivity and the direction of financial positions in response to changes in the identified risk factors;
 - stress testing and scenario analysis, which complete the analysis of the overall risk profile, capturing changes due to specified developments in the underlying risk factors (worst case scenarios);
 - loss, which represents the negative financial performance in a specified period of time of both closed and open positions.

Probabilistic metrics

An approach based on historical simulations is used to calculate VaR, (with a sample period of 3 years, confidence level of 99% and holding period of 1 day). The model currently covers the following risk factors:

- interest rates;
- inflation rates;
- exchange rates;
- stocks and stock indices;
- interest rate volatility;
- stock price volatility.

The current model can calculate VaR both for more detailed portfolios and for larger aggregates, permitting considerable granularity in the analysis, control and management of risk profiles and the effects of diversification. The possibility for calculating VaR at multiple levels of synthesis (consistent with the operating strategies of the portfolios and the organizational hierarchy of Finance) and the ability of the model to decompose VaR into different risk determinants make it possible to create an effective system of comparable cross-risk and cross-business limits.

Deterministic metrics

Sensitivity and Greeks of options

Sensitivity measures the risk associated with changes in the theoretical value of a financial position in response to changes in a defined amount of the associated risk factors. It captures the breadth and direction of the change in the form of multiples or monetary changes in the theoretical value without explicit assumptions about the holding period or correlations between risk factors. The main sensitivity indicators currently used are:

- PV01: the change in market value in response to a change of 1 basis point in the zero-coupon yield curve;
- Vega01: a change of 1 percentage point in implied volatilities on interest rates;

- IL01 (sensitivity to inflation): the change in market value in response to a change of 1 basis point in the forward inflation rate curve;
- Vega sensitivity to inflation: a change of 1 percentage point in implied volatilities on forward inflation rates;
- CS01: a change of 1 basis point in credit spreads;
- Delta: the ratio between the expected change in the price of options and a small change in the prices of the underlying financial assets;
- Delta1%: the change in market value in response to a change of 1% in equity prices;
- Delta Cash Equivalent: the product of the value of the underlying financial asset and the delta;
- Vega1%: the change in market value in response to a change of 1% in the implied volatility of equity prices/indices;
- Correlation sensitivity: the change in the market value in response to a 10% change in implied correlations.

Level metrics

The nominal position (or equivalent) is a risk indicator based on the assumption that there is a direct relationship between the size of a financial position and the risk profile.

The nominal position (or equivalent) is determined through the identification of:

- the notional value;
- the market value;
- the conversion of the position in one or more instruments into a benchmark position (the equivalent position);
- the FX open position.

The approach is characterized by extensive use of ceilings in terms of notional/mark-to-market amounts as they represent the value of the assets recognized in the financial statements. These metrics are used to monitor exposures to issuer/sector/country risk for the purposes of analyzing the concentration of exposures.

Stress test and scenarios

Stress tests measure the change in the value of instruments or portfolios in response to unexpected (i.e. extreme) changes in the intensity or correlation of risk factors. Scenario analyses measure the change in the value of instruments or portfolios in response to changes in risk factors in circumstances that reflect actual past situations or expectations of future developments in market variables.

Stress tests and scenario analysis are carried out by measuring the change in the theoretical value of positions in response to changes in the risk factors. The change can be calculated both through the use of linear sensitivity relationships (e.g. deltas) and through the revaluation of positions by applying the specified variations to the risk factors.

Loss

Loss is a risk metric representing the negative financial performance achieved on closed and open positions over a specified period of time.

Loss is determined by identifying, with the specified time interval:

- the component of realized profits and losses;
- the component of latent (unrealized) profits and losses calculated using the mark-to-market/mark-to-model value of open positions.

Loss is equal to the algebraic sum of the two components indicated above, if negative.

In determining loss, foreign currency positions still open are measured at the ECB end-of-day exchange rate.

The metric makes it possible to measure losses connected with the general risk profile of outstanding positions and the management of the portfolio, identifying any deterioration in the profitability of financial operations.

It is helpful in monitoring the performance of the portfolio, given the risk profile assumed, when:

- more sophisticated measurement systems are not present;
- it is impossible to capture all risk factors;
- timely control and management of limits is required.

RISK PREVENTION AND ATTENUATION

Risk Management conducts backtesting of operational measurement models on an ongoing basis. The effectiveness of the calculation model is monitored daily through backtesting, which by comparing the forecast VaR with the corresponding profit or loss shines light on the capacity of the model to accurately capture the variability of the revaluation of the trading positions statistically. This approach makes it possible to:

- strengthen the effectiveness of the dialogue between Risk Management and the front office;
- enhance awareness of the actual performance dynamics of the portfolios;
- break down and interpret the sources and causes of daily changes in P&L;
- identify and monitor any risk factors that are not fully captured by the calculation models adopted.

In addition to the backtesting noted earlier, the effective management of market risks is ensured using a comprehensive system of limits, which is a key tool for the management, control and attenuation of risks. The development of this system, which is a key element of the Risk Management Framework, took account of the nature, objectives and operational complexity of the Group.

The overall system of market risk indicators comprises indicators included in and governed by the RAS and more strictly operational indicators set out in the risk governance policies.

The controls established to manage market risks break down into:

- Level I controls, which are intended to ensure the correct registration and maintenance of transactions over time;
- Level II controls, which are intended to measure, monitor and report the market risk profile and ensure the correct activation of escalation mechanisms;
- Level III controls (Internal Audit), which are intended to verify compliance with rules and procedures as well as internal and external regulations.

Risk management and mitigation activities are governed by a set of codified and formalized rules that envisage:

- the activities and actions that must be performed in each operating and business segment in order to manage developments in risks;
- the adoption of measures to manage any irregularities;
- the actions to be taken in the event the risk objectives, tolerances or limits specified in the Risk Appetite Statement are breached;
- the actions to be taken in the event the limits specified in the risk policies are breached.

MONITORING AND REPORTING

The controls performed by Risk Management seek to monitor the Bank's exposure to market risks on a daily basis, in order to prepare reporting to be sent to the competent units and to monitor/verify the implementation of escalation mechanisms by the trading desks involved if the specified limits are breached. Control activities are based on the assessment and measurement of the risk profile compared with the risk indicators and represents a key control element that regards both the monitoring of specific indicators and verifying and analyzing any breaches of risk appetite and/or risk limit thresholds.

These activities therefore perform an “ex post” control function in relation to the continuous monitoring of all indicators that signal breaches of assigned risk levels, but they also serve an “ex ante” function in signaling the approach of risk profiles towards the threshold/limit/risk propensity levels. Therefore, the effectiveness of monitoring compliance with limits is an instrumental part of:

- the timely identification of risk profile developments that might compromise achievement of the risk targets/tolerances established in determining the RAS/risk limits;
- the prompt activation of recovery plans in response to specified conditions on the basis of the “magnitude” of the over-limit position.

The market risk control and monitoring activities are governed within a set of internal regulations defining the roles and responsibilities of the various actors involved in the process.

At the operational level, communication between operational units and Risk Management occurs on a daily basis through extensive discussion of risk developments, increasing awareness of the risks assumed (in line with defined profit targets) and thereby facilitating the definition of appropriate management decisions.

An additional level of communication is embodied in the reporting system, which represents a decision support tool to provide the various organizational units involved with adequate and timely information on both the strategic and operational levels. The content, level of detail and frequency of the reporting are determined in accordance with the goals and roles assigned to the different recipients so as to ensure easy consultation, immediate perception of the situation and a comprehensive understanding of developments.

In this area, Risk Management is responsible for preparing periodic reporting on the various risk factors, providing appropriate disclosure to the operating lines, senior management and the Board of Directors.

QUANTITATIVE DISCLOSURES**1. SUPERVISORY TRADING BOOK: DISTRIBUTION BY RESIDUAL MATURITY (REPRICING DATE) OF ON-BALANCE-SHEET FINANCIAL ASSETS AND LIABILITIES AND FINANCIAL DERIVATIVES**

This table has not been completed since an analysis of interest rate and price risk sensitivity has been provided.

2. SUPERVISORY TRADING BOOK: DISTRIBUTION OF EXPOSURES IN EQUITY SECURITIES AND EQUITY INDICES BY MAIN COUNTRIES OF LISTING

This table has not been completed since an analysis of interest rate and price risk sensitivity has been provided.

3. SUPERVISORY TRADING BOOK: INTERNAL MODELS AND OTHER SENSITIVITY ANALYSIS METHODOLOGIES

With regard to market risks on the trading book, a 1-day VaR limit of €2.2 million has been established, calculated with a confidence level of 99%. The Market Risk Policy also specifies VaR limits for the different portfolios, measured using the same method. In 2025 the indicator never breached the limits at the full book level.

The average VaR of the trading book was equal to €0.58 million, with a minimum of €0.28 million and a maximum of €1.28 million (on January 8, 2025).

At December 31, 2025, the VaR was equal to €0.54 million.

	Sensitivity Value (in €)	Notes
Interest Rates	(34,238)	Sensitivity calculated in relation to 1 bp change
Inflation Rates	12,154	
Credit spread	5,487	
Equity	15,857	Sensitivity calculated in relation to 1% Change in the share/stock index

2.2 INTEREST RATE RISK AND PRICE RISK – BANKING BOOK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF INTEREST RATE RISK AND PRICE RISK

GOVERNANCE AND ORGANIZATIONAL MODEL

The Parent Company is responsible for the management, coordination and control of interest rate risk management for the banking book within the entire Group in compliance with the principles of sound and prudent management.

As provided for under the Cohesion Contract, the Parent Company defines interest rate risk management policies, in accordance with the strategic planning and definition of the RAF.

This role is performed through the issue of specific policies and directives and the definition and application of specific governance mechanisms that govern the various stages (definition, approval, monitoring and reporting) that characterize the management of interest rate risk on the banking book.

RISK MANAGEMENT PROCESSES

Identification of risks

The interest rate risk and credit spread risk on the banking book is the risk originated by differences in the maturities and in the timing of the repricing of interest rates on the assets and liabilities in the banking book. In the presence of these differences, fluctuations in interest rates give rise to both a short-term change in expected profit, through the impact on net interest income, and a long-term impact on the economic value of shareholders' equity, through the change in the market value of assets and liabilities.

Based on the composition of the current banking book and expected developments envisaged in strategic and operational planning, the Group identifies sources of interest rate risk to which it is exposed, classifying them in the following risk sub-categories: the risk deriving from fluctuations in the risk-free interest rate (IRRBB – Interest Rate Risk on Banking Book), deriving from mismatches in maturities (for fixed-rate positions) and repricing dates (for variable-rate positions) due to parallel movements in the yield curve (repricing risk) or changes in the slope or shape of the yield curve (yield curve risk), basis risk, option risk and credit spread risk (CSRBB – Credit Spread Risk on Banking Book).

Risk measurement and assessment

The measurement of interest rate risk on the banking book is based on the current earnings approach and the economic value approach and is carried out for the purpose of:

- continuous monitoring of the risk profile by controlling the overall system of indicators that characterize the IRRBB Framework and the various “additional metrics” that have been defined;
- performing stress testing, which provides for the estimation of the impact of severe but plausible adverse market scenarios on the banking book.

The risk exposure is measured using a static or dynamic approach depending on the assessment approach adopted:

- economic value approach: this seeks to assess the impact of possible adverse changes in interest rates and/or credit spread on the economic value of the banking book (economic value of equity), construed as the present value of the expected cash flows of assets, liabilities and off-balance sheet positions within the scope of analysis. Under this perspective, the analysis is conducted using a static “gone concern” approach, in which we assume the run-off of positions at maturity, without any replacement or renewal, or using a dynamic approach, developing projections for new operations that are consistent with the assumptions defined during strategic planning.
- earnings approach: this seeks to assess the potential effects of adverse interest rate and/or credit spread variations on the profitability of the banking book, i.e. net interest income, and on fair value changes recognized through profit or loss or OCI. In this perspective, the analysis is conducted using a dynamic

“going-concern” approach, with a “constant balance sheet” view, assuming that positions are rolled over at maturity so as to leave the size and composition of the balance sheet unchanged, or a “dynamic balance sheet” view, developing projections for new business that are consistent with the hypotheses defined in strategic planning.

Specific models are adopted in both cases that ensure adequate quantification of the risk associated with positions that exhibit repricing behavior that differs from the contractual profile.

The metrics adopted in the economic value approach to measure the sensitivity of the economic value of the banking book (ΔEVE – EVE sensitivity) are based on a full evaluation approach. The change in the expected value of the banking book is calculated using an approach that involves the discounting of the cash flows of items in the book in a base scenario with no interest rate variations and one with interest rate variations. The overall metric can be broken down by time bucket in order to identify the distribution of risk over time (“bucket sensitivity”).

In determining EVE, equity must be excluded from the calculation in order to measure the potential change in value of free capital following changes in the yield curves.

The metrics used in the current earnings approach, based on the full evaluation approach, are the following:

- NII sensitivity: aimed at measuring the sensitivity of the net interest income; the potential impact on net interest income of potential changes in risk-free rates and/or credit spreads is calculated using a method that provides for the comparison, for a selected time horizon, between expected net interest income in the case of a change in interest rates and/or credit spreads and expected net interest income in a baseline scenario with no such changes;
- Earning at Risk: a metric aimed at measuring the loss of profitability due to changes in interest rates and/or credit spreads, considering, in addition to the impact on net interest income, the effects on changes in the fair value of the instruments recognized (depending on their accounting treatment) in profit or loss or directly in equity.

The measurement scenarios applied to interest rates are intended to monitor the risk categories to which the Bank may be exposed. Each can be associated with internally developed or regulatory scenarios.

- gap risk: in order to monitor this category of risk, parallel and non-parallel shocks of the risk-free yield curves are used in order to assess the impact on economic value and net interest income. In addition to the scenarios envisaged for regulatory purposes, in the standard outlier test, internally defined scenarios are used based on prudential assessments and historical analyses of observed changes in rates;
- basis risk: the analysis provides for the segmentation of the banking book based on the market parameters to which the items involved are indexed and the analysis of the time series of basis spreads with respect to the pivot rate (€STR) for the purpose of determining the size of the shocks to be applied to each;
- option risk: the analysis includes a preliminary identification of the automatic/behavioral option components in the assets and liabilities of the Bank’s banking book and the subsequent:
 - historical analysis of the observed changes in volatility, to determine the magnitude of the shocks to be applied for the purpose of quantifying the automatic option risk;
 - verification of the impact of interest rate shocks on the behavioral model parameters, for the purpose of quantifying the behavioral option risk.
- CSRBB: internally defined scenarios are used based on prudential assessments and historical analyses of the observed changes in credit spreads.

In order to monitor risk limits, parallel and non-parallel shock scenarios are adopted. To monitor the additional metrics subject to reporting requirements, scenarios involving shocks to the yield curves are also envisaged in addition to those adopted as a reference for the determination of risk limits. As part of stress testing, further scenarios are used on periodic basis to signal potential areas of weakness in the presence of particular market conditions.

Risk prevention and attenuation

Interest rate risk is managed using a comprehensive system of limits, which is a key tool in the management, control and attenuation of risks within the IRRBB and CSRBB Framework, taking account of the nature, objectives and complexity of Group operations.

The system of limits (EWS, RAS and Risk Limits) is defined by the Parent Company in accordance with its management and coordination role and implemented through a cascading process with the subsidiaries (where applicable), in line with the risk management model adopted.

In addition to the above system of limits, a comprehensive system of arrangements and controls contributes to defining the overall control model set out and formalized in the associated policy.

The controls established to manage interest rate risk on the banking book break down as follows:

- Level I controls, which are intended to ensure the correct registration and maintenance of transactions over time;
- Level II controls, which are intended to measure, monitor and report the interest rate risk profile and activate escalation mechanisms;
- Level III controls (Internal Audit), which are intended to verify compliance with rules and procedures as well as internal and external regulations.

Monitoring and reporting

The controls, carried out by Risk Management, are aimed at monitoring the Bank's exposure to interest rate risk in order to prepare reporting to be sent to the competent units and to trigger escalation mechanisms with the collaboration of the operating units involved if the specified limits are breached. Control activities are based on the assessment and measurement of the risk profile compared with the risk indicators provided for by the risk governance framework. The effectiveness of monitoring compliance with limits is an instrumental part of:

- the timely identification of risk profile developments that might compromise achievement of the risk limits established;
- the prompt activation of recovery plans in response to specified conditions on the basis of the "magnitude" of the over-limit position.

The interest rate risk control and monitoring activities are performed within the framework of a set of internal regulations. At the operational level, communication between operational units and Risk Management occurs on a daily basis through extensive discussion of risk developments, increasing awareness of the risks assumed (in line with defined profit targets) and thereby facilitating the definition of appropriate management decisions.

An additional level of communication is embodied in the reporting system, which represents a decision support tool to provide the various organizational units involved with adequate and timely information on both the strategic and operational levels. The contents, level of detail and frequency of the reporting are determined in accordance with the goals and roles assigned to the different recipients so as to ensure easy consultation, immediate perception of the situation and a comprehensive understanding of the developments under way.

More specifically, the Risk Management function performs monitoring and reporting activities that are codified and formalized within the Risk Appetite Framework and the risk policies, preparing periodic reports and providing appropriate disclosure to the operating units, top management and the Board of Directors.

Stress test framework

In order to assess the potential impact of market tensions on the profitability and economic value of the banking book, stress test simulations are also conducted in addition to specific measurements of the exposure to risk.

The stress tests are intended to measure the extent to which the exposure to interest rate risk on the banking book could worsen in especially adverse market conditions.

The scenarios used in measuring the exposure to the different sources of risk and in analyzing stress tests are based on both regulatory shocks and, where the regulatory scenarios are not considered fully representative of especially adverse conditions, shocks defined internally.

In accordance with regulatory provisions, if necessary, the Group develops scenarios characterized by larger movements in yield curves than the shocks applied for the continuous monitoring of the IRRBB and CSRBB in order to test the vulnerabilities of the banking book in the presence of stress conditions.

In line with the applicable regulatory guidelines, the Group has adopted various types of mutually complementary analyses:

- sensitivity analysis: analysis of the exposure to the IRRBB and the CSRBB with respect to the marginal impact of different types of shocks, considered separately or jointly, relating to one or more risk factors;
- reverse stress testing: analysis consisting in identifying one or more stress scenarios whose impact leads to a pre-established result identified ex-ante. The reverse stress testing makes it possible to investigate, using a recursive analysis process, the size and probability of occurrence of the events that lead to this result;
- scenario analysis: analysis consisting in the assessment of the Group's ability to cope with a potential increase in its exposure to IRRBB and CSRBB based on a combination of shocks associated with one or more risk factors in accordance with specific evolutionary stress dynamics.

Depending on the purpose of the analysis, the time horizon of the stress exercise, the speed of propagation of shocks and the approach to be adopted for the projection of operations (static/dynamic) are defined.

The identification of risk categories is a starting point and a linkage among the main strategic processes to manage risk management (Risk Appetite Framework, Internal Capital Equity Assessment Process, Contingency & Recovery Plan) and is aimed at limiting the set of risk factors/parameters for which stress scenarios are developed.

For each of the risk categories identified it is possible to define the associated risk factor(s), understood as an exogenous variable whose shock can have a negative impact on the economic value of the banking book and/or on the associated net interest income, in terms of smaller-than-expected loss or profit. In this perspective, the identification of risk factors is a preliminary phase in the definition of the shocks associated with stress scenarios.

All the stress scenarios adopted are generally calibrated using the historical simulation approach, based on prudential percentiles of the empirical distributions associated with the various risk parameters, using expert-based adjustments where appropriate in order to integrate forward-looking elements that are not present in the available historical data. To these scenarios, we add "purely" historical scenarios (i.e. without calculating a percentile of the historical empirical distribution), scenarios defined on a judgmental basis and scenarios provided by external sources (e.g. EBA Stress Test scenario).

QUANTITATIVE DISCLOSURES**1. BANKING BOOK: DISTRIBUTION OF FINANCIAL ASSETS AND LIABILITIES BY RESIDUAL MATURITY (REPRICING DATE)**

This table has not been completed since an analysis of interest rate and price risk sensitivity has been provided.

2. BANKING BOOK: INTERNAL MODELS AND OTHER SENSITIVITY ANALYSIS METHODOLOGIES

The interest rate risk on the banking book used for management purposes with regard to sensitivity indicators for economic value and net interest income at December 31, 2025 is reported below.

€/million	Scenario	
	-100 bp	+100 bp
Impact on economic value	+39	-30
Impact on net interest income	-8	+9

2.3 EXCHANGE RATE RISK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF EXCHANGE RATE RISK

The exchange rate risk management strategy (the FX risk factor) is based on the analysis of market developments and the different currencies in which operations are denominated.

The strategy is differentiated in accordance with the type of operations:

- for major currencies (hard currencies), operators, based on the analysis of economic, macroeconomic and money management data, manage operations both to optimize existing positions and generate a profit;
- for minor currencies (local currencies), exchange rate risk is managed with a view to the total minimization of risks, except in unusual macroeconomic situations, by reducing exposures exceeding the thresholds defined with market operations of the opposite sign.

Trading is carried out on the foreign exchange and foreign exchange derivatives markets both through spot trading and through the management of short/medium-term forward positions (outright operations). The strategy of the desk is therefore aimed at intraday/multiday transactions in order to generate profit from movements in the spot foreign exchange market. Forex swaps are used to engage in forward operations, based on expectations for interest rates and exchange rates, so as to generate a profit from maintaining open short/medium-term positions in foreign currency. Based on its own analyses, the desk also seeks to improve its profitability by taking positions in options on exchange rates.

All operations are based on techniques and methods defined and agreed at the desk level, based on operating limits assigned to the managers and operational staff that are consistent with the provisions of the risk policies.

B. HEDGING EXCHANGE RATE RISK

Operations are mainly concentrated in major currencies. The Bank adopts a system of daily operating limits on the overall foreign exchange exposure, as well as the net foreign exchange positions in respect of individual currencies. The overall limit is segmented into partial ceilings on the basis of the importance of the various currencies.

QUANTITATIVE DISCLOSURES

1. DISTRIBUTION BY CURRENCY OF ASSETS, LIABILITIES AND DERIVATIVES

	Currency					
	US dollars	Pounds sterling	Yen	Canadian dollars	Swiss francs	OTHER CURRENCIES
A. Financial assets	135,005	6,614	1,101	1,662	8,645	7,623
A.1 Debt securities	277	210				1,053
A.2 Equity securities	34,641	4,423			-	-
A.3 Loans to banks	72,061	1,981	1,101	1,662	8,645	6,570
A.4 Loans to customers	28,026					
A.5 Other financial assets						
B. Other assets	7,867	3,804	1,043	1,591	4,969	1,554
C. Financial liabilities	205,472	11,430	1,225	4,478	13,039	4,399
C.1 Due to banks	203,953	11,380	1,225	4,478	13,039	4,154
C.2 Due to customers	1,519	50			-	245
C.3 Debt securities						
C.4 Other financial liabilities						
D. Other liabilities	191					
E. Financial derivatives						
- Options						
+ Long position	1,645					
+ Short positions	3,141					
- Other derivatives						
+ Long positions	478,846	2,581	237	3,483	840	4,336
+ Short positions	414,409	1,550	1,376	1,983	1,186	9,350
Total assets	623,364	12,999	2,381	6,736	14,454	13,513
Total liabilities	623,213	12,980	2,601	6,461	14,225	13,749
Difference (+/-)	151	19	(220)	275	229	(235)

2. INTERNAL MODELS AND OTHER SENSITIVITY ANALYSIS METHODS

There is no information to report.

SECTION 3 - DERIVATIVES AND HEDGING POLICIES

3.1 FINANCIAL DERIVATIVES HELD FOR TRADING

A. FINANCIAL DERIVATIVES

A.1 FINANCIAL DERIVATIVES HELD FOR TRADING: END-PERIOD NOTIONAL VALUES

	Total 31/12/2025				Total 31/12/2024			
	Over the counter			Organized markets	Over the counter			Organized markets
	Central counterparties	Without central counterparties			Central counterparties	Central counterparties		
		Covered by netting agreements	Not covered by netting agreements			Covered by netting agreements	Not covered by netting agreements	
1. Debt securities and interest rates	11,125,540	23,181,737	928,458	-	9,122,125	19,406,402	1,098,450	-
a) Options	-	665,265	267,543	-	-	584,073	253,720	-
b) Swaps	9,853,952	22,212,920	660,916	-	8,672,125	18,782,129	844,730	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	17,100	-	-	-	40,200	-	-
e) Other	1,271,588	286,452	-	-	450,000	-	-	-
2. Equity securities and equity indices	-	42,967	-	-	-	1,050	-	-
a) Options	-	42,967	-	-	-	1,050	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Foreign currencies and gold	-	925,832	-	-	-	548,262	1,030,465	-
a) Options	-	20,783	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	905,049	-	-	-	548,262	1,030,465	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	-	-	-	-	-	-	-
5. Other underlyings	-	-	-	-	-	-	-	-
Total	11,125,540	24,150,535	928,458	-	9,122,125	19,955,714	2,128,915	

A.2 FINANCIAL DERIVATIVES HELD FOR TRADING: GROSS POSITIVE AND NEGATIVE FAIR VALUE – BREAKDOWN BY PRODUCT

	31/12/2025				31/12/2024			
	Over the counter			Organized markets	Over the counter			Organized markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		Covered by netting agreements	Not covered by netting agreements			Covered by netting agreements	Not covered by netting agreements	
1. Positive fair value								
a) Options	-	12,067	34	-	-	4,950	172	-
b) Interest rate swaps	746,848	414,135	3,184	-	618,809	318,925	6,082	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	4,304	-	-	-	2,366	4,578	-
f) Futures	-	59	-	-	-	354	-	-
g) Other	6,877	-	-	-	1,215	-	-	-
Total	753,726	430,565	3,219	-	620,023	326,595	10,832	-
2. Negative fair value								
a) Options	-	1,548	4,983	-	-	1,754	5,112	-
b) Interest rate swaps	22,583	1,097,541	17,219	-	92,842	801,575	24,740	-
c) Cross currency swaps	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-
e) Forwards	-	3,837	-	-	-	3,869	1,863	-
f) Futures	-	2	-	-	-	11	-	-
g) Other	1,288	3,760	-	-	275	-	-	-
Total	23,871	1,106,688	22,202	-	93,117	807,209	31,715	-

A.3 OVER-THE-COUNTER FINANCIAL DERIVATIVES HELD FOR TRADING: NOTIONAL VALUES, GROSS POSITIVE AND NEGATIVE FAIR VALUES BY COUNTERPARTY

	Central counterparties	Banks	Other financial companies	Other
Contracts not covered by netting agreements				
1) Debt securities and interest rates				
- notional value	X	916,590	-	11,869
- positive fair value	X	3,219	-	-
- negative fair value	X	22,194	-	7
2) Equity securities and equity indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Foreign currencies and gold				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Commodities				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other assets				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts covered by netting agreements				
1) Debt securities and interest rates				
- notional value	11,125,540	22,139,890	1,041,847	-
- positive fair value	753,726	364,302	58,415	-
- negative fair value	23,871	1,065,080	37,722	-
2) Equity securities and equity indices				
- notional value	-	42,967	-	-
- positive fair value	-	3,469	-	-
- negative fair value	-	12	-	-
3) Foreign currencies and gold				
- notional value	-	609,066	316,766	-
- positive fair value	-	4,379	-	-
- negative fair value	-	1,451	2,422	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other assets				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 RESIDUAL LIFE OF OVER-THE-COUNTER FINANCIAL DERIVATIVES HELD FOR TRADING: NOTIONAL VALUES

	Up to 1 year	More than 1 year and up to 5 years	More than 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	4,201,413	12,048,382	18,985,941	35,235,736
A.2 Financial derivatives on equity securities and equity indices	26,846	16,121	-	42,967
A.3 Financial derivatives on exchange rates and gold	918,407	7,425	-	925,832
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	5,146,666	12,071,927	18,985,941	36,204,534
Total 31/12/2024	11,126,187	9,203,201	10,877,366	31,206,754

B. CREDIT DERIVATIVES

The section has not been completed because there were no such positions as of the reporting date.

3.2 HEDGE ACCOUNTING

QUALITATIVE DISCLOSURES

For the purposes of hedge accounting, Iccrea Banca applies the provisions contained in IAS 39 since at the time of initial application of IFRS 9 it elected the option provided for in paragraph 7.2.21 of that standard to continue to apply in full the rules of IAS 39 for all types of hedging (micro and macro).

The hedge contracts are transacted on the basis of the provisions of specific company policies and mainly used to manage interest rate risk on the banking book arising from the normal business operations, pursuing the objective of reducing the risk profile within the limits of the Risk Appetite Framework as defined and quantified by the competent bodies. These limits concern the exposure of the Bank both in terms of net interest income sensitivity and economic value sensitivity.

The life cycle of a hedge accounting relationship starts with the so-called “designation” phase. With the designation of the hedging relationship, the company declares the methods and the instruments through which it intends to implement the hedging strategy, as defined by the manager of the risk being hedged, as well as the methods of measuring the effectiveness of the hedge. This phase is the responsibility of the manager of the risk being hedged, who draws on the technical functions involved in the hedge accounting process defined in the associated policy.

Once a hedging relationship has been designated, it must be demonstrated that the hedge is highly effective in offsetting fair value changes or stabilizing the cash flows attributable to the hedged risk during the period for which the hedge is designated.

The effectiveness of the hedge is demonstrated at the inception date and measured at the periodic reporting dates (March 31, June 30, September 30, and December 31), as well as on a monthly basis for internal transaction monitoring purposes.

The effectiveness of the hedge is measured by conducting so-called effectiveness tests (prospective and retrospective) based on both qualitative and quantitative methods, complying with the criterion of continuity. A hedging relationship is considered effective if at each measurement date both tests (prospective and retrospective) are passed. The failure of the effectiveness test(s) should result in the discontinuance of the hedging relationship, i.e. the termination of hedge accounting.

A. FAIR VALUE HEDGING

Fair value hedging is used to immunize changes in the fair value, attributable to the different risk factors, of assets and liabilities or portions of them, of groups of assets/liabilities, of irrevocable commitments and portfolios of financial assets and liabilities.

Iccrea Banca adopts both specific hedges (micro fair value hedges) and generic hedges (macro fair value hedges). These hedges therefore apply both to well-identified financial instruments (government securities – both fixed rate and indexed to European and Italian inflation, bond issues) and to portfolios of financial instruments (assets).

Within the scope of micro fair value hedging, hedges are mainly used for securities holdings and bonds issued, while macro hedging is applied to a portfolio of corporate securities.

The main types of derivatives used are represented by plain or structured interest rate swaps (IRS), asset and yield swaps (ASW), and options on interest rates entered into with third parties. These derivatives are not listed on regulated markets, but are traded on OTC markets.

The effects of designating the hedging relationship begin at the inception of the hedge with the identification of the portion and the type of hedged risk, the hedging strategy and the hedging instrument in accordance with the principles the Group has established concerning the methodology used to assess the effectiveness of the hedging relationship.

B. CASH-FLOW HEDGING

Cash flow hedging seeks to hedge the exposure to the variability of future cash flows attributable to particular risks associated with balance sheet items or highly probable forecast transactions or to hedge exchange rate risk.

The derivatives used are interest rate swaps (IRS) not listed on regulated markets, transacted with third party counterparties on OTC markets.

C. HEDGING OF INVESTMENTS IN FOREIGN OPERATIONS

In 2025 there were no hedges of exchange rate risk on foreign currency transactions.

D. HEDGING INSTRUMENTS

Designated hedging transactions, with formal documentation identifying the relationship between the hedged instrument and the hedging instrument, are considered effective if at inception and for the entire duration of the hedging relationship changes in the fair value or the cash flows of the hedged instrument are almost completely offset by changes in the fair value or cash flows of the hedging derivative. The effectiveness of the hedge depends on the extent to which the changes in the fair value of the hedged instrument or the related expected cash flows are offset by those of the hedging instrument. Therefore, effectiveness is quantified by comparing the aforementioned changes, taking account of the intent pursued by the company at the time the hedge was established.

A hedge is effective when the changes in the fair value (or cash flows) of the hedging instrument almost entirely, i.e. within the specified limits, offset the changes in the hedged instrument for the risk being hedged.

Effectiveness is assessed at each annual or interim reporting date using:

- prospective tests aimed at demonstrating that changes in the fair value or cash flows of the hedging instrument attributable to the hedged risk will be such as to offset changes in the fair value or cash flows of the hedged item. They are performed adopting both qualitative (Critical Term Match) and quantitative methods ("cumulative scenario method" or "linear regression method with curve simulation");
- retrospective tests aimed at measuring the actual effectiveness of the hedging relationship between the date of designation and the test date, determining the deviation of hedging relationships from the result that would be achieved with a perfect hedge. These tests are performed using quantitative methods, i.e. the dollar offset method and the volatility risk reduction method.

The main causes of ineffectiveness are attributable to the following:

- a misalignment between the notional of the derivative and the nominal of the hedged instrument at the time of the initial designation or generated subsequently, as in the case of the repurchase of bonds;
- the approach of the expiry of the transaction.

The ineffectiveness of the hedge is recognized promptly for the purposes of:

- determining the impact on profit or loss;
- assessing the possibility of continuing to apply hedge accounting rules.

If the assessments do not confirm the effectiveness of the hedge, the relationship considered terminated as of the last date from which the relationship was shown to be effective. This date coincides with the beginning of the period in which the effectiveness test was failed. However, if the event or the circumstances that led to the hedging relationship no longer meeting the criteria for effectiveness are identified and it is shown that the hedge was effective before the event or change in the circumstances occurred, hedge accounting is discontinued from the date of the event or change in those circumstances. The hedging derivative, if not extinguished, may be designated as a hedging instrument in another relationship that meets the relevant or be reclassified as a trading instrument.

The Bank does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

E. HEDGED ITEMS

Hedged items designated as being in a hedge accounting relationship using micro hedges are mainly government securities, corporate securities, bond issues.

These hedges are both total and partial and the hedged risk is mainly interest rate risk.

Debt securities held

These are hedged using micro fair value hedges involving IRSs and ASWs as hedging instruments. Where present, interest rate and inflation risk are hedged for the duration of the obligation. The effectiveness tests are carried out using the dollar offset method for retrospective assessment and the cumulative scenario method for prospective assessment.

The Bank uses cash flow hedges with variable rate CCT securities to stabilize future cash flows by collecting a fixed rate on the receiver leg of the IRS, paying the variable rate collected on the CCT on the payer leg.

Debt securities issued

The Bank currently has active micro fair value hedging relationships for fixed-rate funding, using IRSs as hedging instruments.

Hedged bonds outstanding at December 31, 2025 are denominated in euros and are only covered by fair value hedges.

QUANTITATIVE DISCLOSURES

A. FINANCIAL HEDGING DERIVATIVES

A.1 FINANCIAL HEDGING DERIVATIVES: END-PERIOD NOTIONAL VALUES

	Total 31/12/2025				Total 31/12/2024			
	Over the counter			Organized markets	Over the counter			Organized markets
	Central counterparties	Without central counterparties			Central counterparties	Without central counterparties		
		Covered by netting agreements	Not covered by netting agreements			Covered by netting agreements	Not covered by netting agreements	
1. Debt securities and interest rates	3,768,703	4,129,868	-	-	3,905,920	4,411,740	-	-
a) Options	-	325,885	-	-	-	329,000	-	-
b) Swaps	3,733,703	3,803,983	-	-	3,905,920	4,082,740	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	35,000	-	-	-	-	-	-	-
2. Equity securities and equity indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Foreign currencies and gold	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forwards	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	-	-	-	-	-	-	-
5. Other underlyings	-	-	-	-	-	-	-	-
Total	3,768,703	4,129,868	-	-	3,905,920	4,411,740	-	-

A.2 FINANCIAL HEDGING DERIVATIVES: GROSS POSITIVE AND NEGATIVE FAIR VALUE - BREAKDOWN BY PRODUCT

Positive and negative fair value									Change in value used to calculate hedge effectiveness	
Total 31/12/2025					Total 31/12/2024				Total 31/12/2025	Total 31/12/2024
Over the counter			Organized markets	Over the counter			Organized markets			
Central counterparties	Covered by netting agreements	Without central counterparties Not covered by netting agreements		Central counterparties	Covered by netting agreements	Without central counterparties Not covered by netting agreements				
Positive fair value										
a) Options	-	434	-	-	-	4,384	-	-	-	-
b) Interest rate swaps	111,901	36,138	-	-	158,287	6,311	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	144	-	-	-	-	-	-	-	-	-
Total	112,045	36,573	-	-	158,287	10,695	-	-	-	-
Negative fair value										
a) Options	-	2,522	-	-	-	-	-	-	-	-
b) Interest rate swaps	33,410	98,802	-	-	75,105	109,785	-	-	-	-
c) Cross currency swaps	-	-	-	-	-	-	-	-	-	-
d) Equity swaps	-	-	-	-	-	-	-	-	-	-
e) Forwards	-	-	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-	-	-
g) Other	-	-	-	-	-	-	-	-	-	-
Total	33,410	101,324	-	-	75,105	109,785	-	-	-	-

A.3 OVER-THE-COUNTER FINANCIAL HEDGING DERIVATIVES: NOTIONAL VALUES, GROSS POSITIVE AND NEGATIVE FAIR VALUES BY COUNTERPARTY

	Central counterparties	Banks	Other financial companies	Other
Contracts not covered by netting agreements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equity securities and equity indices				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
3) Foreign currencies and gold				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
4) Other assets				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
5) Other				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
Contracts covered by netting agreements				
1) Debt securities and interest rates				
- notional value	3,768,703	3,555,820	574,048	-
- positive fair value	112,045	29,430	7,143	-
- negative fair value	33,410	85,579	15,744	-
2) Equity securities and equity indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Foreign currencies and gold				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Other assets				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

A.4 RESIDUAL LIFE OF OVER-THE-COUNTER FINANCIAL DERIVATIVES: NOTIONAL VALUES

	up to 1 year	more than 1 year and up to 5 years	more than 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	660,385	2,359,868	4,878,318	7,898,571
A.2 Financial derivatives on equity securities and equity indices	-	-	-	-
A.3 Financial derivatives on exchange rates and gold	-	-	-	-
A.4 Financial derivatives on commodities	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31/12/2025	660,385	2,359,868	4,878,318	7,898,571
Total 31/12/2024	4,916,486	892,400	2,508,774	8,317,660

B. HEDGING CREDIT DERIVATIVES

The section has not been completed because there are no such positions.

C. NON-DERIVATIVE HEDGING INSTRUMENTS

The section has not been completed because the Bank has exercised the option provided for in paragraph 7.2.21 of IFRS 9 to continue applying the provisions on hedge accounting envisaged by IAS 39.

D. HEDGED ITEMS

D.1 FAIR VALUE HEDGES

	Micro hedges: carrying amount	Micro hedges – net positions: carrying amount of assets or liabilities (before offsetting)	Micro hedges			Macro hedges: carrying amount
			Cumulative value of fair value changes of the hedged instrument	Termination of hedge: cumulative value of residual changes in fair value	Change in value used to calculate hedge ineffectiveness	
A. ASSETS						
1. Financial assets measured a fair value through other comprehensive income – hedges of:	508,160	-	-	-	-	-
1.1 Debt securities and interest rates	508,160	-	-	-	-	x
1.2 Equity securities and equity indices	-	-	-	-	-	x
1.3 Foreign currencies and gold	-	-	-	-	-	x
1.4 Loans	-	-	-	-	-	x
1.5 Other assets	-	-	-	-	-	x
2. Financial assets measured at amortized cost – hedges of:	6,011,268	-	(403,597)	-	-	-
1.1 Debt securities and interest rates	6,011,268	-	(403,597)	-	-	x
1.2 Equity securities and equity indices	-	-	-	-	-	x
1.3 Foreign currencies and gold	-	-	-	-	-	x
1.4 Loans	-	-	-	-	-	x
1.5 Other assets	-	-	-	-	-	x
Total 31/12/2025	6,519,428	-	(403,597)	-	-	-
Total 31/12/2024	4,865,297	-	276,721	-	-	1,123
B. LIABILITIES						
1. Financial liabilities measured at amortized cost – hedges of:	2,269,771	-	144	-	-	-
1.1 Debt securities and interest rates	2,269,771	-	144	-	-	x
1.2 Foreign currencies and gold	-	-	-	-	-	x
1.3 Other assets	-	-	-	-	-	x
Total 31/12/2025	2,269,771	-	144	-	-	-
Total 31/12/2024	2,706,627	-	(28,550)	-	-	-

D.2 CASH FLOW HEDGES AND HEDGES OF INVESTMENTS IN FOREIGN OPERATIONS

	Change in value used to calculate hedge ineffectiveness	Hedge reserves	Termination of hedge: residual cumulative value of hedge reserves
A. CASH FLOW HEDGES			
1. Assets	(4,207)	(338)	-
1.1 Debt securities and interest rates		(338)	-
1.2 Equity securities and equity indices		-	-
1.3 Foreign currencies and gold		-	-
1.4 Loans	-	-	-
1.5 Other		-	-
2. Liabilities		-	-
2.1 Debt securities and interest rates		-	-
2.2 Foreign currencies and gold		-	-
2.3 Other		-	-
Total A 31/12/2025	(4,207)	(338)	-
Total A 31/12/2024	(6,423)	5,652	-
B. HEDGES OF INVESTMENTS IN FOREIGN OPERATIONS			
	X	-	-
Total A+B 31/12/2025	(4,207)	(338)	-
Total A+B 31/12/2024	(6,423)	5,652	-

E. EFFECTS OF HEDGING TRANSACTIONS IN EQUITY**E.1 - RECONCILIATION OF EQUITY COMPONENTS**

	Reserve from cash flow hedges					Reserve from hedge of investments in foreign operations				
	Debt securities and interest rates	Equity securities and equity indices	Foreign currencies and gold	Loans	Other	Debt securities and interest rates	Equity securities and equity indices	Foreign currencies and gold	Loans	Other
Opening balance	5,652	-	-	-	-	-	-	-	0	-
Fair value changes (effective portion)	(5,750)	-	-	-	-	-	-	-	0	-
Reversal to profit or loss	(239)	-	-	-	-	-	-	-	0	-
of which: forecast transactions no longer expected	-	-	-	-	-	X	X	X	X	X
Other changes	-	-	-	-	-	-	-	-	0	-
of which: transfers to initial carrying amount of hedged instruments	-	-	-	-	-	X	X	X	X	X
Closing balance	(338)	-	-	-	-	-	-	-	0	-

	Hedging instruments (not designated items)			
	Option time value		Forward element value and exchange rate difference	
	Hedge on transaction	Hedges on period	Hedge on transaction	Hedges on period
Opening balance	-	-	-	-
Fair value change	-	-	-	-
Reversal to profit or loss	-	-	-	-
Other changes	-	-	-	-
Closing balance	-	-	-	-

3.3 OTHER INFORMATION ON TRADING AND HEDGING DERIVATIVES**A. FINANCIAL AND CREDIT DERIVATIVES****A.1 OVER-THE-COUNTER FINANCIAL AND CREDIT DERIVATIVES: NET FAIR VALUE BY COUNTERPARTY**

	Central counterparties	Banks	Other financial companies	Other
A. Financial derivatives				
1) Debt securities and interest rates				
- notional value	11,051,115	-	-	-
- positive fair value	808,489	-	-	-
- negative fair value	-	-	-	-
2) Equity securities and equity indices				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
3) Foreign currencies and gold				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
4) Commodities				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
5) Other				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
B. Credit derivatives				
1) Purchases of protection				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-
2) Sales of protection				
- notional value	-	-	-	-
- positive fair value	-	-	-	-
- negative fair value	-	-	-	-

SECTION 4 - LIQUIDITY RISK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF LIQUIDITY RISK

GOVERNANCE AND ORGANIZATIONAL MODEL

Iccrea Banca, in its capacity as the Parent Company of the Iccrea Cooperative Banking Group, is responsible for the management, coordination and control of liquidity risk management within the entire Group in compliance with the principles of sound and prudent management.

In exercising this role, the Parent Company determines the governance model and mechanisms that govern the various stages involved in the management of liquidity and oversight of the associated risks, as well as interactions between business and control units in order to ensure an appropriate level of liquidity at the consolidated and individual levels at the intraday, short and medium/long-term time horizons.

As provided for under the Cohesion Contract, the Parent Company defines liquidity risk management policies, in accordance with the strategic planning and definition of the RAF.

RISK MANAGEMENT PROCESSES

Liquidity risk is identified and monitored using the operational and structural maturity ladder (in order to identify possible negative liquidity gaps in relation to specified maturity structure) and the overall liquidity indicator system (RAS, risk limits, contingencies and monitoring indicators), designed to quickly identify potential strains.

The process of revising the methodologies, the different assumptions underlying the measurements and the thresholds/limits set for liquidity indicators, carried out at least annually, enables the alignment of the overall Liquidity Risk Framework and the indicator system with specific developments in the Bank and market conditions.

Identification of risks

Liquidity risk is defined as the possibility that the Bank is unable to fulfil its payment obligations due to an inability to raise new funds (funding liquidity risk) and/or to divest its assets (market liquidity risk), or is forced to incur a very high cost to fulfil those obligations. Funding liquidity risk can in turn be broken down into:

- mismatching liquidity risk, i.e. the risk connected with differences in the timing of cash inflows and outflows as a result of mismatches in the maturities of financial assets and liabilities on (and off) the balance sheet;
- contingency liquidity risk, i.e. the risk that unexpected events may require a larger amount of cash than previously expected by the Bank to meet payment obligations. This risk can be generated by events such as failure to repay loans, the need to finance new assets, difficulties in selling liquid assets or obtaining new financing in the event of a liquidity crisis;
- collateral liquidity risk, i.e. the risk that the Bank, in the face of adverse changes in the fair value of financial instruments, is contractually required to restore margins with the payment of additional collateral/cash margins;
- operational liquidity risk, i.e. the risk that the Bank is unable to meet its current obligations (within a very short-term or intraday horizon) while remaining financially solvency.

Liquidity risk can be generated by various factors both internal and external to the Bank. The sources of liquidity risk can therefore be divided into the following macro-categories:

- endogenous: represented by adverse events specific to the Bank (e.g. a deterioration in the Bank's credit standing and loss of confidence by creditors);
- exogenous: when the origin of the risk is attributable to adverse events that cannot be directly controlled by the Bank (political crises, financial crises, catastrophic events, etc.) that give rise to liquidity tensions in the markets;
- combinations of the previous factors.

The Bank has implemented the Group policy governing the liquidity risk governance and control framework for the Iccrea Cooperative Banking Group, the management model and the principles and rules for the identification, measurement and monitoring of liquidity risk and for the performance of liquidity stress testing. The identification, measurement and monitoring of liquidity risk, subject to periodic review, forms part of the more general Group Risk Management Process (GRMP). The GRMP is a component of the organizational model, cutting across all operational sectors in which risks are assumed and managed, and establishes that activities for the identification, valuation (or measurement), monitoring, prevention and mitigation of risks are present in each sector, also defining the procedures (criteria, methods and means) with which these activities are performed.

The liquidity risk identification phase can be broken down by the length of the observation horizon:

- operational liquidity – divided into two complementary levels:
 - intraday and very short-term liquidity: monitored on a daily basis in order to identify sources of risk that impact the Bank's ability to promptly balance very short-term cash inflows and outflows and maintain a volume of liquidity sufficient to ensure compliance with the liquidity coverage ratio (LCR) requirement;
 - short-term liquidity: identification of sources of risk that impact the Bank's ability to meet its expected and unexpected payment obligations over a short-term horizon (up to 12 months);
- structural liquidity - identification of structural mismatches between assets and liabilities maturing at more than 1 year and integration with short-term liquidity management as well as planning of actions and preventing the future creation of short-term liquidity shortfalls.

The Bank's liquidity profile, and therefore its exposure to liquidity risk, is closely related to the business model adopted, the composition of the balance sheet in terms of assets, liabilities and off-balance sheet items as well as the related maturity profile.

The process of identifying and classifying the risk factors connected with the operational and structural liquidity profiles seeks to define the elements that, in terms of risk exposure, could trigger a deterioration in the liquidity position when endogenous and/or exogenous stress events occur.

Liquidity risk can be generated by various factors both internal and external to the Bank. The sources of liquidity risk can therefore be divided into the following macro-categories:

- endogenous: represented by adverse events specific to the Bank (e.g. a deterioration in the Bank's credit standing and loss of confidence by creditors);
- exogenous: when the origin of the risk is attributable to adverse events that cannot be directly controlled by the Bank (political crises, financial crises, catastrophic events, etc.) that give rise to liquidity tensions in the markets;
- combinations of the previous factors.

Measurement of risks

Measuring liquidity risk involves the activities performed to observe and quantify on a comprehensive, accurate and timely basis the exposure to such risk over the selected observation horizon.

Measuring the exposure to liquidity risk is based on an assessment of expected cash inflows and outflows – and the consequent deficits or surpluses – in the various residual maturity bands that make up the maturity ladder in order to:

- monitor the risk profile in “business as usual” conditions, overseeing the overall system of indicators that characterize the Liquidity Risk Framework;
- execute stress testing, which involves the determination of the liquidity position in severe but plausible adverse scenarios, assessing the impact at the consolidated and individual levels.

The risk position is measured with the use of models, specific indicators and additional metrics developed either internally or established in regulations.

The analysis of the maturity profiles depends substantially on assumptions about the future cash flows associated with the various assets and liabilities, both on-balance-sheet and off-balance-sheet, which take account of the economic maturities of the balance sheet elements rather than contractual dates, without neglecting the application of reasonable prudence criteria.

The risk position is measured using static and dynamic approaches, in line with the provisions of the company budget/strategic plan concerning the assets, liabilities and equity items in the financial statements, as well as off-balance-sheet transactions.

On the basis of the desired time horizon, two maturity curves are developed: operational and structural.

The operational maturity ladder is used to monitor the short-term liquidity position and is determined both in a business-as-usual scenario and in a stress scenario by applying prudential run-offs to contractual cash flows generated by assets and liabilities and to the margins of credit lines.

The intraday liquidity position is measured with metrics aimed at monitoring the maximum use of liquidity on an intraday basis, the reserves available at the beginning of each business day to meet liquidity requirements, gross payments sent and received and "time-specific" obligations.

The treasury position is measured on a daily basis by quantifying the liquidity reserves (i.e. counterbalancing capacity, or CBC) and using them to cover any possible negative liquidity balance over the reference time horizon.

This system for monitoring operational liquidity makes it possible to monitor:

- management of access to the payments system (operational liquidity management);
- management of the liquidity outflow profile;
- the size and degree of use of liquidity reserves (analysis and active management of the maturity ladder);
- the active management of collateral (cash-collateral management, i.e. refinanceable securities and bank loans);
- the integration of short-term liquidity management actions with structural liquidity requirements.

The structural maturity ladder is used to monitor the overall liquidity position, both at short and medium/long-term. It is determined by applying prudential run-offs to contractual cash flows generated by assets and liabilities and to the margins of credit lines. The projection of cash inflows and outflows at the various time bands in the ladder is carried out using two distinct approaches in relation to the purpose of the analysis.

The first approach identifies cash flows based on the contractual maturities of the items considered;

The second approach is based on the adoption of behavioral assumptions, with specific regard to the modeling of demand items and margins on the credit lines granted in both a business-as-usual scenario and in a stress scenario.

This tool is essential for obtaining a view of funding requirements and an understanding of the liquidity risk associated with execution of the funding plan, thereby preventing the emergence of future liquidity strains. In addition, the structural maturity ladder makes it possible to control:

- the management of maturity transformation in accordance with the guidelines established by management;
- support for the funding decisions in the funding plan.

Risk prevention and attenuation

Liquidity risk is managed using a comprehensive system of limits, which is a key tool in the management, control and attenuation of risks within the Liquidity Risk Framework. The definition of this system took account of the nature, objectives and complexity of operations.

The system of limits (RAS, risk limits) is defined by the Parent Company consistent with its policy-setting and coordination role and subsequently deployed in accordance with a structured cascading process to the subsidiaries (where applicable) consistent with the liquidity risk management model adopted.

The system of limits is also accompanied by a comprehensive system of systems and controls that contribute to defining the overall control model set out and formalized in the associated policy.

The controls established to manage liquidity risk break down as follows:

- Level I controls, which are intended to ensure the correct registration and maintenance of transactions over time;

- Level II controls, which are intended to measure, monitor and report the liquidity profile and activate escalation mechanisms;
- Level III controls (Internal Audit), which are intended to verify compliance with rules and procedures as well as internal and external regulations.

Monitoring and reporting

Control activities are carried out by the Risk Management function and are intended to monitor the exposure to liquidity risk in order to prepare reports for transmission to the competent units and to initiate the escalation mechanisms should the specified limits be exceeded. Control activities are based on the assessment and measurement of the risk profile with respect to the risk indicators established by the Risk Governance framework and are an instrumental part of:

- the timely identification of risk profile developments that might compromise achievement of the risk limits;
- the prompt activation of recovery plans in response to specified conditions on the basis of the “magnitude” of the over-limit position.

Liquidity risk control and monitoring activities are carried out within the internal self-regulatory framework. At an operational level, communication between the management functions and Risk Management takes place daily through in-depth discussions on risk developments that increase awareness of the profiles of the risks assumed (in accordance with the specified profitability objectives), thus facilitating the definition of appropriate management decisions.

An additional level of communication is embodied in the reporting system, which represents a decision support tool to provide the various organizational units involved with adequate and timely information on both the strategic and operational levels. The content, level of detail and frequency of the reporting are determined in accordance with the goals and roles assigned to the different recipients so as to ensure easy consultation, immediate perception of the situation and a comprehensive understanding of developments.

In particular, Risk Management performs codified and formalized monitoring and reporting activities within the Risk Appetite Framework and the Risk Policies, with the preparation of periodic reporting to provide appropriate disclosure to the management functions, senior management and the Board of Directors.

Stress test framework

The liquidity position is monitored in the normal course of business and under stress conditions. For the latter, a stress test framework has been defined on the basis of the indicators that characterize the Liquidity Risk Framework.

The stress test analyses are used to measure the degree to which the liquidity position can deteriorate in the event of especially adverse market conditions, thereby enabling verification of its robustness.

Accordingly, the objectives of the stress testing are:

- to verify the capacity to cope with unexpected liquidity crises in the first period in which they occur, before activating initiatives to modify the structure of assets or liabilities;
- to assess vulnerabilities in the liquidity profile, evaluating possible connections between the various risk categories as part of the periodic monitoring process;
- to calibrate the specific risk thresholds for the RAS and Risk Limit indicators for operational and structural liquidity, verifying whether the level of existing limits enables the maintenance of a level of liquidity that ensures that any coverage actions do not compromise business strategies;
- to identify, in preparing the recovery plan, scenarios that would compromise the survival of the Bank if appropriate recovery actions were not taken;
- to test the effectiveness of mitigation actions taken within the Contingency Funding & Recovery Plan and recovery actions provided for in the “near-default” scenarios to be taken in adverse situations in order to limit the exposure to liquidity risk;

- verify the feasibility of the funding plan, taking due account of the findings of the stress analysis.

In accordance with regulatory provisions, the Bank develops scenarios characterized by stress scenarios associated with the occurrence of systemic or idiosyncratic events in order to test potential liquidity vulnerabilities.

In line with the applicable regulatory guidelines, various types of mutually complementary analyses have been adopted:

- sensitivity analysis: analysis of liquidity position to the marginal impact of different types of shocks, considered separately or jointly, relating to one or more risk factors;
- scenario analysis: analysis consisting in the assessment of the Bank's ability to cope with a potential deterioration in its liquidity profile based on a combination of shocks associated with one or more risk factors in accordance with specific evolutionary stress dynamics;
- reverse stress testing: analysis consisting in identifying one or more stress scenarios whose impact leads to a pre-established result identified ex-ante. The reverse stress testing makes it possible to investigate, using a recursive analysis process, the size and probability of occurrence of the events that lead to this result.

Depending on the purpose of the analysis, the time horizon of the stress exercise, the speed of propagation of shocks and the approach to be adopted for the projection of operations (static/dynamic) are defined.

The types of stress test that characterize the framework provide for the occurrence of severe but plausible events (scenarios) that can be classified into three categories:

- stress scenarios caused by a systemic event, i.e. an event (or combination of events) reflecting specific macroeconomic variables whose occurrence generates/involves adverse consequences for the entire financial system and/or the real economy and therefore for the Bank;
- stress scenarios caused by specific events (idiosyncratic), i.e. an event (or combination of events) whose occurrence generates/involves highly adverse consequences for the Bank. In defining those events, a specific analysis was conducted, considering the specific organizational, operational and risk features that distinguish the Bank;
- stress scenarios generated by a combination of specific and systemic events, i.e. the occurrence of combined events within the same scenario.

The underlying methodological approach for the construction of the systemic and idiosyncratic stress scenarios envisages the identification of the individual types of liquidity risk and the funding/lending items affected by those risks, so as to estimate inflows and outflows for the purpose of highlighting liquidity gaps and verifying the stability of the risk indicators and the ability of the Bank to cope with any liquidity strains.

Shocks generated by the main risk variables have been incorporated for each scenario, identified on the basis of a logic consistent with the overall stress test framework, enabling the association of specific levels of propagation and the related impact on the indicators.

The stress scenarios do not take account of the effects of exchange rates on currencies, as exchange rate risk is assumed to be negligible and/or essentially offset.

For example, systemic events considered in constructing the scenarios include:

- a financial market shock that involves a significant change in the level of interest rates;
- a systemic shock that involves a drastic reduction in access to the money market;
- a liquidity squeeze on the interbank market;
- a recession;
- the default of systemically important counterparties.

Idiosyncratic events considered in constructing scenarios include:

- outflows of liquidity caused by substantial withdrawals of deposits by counterparties;
- the occurrence of reputational events that make it difficult to renew funding sources;
- adverse movements in the prices of assets to which the bank is most exposed;
- significant loan losses.

In determining and constructing combined stress scenarios, the framework provides for a targeted combination of systemic and idiosyncratic events in order to increase the severity of the stress exercises. For prudential purposes, the framework does not envisage offsetting effects deriving from the combination of the events considered.

IMPACT OF THE RUSSIA-UKRAINE CONFLICT AND THE ISRAELI-PALESTINIAN CRISIS

The Bank's existing risk measurement and control system has not undergone significant changes as it already meets the requirements for the sound and prudent management of risks, including economic-financial risks, generated in the wake of the onset of health emergency, followed by the Russia-Ukraine conflict and the more recent Israeli-Palestinian crisis.

QUANTITATIVE DISCLOSURES

4. DISTRIBUTION OF FINANCIAL ASSETS AND LIABILITIES BY RESIDUAL MATURITY

EURO

	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified maturity
A. On-balance-sheet assets	2,292,790	5,776,198	1,663,134	848,657	2,496,242	2,216,735	1,713,091	13,885,214	11,574,153	1,521,766
A.1 Government securities	-	-	32,257	1,971	112,497	363,762	160,190	2,910,223	7,206,402	-
A.2 Other debt securities	571	516	1,716	25,456	73,900	56,578	94,330	2,800,520	871,578	9
A.3 Units in collective investment undertakings	327,107	-	-	-	-	-	-	-	-	-
A.4 Loans	1,965,112	5,775,682	1,629,161	821,230	2,309,845	1,796,395	1,458,571	8,174,471	3,496,173	1,521,757
- banks	927,344	3,402,021	1,347,841	767,378	1,618,269	1,301,214	735,627	5,044,880	2,165,933	1,521,757
- customers	1,037,768	2,373,662	281,320	53,852	691,576	495,182	722,944	3,129,590	1,330,240	-
B. On-balance-sheet liabilities	11,136,758	8,900,866	109,706	316,732	1,891,496	3,434,874	1,122,458	12,198,436	3,665,226	-
B.1 Deposits and current accounts	10,789,168	1,738,980	84,467	217,450	508,721	750,028	596,116	5,963,515	428,373	-
- banks	8,979,339	1,738,980	84,467	217,450	508,721	750,028	596,116	5,963,515	428,373	-
- customers	1,809,829	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	3,198	25,188	97,543	34,665	45,833	392,858	5,471,706	2,150,000	-
B.3 Other liabilities	347,590	7,158,687	52	1,740	1,348,110	2,639,013	133,484	763,215	1,086,853	-
C. Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	-	196,540	270,342	325,480	55,794	40,293	22,977	69,061	75,775	-
- short positions	-	91,146	94,619	334,477	68,740	37,586	20,728	70,014	399,420	-
C.2 Financial derivatives without exchange of principal										
- long positions	3,603,036	80	1,977	3,678	29,251	48,534	88,300	-	-	-
- short positions	3,576,174	106	881	4,332	8,831	31,452	28,607	-	-	-
C.3 Deposits and loans to receive										
- long positions	-	7,550,295	-	-	284,227	3,414,649	1,984,110	1,405,044	-	-
- short positions	-	1,241,979	49,938	44,897	2,395,953	5,974,083	2,534,470	2,397,006	-	-
C.4 Irrevocable commitments										
to disburse funds										
- long positions	73,755	2,477,073	-	-	360,191	5,965	12,454	64,493	275,264	-
- short positions	792,122	2,477,073	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

OTHER CURRENCIES

	On demand	More than 1 day to 7 days	More than 7 days to 15 days	More than 15 days to 1 month	More than 1 month to 3 months	More than 3 months to 6 months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Unspecified maturity
A. On-balance-sheet assets	42,134	35,820	3,312	15,036	9,859	14,236	501	1,706	1,167	-
A.1 Government securities	3	-	-	-	47	4	13	11	1,167	-
A.2 Other debt securities	21	-	1	-	1	6	-	418	-	-
A.3 Units in collective investment undertakings	1,207	-	-	-	-	-	-	-	-	-
A.4 Loans	40,903	35,820	3,311	15,035	9,811	14,226	488	1,277	-	-
- banks	40,903	35,820	1,946	4,076	3,921	4,406	342	1,277	-	-
- customers	-	-	1,364	10,960	5,890	9,821	146	-	-	-
B. On-balance-sheet liabilities	134,963	58,944	7,761	20,605	13,108	2,539	2,031	89	181	-
B.1 Deposits and current accounts	129,969	58,930	7,761	20,582	13,108	2,539	1,786	-	-	-
- banks	129,969	58,930	7,761	20,582	13,108	2,539	1,786	-	-	-
- customers	-	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	4,994	14	-	23	-	-	245	89	181	-
C. Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	-	7,328	55,484	332,097	51,465	38,229	1,548	4,171	-	-
- short positions	-	7,919	10,624	322,947	38,436	40,640	6,034	3,253	-	-
C.2 Financial derivatives without exchange of principal										
- long positions	360	-	-	-	-	-	-	-	-	-
- short positions	204	-	-	-	-	-	-	-	-	-
C.3 Deposits and loans to receive										
- long positions	-	11,019	-	-	-	-	-	-	-	-
- short positions	-	11,019	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- long positions	-	381	-	-	-	507	-	-	-	-
- short positions	507	381	-	-	-	-	-	-	-	-
C.5 Financial guarantees issued	-	-	-	-	-	-	-	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.8 Credit derivatives without exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

SECTION 5 - OPERATIONAL RISK

QUALITATIVE DISCLOSURES

A. GENERAL ASPECTS, MANAGEMENT AND MEASUREMENT OF OPERATIONAL RISK

Operational risk means the risk of losses caused by the inadequacy or malfunction of procedures, human resources and internal systems or the occurrence of external events. For example, such losses include those caused by fraud, human error, operational interruptions, system unavailability, breach of contract and natural disasters.

The various types of operational risk to which the Group is structurally exposed therefore include IT risk and reputational risk. This is associated with the banking activities carried out with the public and financial and institutional counterparties, as well as the numerous national and international regulations to which the Bank is subject.

The organizational model adopted by the Parent Company within the Group to manage and monitor operational risks is structured into two levels:

- at the Parent Company, the Operational & ICT Risk Management unit has been established within the CRO Area, reporting to Non-Financial Risk Management, responsible for ICT and Operational risks monitoring and management at Group level. In addition, the Information Security Risk Management unit, also reporting to Non-Financial Risk Management, is dedicated to cyber security and IT risk management.

These units are charged with:

- responsibility for policy-making and coordinating risk management activities for Iccrea Cooperative Banking Group concerning operational, IT and security risks. The units operate as a specialist hub for the area;
- responsibility for supporting the Risk Management functions of the direct scope subsidiaries and of the affiliated banks, through the relevant CRO area units;
- at the affiliated banks and direct scope subsidiaries, the Risk Management units report to their boards of directors and are responsible, among other duties, for monitoring and managing developments in the exposure to operational, IT and security risks.

The methodological aspects underlying the management framework and the related methods of application to the Group companies were formalized and approved at the end of 2019, and updated in the following years, as part of specific Group policies (Operational Risk Management Framework, ICT & Security Risk Management Framework, Loss Data Collection, Operational Risk Self Assessment and IT Risk Self Assessment) in line with applicable the regulatory provisions.

These frameworks have been developed in accordance with the typical phases of the operational risk management process, namely:

- identification of risks (knowledge): a set of activities directed at identifying operational, IT and security risks by assessing the factors that drive their dynamics, taking account of the dual perspective of events that have already occurred (i.e. operational loss data) and potential risk (assessed through the collection of business expert opinion);
- evaluation/measurement of identified risks (awareness): a set of activities for assessing/measuring Group operational, IT and security risks;
- risk prevention and attenuation (strategy): a set of activities for the ex-ante identification of the possible ways of preventing and mitigating unfavorable developments in the dynamics of operational, IT and security risks. Definition of actions to prevent the occurrence of unfavorable events and mitigate the effects of the manifestation of events connected with operational, IT and security risks, and the implementation of measures to ensure that possible risk scenarios underlying operations evolved within the tolerated risk appetite levels defined for specific operating or business segments;
- monitoring and reporting (tracking and control): a set of activities to monitor the Group's risk profile and deliver comprehensive reporting to provide timely, accurate and appropriate support to the decision-making process underlying "Risk Prevention and Mitigation" and "Risk Management and Mitigation";
- risk management and mitigation (reaction and proactivity): a set of activities and actions to support the management of operational, IT and security risks, implement actions to prevent the occurrence of adverse events and to attenuate the effects of events related to operational, IT and security risks, and to constantly

monitor the results of the activities performed. This phase concerns the management of operational, IT and security risks subsequent to the preventive measures taken in the strategic assumption of risk, responding to developments (operating losses or changes in the risk profile) that impact the level of risk determined ex ante.

The loss data collection process has currently been adopted by the Parent Company and all the Group companies that contribute, with a specified frequency, to the collection of historical events and losses through the Group application solution, which is available to both the companies within the direct scope of the Group and the affiliated banks.

As regards the assessment processes for operational risks (OR-SA), the identification and assessment of prospective risks are conducted following an internal program for companies within the direct scope and in respect of the affiliated banks.

With specific reference to IT risk, March 2025 saw the finalization of the annual Group ICT and security risk profile assessment on the IT services and components managed by BCC Sistemi Informatici, BCC Sinergia and Iccrea Banca.

During the first half of 2025, consistent with last year's developments, the informational and training effort continued for the Operational and ICT & Security Risk Management framework, with specific attention being paid to operational approaches and support applications, together with development of the application system to support risk management.

The Parent Company Operational & ICT Risk Management function also supported the collection of operational loss events at the Group level for management reporting use and for QIS and COREP regulatory reporting purposes, and contributed in its areas of responsibility to the performance of the stress tests envisaged as part of the ICAAP.

With regard to the monitoring activities of the Incident Management Process, significant incidents were monitored continuously, from the time of their occurrence until closure of the incident, with the performance of assessment activities in the event of incidents with specific characteristics or for which particular risk factors were identified. Specific periodic reporting is prepared for these activities.

Furthermore, in 2025, development activities for the development of applications to support the Operational and IT risk management activities continued.

QUANTITATIVE DISCLOSURES

As provided for in Circular no. 285/2013 of the Bank of Italy as updated, until December 31, 2024 the Bank has calculated operational risks for reporting purposes mainly using the Basic Indicator Approach,¹⁴¹ which provided for the application of a fixed regulatory coefficient of 15% to the approaches average of the last three observations of the Relevant Indicator of the volume of business, determined in compliance with the CRR.

With the approval of CRR3, from 2025 capital requirements for operational risk must be determined using the Standardized Measurement Approach (SMA), which provides for the application of increasing marginal coefficients to the average of the last three observations of the Business Indicator, determined in compliance with applicable regulations. The capital requirement at December 31, 2025 is €804,960 thousand.

BUSINESS INDICATOR (BI)	VALUE
- ILDC (Interest, Leases and Dividend Component)	3,630,038,226
- SC (Service Component)	1,827,493,526
- FC (Financial Component)	108,865,994
Business Indicator (ILDC+SC+FC)	5,566,397,746
Regulatory coefficient	≤ 1billion 12%; 1 < billion ≤ 30billion 15%; > 30billion 18%
Capital requirement	804,959,662

* Average on the T, T-1, T-2 periods

¹⁴¹ One affiliated bank adopts the Traditional Standardized Approach (TSA).

PART F – INFORMATION ON CAPITAL

SECTION 1 – COMPANY CAPITAL

A. QUALITATIVE DISCLOSURES

Shareholders' equity (share capital, share premium reserve, reserves, equity instruments, own shares, valuation reserves, redeemable shares, profit/loss for the period) represents the Bank's capital, i.e. the sum of financial resources used for achieving the corporate purpose and dealing with the risks of business. Therefore, equity represents the main safeguard against the risks of the banking business and, as such, the amount of capital must be sufficient to ensure an appropriate degree of independence in development and growth and guarantee the soundness and stability of the company on an ongoing basis.

B. QUANTITATIVE DISCLOSURES

B.1 COMPANY CAPITAL: COMPOSITION

	Amount 31/12/2025	Amount 31/12/2024
1. Share capital	1,401,045	1,401,045
2. Share premium reserve	6,081	6,081
3. Reserves	860,134	784,115
- earnings	860,134	784,115
a) legal	116,749	108,874
b) established in bylaws	205	205
c) treasury shares	5,200	-
d) other	737,980	675,036
- other	-	-
4. Equity instruments	-	-
5. (Treasury shares)	-	-
6. Valuation reserves:	55,481	56,776
- Equity securities designated as at fair value through other comprehensive income	(446)	(1,106)
- Hedges of equity securities designated as at fair value through other comprehensive income	-	-
- Financial assets (other than equity securities) measured at fair value through other comprehensive income	6,046	2,280
- Property, plant and equipment	-	-
- Intangible assets	-	-
- Hedging of investments in foreign operations	-	-
- Cash flow hedges	(338)	5,652
- Hedging instruments [undesignated elements]	-	-
- Foreign exchange differences	-	-
- Non-current assets held for sale	-	-
- Financial liabilities designated as at fair value through profit or loss (change in own credit rating)	(143)	-
- Actuarial gains (losses) on defined benefit plans	(1,972)	(2,111)
- Share of valuation reserves of equity investments accounted for using equity method	-	-
- Special revaluation laws	52,334	52,062
7. Net profit (loss) for the period	184,371	78,749
Total	2,507,114	2,326,766

B.2 - VALUATION RESERVES FOR FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: COMPOSITION

	Total 31/12/2025		Total 31/12/2024	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	7,531	1,485	5,030	2,751
2. Equity securities	341	787	280	1,387
3. Loans	-	-	-	-
Total	7,872	2,272	5,311	4,137

B.3 VALUATION RESERVES FOR FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME: CHANGE FOR THE PERIOD

	Debt securities	Equity securities	Loans
1. Opening balance	2,280	(1,106)	-
2. Increases	9,772	926	-
2.1 Fair value gains	8,265	259	-
2.2 Writedowns for credit risk	1,507	X	-
2.3 Reversal to income statement of negative reserves: from realization	-	X	-
2.4 Transfers to other components of shareholders' equity (equity securities)	-	661	-
2.5 Other changes	-	6	-
3. Decreases	6,006	266	-
3.1 Fair value losses	2,616	206	-
3.2 Writebacks for credit risk	1,115	-	-
3.3 Reversal to income statement of positive reserves: from realization	2,274	X	-
3.4 Transfers to other components of shareholders' equity (equity securities)	-	59	-
3.5 Other changes	-	-	-
4. Closing balance	6,046	(446)	-

B.4 - VALUATION RESERVES FOR DEFINED-BENEFIT PLANS: CHANGE FOR THE PERIOD

	31/12/2025
1. Opening balance	(2,111)
2. Increases	209
2.1 Actuarial gain from change in financial assumptions	-
2.2 Actuarial gain from change in demographic assumptions	191
2.3 Actuarial gains from experience adjustments	18
2.4 Other changes	-
3. Decreases	-
3.1 Actuarial loss from change in financial assumptions	-
3.2 Actuarial loss from change in demographic assumptions	-
3.3 Actuarial losses from experience adjustments	-
3.4 Other changes	-
4. Tax effect	(69)
5. Closing balance	(1,972)

SECTION 2 – OWN FUNDS AND CAPITAL RATIOS

See the consolidated disclosures on own funds and capital adequacy in the Third Pillar disclosures.

PART G - BUSINESS COMBINATIONS

SECTION 1 – TRANSACTIONS CARRIED OUT DURING THE YEAR

No business combinations involving the acquisition of control pursuant to IFRS 3 were carried out in 2025..

With regard to business combinations carried for reorganization purposes, see Part G in the consolidated financial statements.

SECTION 2 – TRANSACTIONS AFTER THE CLOSE OF THE PERIOD

No business combinations involving the acquisition of control pursuant to IFRS 3 were carried out after the close of the period.

With regard to business combinations carried for reorganization purposes after the close of the period, see Part G in the consolidated financial statements.

SECTION 3 – RETROSPECTIVE ADJUSTMENTS

The section has not been completed because there were no such positions as of the reporting date.

PART H - TRANSACTIONS WITH RELATED PARTIES

1. INFORMATION ON THE REMUNERATION OF KEY MANAGEMENT PERSONNEL

The following table provides information on the remuneration paid in the period to key management personnel as required by IAS 24. Key management personnel are managers who have the power and responsibility, directly or indirectly, for the planning, management and control of the Bank's activities, including the directors and members of the supervisory bodies.

	Total 31/12/2025				
	Short term benefits	Post-employment benefits	Other long-term benefits	Termination benefits	Share-based payments
Key management personnel	10,574	505,216	2,098,333	-	-

The item "short-term benefits" includes wages, salaries, benefits and remuneration of key management personnel (also includes directors and members of supervisory bodies).

The item "post-employment benefits" includes, among other things, the provision/revaluation of the severance pay (TFR) left in the company-managed fund, severance pay paid into the National Pension Fund for mutual bank employees (or other external funds) and the portions paid by the company in contributions to the National Pension Fund for mutual bank employees (or other external funds).

The item "other long-term benefits" includes the deferred component of remuneration relating to variable incentive systems and loyalty bonuses.

2. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

For the purposes of the preparation of these disclosures, pursuant to IAS 24 a related party is a person or entity who is related to the entity preparing the financial statements.

More specifically, for the purposes of the Bank's individual financial statements, the scope of related parties includes:

- Key management personnel (directors, auditors, general management, financial reporting officer, head of Area or Corporate control functions) of the reporting entity and the Parent Company Iccrea Banca;
- Close family members of a);
- Entities under control (of joint control) of a) and b);
- Post-employment benefit plan for employees of the reporting entity or a related entity (Pension Fund);
- Entities of the Iccrea Cooperative Banking Group (including associates) within the consolidation scope of the Group;
- Unconsolidated subsidiaries.

The following table summarizes the financial effects of transactions with the related parties of the Bank.

	Total 31/12/2025			
	Subsidiaries	Associated companies	Key management personnel	Other related parties
Financial assets	23,585,197	518,859	441	477
Total other assets	150,936	40,410	-	-
Financial liabilities	20,942,483	193,237	-	-
Total other liabilities	120,787	31,787	-	-
Commitments and financial guarantees issued	8,807,689	103,624	-	-
Commitments and financial guarantees received	212,398	-	-	-
Provisions for doubtful loans	-	-	-	-

	Total 31/12/2025			
	Subsidiaries	Associated companies	Key management personnel	Other related parties
Interest income	587,834	16,715	1	-
Interest expense	(395,475)	(5,257)	-	-
Dividends	66,018	902	-	-
Fee and commission income	322,329	178,169	-	-
Fee and commission expense	(349,064)	(140,121)	-	-
Other operating expenses/income	90,636	-	-	-
Net gain (loss) on trading activities	(520,564)	-	-	-
Net gain (loss) on hedging activities	-	-	-	-
Writedowns/writebacks of impaired financial assets	-	-	-	-

The items “fee and commission income” and “fee and commission expense” include the effect of the promotion-distribution agreements for the Numia Group products and services between the Bank and the Group’s mutual banks, following the initiative undertaken during the year for the repositioning of the Group’s e-money operations.

Other related parties include close family members of directors, auditors and other key management personnel, as well as the entities under control of the same subjects and their close family members.

All transactions with related parties were regularly carried out on an arm’s length basis, based on economic feasibility assessments and in compliance with the applicable legislation, providing adequate disclosure of the reasons and the feasibility of the transactions.

PART I - SHARE-BASED PAYMENTS

The section has not been completed because there were no such positions as of the reporting date.

PART L - OPERATING SEGMENTS

Exercising the option granted by IFRS 8, segment information is presented solely with regard to the consolidated financial statements.

PART M - LEASE DISCLOSURES

SECTION 1 – LESSEE

QUALITATIVE DISCLOSURES

Iccrea Banca's leases essentially regard property and car leases.

At December 31, 2025, the Bank held 276 leases, of which 21 relating to property leases and 255 relating to cars for total right-of-use assets of €5,833 thousand.

The properties are mostly used for banking and general management activities. Based on historical experience, the Bank includes the first lease extension in computing the lease term, in addition to the non-cancellable period, if renewal depends exclusively on the lessee. Therefore, both at the date of FTA and upon initial recognition of a contract under IFRS 16, the first reasonably certain lease extension has been considered, unless there is effective evidence of relevant facts and circumstances that would counsel a different assessment. Therefore, in the case of a lease for property with a term of 6 years and a tacit renewal option at the end of the first six-year period, the term considered in determining the useful life of the right of use is 12 years, unless there are facts or circumstances that suggest a different assessment.

Car leases regard contracts for cars assigned to employees for business use. These contracts usually come in the form of "long-term rentals" and are therefore have a multi-year term and usually do not include a final purchase option.

As already indicated in the accounting policies, the Group has elected to exercise the exemptions permitted by IFRS 16 for short-term leases (terms of less than or equal to 12 months) and low-value leases (where the value of the asset is less than or equal to €5,000).

QUANTITATIVE DISCLOSURES

Part B of the notes to the financial statements reports right-of-use assets acquired with leases in the amount of €5,833 thousand (Table 8.1 – Operating property, plant and equipment: composition of assets carried at cost); with leases liabilities of €5,864 thousand (Table 1.2 - Financial liabilities measured at amortized cost – due to customers: composition by type).

Part C Income statement reports interest in respect of lease liabilities of about €228 thousand (Table 1.3 Interest and other expense, sub-item financial liabilities measured at amortized cost, due to customers).

The following table breaks down depreciation charges (reported in Table 12.1 on the income statement) for right-of-use assets into the various categories.

The right of use relating to leased assets (rental of properties and cars) has been recognized under the sub-item "Assets acquired under finance leases" as required by IFRS 16.

	Property	Automobiles	Total 2025	Total 2024
Initial value	698	4161	4859	2096
Purchases	711	2718	3429	4622
Other changes	(89)	3	(86)	9
Depreciation	(533)	(1,836)	(2,369)	(1,868)
- of which: sales				
Assets acquired under financial lease	787	5,046	5,833	4,859

SECTION 2 – LESSOR

The section has not been completed because there were no such positions as of the reporting date.

CERTIFICATION

Certification of the Separate financial statements as at 31 December 2025 pursuant to Art.81-ter of Consob Regulation No.11971/99 and subsequent additions and amendments

- 4) The undersigned Giuseppe Maino, as Chief Executive Officer of Iccrea Banca S.p.A., and Marianna Di Prinzio, as the Manager responsible for preparing the company's financial reports of Iccrea Banca S.p.A., hereby certify, also in compliance with Art.154-*bis*, paragraphs 3 and 4, of Italian Legislative Decree No. 58 of 24 February 1998:
- the adequacy in relation to the features of the company, and
 - the actual application of the administrative and accounting procedures employed to draw up the Separate financial statements as at 31 December 2025.
- 5) The assessment of the adequacy of the administrative and accounting procedures employed to draw up the Separate financial statements as at 31 December 2025 is based on a model developed by Iccrea Banca S.p.A., in accordance with the "*Internal Control - Integrated Framework (CoSO)*", and the "*Control Objective for IT and Related Technologies (Cobit)*", which represent generally accepted international standards for internal control system and for financial reporting in particular.
- 6) The undersigned also certify that:
- the Separate financial statements as at 31 December 2024:
 - d) were prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation (EC) No.1606/2002 of 19 July 2002;
 - e) correspond to the results of the accounting books and records;
 - f) are suitable to provide a fair and correct representation of the economic and financial situation of Iccrea Banca S.p.A.;
 - the Report on operations includes a reliable analysis of the operating trend and results, as well as of the position of the Bank, together with a description of the main risks and uncertainties it is exposed to.

Rome, 16 April 2026

Chief Executive Officer
Giuseppe Maino

**Manager responsible for preparing the
company's financial reports**
Marianna Di Prinzio

REPORT OF THE AUDIT FIRM

Iccrea Banca S.p.A.

Independent auditor's report in accordance with article 14 of
Legislative Decree No. 39 of 27 January 2010 and article 10 of
Regulation (EU) No. 537/2014

(translation of the original report issued in Italian)*

Financial statements as of 31 December 2025

Independent auditor's report in accordance with article 14 of Legislative Decree No. 39 of 27 January 2010 and article 10 of Regulation (EU) No. 537/2014

To the Shareholders of Iccrea Banca S.p.A.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Iccrea Banca S.p.A. (the Company), which comprise the balance sheet as of 31 December 2025, the income statement, the statement of comprehensive income, the statement of changes in equity, the cash flows statement for the year then ended and the notes, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as with the regulations issued to implement article 43 of Legislative Decree No. 136/15.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the section of this report titled *Auditor's responsibilities for the audit of the financial statements*. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Classification and valuation of financial loans to customers measured at amortized cost

For further information, please refer to the Explanatory Notes:

"Part A – Accounting policies" – Section A.2 paragraph 3. "Financial assets measured at amortized cost "

"Part B – Information on the balance sheet" - Section 4 "Financial assets measured at amortized cost"

"Part C – Information on the income statement": Section 8 "Net losses/recoveries for credit risk in respect of financial asset measured at amortized cost"

"Part E – Risk and risk management policies"

Description of the key audit matter	Audit procedures
Loans to customers measured at amortized cost, which are reported in item 40 b) of the balance sheet assets, as of 31 December 2025 amount to Euro 9.931 million, representing 21% of total assets. Their classification and evaluation provided by the directors is relevant for the audit in consideration of their significance, either with reference to the intrinsic complexity of the process of determining the expected losses and by the subjectivity in the formulation of the estimation processes, also in consideration of the uncertainty of the current macroeconomic context and the latest developments. Amongst the estimation factors, the following are of particular importance: - the criteria identified for significant increase in credit risk (SICR) for the allocation of credit portfolios to the homogeneous categories of risk (so-called "staging allocation"); - the determination of the parameters for the estimation of expected credit losses (ECL), including <i>forward-looking</i> factors for the determination of <i>Probability of Default</i> (PD), <i>Exposure at Default</i> (EAD) and <i>Loss Given Default</i> (LGD) classified in Stage 1 and Stage 2; - credit-impairment evidence leading to classification of loans as impaired in Stage 3; - the criteria and methods applied for estimating expected cash flows based on the assumptions regarding the recovery of non-performing loans.	In response to this key audit matter, the audit procedures performed included, among others: - updating the understanding of the internal control system, as well as internal procedures related to the monitoring of the quality of portfolio and the management of credit risk, as well as those related to the measurement of expected credit losses; - reviewing the proper implementation and operating effectiveness of the relevant controls for the purpose of credit classification and valuation process, including those related to IT application controls; - performing analytical procedures on the most significant changes in loans to customers compared to the prior year; - performing, on a sample basis, substantive procedures to validate the correct classification and measurement of credit exposures; - verifying of the adequacy and compliance of the financial disclosure provided in the notes to the financial statements. The above procedures were also carried out with the support of our specialists in financial instrument valuation models and IT systems.

Measurement of equity investments

For further information, please refer to the Notes:

"Part A – Accounting policies" – Section A.2 paragraph 5. "Equity Investment"

"Part B – Information on the balance sheet" - Section 7.5 "Equity investments - Changes for the period".

"Part C – Information on the income statement": Section 15 "Profit (loss) from equity investments"

Description of the key audit matter	Audit procedures
Equity investments, which are reported in item 70 of the balance sheet - assets as of 31 December 2025 amount to Euro 1.163 million. The directors assess at least annually any indicators of impairment of the carrying amount of investments, consistent with their strategy for managing legal entities. In accordance with IAS 36 'Impairment of Assets', if indicators of impairment occur, the Company performs an impairment test. The process and procedures for determining the recoverable amount of equity investments are based on assumptions that, considering the nature of the items involved, involve the management judgment, especially regarding the identification of impairment indicators and the expectations of the long-term growth rates.	In response to this key audit matter, the audit procedures included the main following activities: • understanding of the estimation process of the equity investments recoverable value and the related impairment test procedures; • analysis of the reasonableness of the assumptions and parameters used by the directors in determining the recoverable amount of the equity investments held by the Company; • reviewing the accuracy of the calculations in the impairment testing; • verifying of the adequacy and compliance of the financial disclosure provided in the notes to the financial statements. The above procedures were also carried out with the support of our specialists in business valuation models.

Responsibilities of the directors and board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and endorsed by the European Union, as well as with the regulations issued to implement article 43 of Legislative Decree No. 136/15 and, according to the terms prescribed by law, for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company's ability to continue as a going concern and for the appropriateness of the use of the going concern assumption in the preparation of the financial statements, and for appropriate disclosure thereof. In preparing the financial statements, the directors use the going concern basis of accounting unless directors either intend to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, according to the terms prescribed by law, the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit performed in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of the audit in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures in response to those risks; we obtained sufficient and appropriate audit evidence on which to base our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control;
- we obtained an understanding of the internal control relevant to the audit in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- we concluded on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. Where a material uncertainty exists, we are required to draw attention, in our auditor's report, to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, subsequent events or conditions may cause the Company to cease to continue as a going concern;
- we evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in such a manner as to give a true and fair view.

We communicated to those charged with governance, identified at an appropriate level as required by ISA Italia, among other matters, the scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated to them any circumstances that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to those charged with governance, we identified those that were of most significance in the audit of the financial statements of the current period, and are therefore representing the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) No. 537/2014

On 28 May 2021, the shareholders of Iccrea Banca S.p.A. in general meeting engaged us to perform the statutory audit of the Company's financial statements for the years ending 31 December 2021 to 31 December 2029.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) No. 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in their capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter), of Legislative Decree No. 39/10

The directors of Iccrea Banca S.p.A. are responsible for preparing a report on operations of Iccrea Banca S.p.A. as of 31 December 2025, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on the compliance of the report on operations with the law;
- issue a statement of any material misstatements in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Iccrea Banca S.p.A. as of 31 December 2025.

Furthermore, in our opinion, the report on operations is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Roma, 16 April 2026

Forvis Mazars S.p.A.

(signed on the original)

Olivier Rombaut
Partner - Registered auditor

() This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

ATTACHMENTS - ACCOUNTS OF THE
GUARANTEE SCHEME

DOCUMENT OBJECTIVE

Under the provisions of the Guarantee Scheme, which is governed by legislation and the Cohesion Contract, each bank participating in the Iccrea Cooperative Banking Group (ICBG) has paid in a guarantee contribution - commensurate with its risk-weighted exposures and limited to capital in excess of the mandatory requirements at the individual level - in order to give the Parent Company readily available funds (RAFs) to undertake financial support interventions to ensure the solvency and liquidity of the individual affiliated banks.

The RAFs are represented by:

- an Ex Ante Quota established at the Parent Company through loans for a specific transaction pursuant to Article 2447-bis, letter b) and Article 2447-decies of the Italian Civil Code;
- an Ex Post Quota that can be called up by the Parent Company in case of need, established with an irrevocable commitment of the affiliated banks to the Parent Company.¹⁴²

The objective of this document is to present the separate accounts of the loan for a specific transaction and to report on the overall management of the funds underlying the operation of the Guarantee Scheme (Ex Ante Quota and Ex Post Quota) for 2025, consistent with the provisions of Article 6.3¹⁴³ of the Cohesion Contract and Article 4.3¹⁴⁴ of the Loan Agreement.¹⁴⁵

If not specified, the amounts in the tables below are expressed in euros.

CONTRIBUTION TO THE GUARANTEE SCHEME

In order to guarantee that the Parent Company has ready access to the financial resources necessary to implement guarantee interventions, in April 2019 the participating banks established the readily available funds (RAF), represented by an Ex Ante Quota pre-established at the Parent Company and an Ex Post Quota that can be called up by the Parent Company in case of need, making contributions in the technical forms provided for in the Cohesion Contract.

The Cohesion Contract provides for the Group to conduct annual stress tests of the participating banks to quantify their potential capital requirements in an adverse scenario and verify the necessary volume of Group funds. The figures for the RAF for 2025 revealed the following estimates:

- Ex Ante Quota of €333.7 million (€330 million for 2024);
- Ex Post Quota of €333.7 million (€330 million for 2024).

As regards the adjustment of the Ex Ante Quota, the adjustment mechanism considers the effective availability of funds at the date of updating on the basis of the following information:

- an estimate of the Ex Ante Quota of the Bank for 2025, plus the amount assigned to each participating bank in the intra-group support intervention towards BCC di Pisa e Fornacette through the purchase of the minority shareholding in Sigest Srl for a total amount of €13.56 million.¹⁴⁶
- the fair value at December 31, of the loan disbursed by the Bank;
- the fair value of amounts of the shares attributed to the Bank for support interventions up to December 31, 2024.

The greater or lesser amount to be adjusted was calculated, for each participating bank, by subtracting from the amount of the Ex Ante Quota due (1) the fair value of the loan at the end of 2024 (2), and adding any intervention

¹⁴² As part of the irrevocable commitment to the Guarantee Scheme, the Parent Company grants a liquidity line to each affiliated bank, which in turn issues a guarantee contribution in securities in favor of the Parent Company.

¹⁴³ "Within the context of the operation of the Guarantee Agreement the Parent Company shall prepare at least annually a periodic report on the participation of the affiliated banks in the Guarantee Agreement and in the formation of the Ex Ante Funds and the Ex Post Funds".

¹⁴⁴ "...monitoring of the execution of the Transaction shall be performed by the Lending Parties on the basis of the disclosures and reporting periodically made available by the Beneficiary, also pursuant to the provisions of the Cohesion Contract".

¹⁴⁵ The Loan Agreement was signed by the affiliated banks, as the Lending Parties, and by the Parent Company, as the Beneficiary, in order to create the loan for a specific transaction referred to in Articles 2447-bis, letter b) and 2447-decies of the Civil Code.

¹⁴⁶ See Direttiva di Indirizzo e Coordinamento "Attivazione dello Schema delle Garanzie Incrociate - comunicazione quota di pertinenza per contribuzione all'Intervento di sostegno infragruppo nei confronti della BCC di Pisa e Fornacette mediante acquisto della quota di minoranza della partecipazione in Sigest Srl", Prot. ICR-OUT-000974-2024-DG, of 31/07/24. At the time of the intervention, the participating banks were not required to reclassify the allocated loan. The allocated amount was therefore only used for the annual adjustment of the Ex Ante Quota as it was no longer available for any further support interventions.

amounts attributed to that bank (3).

Consequently, the Parent Company called up a total amount of €2,550,592.82 from the participating banks, equal to the difference between the Ex Ante Quota for 2025 (€333,718,478.39) plus the intervention to purchase a minority interest in Sigest srl (€13,559,247.91) and the fair value of the loan (€479,117,648.08) net of the fair value of the support interventions carried out (equal to €134,390,514.60) at December 31, 2024.

The settlement of the Ex Ante Quotas was implemented in the first quarter of 2025 with value date January 1, 2025 by:

- debiting the settlement accounts of 73 affiliates for a total amount of €6,658,180.89 and the adjustment of the amount attributable to the Parent Company by €297,797.63 by means of a cash payment to the PM account dedicated to the Guarantee Scheme with the Bank of Italy;
- crediting the settlement accounts of 40 affiliates with a total amount of €4,405,385.71.

For Ex Post Quotas, the model for calculating the adjustment envisages subtracting, for each affiliated bank, the value of the quota outstanding at the end of the previous year (net of liquidity interventions in the period) from the amount of the Ex Post Quota for the current year. The application of the mechanism led to an increase in the overall Ex Post Quota of €3,544,009.50 compared with 2024. The adjustment process was completed within the first quarter of 2025 through:

- the adjustment by the affiliated mutual banks of the credit line granted to the Parent Company;
- the adjustment by the Parent Company of the secured GS lines granted to the affiliates;
- the adjustment by the affiliated mutual banks of the securities pledged as collateral in the account associated with the secured GS line.

INTERVENTIONS OF THE GUARANTEE SCHEME

In compliance with the provisions of the applicable legislation, the Cohesion Contract establishes that the Intercompany Support Interventions (hereafter interventions) necessary to ensure the solvency and liquidity of the individual participating banks shall be carried out by the Parent Company.

The interventions may consist of:

- capital support interventions to be carried out through capitalization measures (including the subscription of financing shares pursuant to Article 150-ter of the Consolidated Banking Act through the Ex Ante Quota of the RAFs);
- liquidity support interventions to be carried out through financing measures in support of liquidity (for example, financing transactions with appropriately defined maturity or securities lending);
- interventions in any other technical form deemed appropriate by the Parent Company.

Capital support interventions drawing on the Ex Ante resources of the RAFs, are attributed on a pro-rated basis to each mutual bank,¹⁴⁷ in accordance with the “Accounting and prudential model for the Cross-Guarantee Scheme”.¹⁴⁸ The share of each affiliated bank in the intervention is:

- recognized in the accounts as indirect financing in a subordinated debt or equity instrument on the basis of the capital instrument issued by the beneficiary bank;
- deducted, for prudential purposes, from the component of own funds of each participating bank consistent with the type of intervention carried out at the beneficiary bank.

¹⁴⁷ In accordance with the “Guarantee Scheme Policy” the beneficiaries of an intervention and banks with a free capital buffer of less than 30 bp (the technical capacity margin provided for in the allotment of guarantee obligations) are excluded from the allotment of the support, with the consequent reallocation of the amount due to the other participating banks that had capital capacity available.

¹⁴⁸ See Direttiva di Indirizzo e Coordinamento ICR-OUT-0291-2019-DIR of 9/4/2019 “Corpus documentale che regola il funzionamento dello Schema delle Garanzie Incrociate”.

SUMMARY OF THE INTERVENTIONS

In 2025, only one capital support intervention was carried out drawing on the Ex Ante resources of the Guarantee Scheme in favor of Banca di Pesca e Cascina, by subscription of financing shares pursuant to Article 150-ter of the Consolidated Banking Act, in the amount of €9,999,977.¹⁴⁹

The total amount of capital support interventions carried out by the Guarantee Scheme since the establishment of the Group came to about €151.3 million (nominal amount).

ISIN / Internal code	Instrument	Beneficiary mutual bank	Subscription date	Nominal amount ¹⁵⁰	Details
IT0005397010	Sub. T2 loan	Banca Centro (ex VivalBanca)	30/12/19	8,000,000	term 10 years fixed rate 4.25%
IT0005395634	Sub. T2 loan	Banca Centropadana	16/12/19	5,000,000	term 7 years fixed rate 3%
IT0005395626	Sub. T2 loan	Banca Centropadana	16/12/19	10,000,000	term 10 years fixed rate 3%
BCATEMA08851	Art. 150-ter shares	Banca Tema (ex BCC Valdichiana)	26/5/21	28,000,000	Share NV = 25.00 No. shares 1,240,000
BCENTROP8324	Art. 150-ter shares	Banca Centropadana	23/6/21	10,200,010	Share NV = 25.82 No. shares 395,043
BPISAFOR8562	Art. 150-ter shares	Banca di Pisa e Fornacette	29/9/21	19,000,032	Share NV = 69.65 No. shares 272,793
BCACENTR7075	Art. 150-ter shares	Banca Centro (ex VivalBanca)	29/9/21	12,999,999	Share NV = 25 No. shares 519,999 (reserve €24)
BARITARA7012	Art. 150-ter shares	Banca di Bari e Taranto (ex BCC di Massafra)	2/11/21	650,001	Share NV = 32.81 No. shares 19,811 (reserve €2.18)
BCENTROP8324	Art. 150-ter shares	Banca Centropadana	27/4/22	6,999,983	Share NV = 25.82 No. shares 271,107
BPISAFOR8562	Art. 150-ter shares	Banca di Pisa e Fornacette	8/3/22	20,999,963	Share NV = 69.65 No. shares 301,507
IT0005519043	Art. 150-ter shares	Banca Centro (ex VivalBanca)	11/11/22	3,000,000	Irredeemable fixed rate 5%
BCENTROP8324	Art. 150-ter shares	Banca Centropadana	16/5/23	2,499,996	Share NV = 25.82 No. shares 96,824
BCENTROP8324	Art. 150-ter shares	Banca Centropadana	17/6/24	399,978	Share NV = 25.82 No. shares 15,491
90F033	Art. 150-ter shares	Banca di Pisa e Fornacette	29/7/24	13,559,248	
BCAPECAS8358	Art. 150-ter shares	Banca di Pesca e Cascina	12/3/25	9,999,997	Share NV = 5.16 No. shares 1,937,984
TOTAL				151,309,207	

As regards the management of Ex Post resources, on March 17, 2025 Banco Fiorentino extinguished the interest-bearing bullet loan in the total amount of €100 million, originally granted to Banca di Pisa e Fornacette drawing on the resources of the Guarantee Scheme and transferred to Banco Fiorentino, on February 17, 2025, following the legal effectiveness of the merger of the related pool of Banca di Pisa e Fornacette into Banco Fiorentino.

¹⁴⁹ Intervention included in the broader project of partial and non-proportional demerger of Banca di Pisa e Fornacette with merger of their respective assets into Banco Fiorentino and Banca di Pesca e Cascina.

¹⁵⁰ As a result of the merger, the nominal value (NV) of the shares issued by Banks benefiting from support interventions and subsequently incorporated has been updated on the basis of the NV of the shares of the incorporating Banks, according to the following:

Incorporated bank	Incorporating bank	VN incorporated bank	VN	No. of shares before merger	No. of shares after merger
BCC Valdichiana	Banca TEMA	25.00	25.00	1,240,000 (reserve = 0 euro)	1,240,000 (reserve = 0 euro)
BCC Massafra	Banca di Bari e Taranto	50.00	32.81	13,000 (reserve = 0 euro)	19,811 (reserve = 2.18 euro)
Vival Banca	Banca Centro	25.80	25.00	620,155 (reserve = 0 euro)	639,999 (reserve = 24 euro)

REPURCHASE OF ART. 150-TER SHARES

On November 7, 2025, the extinguished repurchase and subsequent cancellation of shares pursuant to art. 150-ter of the Consolidated Banking Act were carried out by:

- Banca Terre Etrusche di Valdichiana e di Maremma, in the amount of €3,000,000, on a residual value of the capital support intervention of €31 million, carried out on May 26 2021 in favor of the former Banca Valdichiana (merged into Banca Terre Etrusche di Valdichiana e di Maremma on July 26, 2021);
- Banca Centro, in the amount of €3,000,000, on a total value of the capital support intervention of €16 million, carried out on September 29, 2021 in favor of former Vival Banca (merged into Banca Centro on December 12, 2022);
- Banca Centropadana, in the amount of €3,000,000, on a total value of the capital support intervention of about €23.1 million, carried out in several tranches since June 23, 2021.¹⁵¹

Bank	Nominal amount	2023 repayment	2024 repayment	2025 repayment	Residual amount after repayments
Banca TEMA (ex Banca Valdichiana)	35,000,000	2,000,000	2,000,000	3,000,000	28,000,000
Banca di Bari e Taranto (ex BCC di Massafra)	1,300,000	0	649,999	0	650,001
Banca Centropadana	23,099,966	0	0	3,000,000	20,099,966
Banca Centro (ex VivalBanca)	15,999,999	0	0	3,000,000	12,999,999
Banca di Pescia e Cascina	9,999,997	-	-	0	9,999,997
Banca di Pisa e Fornacette ¹⁵²	39,999,995	0	0	0	39,999,995

VALUATION OF INTERVENTION INSTRUMENTS

Based on the “mark to model” valuations, the tables below show prices at December 31, 2025 in accordance with the Parent Company's fair value policy:

- “Subordinated Bonds– T2”:

ISIN	Issue	“mark to model” prices
IT0005397010	Banca Centro (ex VivalBanca)	100.62579
IT0005395634	Banca Centropadana	100.03073
IT0005395626	Banca Centropadana	100.03073

- Additional Tier1 - AT1 instrument:

ISIN	Issue	“mark to model” prices
IT0005519043	Banca Centro (ex VivalBanca)	101.31747

With regard to the valuation of the financing shares, no changes occurred during 2025.

In December 2024, a writedown was recognized in interest held in BCC di Pisa e Fornacette, in the amount of €2,310,000 in order to adjust the carrying amount to the presumed realizable/recovery value following the approval of the Voluntary Liquidation Plan of the residual part of Banca di Pisa e Fornacette Credito Cooperativo resulting from the partial non-proportional demerger of the same in favor of Banco Fiorentino – Mugello Impruneta Signa - Credito Cooperativo and Banca di Pescia e Cascina Credito Cooperativo.¹⁵³

¹⁵¹ The interventions, through the issue of financing shares, were carried out on June 23, 2021, in the amount of €13.2 million, April 27, 2022 in the amount of €7 million, May 16, 2023 (€2.5 million) and June 17, 2024 (€0.4 million). Banca Centropadana has decided to consider the reimbursement process for shareholders excluded or withdrawn having lost the territorial requirement to be substantially completed and will therefore not request further tranches of capital support.

¹⁵² Investment subject to devaluation, see paragraph “3.3. Valuation of intervention instruments”.

¹⁵³ The partial, non-proportional demerger of BCC di Pisa e Fornacette into two pools in favor of Banco Fiorentino and Banca di Pescia e Cascina was carried out in February 2025. The voluntary liquidation for the (residual part of) Banca di Pisa e Fornacette Credito Cooperativo began on June 30, 2025, pursuant to Article 96-quinquies of Legislative Decree 385/1993 (Consolidated Banking Act) (authorized by the Bank of Italy on June 9, 2025). The ECB notified the expiration of the banking authorization on November 12, 2025.

INVESTMENT OF THE EX ANTE QUOTA OF THE RAFS

Pursuant to Article 5 of the Loan Agreement, the Parent Company invests the Ex Ante funds in liquid and enforceable assets, in accordance with the prescriptions, limits and requirements set out in the Investment Policy for the Ex Ante Quota of the readily available funds.¹⁵⁴

Bearing in mind the purpose of the Guarantee Scheme, i.e. the prompt implementation of guarantee interventions in order to safeguard the solvency and liquidity of the participating banks, the primary objective in managing the financial resources of the Scheme lies in the conservation of invested capital. Accordingly, eligible investments include euro-area government securities, supranational securities, covered bonds, ABS and deposits with the Eurosystem and financial derivatives for hedging purposes only, connected with the exercise of the fair value option, and more generally debt instruments having a yield to maturity at the time of purchase not lower than the interest rate on overnight deposits set by the European Central Bank.

The following table shows the details of the investments at December 31, 2025:

Country	31/12/2025	31/12/2024
Austria	39,522,804	18,210,775
Belgium	35,431,198	93,307,766
France	34,177,504	-
Germany	29,596,158	25,143,106
Italy	94,163,111	93,425,764
Spain	89,451,554	93,559,280
European Union	9,718,110	-
Liquidity	8,074,284	7,501,561
Total	340,134,723	331,148,253

VALUE OF THE TRANSACTION

Pursuant to Article 3 of the Loan Agreement, the Loan is intended exclusively for the implementation of the transaction¹⁵⁵ which has the purpose of establishing and managing the Ex Ante Quota of the Readily Available Funds in order to implement guarantee interventions to safeguard the solvency and liquidity of the affiliated banks.

On a quarterly basis, the Parent Company determines the fair value of the transaction as a result of the overall performance of the resources invested and deployed and periodically notifies the individual mutual banks of the value of their contribution to the specific transaction, equal to the pro-rated share of the total.

	31/12/2025	31/12/2024
Investment of Ex Ante Quota	332,060,439	331,148,253
Subordinated instruments subscribed as part of interventions:	23,074,150	23,018,905
- Centropadana	15,023,153	14,987,042
- Centro (former VivalBanca)	8,050,997	8,031,863
Article 150-ter shares subscribed in interventions:	109,439,937	108,439,940
- Tema (former BCC Valdichiana)	28,000,000	31,000,000
- Centropadana	20,099,966	23,099,966
- BCC di Pisa e Fornacette	37,690,000	37,690,000
- Centro (former VivalBanca)	12,999,975	15,999,975
- Banca di Bari e Taranto (former BCC di Massafra)	649,999	649,999
- Banca di Pescia e Cascina	9,999,997	-
Non-controlling interests	13,559,248	13,559,248
- Sigest srl	13,559,248	13,559,248
Irredeemable ATI instruments subscribed as part of interventions:	3,039,524	2,951,128
- Centro (former VivalBanca)	3,039,524	2,951,128
Other assets	185	178
Total	481,173,483	479,117,652

Pursuant to Article 4.1 of the Loan Agreement, the revenues of the transaction consist of the investment yields¹⁵⁶

¹⁵⁴ The Investment Policy for the Ex Ante Quota of the readily available funds is part of the documentation of the Guarantee Scheme, approved by the Board of Directors of the Parent Company on February 28, 2019. The Investment Policy was subsequently amended by the Board of Directors of on June 24, 2021.

¹⁵⁵ See Article 4.1 of the Loan Agreement "Description of the transaction".

¹⁵⁶ See Article 5 of the Loan Agreement.

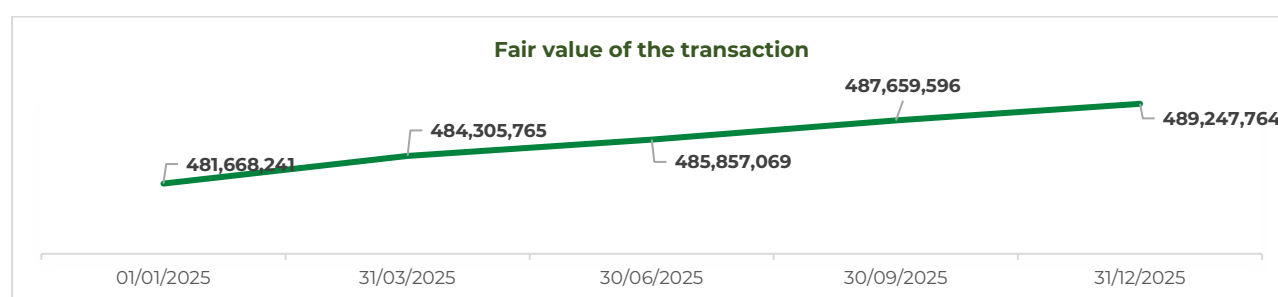
and the returns deriving from the implementation of the interventions. Costs are made up of management costs and possible losses deriving from the transaction and investments.

Pursuant to Article 12 of the Loan Agreement, the Parent Company pays the affiliated banks remuneration related to developments in the transaction and investment activities on the basis of the adjustments to the fair value of the loan and the accounting effects of the interventions undertaken by the Parent Company.

The following table provides a breakdown of the fair value notified periodically in 2025 and the associated changes with respect to the fair value of the transaction at January 1, 2025:

Reference date	Fair value	Change in fair value since Jan. 2025 ¹⁵⁷
01/01/25	481,668,241	-
31/03/25	484,305,765	2,637,524
30/06/25	485,857,069	4,188,828
30/09/25	487,659,596	5,991,355
31/12/25	489,247,764	7,579,523

Developments in the value of the transaction are indicated below:



The quarterly change in the fair value of the transaction was attributed on a pro-rated basis to each affiliated bank and the Parent Company on the basis of their participation in the Ex Ante quota of the Guarantee Scheme in accordance with the model used by the Parent Company for managing the separate accounts of the loan.¹⁵⁸

The following table shows all the components that determined the change in the overall fair value of the investments at December 31, 2025.

	31/12/2025
Interest and similar income	5,022,636
Interest and similar expense	-
Net interest income	5,022,636
Fee and commission income	-
Fee and commission expense	(22,473)
Net fee and commission income (expense)	(22,473)
Net gain (loss) on financial assets and liabilities measured at fair value	3,101,072
Gross income	8,101,235
Income tax expense from continuing operations	(521,712)
Overall performance of the GS	7,579,523

See the following section for a breakdown of the individual items.

¹⁵⁷ With a reference date of 31/03/25 the notice was transmitted to the affiliated banks on April 10, 2025 with Guidance and Coordination Notice Prot. ICR-OUT-000289-2025-DIR-I&C "Periodic notice on operation of the Cross-Guarantee Scheme (GS) - reference date 31/03/2025".
 With a reference date of 30/06/25 the notice was transmitted to the affiliated banks on July 10, 2025 with Guidance and Coordination Notice Prot. ICR-OUT-000831-2025-DG "Periodic notice on operation of the Cross-Guarantee Scheme (GS) - reference date 30/06/2025".
 With a reference date of 30/09/25 the notice was transmitted to the affiliated banks on October 10, 2025 with Guidance and Coordination Notice Prot. ICR-OUT-000917-2025-DG "Periodic notice on operation of the Cross-Guarantee Scheme (GS) - reference date 30/09/2025".
 With a reference date of 31/12/25 the notice was transmitted to the affiliated banks on January 14, 2026 with Guidance and Coordination Notice Prot. ICR-OUT-000008-2026-DG "Periodic notice on operation of the Cross-Guarantee Scheme (GS) - reference date 31/12/25".

¹⁵⁸ The model provides for all financial components that affect the financial statements of Iccrea Banca in relation to the management of the funds relating to the transaction, whether generated by valuation or income and charges connected with the management of the funds, to be offset in profit or loss by an item of the opposite sign in order to attribute to the providers of the financing with the net result of the overall management of the funds during the period in question.

ACCOUNTS OF THE LOAN FOR A SPECIFIC TRANSACTION

The rules governing the loan for a specific transaction require the adoption of dedicated/separate accounts that ensure the segregation and the separation of income and all other amounts generated by the investment of the liquidity of the loan from the resources of the Parent Company and the companies of the Group.

The model used by the Parent Company to manage the separate accounts of the loan provides for all financial components that affect the financial statements of Iccrea Banca in relation to the management of the funds relating to the transaction, whether generated by valuation or income and charges connected to the management of the funds to be offset in profit or loss by an item of the opposite sign in order to provide the providers of the financing with the net proceeds of the overall management of the funds during the period in question.

Balance sheet – Assets

Assets	31/12/2025	31/12/2024
10. Cash and cash equivalents	8,074,284	7,501,561
20. Financial assets measured at fair value through profit or loss	358,174,114	349,616,725
<i>b) financial assets designated as at fair value</i>	355,134,590	346,665,596
<i>c) other financial assets mandatorily measured at FV</i>	3,039,524	2,951,128
70. Equity investments	122,999,181	121,999,183
120. Other	185	178
Total assets	489,247,764	479,117,648

Cash and cash equivalents

The amounts regard resources not invested in securities and held on the account of the Guarantee Scheme at the Bank of Italy (€6,336,754) and (€1,737,530).

Financial assets measured at fair value through profit or loss

Assets measured at fair value regard financial instruments subscribed by the Parent Company in accordance with the Investment Policy for the Ex Ante Quota of the readily available funds, subordinated bonds (T2 instruments) and irredeemable AT1 instruments subscribed as part of capital interventions. The following table provides a breakdown of the financial instruments subscribed:

Country	31/12/2025	31/12/2024
Austria	39,522,804	18,210,775
Belgium	35,431,198	93,307,766
France	34,177,504	-
Germany	29,596,158	25,143,106
Italy	94,163,111	93,425,764
Spain	89,451,554	93,559,280
European Union	9,718,110	-
Subordinated bonds subscribed as part of the interventions:	23,074,150	23,018,905
- <i>Banca Centropadana</i>	15,023,153	14,987,042
- <i>Banca Centro (ex VivalBanca)</i>	8,050,997	8,031,863
Irredeemable AT1 instrument:	3,039,524	2,951,128
- <i>Banca Centro (ex VivalBanca)</i>	3,039,524	2,951,126
Total	358,174,114	349,616,724

Equity investments

The amount regards Article 150-ter shares subscribed by the Parent Company for capital support interventions and the non-controlling interest (49% of share capital) subscribed in the real estate company Sigest srl:

Equity investment	31/12/2025	31/12/2024
Banca Tema (ex BCC Valdichiana)	28,000,000	31,000,000
Banca Centropadana	20,099,966	23,099,966
BCC di Pisa e Fornacette	37,690,000	37,690,000
Banca Centro (ex VivalBanca)	12,999,975	15,999,975
Banca di Bari e Taranto (ex BCC di Massafra)	649,999	649,999
Sigest srl	13,559,248	13,559,248
Banca di Pescia e Cascina	9,999,997	-
Total	122,999,181	121,999,188

Compared with 2024, equity investments increased by about €1 million, reflecting the following transactions:

- intervention in favor of Banca di Pescia e Cascina by subscription of shares pursuant to Article 150-ter of the Consolidated Banking Act for €9,999,997;
- partial repurchase by Banca Terre Etrusche di Valdichiana e di Maremma of €3,000,000 of shares pursuant to Art. 150-ter of the Consolidated Banking Act, of the remaining €31 million issued on May 26, 2021, by former Banca Valdichiana (merged into Banca Terre Etrusche di Valdichiana e di Maremma on July 26, 2021);
- partial repurchase by Banca Centro of €3,000,000 of shares pursuant to Art. 150-ter of the Consolidated Banking Act of the total €16 million issued on September 29, 2021, in favor of former Vival Banca (merged into Banca Centro on December 12, 2022);
- partial repurchase by Banca Centropadana of €3,000,000 of shares pursuant to Art. 150-ter of the Consolidated Banking Act of the total 23.1 million issued in several tranches from June 23, 2021.

Other assets

The item includes the interest paid with value date of December 31, 2025 but that will be recognized under “cash and cash equivalents” (item 10) after the close of the year.

Balance sheet – liabilities

Liabilities	31/12/2025	31/12/2024
30. Financial liabilities designated as at fair value	393,266,309	385,074,578
80. Other liabilities	95,981,455	94,043,069
Total liabilities	489,247,764	479,117,648

Financial liabilities designated as at fair value

The item includes the Ex Ante Quota of the affiliated banks (€282.04 million), adjusted to account for the performance of the dedicated loan at December 31, 2025, and the fair value of the indirect financing (totaling €111.22 million) in i) irredeemable instruments (AT1) issued by Banca Centro (ex VivalBanca), ii) subordinated debt securities issued by Banca Centropadana and Banca Centro (ex VivalBanca) and iii) equity instruments issued by Banca Tema (ex BCC Valdichiana), Banca Centropadana, BCC di Pisa e Fornacette, Banca Centro (ex VivalBanca), Banca di Taranto e Bari (ex BCC Massafra) and Sigest Srl, iv) equity instruments issued by Banca di Pescia e Cascina v) repayment of Art. 150-ter shares by Banca Tema, Banca Centro and Banca Centropadana, v) value adjustment of interest in BCC di Pisa e Fornacette.

Other liabilities

The item includes the Ex Ante Quota of the Parent Company (€71.67 million), adjusted to account for the performance of the dedicated loan at December 31, 2025, and the fair value of the indirect financing (totaling €24.31

million) in i) irredeemable instruments (AT1) issued by Banca Centro (ex VivalBanca), ii) subordinated debt securities issued by Banca Centropadana and Banca Centro (ex VivalBanca) and iii) equity instruments issued by Banca Tema (ex BCC Valdichiana), Banca Centropadana, BCC di Pisa e Fornacette, Banca Centro (ex VivalBanca), Banca di Taranto e Bari (ex BCC Massafra) and Sigest Srl, iv) equity instruments issued by Banca di Pescia e Cascina v) repayment of Art. 150-ter shares by Banca Tema, Banca Centro and Banca Centropadana, v) value adjustment of interest in BCC di Pisa e Fornacette.

Income statement

	31/12/2025	31/12/2024
10. Interest and similar income	5,022,636	9,756,971
20. Interest and similar expense	-	-
30. Net interest income	5,022,636	9,756,971
40. Fee and commission income	-	-
50. Fee and commission expense	(22,473)	(26,325)
60. Net fee and commission income	(22,473)	(26,325)
110. Net gain (loss) on other financial assets and liabilities measured at fair value through profit or loss	3,101,072	3,548,193
110.a financial assets and liabilities designated as at fair value	3,012,676	3,153,260
of which gain/loss on debt securities	(282,946)	1,917,493
of which minus/plus on debt securities	3,295,622	1,235,767
110.b other financial assets and liabilities mandatorily measured at fair value	88,396	394,934
of which gain/loss on debt securities	-	-
of which minus/plus on debt securities	88,396	394,934
160. Administrative expenses	-	(5,284)
220. Profit (loss) of equity investments	-	(2,310,000)
270. Income tax expense from continuing operations	(521,712)	-
Performance of SDG	7,579,523	10,963,555
110. Net gain (loss) on other financial assets and liabilities measured at fair value through profit or loss - of which: portion allocated to affiliated banks	(5,938,935)	(8,699,255)
200. Other operating expenses/income – of which Ex Ante Quota pertaining to Parent Company	(1,640,588)	(2,264,300)
300. Profit/(loss)for the period	-	-

The model provides that all the income components affecting the Iccrea Banca financial statements in relation to the management of the funds connected with the transaction, whether they derive from valuation or from income and charges connected with the management of the funds, be offset through the recognition of an item of the opposite sign that allocates to the lenders the performance achieved on managing the loan funds during the relevant period. This is the reason the profit/loss for the period is zero.

Interest and similar income

Interest income includes interest accrued on financial instruments held.¹⁵⁹

Fee and commission expense

The item includes custody fees and expenses paid to Euroclear Bank SA (€24,111) and account fees paid to the Bank of Italy (€2,213).

¹⁵⁹ Banca Centro did not pay the entire amount of the 2025 coupon because it exercised the right to "cancel, in whole or in part, the payment of the coupon", pursuant to art. 12 of the Regulation of the irredeemable AT1 security with ISIN "IT0005519043", due to the presence of "losses carried forward" and the absence of "distributable profits" in the 2024 Financial Statements.

Net gain (loss) on other financial assets and liabilities measured at fair value through profit or loss

The item includes the increase in the fair value of the financial instruments subscribed in accordance with the Investment Policy for the Ex Ante Quotas of the readily available funds, less the quota for the period reattributed to the affiliated banks on a pro-rated basis in accordance with the accounting model established for the dedicated loan.

110.	Net gain (loss) on financial assets and liabilities measured at fair value through profit or loss	(2,837,863)
	– of which Net gain (loss) of financial assets and liabilities designated as at fair value	3,101,072
	– of which Change in value of financial liabilities designated as at fair value	(5,938,935)

Income tax expense from continuing operations

The item includes the administrative charges related to the value adjustment of the investment pursuant to Article 105-ter of the Consolidated Banking Act held in BCC di Pisa e Fornacette – recognized in the last quarter of 2024 – net of the share pertaining to Iccrea Banca already paid in 2024.

Other operating expenses

This item includes the changes in the value of the Ex Ante Quota pertaining to the Parent Company associated with the result of the management of the dedicated loan at December 31, 2025.

APPLICATION OF THE COMPENSATION MECHANISM FOR 2025

In accordance with the provisions of Article 7 letter h of the Cohesion Contract, the contributions paid by the participating banks to the Guarantee System are remunerated. More specifically, participating banks that generate a larger guarantee requirement than that attributed pay a premium to participating banks that generate a smaller guarantee requirement than that attributed to them. The model for applying the compensation mechanism is defined in Annex A to the Guarantee Scheme Policy. For 2025, the compensation premiums were nil, since both the amounts of the Ex Ante Quota and the Ex Post Quota allocated corresponded to the minimum envisaged under the Cohesion Contract.

APPLICATION OF THE COMPENSATION MECHANISM FOR QRPC AND QP2G FOR 2025

The compensation mechanism for QRPC and QP2G determines the premium that the participating banks will collect if the quota assigned is greater than the quota due and, vice-versa, the premium the participating banks must pay if the quota assigned is lower than the quota due.

In this respect:

- with regard to QRPC, the compensation premiums for 2025 were nil since all participating banks contributed an amount equal to the amount due;
- with regard to QP2G, only two mutual banks contributed a quota lower than that assigned to them; the remuneration rate was 3.17%, the daily average of the Italia 5y government bond in the period between January 1, 2024 – December 31, 2024 (ticker Bloomberg GBTPGR5). The application of the compensation mechanism generated a financial expense for the two banks totaling €67.1 thousand.

The amounts were settled through the Parent Company on December 31, 2025 by debiting and crediting the settlement accounts of each bank.

ANNUAL ADJUSTMENT OF THE RAFS FOR 2026

The stress test conducted for 2025-2027 found the following allotment of the RAFs for 2026 at Group level:

- aggregate Ex Ante Quota: €339.1 million (compared with €333.7 million for 2025);
- aggregate Ex Post Quota: €339.1 million (compared with €333.7 million for 2025).

The resulting guarantee obligations for each participating bank were transmitted to the banks with the Guidance

and Coordination Directive “RAS di indirizzo GBCI 2026-2028, aggiornamento Soglie Standard EWS 2026, esiti finali dello Stress Test SDG condotto per l'aggiornamento dei Fondi Prontamente Disponibili a valere per il 2026, ripartizione degli Obblighi di Garanzia e conseguente definizione delle Soglie Patrimoniali EWS 2026, definizione delle soglie del Profilo di Liquidità EWS 2026”.¹⁶⁰

Based on the quantification of the guarantee obligations, each bank will be notified, with a specific directive, of the amount by which it must increase or decrease its Ex Ante and Ex Post Quota for 2026.

With regard to the Ex Ante Quota, the amount required from the participants decreased by €1,069,249. The settlement of the Ex Ante Quotas will involve the debiting/crediting - through the Parent Company – of the daily settlement accounts of each affiliated bank with a value date of January 1, 2026. The adjustment of the Ex Ante Quota for 2025 will update the resources available for the implementation of the transaction referred to in Article 3 of the Loan Agreement.

With regard to the Ex Post Quota, the participants will be required to adjust the agreed credit line with the Parent Company and the securities pledged to guarantee the liquidity lines granted in the same amount by the Parent Company to the participating banks. Overall, the agreed credit line increases by €5,366,633.

¹⁶⁰ >See Prot. ICR-OUT-001180-2025-DIR-I&C of 07/11/24.

